2015

New York State and Local Retirement System

A pension trust fund of the State of New York

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended March 31, 2015

New York State Office of the State Comptroller | **Thomas P. DiNapoli**

New York State and Local Retirement System

Employees' Retirement System | Police and Fire Retirement System

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Employees' Retirement System

Police and Fire Retirement System

A PENSION TRUST FUND OF THE STATE OF NEW YORK

Prepared by the staff of the
New York State and Local Retirement System
110 State Street | Albany, NY 12244

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PROFESSIONAL AWARDS

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

New York State and Local Retirement System

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

March 31, 2014

Executive Director/CEO

PROFESSIONAL AWARDS

CONTINUED

Public Pension Coordinating Council

Public Pension Standards Award For Funding and Administration 2014

Presented to

New York State and Local Retirement System

In recognition of meeting professional standards for
plan funding and administration as
set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle
Program Administrator

LETTER OF TRANSMITTAL

Office of the New York State Comptroller
Thomas P. DiNapoli

New York State and Local Retirement System
Employees' Retirement System
Police and Fire Retirement System

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September 30, 2015

I am pleased to present the Comprehensive Annual Financial Report (CAFR) for the New York State and Local Retirement System (the System or NYSLRS) for the fiscal year ended March 31, 2015. Responsibility for the accuracy of the data, and the completeness and fairness of the report, including all disclosures, rests with the System. All disclosures necessary and required to enable the public and the financial community to gain an understanding of the System's financial activities have been included.

We believe the enclosed financial statements and data are fairly presented in all material respects and are reported in a manner designed to present the financial position and results of the System's operations accurately. This report is intended to provide complete and reliable information as a basis for making management decisions, adhering to and complying with legal requirements, and ensuring responsible stewardship of the System's assets.

The CAFR is presented in five sections: introduction, financial, investment, actuarial and statistical. The introduction includes this transmittal letter, a listing of the Comptroller's advisory committees, which include prominent individuals in financial services, business, government and labor who help ensure the successful operation of the System, an organization chart and an overview of the System's operations.

The financial section was prepared to conform with generally accepted accounting principles (GAAP) for governmental units, as set forth by the Governmental Accounting Standards

LETTER OF TRANSMITTAL

CONTINUED

Board (GASB), as well as the reporting requirements prescribed by the Government Finance Officers Association of the United States and Canada (GFOA). GAAP defines uniform minimum standards of, and guidelines for, financial accounting and reporting. These principles establish the framework within which financial transactions are recorded and reported, resulting in financial statements that provide comparability between government entities, consistency between accounting periods, and reliability for both internal and external users of financial statements.

The System's transactions are reported on the accrual basis of accounting. Sufficient internal accounting controls exist to provide reasonable assurance regarding the safekeeping of assets and the fair presentation of the financial statements and supporting schedules.

The financial section features a Management's Discussion and Analysis (MD&A). GASB requires that the System provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of an MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the financial section immediately following the report of the independent auditors.

The investment section provides an overview of the System's investment program and other portfolio information. The actuarial section details the System's funding status and presents other information related to risks, uncertainties and long-term trends. Lastly, the statistical section includes financial and demographic information, typically presented on a multiyear basis.

The System was awarded a Certificate of Achievement for Excellence in Financial Reporting from GFOA for its CAFR for the fiscal year ended March 31, 2014. The Certificate of Achievement is a prestigious national award recognizing excellence in the preparation of state and local government financial reports. GFOA awards these certificates to those governments whose comprehensive annual financial reports meet or exceed the Association's strict criteria. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report that conforms to program standards and that satisfies both generally accepted accounting principles and applicable legal requirements.

The System has received this respected award for each of the past 11 years. We believe that our current report continues to meet the Certificate of Achievement program requirements and are submitting it to the GFOA for consideration again this year.

The System comprises the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS). The assets of ERS and PFRS are held in the New York State Common Retirement Fund (the Fund) and managed by the Division of Pension Investment and Cash Management in the Office of the State Comptroller.

With more than one million participants, the System is one of the largest public retirement systems in the nation.

The System offers retirement benefits for members who reach specific ages or have completed a specified number of years of service, depending on the system and plan in which they are enrolled, as well as disability and death benefits. At the end of fiscal year 2014-15, there were a total of 1,073,486 members, retirees and beneficiaries, and 3,032 participating employers.

This letter highlights some of the System's operations for the 2014-15 fiscal year, in order to enable readers to obtain a reasonable understanding of the System's financial affairs, as well as its internal controls, for this period.

FUNDING

The Fund's assets come from three main sources: employee or member contributions, employer contributions and investment income. The System is committed to meeting its long-term benefit obligations prudently and fairly. Member contributions are fixed by law. Annual employer contributions are actuarially determined and actual employer contributions are the greater of a minimum contribution of 4.5 percent of member payroll, or the actuarially determined contributions.

The System announced last August that, for the second consecutive year, the 2015-16 employer contribution rates for ERS and PFRS would decline. The average employer contribution rates for the 2015-16 fiscal year, which began on April 1, 2015, are 18.2 percent of payroll in ERS and 24.7 percent of payroll in PFRS. These rates reflect reductions of about 9 percent and 11 percent, respectively, which again offers some relief to our participating employers.

The Governmental Accounting Standards Board (GASB) no longer requires the computation of the traditional funded ratio. The new GASB Statement No. 67 requires the disclosure of the ratio of the fiduciary net position to total pension liability. The initial values for this ratio are 97.9 percent in ERS and 99.0 percent in PFRS. In the years ahead, this ratio will be volatile.

Nevertheless, because we scrupulously adhere to our funding policy of collecting what we bill the employers, and we follow sound actuarial principles in the determination of our bills, we continue to be among the best-funded public pension plans in the nation.

A detailed discussion of the System's funding is provided in the actuarial section of this report.

INVESTMENTS

As a substantial shareholder in many of America's largest companies, the New York State Common Retirement Fund has been a leader in the effort to improve corporate political disclosure. We believe that greater transparency is needed when it comes to corporate political spending. Shareholders have a right to know how the companies in which they have invested are spending their money, especially when these actions are outside the scope of normal business activities or interests.

That is why, over the last fiscal year, I was especially proud of the shareholder agreements the Fund reached with Eastman Chemical, Marathon Oil, Valero Energy, Dean Foods and H&R Block to disclose their political spending publicly. To date, the Fund has filed resolutions with 52 portfolio companies asking that they disclose their corporate political spending, and has reached disclosure agreements with 26 of them.

The Fund will continue to shine a light on the use of corporate resources to influence the political process.

Our investment policies are designed to obtain optimal risk-adjusted returns. As a result of the strategic application of these policies, our long-term diversified approach to investing and our careful monitoring of market trends, we continue to see steady growth in our assets.

Our long–term target allocation for the investment portfolio is 27 percent in fixed income assets (bonds and Treasury Inflation-Protected Securities or "TIPS") and 73 percent in equity, including domestic and international public equities as well as real estate, real assets, absolute return strategies, mortgages, opportunistic funds and private equity investments. At the end of the 2014-15 fiscal year, the market value of invested assets of the Fund was $184.5 billion. Prior to the recession, in fiscal year 2006-07, the annual valuation of the Fund was $154.6 billion.

Since I became Comptroller eight years ago, the Fund has invested approximately $9 billion with minority- and women-owned business enterprises. Ours is also among the few state pension funds in the country that has a comprehensive emerging managers program designed to expand the diversity of the Fund's portfolio and enable the Fund to access fresh ideas and new talent. Ensuring equal opportunity in the investment arena helps the Fund continue to earn strong returns. With more than $1.2 billion in new commitments to the emerging managers program in the 2014-2015 fiscal year, our total commitment to this program exceeds $5 billion.

ACCOUNTING PRACTICES

My staff is responsible for identifying control objectives relating to the protection of assets and the proper recording of all transactions in order to permit the preparation of financial statements in accordance with GAAP. Since the objective of internal control is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements, we have designed, implemented and maintained adequate internal controls to provide reasonable assurance that our control objectives are achieved.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that the valuation of costs and benefits requires estimates and judgments by management. The internal control system includes the organization plan, the appropriate segregation of duties and responsibilities, the implementation of sound practices in the performance of duties, and the employment of personnel whose capabilities are commensurate with their responsibilities.

Financial information and internal controls are subject to examination by the New York State Department of Financial Services. Additionally, KPMG LLP, an independent certified public accountant, audits the System's financial statements. KPMG's opinion appears on page 31 of this report. Lastly, pursuant to the New York State Government Accountability, Audit and Internal Control Act, the System is subject to an audit of its internal controls every three years.

We believe the internal controls in effect during the fiscal year ended March 31, 2015 adequately safeguard the System's assets and provide reasonable assurance regarding the proper recording of financial transactions.

LETTER OF TRANSMITTAL

CONTINUED

ACTUARIAL ASSUMPTIONS

One of my most important responsibilities as administrator of NYSLRS is to ensure that sufficient assets are accumulated to pay retirement benefits when due. The annual actuarial valuation is essential to meeting this responsibility, as it determines the annual contributions required of employers. The valuation relies in part on assumptions, which are assessed annually and adjusted periodically to align more closely with actual experience.

In August 2014, the Actuary for NYSLRS recommended a change in our mortality assumptions based on the completion of a long-anticipated study and report from the Society of Actuaries. This recommendation was supported by a report from Buck Consultants, LLC, as part of the independent actuarial review which is performed every five years.

A mortality assumption is a critical element in assessing a system's liabilities. It includes a base assumption and a mortality improvement assumption. Any failure to include a reasonable mortality improvement assumption risks understating our liabilities and therefore underfunding the benefits we pay.

Through the 2008-09 fiscal year, NYSLRS used a level mortality improvement assumption that provided for a reasonable increase in liabilities. Then five years ago, we implemented mortality improvements based on gender and age, refining our assumptions.

We have once again transitioned to a new mortality improvement table — called MP-2014 — where improvements are based on gender, age and calendar year of birth. MP-2014 is not based on NYSLRS' historical experience, but rather on decades of national experience. I am proud to note that we are the first public retirement system in the country to adopt this table.

IRS LETTERS OF DETERMINATION

ERS and PFRS are qualified defined benefit retirement plans under Section 401(a) of the Internal Revenue Code and are exempt from federal income tax. To be eligible for exempt status, we must adhere to Internal Revenue Service (IRS) guidelines.

At the request of a retirement plan, the IRS will issue a determination letter that expresses an opinion as to the qualified status of the plan. I am pleased to report that, on August 28, 2014, the IRS once again issued favorable letters of determination for each of the two qualified defined benefit plans we offer.

The determination letters acknowledge that both ERS and PFRS are in compliance with the tax code and may therefore continue to be treated as qualified plans entitled to receive favorable tax treatment.

PROGRAMS AND INITIATIVES

The Retirement System is working to provide better tools for our employer partners, members and retirees. We are currently updating the technology used to administer the System's core functions by replacing a legacy system that has been in place since the mid-1980s. This multiyear effort will improve customer service and provide us with the functionality to meet the needs of our stakeholders in a secure, flexible and stable environment.

The System is also subject to two new accounting and financial reporting standards issued by the Governmental Accounting Standards Board (GASB). In June 2012, GASB issued Statements 67 and 68, which are intended to improve transparency of pension-related information in financial reporting. The System implemented Statement 67 in our financial statements for the fiscal year ended March 31, 2015. Our participating employers will implement Statement 68 depending on their fiscal year end; Statement 68 is effective for fiscal years beginning after June 15, 2014.

The new standards require pension systems to allocate the net pension liability (the total pension liability less the fiduciary net position) to all participating employers. As we worked toward implementation and realized the impact that the new standards would have on our participating employers, we implemented systems to ensure employers would have all the information necessary to comply with the new standards.

More information about the System redesign, as well as other key programs and initiatives, is highlighted in the Overview of the New York State & Local Retirement System on page 21, and the Overview of Investments on page 75.

LETTER OF TRANSMITTAL

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ACKNOWLEDGMENTS

I would like to thank the staff members in our Division of Retirement Services and our Division of Pension Investment and Cash Management, who are responsible for preparing this report. Their professionalism, dedication and long hours of assistance are greatly appreciated.

I also wish to thank the members of the Advisory Council for the Retirement System, the Investment Advisory Committee, the Real Estate Advisory Committee, the Actuarial Advisory Committee and the Audit Advisory Committee for their dedicated service and commitment to the System's members and pensioners. We are deeply indebted to them for their continued support and counsel.

I am confident you will find this report to be a complete and reliable accounting of the System.

Sincerely,

Thomas P. DiNapoli
State Comptroller

ADMINISTRATIVE ORGANIZATION

ADVISORY COMMITTEES

Advisory Council for the Retirement System

Honorable Peter J. Abbate, Jr.
Chairman
Assembly Governmental Employees Committee
New York State Assembly

Stephen J. Acquario
Executive Director
New York State Association of Counties

Peter A. Baynes
Executive Director
New York State Conference of Mayors

Jerry Boone
Commissioner and President
Civil Service Commission
New York State Department of Civil Service

Heather Briccetti
President & CEO
Business Council of New York State, Inc.

Mario Cilento
President
New York State AFL-CIO

Gerry Geist
Executive Director
Association of Towns of the State of New York

Honorable Martin J. Golden
Chair
Senate Civil Service and Pensions Committee
New York State Senate

Don Kelly
Director of Research
Civil Service Employees Association

Susan M. Kent
President
New York State Public Employees Federation

Timothy G. Kremer
Executive Director
New York State School Boards Association

Jim Lyman
Executive Director
Council 82, AFSCME

Bing Markee
Legislative Director
New York State Association of PBAs

Michael McManus
President
Professional Fire Fighters Association

Paul Moore
President
Retired Public Employees Association, Inc.

Andrew Pallotta
Executive Vice President
New York State United Teachers

Michael Powers
President
New York State Correctional Officers
& Police Benevolent Association

Raymond Santander
Assistant Director
AFSCME District Council 37

Richard Wells
President
Police Conference of New York, Inc.

Barbara Zaron
President
New York State Organization of
Management Confidential Employees

ADMINISTRATIVE ORGANIZATION

CONTINUED

Investment Advisory Committee

Amy Chen
Chief Investment Officer
Smithsonian Institution

William G. Clark
Chief Investment Officer
Federal Reserve Employee Benefits System

Timothy C. Collins
CEO & Senior Managing Director
Ripplewood Holdings, LLC

Hugh Johnson
Chairman & Chief Investment Officer
Hugh Johnson Advisors, LLC

Catherine A. Lynch, CFA
Chief Executive Officer & Chief Investment Officer
National Railroad Retirement Investment Trust

Valerie Mosley
Chair & CEO
Valmo Ventures

Douglas Phillips
Senior Vice President
Institutional Resources
University of Rochester

Raymond D. Potter
Managing Director, Head:
International Fixed Income & Emerging Markets Group
Hapoalim Securities USA, Inc.

Real Estate Advisory Committee

Alice M. Connell
Principal
AM Connell Associates, LLC

Louis M. Dubin
Executive Vice President
LMD Worldwide, Inc.

G. Gail Edwards
Chief Financial Officer
The Minto Group

Jo Ann Hanson
President
Avanti Real Estate Corporation

Glenn M. Johnson
Chief Investment Officer
Northland Investment Corporation

David H. Peirez, Esq.
Senior Partner
Reisman Peirez Reisman & Capobianco, LLP

Barry S. Seidel
Managing Partner
Seidel + Partners

Peter Tilles
Developer

ADMINISTRATIVE ORGANIZATION

CONTINUED

Actuarial Advisory Committee

Bruce W. Boyea
Chairman, President & Chief Executive Officer
Security Mutual Life Insurance of New York

Armand DePalo
(Retired)

Michael Heller
(Retired)

Teri E. Landin
(Retired)

Stanley Talbi
Executive Vice President
Metropolitan Life Insurance

Mark T. Koehne
Senior Vice President & Actuary
Mutual of America Life Insurance Company

Audit Advisory Committee

Eugene Farley
(Retired)

Jerry Boone
Commissioner and President
Civil Service Commission
New York State Department of Civil Service

Alan Lubin
(Retired)

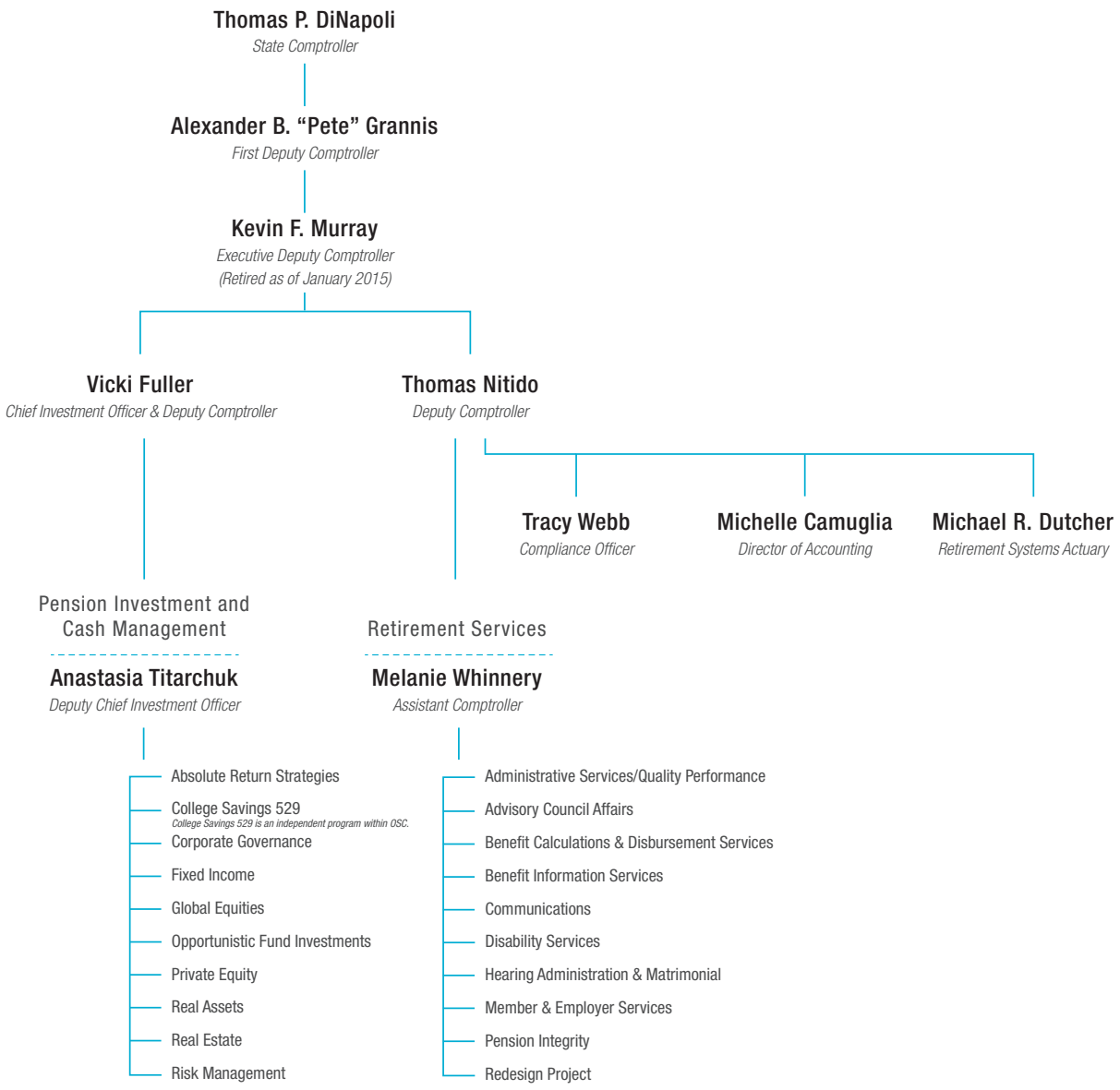
Paul Moore
President
Retired Public Employees Association, Inc.

Ruben Cardona
Partner
WithumSmith + Brown, PC

ADMINISTRATIVE ORGANIZATION

CONTINUED

NEW YORK STATE AND LOCAL RETIREMENT SYSTEM ORGANIZATION CHART



Notes:

Information regarding investment managers and consultants can be found in the Investment Section on pages 98, 101, 105 and 108–116. Information regarding consultants other than investment advisors can be found on page 70 in the Financial Section.

OVERVIEW OF THE NEW YORK STATE & LOCAL RETIREMENT SYSTEM

Report from Deputy Comptroller Thomas Nitido

At the New York State and Local Retirement System (NYSLRS), we are committed to providing a secure retirement for nearly 1.1 million members and pensioners. In achieving that mission, we strive to provide excellent service to our members, retirees and beneficiaries, strengthen our partnership with our participating employers, and ensure the integrity of our retirement system.

I am pleased to tell you about some of the issues we have confronted and the progress we have made this year.

OUR REDESIGNED FUTURE

NYSLRS is replacing the computer systems used to administer retirement benefits and perform our core business functions. These improvements will provide us with a reliable system that will carry us well into the future.

Introducing state-of-the-art technology to our operations will streamline the way we do our work and enhance service for our customers.

In early 2016, we'll introduce a secure self-service portal where users will be able to access and manage account information. This will simplify the way our employer partners submit data and perform routine transactions. Members and retirees who use our new portal will have access to information and tools that will make doing business with the Retirement System more efficient and much more convenient.

We are working to make our online portal a useful and secure resource. NYSLRS' new online services will feature industry standard security measures that will protect the personal information of our members.

IMPLEMENTING GASB STATEMENTS NO. 67 AND 68

New Governmental Accounting Standards Board (GASB) Statements No. 67 and No. 68 change how pension plan liabilities are accounted for and disclosed in the financial statements of both public pension plans and our participating employers. They are intended to increase the transparency, consistency and comparability of pension information across governments. The new standards do not affect or alter how public pensions are funded or how our employers' contribution rates are calculated.

We implemented Statement No. 67, *Financial Reporting for Pension Plans*, during this past fiscal year. This statement mandates new footnote and required supplementary information disclosures for public pension systems such as NYSLRS.

Statement No. 68, *Accounting and Financial Reporting for Pensions*, affects the financial statements of NYSLRS's employers. Implementation dates vary based on employers' fiscal years. The earliest any of our participating employers was required to implement this standard was June 30, 2015. We are developing an online application that will provide employers with all the information they need to comply with the new GASB standards.

OVERVIEW OF THE NEW YORK STATE & LOCAL RETIREMENT SYSTEM *CONTINUED*

Report from Deputy Comptroller Thomas Nitido

PAYING ANNUAL EMPLOYER INVOICES VIA ACH

Starting last November, we began offering our participating employers the option to pay their annual invoices through Automated Clearing House, or ACH. The advantage for employers is that ACH payments are less costly than sending wire transfers and more timely than mailing checks.

ACH is an electronic network in the United States that processes large volumes of credit and debit transactions. ACH transactions are processed in batches. Instead of money being available immediately, it can take two to three business days for payments to be processed.

Employers participating in the Retirement Internet Reporting (RIR) program are accustomed to using ACH to send us their employees' contributions, loan and arrears payments electronically. Now they have the convenience of paying their annual invoices with ACH as well.

CHANGING PROCESSES TO IMPROVE CUSTOMER SERVICE

Some of our retirees still receive their monthly pension payments by check, and they depend on receiving those payments promptly. Until recently, if a check was lost in the mail, the only option had been to issue a replacement check and mail it to the retiree's home address. Replacing a paper check with an electronic funds transfer (EFT) — more commonly referred to as direct deposit — would mean retirees would receive their payment much sooner. This considerable customer service improvement was accomplished in January 2015 through the collaborative efforts of our Benefit Calculations & Disbursement Services (BCDS) bureau and the Division of the Chief Information Officer, and has been well received by retirees.

Other changes in our operations have enabled us to improve service to new retirees and members planning to retire. We can now put new retirees on our pension payroll much sooner, which means direct deposit and regular deductions, like health insurance premiums, can start sooner. We have also reduced the time it takes to provide members with estimates of their retirement benefits.

REDUCING BACKLOGS

At the start of January 2014, the Matrimonial Unit of our Hearing Administration & Matrimonial Bureau had over 1,000 open cases awaiting review and processing. One year later, that backlog had been reduced to 524. Furthermore, the backlog for active member cases was reduced from nine months to only 30 days.

More than 300 matrimonial-related inquiries are answered each month through the unit's electronic mailbox.

OVERVIEW OF THE NEW YORK STATE & LOCAL RETIREMENT SYSTEM

CONTINUED

Report from Deputy Comptroller Thomas Nitido

DETECTING FRAUD AND ABUSE

We work hard to ensure that the benefits we pay are accurate, the data we base benefits on is complete, the correct recipients receive benefits and the recipients have legitimately earned those benefits.

In 2008, we established our Pension Integrity bureau to examine retirement data for accuracy and reliability. The Independent Contractor/Employee team reviews memberships to determine whether members are employees, or independent contractors or consultants. Independent contractors and consultants may not join NYSLRS or receive service credit for consultant or independent contractor services. The number of cases under review has been reduced to 7,369 — down from the nearly 30,000 cases originally opened in 2008.

The bureau also has a Compliance Audit team that audits retirement data to ensure it is reported and recorded correctly and a Quality Assurance team that analyzes unique cases or situations.

In addition, over the last year, our reviews of post-retirement employment uncovered more than $750,000 in benefit overpayments subject to recovery. Chapter 206 of the Laws of 2011, which Comptroller DiNapoli sponsored, allows NYSLRS staff members to compare our records with wage information reported by public employers to the New York State Department of Taxation and Finance. This enables us to identify retirees who are collecting both a service retirement benefit and a local government salary that exceeds the post-retirement earnings limit.

NEW SERVICE FOR OUR PFRS MEMBERS

Our Benefit Information Services bureau established a new unit last year specifically to assist New York State and Local Police and Fire Retirement System (PFRS) members. Laws governing PFRS benefits can be particularly complicated. The unit's specially trained staff members, supervisors and content experts are adept at understanding the nuances of the Retirement & Social Security Law, as well as the Comptroller's Rules & Regulations, to ensure that accurate and timely information is provided to these members and pensioners.

MILESTONE MOMENTS

With the launch of our Scanning and Imaging project in 2010, we began converting millions of paper documents to electronic files. Using electronic files and documents prevents information from degrading and provides greater security for the sensitive information contained in these files. During this fiscal year, the project reached an impressive milestone. More than 100 million images had been scanned into FileNet — the system we use to store and access these documents. Just two years ago, when the scanning of active members and pensioners' folders was completed, only 59 million images had been loaded into FileNet. Since then, we have been scanning folders of members who are not currently on the payroll and those for whom final payments have been made.

OVERVIEW OF THE NEW YORK STATE & LOCAL RETIREMENT SYSTEM *CONTINUED*

Report from Deputy Comptroller Thomas Nitido

THE FOLLOWING ARE NEW LAWS PASSED BY THE STATE LEGISLATURE AND SIGNED INTO LAW BY THE GOVERNOR:

Special Accidental Death Benefits

Chapter 104 of the Laws of 2014 extends the 3 percent cost-of-living adjustment for special accidental death benefits paid to widows, widowers or children of police officers and firefighters killed in the line of duty.

Partial Lump Sum Payments Permitted

Chapter 135 of the Laws of 2014 permits sheriffs, deputy sheriffs, undersheriffs and correction officers who are enrolled in a 20- or 25-year special plan to elect a partial lump sum payment (PLS) at retirement if their county elects to participate in the PLS program.

Suffolk County Parks Department Police Officers Can Transfer to Suffolk County Police

Chapter 368 of the Laws of 2014 authorizes the one-time transfer of police officers from the Suffolk County Parks Department to the Suffolk County Police Department.

Automatic Enrollment in Section 384-d

Chapter 468 of the Laws of 2014 provides automatic enrollment in the Section 384-d retirement plan for all new members of the New York State and Local Police and Fire Retirement System whose employer has elected this plan. Any member so enrolled may thereafter withdraw from such plan.

World Trade Center Notice Extended

Chapter 472 of the Laws of 2014 extends the deadline by which individuals must file a World Trade Center (WTC) Notice to September 11, 2015. Chapters 93 and 104 of the Laws of 2005 established a presumption making certain people eligible for an accidental disability retirement benefit if they participated in the World Trade Center rescue, recovery or clean-up efforts, and later contracted certain diseases or became disabled.

Three-Quarters Disability Benefits for Westchester Sheriffs and Correction Officers

Chapter 521 of the Laws of 2014 provides sheriffs, deputy sheriffs, undersheriffs and correction officers in Westchester County a 75 percent disability benefit for injuries sustained in the performance of their duties if they become permanently disabled as a result of the actions of a civilian visitor to a facility or institution under the jurisdiction of the County.

Accidental Disability Benefits Allowed for Nassau County Ambulance Personnel

Chapter 522 of the Laws of 2014 provides certain accidental disability retirement benefits for injuries sustained in the performance of duty as the result of an accident to Nassau County ambulance medical technicians.

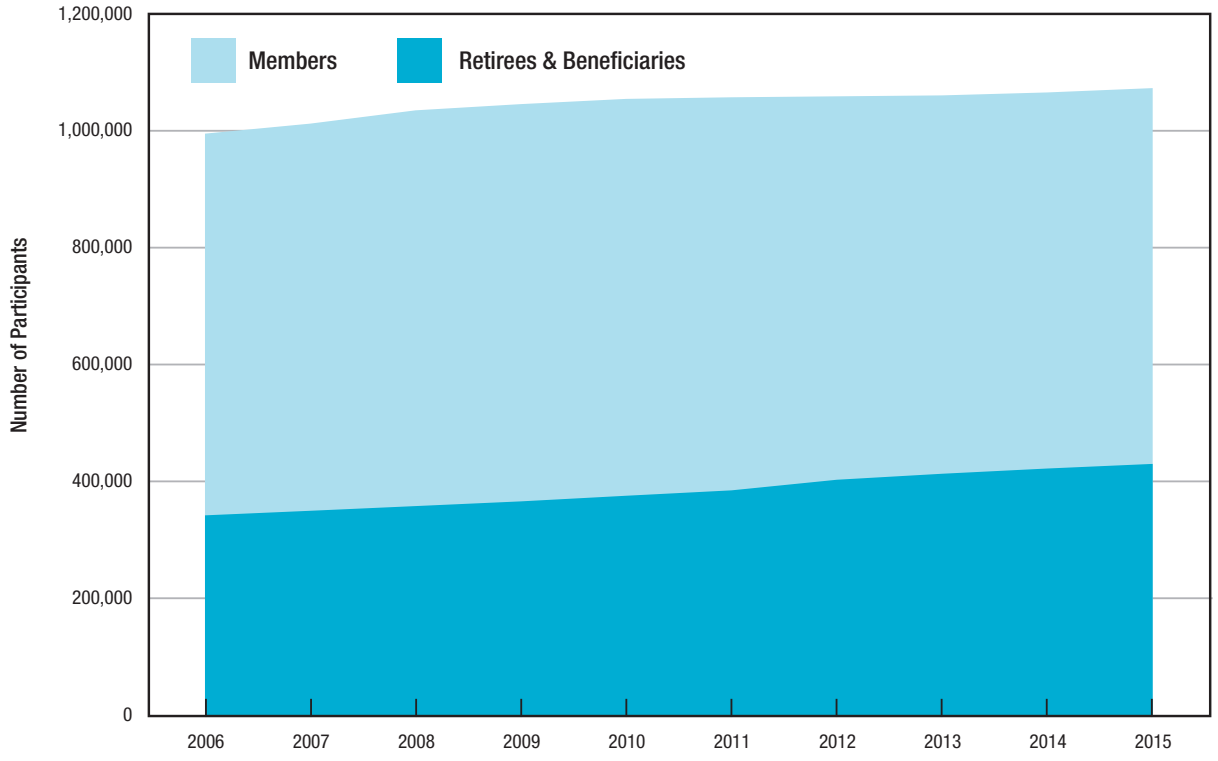
BY THE NUMBERS

MEMBERS AND RETIREES

Overall membership in the System is 1,073,486. This includes 643,178 members and 430,308 retirees and beneficiaries. The number of retirees is increasing more quickly than members. For example, in fiscal year (FY) 1995, retirees represented 30 percent of the System's members. By FY 2015, that number had increased to approximately 40 percent.

The value of the pension plan's fiduciary net position at the end of the fiscal year was $189.41 billion.

Benefit payments continue to rise, reflecting improvements in final average salaries over the past decades, cost-of-living adjustment (COLA) payments and benefit improvements enacted over the years. For example, in FY 1995, benefit payments exceeded $2.5 billion, while this year's payments totaled more than $10.4 billion.



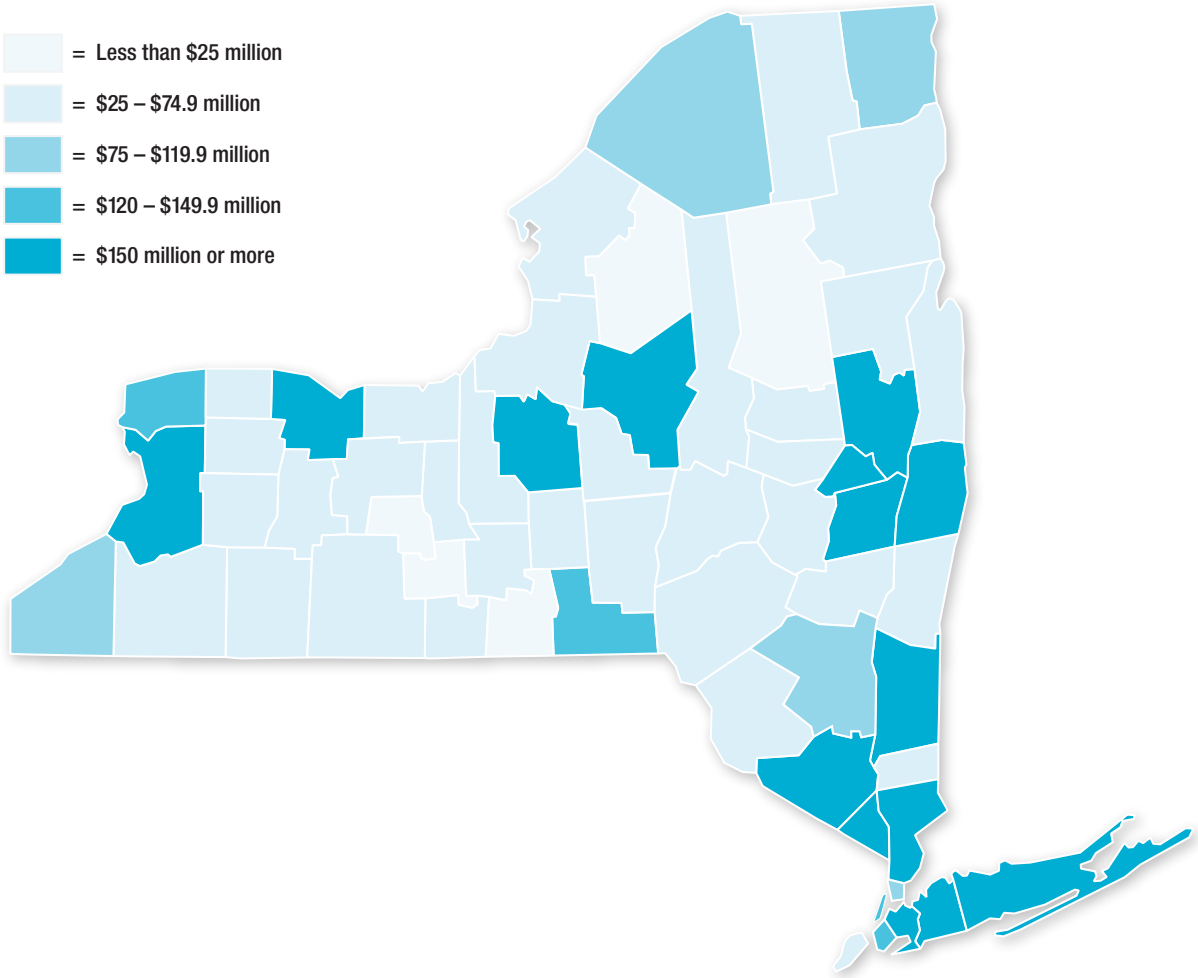
BY THE NUMBERS

CONTINUED

RETIREES IN NEW YORK STATE

Of the 430,308 retirees and beneficiaries in the System, 337,406 (78 percent) remain New York State residents. As such, benefit payments surpassing $8.2 billion this year alone reach the State's communities and businesses, representing the System's greatest impact on the State's economy.

Benefit Payments by County



ANNUAL BENEFIT PAYMENTS WITHIN NEW YORK STATE*

As of March 31, 2015.

County	Recipients	Annual Payments
Albany	17,549	$ 508,171,606
Allegany	1,560	27,290,207
Bronx	3,450	86,340,546
Broome	7,302	134,779,265
Cattaraugus	3,207	59,951,632
Cayuga	2,905	61,152,201
Chautauqua	4,424	81,929,931
Chemung	3,432	74,606,230
Chenango	1,959	33,430,599
Clinton	3,928	91,673,854
Columbia	2,852	66,578,300
Cortland	1,625	29,624,389
Delaware	1,762	32,711,049
Dutchess	9,083	236,378,733
Erie	28,342	667,587,766
Essex	1,831	36,094,628
Franklin	2,711	57,281,207
Fulton	2,035	38,116,086
Genesee	2,084	42,072,894
Greene	2,296	53,095,244
Hamilton	411	7,847,360
Herkimer	2,244	38,743,814
Jefferson	3,104	62,689,542
Kings	5,411	148,161,137
Lewis	1,055	16,781,294
Livingston	2,758	58,438,977
Madison	2,309	43,194,289
Monroe	15,490	320,184,991
Montgomery	2,206	46,172,721
Nassau	21,947	675,997,558
New York	4,316	131,302,124
Niagara	5,737	121,104,201

County	Recipients	Annual Payments
NY Military	8	$ 92,031
Oneida	9,300	201,966,887
Onondaga	12,751	266,421,524
Ontario	3,158	61,616,587
Orange	8,404	206,595,267
Orleans	1,460	27,655,460
Oswego	3,857	70,353,637
Otsego	2,071	35,688,747
Putnam	2,186	63,244,611
Queens	5,904	165,660,692
Rensselaer	8,323	225,975,167
Richmond	2,417	71,450,921
Rockland	6,508	181,746,934
Saratoga	9,529	253,919,874
Schenectady	7,722	204,578,546
Schoharie	1,447	30,675,097
Schuyler	778	15,067,975
Seneca	1,413	26,848,380
St. Lawrence	4,807	99,495,075
Steuben	3,095	58,687,842
Suffolk	32,555	959,391,333
Sullivan	2,730	61,899,567
Tioga	1,472	24,684,282
Tompkins	2,651	51,846,321
Ulster	5,484	119,999,189
Warren	2,711	57,701,367
Washington	2,532	53,508,596
Wayne	3,081	56,567,739
Westchester	15,048	434,307,274
Wyoming	1,917	40,604,594
Yates	762	13,414,414
Total	**337,406**	**$ 8,231,150,304**

*The objective of this chart is to show the relative amounts paid to annuitants in the various locations within New York State. The numbers do not match the figures in the basic financial statements because the financial statement figures represent the sum of all benefit payments (including death benefits) made during the fiscal year, in accordance with Generally Accepted Accounting Principles (GAAP). The above numbers represent the sum of the annual benefits payable to all annuitants actively collecting as of the end of the fiscal year. The latter numbers are easier to organize by county than the former.

BY THE NUMBERS

CONTINUED

ANNUAL BENEFIT PAYMENTS WITHIN THE UNITED STATES*

As of March 31, 2015.

State	Recipients	Annual Payments
Alabama	768	$ 12,457,294
Alaska	60	1,099,085
Arizona	2,703	52,801,046
Arkansas	151	1,976,809
California	2,266	37,079,088
Colorado	771	13,521,603
Connecticut	2,144	46,537,253
Delaware	648	14,920,573
Florida	35,014	743,806,960
Georgia	3,476	65,422,965
Guam	2	12,882
Hawaii	116	2,279,190
Idaho	84	1,553,696
Illinois	344	5,296,672
Indiana	272	3,923,239
Iowa	73	1,010,279
Kansas	110	1,351,894
Kentucky	326	4,856,691
Louisiana	182	2,818,720
Maine	568	10,736,542
Maryland	1,395	24,742,049
Massachusetts	1,545	28,827,212
Michigan	344	4,838,522
Minnesota	140	1,792,245
Mississippi	197	3,286,040
Missouri	243	3,404,625
Montana	112	2,031,605

State	Recipients	Annual Payments
Nebraska	56	666,733
Nevada	1,399	31,494,164
New Hampshire	588	12,863,589
New Jersey	7,171	237,087,356
New Mexico	441	7,901,636
New York	337,406	8,231,150,304
North Carolina	8,190	163,330,381
North Dakota	18	187,350
Ohio	732	10,812,289
Oklahoma	158	2,009,945
Oregon	284	4,609,639
Pennsylvania	4,300	89,591,281
Puerto Rico	491	6,992,306
Rhode Island	256	4,540,106
South Carolina	5,105	110,687,338
South Dakota	71	1,317,675
Tennessee	1,527	31,150,061
Texas	2,010	35,547,009
Utah	134	2,068,455
Vermont	582	11,220,635
Virginia	3,585	66,987,727
Washington	478	8,073,372
Washington, D.C.	114	2,292,011
West Virginia	210	3,693,645
Wisconsin	163	2,483,365
Wyoming	68	1,324,255
Total	**429,591**	**$ 10,172,467,407**

ANNUAL BENEFIT PAYMENTS OUTSIDE THE UNITED STATES*

As of March 31, 2015.

Total Recipients	Total Annual Payments
717	**$ 10,476,797**

*The objective of this chart is to show the relative amounts paid to annuitants within the United States and outside the United States. The numbers do not match the figures in the basic financial statements because the financial statement figures represent the sum of all benefit payments (including death benefits) made during the fiscal year, in accordance with Generally Accepted Accounting Principles (GAAP). The above numbers represent the sum of the annual benefits payable to all annuitants actively collecting as of the end of the fiscal year. The latter numbers are easier to organize by country and state than the former.

FINANCIAL

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INDEPENDENT AUDITORS' REPORT

KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report

The Trustee
New York State and Local Retirement System:

Report on the Financial Statements

We have audited the accompanying combining statement of fiduciary net position of the New York State and Local Retirement System (the System) as of March 31, 2015, the related combining statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the 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 entity's 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 financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly in all material respects, the fiduciary net position of the System as of March 31, 2015, and the changes in its fiduciary net position for the year then ended, in accordance with U.S. generally accepted accounting principles.

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

INDEPENDENT AUDITORS' REPORT

CONTINUED

Emphasis of Matter

As discussed in Note 2(g) to the financial statements, in 2015, the System adopted Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No.25.* Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis and required supplementary information as listed in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 financial statements, and other knowledge we obtained during our audit of the basic 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the System's basic financial statements. The accompanying additional supplementary information as listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introduction, investment, actuarial, and statistical sections of this report have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2015 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.

KPMG LLP

July 17, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The following overview of the financial activity of the New York State and Local Retirement System (the System) for the fiscal year ended March 31, 2015 is intended to provide the reader with an analysis of the System's overall financial position. The System is comprised of the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS). This management's discussion and analysis should be read in conjunction with the basic financial statements of the System, which follow.

FINANCIAL HIGHLIGHTS

The fiduciary net position of the System held in trust to pay pension benefits was $189.41 billion as of March 31, 2015. This amount reflects an increase of $8.14 billion from the prior fiscal year. This change is primarily the result of the net appreciation of the fair value of the investment portfolio. Investment appreciation for the fiscal years ended March 31, 2015 and 2014 is $9.28 billion and $17.43 billion, respectively.

- The System's investments reported a positive time-weighted rate of return of 7.16 percent for the fiscal year ended March 31, 2015 and a positive time-weighted rate of return of 13.02 percent for the fiscal year ended March 31, 2014.
- Retirement and death benefits paid during fiscal year 2015 to 430,308 annuitants totaled $10.44 billion, as compared to $9.90 billion to 422,405 annuitants for fiscal year 2014. The increase is primarily due to the number of new retirees.
- Contributions from employers decreased from $6.06 billion last year to $5.80 billion this year. The decrease in contributions is attributable to lower billing rates.
- The net pension liability (NPL) for ERS was $3.38 billion for the measurement period ended March 31, 2015 as compared to $4.52 billion for the measurement period ended March 31, 2014. The fiduciary net position, restricted for pension benefits as of March 31, 2015 was $161.21 billion and represents 97.9 percent of the calculated total pension liability for ERS. The NPL is allocated to participating employers and reported pursuant to Governmental Accounting Standards Board (GASB) Statements 67 and 68.
- The NPL for the PFRS was $275.26 million for the measurement period ended March 31, 2015 as compared to $416.31 million for the measurement period ended March 31, 2014. The fiduciary net position restricted for pension benefits as of March 31, 2015 was $28.20 billion and represents 99.0 percent of the calculated total pension liability for the PFRS. The NPL is allocated to participating employers and reported pursuant to GASB Statements 67 and 68.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements consist of the combining statement of fiduciary net position, combining statement of changes in fiduciary net position, and the notes to the financial statements. The required supplementary information that appears after the notes to the financial statements is not a required part of the financial statements, but is supplementary information required by the GASB. The additional supplementary information following the required supplementary information is not required, but management has chosen to include such information to increase transparency.

The combining statement of fiduciary net position reflects the resources available to pay members, retirees and beneficiaries at the close of the System's fiscal year. This statement also provides information about the fair value and composition of the System's net position.

The combining statement of changes in fiduciary net position presents the changes to the System's net position for the fiscal year, including net investment income, net appreciation or depreciation in fair value of the investment portfolio, and contributions from members and employers. Benefits and administrative expenses paid by the System are included under the deductions section of the statement.

The notes to the financial statements are an integral part of the basic financial statements and provide additional information about the plans of the System. The financial statement notes include Description of Plans, Summary of Significant Accounting Policies, System Reserves, Investments, Deposit and Investment Risk Disclosure, Derivatives, Securities Lending Program, Net Pension Liability of Participating Employers, Federal Income Tax Status, Commitments, and Contingencies.

The required supplementary schedules are based upon the System's adoption of GASB Statement 67 and include: Changes in the Employers' Net Pension Liability and Related Ratios, Schedule of the Employer Contributions, and Schedule of Investment Returns.

The additional supplementary information includes schedules of administrative expenses, investment expenses, and consulting fees.

ANALYSIS OF THE OVERALL FINANCIAL POSITION OF THE SYSTEM

The purpose of the System's investments is to provide for long-term growth, while also ensuring a reliable cash flow that meets the funding requirements of the near-term pension obligation. To achieve these goals, the investments are allocated to a variety of asset types and strategies in order to meet the current funding needs as well as future growth requirements of the pension liability. Equity-related investments are included for their long-term return and growth characteristics. While a majority of fixed income and debt-related investments are generally included in the allocation for their ability to control investment risk and provide for a reliable cash flow that meets the funding requirements of the pension payments, a portion is strategically invested in more actively traded markets. It is important to note that the change from year to year is due not only to changes in fair values, but also to purchases, sales, and redemptions. Tables 1, 2, and 3 summarize and compare financial data for the current and prior years.

Table 1

Summary schedule of fiduciary net position as of March 31, 2015, as compared to March 31, 2014:

	(Dollars in Thousands)			Percentage Change
	2015	2014	Dollar Change	
Assets:				
Investments	$ 184,502,044	$ 176,835,136	$ 7,666,908	4.3%
Securities lending collateral — invested	6,195,790	7,787,775	(1,591,985)	(20.4)
Receivables and other assets	7,184,596	6,011,311	1,173,285	19.5
Total assets	**197,882,430**	**190,634,222**	**7,248,208**	**3.8**
Liabilities:				
Securities lending obligations	6,206,381	7,801,205	(1,594,824)	(20.4)
Payables and other liabilities	2,263,633	1,557,668	705,965	45.3
Total liabilities	**8,470,014**	**9,358,873**	**(888,859)**	**(9.5)**
Net position, restricted for pension benefits	**$ 189,412,416**	**$ 181,275,349**	**$ 8,137,067**	**4.5%**

The fiduciary net position of the System totaled $189.41 billion as of March 31, 2015, an increase of $8.14 billion from the prior fiscal year.

Table 2

Schedule of invested assets as of March 31, 2015, as compared to March 31, 2014:

	(Dollars in Thousands)			Percentage Change
	2015	2014	Dollar Change	
Domestic equity	$ 67,219,661	$ 65,281,392	$ 1,938,269	3.0%
Global fixed income	47,652,210	40,737,743	6,914,467	17.0
International equity	27,073,871	27,910,342	(836,471)	(3.0)
Private equity	14,247,374	14,369,804	(122,430)	(0.9)
Real estate	12,123,440	12,529,309	(405,869)	(3.2)
Absolute return strategy investments	8,388,806	7,406,113	982,693	13.3
Short-term investments	5,252,486	6,592,848	(1,340,362)	(20.3)
Opportunistic funds	1,292,161	480,851	811,310	168.7
Mortgage loans	852,955	853,906	(951)	(0.1)
Real assets	399,080	-	399,080	100.0
Exchange-traded fixed income funds	-	672,828	(672,828)	(100.0)
Total investments	**$ 184,502,044**	**$ 176,835,136**	**$ 7,666,908**	**4.3%**

The New York State Common Retirement Fund (the Fund) added real asset investments to the portfolio during 2015 and eliminated the allocation to the exchange-traded funds in the fixed income portfolio. The remaining largest percentage increases to the invested assets were in opportunistic funds, global fixed income and absolute return strategies, which represent 0.7 percent, 25.8 percent and 4.5 percent of the portfolio, respectively. The Fund added capital to new corporate issues and funded an external manager for a diversified global fixed income mandate. The Fund also continued to add capital to both the opportunistic portfolio and the absolute return strategy portfolio to fulfill the asset allocation. This strategy, in conjunction with positive market performance, enabled the Fund to capitalize on the dynamic opportunity set across global markets.

Table 3

Summary schedule of changes in fiduciary net position for the year ended March 31, 2015, as compared to the year ended March 31, 2014:

	(Dollars in Thousands)			Percentage Change
	2015	2014	Dollar Change	
Additions:				
Net investment income	$ 12,444,891	$ 20,598,593	$ (8,153,702)	(39.6)%
Total contributions	6,313,041	6,538,112	(225,071)	(3.4)
Total additions	**18,757,932**	**27,136,705**	**(8,378,773)**	**(30.9)**
Deductions:				
Total benefits paid	(10,513,714)	(9,977,526)	(536,188)	5.4
Administrative expenses	(107,151)	(105,662)	(1,489)	1.4
Total deductions	**(10,620,865)**	**(10,083,188)**	**(537,677)**	**5.3**
Net increase	**8,137,067**	**17,053,517**	**(8,916,450)**	**(52.3)**
Net position, restricted for pension benefits — beginning of year	**181,275,349**	**164,221,832**	**17,053,517**	**10.4**
Net position, restricted for pension benefits — end of year	**$ 189,412,416**	**$ 181,275,349**	**$ 8,137,067**	**4.5 %**

The change in net investment income is primarily attributable to the decrease in the net appreciation in fair value of investments from 2014 to 2015. This is reflected in the change in investment time-weighted rate of return, gross of investment expense, from 13.02 percent in 2014 to 7.16 percent in 2015. The decrease in total contributions is attributable to the change in employer billing rates.

ECONOMIC FACTORS AND RATES OF RETURN

The Fund posted positive investment performance for the fiscal year ended March 31, 2015, with a time-weighted rate of return of 7.16 percent, reflecting the overall positive performance in the world equity markets. In addition to the Fund's domestic equity portfolio, the alternative investment portfolio experienced strong performance, benefited by the private equity and real estate portfolios. The Fund benefited from continued growth in the U.S., but market volatility and concerns about increasing inflation and political uncertainty across the globe persist. This was the sixth consecutive year of positive performance for the Fund following the fiscal crisis of 2008.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the System's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244-0001. The report can also be accessed on the Comptroller's website at **www.osc.state.ny.us/pension/cafr.htm**.

BASIC FINANCIAL STATEMENTS

COMBINING STATEMENT OF FIDUCIARY NET POSITION

As of March 31, 2015.

	(Dollars in Thousands)		
	Employees' Retirement System	Police and Fire Retirement System	Total
Assets:			
Investments (notes 2(b), 4 and 5):			
Domestic equity	$ 57,099,900	$ 10,119,761	$ 67,219,661
Global fixed income	40,478,283	7,173,927	47,652,210
International equity	22,997,964	4,075,907	27,073,871
Private equity	12,102,466	2,144,908	14,247,374
Real estate	10,298,285	1,825,155	12,123,440
Absolute return strategy investments	7,125,891	1,262,915	8,388,806
Short-term investments	4,461,737	790,749	5,252,486
Opportunistic funds	1,097,629	194,532	1,292,161
Mortgage loans	724,545	128,410	852,955
Real assets	338,999	60,081	399,080
Total investments	**156,725,699**	**27,776,345**	**184,502,044**
Securities lending collateral — invested (note 7)	**5,263,028**	**932,762**	**6,195,790**
Forward foreign exchange contracts (note 6)	**634,361**	**112,427**	**746,788**
Receivables:			
Employers' contributions	3,699,666	444,043	4,143,709
Members' contributions	65	2	67
Member loans	1,101,178	2,583	1,103,761
Investment income	396,859	70,335	467,194
Investment sales	413,982	73,369	487,351
Other	46,406	49,072	95,478
Total receivables	**5,658,156**	**639,404**	**6,297,560**
Capital assets, at cost, net of accumulated depreciation	**119,134**	**21,114**	**140,248**
Total assets	**168,400,378**	**29,482,052**	**197,882,430**
Liabilities:			
Securities lending obligations (note 7)	5,272,025	934,356	6,206,381
Forward foreign exchange contracts (note 6)	638,895	113,231	752,126
Accounts payable — investments	904,098	160,232	1,064,330
Benefits payable	196,864	49,383	246,247
Other liabilities	175,237	25,693	200,930
Total liabilities	**7,187,119**	**1,282,895**	**8,470,014**
Net position, restricted for pension benefits	**$ 161,213,259**	**$ 28,199,157**	**$ 189,412,416**

See accompanying notes to financial statements.

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year Ended March 31, 2015.

	(Dollars in Thousands)		
	Employees' Retirement System	Police and Fire Retirement System	Total
Additions:			
Income from investing activities:			
Net appreciation in fair value of investments	$ 7,886,974	$ 1,388,361	$ 9,275,335
Interest income	1,231,053	216,704	1,447,757
Dividend income	1,351,365	237,883	1,589,248
Other income	582,928	102,613	685,541
Less investment expenses	(497,492)	(87,574)	(585,066)
Total income from investing activities	**10,554,828**	**1,857,987**	**12,412,815**
Income from securities lending activities:			
Securities lending income	12,129	2,135	14,264
Securities lending rebates	18,175	3,200	21,375
Less securities lending management fees	(3,030)	(533)	(3,563)
Total income from securities lending activities	**27,274**	**4,802**	**32,076**
Total net investment income	**10,582,102**	**1,862,789**	**12,444,891**
Contributions:			
Employers	4,893,110	904,339	5,797,449
Members	272,004	12,789	284,793
Interest on accounts receivable	121,163	14,243	135,406
Other	72,013	23,380	95,393
Total contributions	**5,358,290**	**954,751**	**6,313,041**
Total additions	**15,940,392**	**2,817,540**	**18,757,932**
Deductions:			
Benefits paid:			
Retirement benefits	(8,655,099)	(1,597,978)	(10,253,077)
Death benefits	(174,652)	(8,439)	(183,091)
Other, net	(77,388)	(158)	(77,546)
Total benefits paid	**(8,907,139)**	**(1,606,575)**	**(10,513,714)**
Administrative expenses	(93,357)	(13,794)	(107,151)
Total deductions	**(9,000,496)**	**(1,620,369)**	**(10,620,865)**
Net increase	**6,939,896**	**1,197,171**	**8,137,067**
Net position, restricted for pension benefits — beginning of year	**154,273,363**	**27,001,986**	**181,275,349**
Net position, restricted for pension benefits — end of year	**$ 161,213,259**	**$ 28,199,157**	**$ 189,412,416**

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS — YEAR ENDED MARCH 31, 2015

1. DESCRIPTION OF PLANS

The New York State Comptroller's Office administers the following plans: the New York State and Local Employees' Retirement System (ERS) and the New York State and Local Police and Fire Retirement System (PFRS), which are collectively referred to as the New York State and Local Retirement System (the System). The net position of the System is held in the New York State Common Retirement Fund (the Fund), which was established to hold all assets and record changes in fiduciary net position allocated to the System.

The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. The Comptroller is an elected official determined in a direct statewide election and serves a four-year term. Thomas P. DiNapoli has served as Comptroller since February 7, 2007. In November 2014, he was elected for a new term commencing January 1, 2015. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute. Generally, members of the System are employees of the State and its municipalities, other than New York City.

ERS and PFRS are cost-sharing, multiple-employer defined benefit pension plans. The System is included in the State's financial report as a pension trust fund. The Public Employees' Group Life Insurance Plan (GLIP) provides death benefits in the form of life insurance. In these statements, GLIP amounts are apportioned to and included in ERS and PFRS.

As of March 31, 2015, the number of participating employers for ERS and PFRS consisted of the following:

	ERS	PFRS
State	1	1
Counties	57	4
Cities	61	61
Towns	913	206
Villages	489	376
Other	787	34
School districts	698	-
Total	**3,006**	**682**

As of March 31, 2015, the System membership for ERS and PFRS consisted of the following:

	ERS	PFRS
Retirees and beneficiaries currently receiving benefits	396,781	33,527
Active members	491,558	31,372
Inactive members*	117,079	3,169
Total members and benefit recipients	**1,005,418**	**68,068**

* Includes vested members not currently receiving benefits and nonvested members.

(a) Membership Tiers

Pension legislation enacted in 1973, 1976, 1983, 2009 and 2012 established distinct classes of membership. For convenience, the System uses a tier concept to distinguish these groups, generally:

ERS

Tier 1 Those persons who last became members before July 1, 1973.

Tier 2 Those persons who last became members on or after July 1, 1973, but before July 27, 1976.

Tier 3 Generally, those persons who are State correction officers who last became members on or after July 27, 1976, but before January 1, 2010, and all others who last became members on or after July 27, 1976, but before September 1, 1983.

Tier 4 Generally, except for correction officers, those persons who last became members on or after September 1, 1983, but before January 1, 2010.

Tier 5 Those persons who last became members on or after January 1, 2010, but before April 1, 2012.

Tier 6 Those persons who first became members on or after April 1, 2012.

PFRS

Tier 1 Those persons who last became members before July 31, 1973.

Tier 2 Those persons who last became members on or after July 31, 1973, but before July 1, 2009.

Tier 3 Those persons who last became members on or after July 1, 2009, but before January 9, 2010.

Tier 4 N/A

Tier 5 Those persons who last became members on or after January 9, 2010, but before April 1, 2012, or who were previously PFRS Tier 3 members who elected to become Tier 5.

Tier 6 Those persons who first became members on or after April 1, 2012.

(b) Vesting

Members who joined the System prior to January 1, 2010 need five years of service to be 100 percent vested. Members who joined on or after January 1, 2010 (ERS) or January 9, 2010 (PFRS) require ten years of service credit to be 100 percent vested.

(c) Employer Contributions

Participating employers are required under the RSSL to contribute to the System at an actuarially determined rate adopted annually by the Comptroller. The average contribution rate for ERS for the fiscal year ended March 31, 2015 was approximately 20.1 percent of payroll. The average contribution rate for PFRS for the fiscal year ended March 31, 2015 was approximately 27.6 percent of payroll. Delinquent annual bills for employer contributions accrue interest at the actuarial interest rate applicable during the year. For the fiscal year ended March 31, 2015, the applicable interest rate was 7.5 percent.

(d) Member Contributions

Generally, Tier 3, 4, and 5 members must contribute 3 percent of their salary to the System. As a result of Article 19 of the RSSL, eligible Tier 3 and 4 employees, with a membership date on or after July 27, 1976, who have ten or more years of membership or credited service with the System, are not required to contribute. Members cannot be required to begin making contributions or to make increased contributions beyond what was required when membership began. For Tier 6 members, the contribution rate varies from 3 percent to 6 percent depending on salary. Generally, Tier 5 and 6 members are required to contribute for all years of service.

(e) Benefits

Tiers 1 and 2

Eligibility: Tier 1 members, with the exception of those retiring under special retirement plans, must be at least age 55 to be eligible to collect a retirement benefit. There is no minimum service requirement for Tier 1 members. Tier 2 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. The age at which full benefits may be collected for Tier 1 is 55, and the full benefit age for Tier 2 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If the member retires with 20 or more years of service, the benefit is 2 percent of final average salary for each year of service. Tier 2 members with five or more years of service can retire as early as age 55 with reduced benefits. Tier 2 members age 55 or older with 30 or more years of service can retire with no reduction in benefits. As a result of Article 19 of the RSSL, Tier 1 and Tier 2 members who worked continuously from April 1, 1999 through October 1, 2000 received an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 additional months.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 1 members who joined on or after June 17, 1971, each year used in the final average salary calculation is limited to no more than 20 percent of the previous year. For Tier 2 members, each year of final average salary is limited to no more than 20 percent of the average of the previous two years.

Tiers 3, 4, and 5

Eligibility: Tier 3 and 4 members, with the exception of those retiring under special retirement plans, must have five years of service and be at least age 55 to be eligible to collect a retirement benefit. Tier 5 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tiers 3, 4 and 5 is 62.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with between 20 and 30 years of service, the benefit is 2 percent of final average salary for each year of service. If a member retires with more than 30 years of service, an additional benefit of 1.5 percent of final average salary is applied for each year of service over 30 years. Tier 3 and 4 members with five or more years of service and Tier 5 members with ten or more years of service can retire as early as age 55 with reduced benefits. Tier 3 and 4 members age 55 or older with 30 or more years of service can retire with no reduction in benefits.

Final average salary is the average of the wages earned in the three highest consecutive years of employment. For Tier 3, 4 and 5 members, each year used in the final average salary calculation is limited to no more than 10 percent of the average of the previous two years.

Tier 6

Eligibility: Tier 6 members, with the exception of those retiring under special retirement plans, must have ten years of service and be at least age 55 to be eligible to collect a retirement benefit. The full benefit age for Tier 6 is 63 for ERS members and 62 for PFRS members.

Benefit Calculation: Generally, the benefit is 1.67 percent of final average salary for each year of service if the member retires with less than 20 years. If a member retires with 20 years of service, the benefit is 1.75 percent of final average salary for each year of service. If a member retires with more than 20 years of service, an additional benefit of 2 percent of final average salary is applied for each year of service over 20 years. Tier 6 members with ten or more years of service can retire as early as age 55 with reduced benefits.

Final average salary is the average of the wages earned in the five highest consecutive years. For Tier 6 members, each year of final average salary is limited to no more than 10 percent of the average of the previous four years.

Special Plans

The 25-Year Plans allow a retirement after 25 years of service with a benefit of one-half of final average salary, and the 20-Year Plans allow a retirement after 20 years of service with a benefit of one-half of final average salary. These plans are available to certain PFRS members, sheriffs, and correction officers.

Ordinary Disability Benefits

Generally, ordinary disability benefits, usually one-third of salary, are provided to eligible members after ten years of service; in some cases, they are provided after five years of service.

Accidental Disability Benefits

For all eligible Tier 1 and Tier 2 ERS and PFRS members, the accidental disability benefit is a pension of 75 percent of final average salary, with an offset for any Workers' Compensation benefits received. The benefit for eligible Tier 3, 4, 5 and 6 members is the ordinary disability benefit with the years-of-service eligibility requirement dropped.

Ordinary Death Benefits

Death benefits are payable upon the death, before retirement, of a member who meets eligibility requirements as set forth by law. The first $50,000 of an ordinary death benefit is paid in the form of group term life insurance. The benefit is generally three times the member's annual salary. For most members, there is also a reduced post-retirement ordinary death benefit available.

Post Retirement Benefit Increases

A cost-of-living adjustment is provided annually to: (i) all pensioners who have attained age 62 and have been retired for five years; (ii) all pensioners who have attained age 55 and have been retired for ten years; (iii) all disability pensioners, regardless of age, who have been retired for five years; (iv) ERS recipients of an accidental death benefit, regardless of age, who have been receiving such benefit for five years; and (v) the spouse of a deceased retiree receiving a lifetime benefit under an option elected by the retiree at retirement. An eligible spouse is entitled to one-half the cost-of-living adjustment amount that would have been paid to the retiree when the retiree would have met the eligibility criteria. This cost-of-living adjustment is a percentage of the annual retirement benefit of the eligible member as computed on a base benefit amount not to exceed $18,000 of the annual retirement benefit. The cost-of-living percentage shall be 50 percent of the annual Consumer Price Index as published by the U.S. Bureau of Labor, but cannot be less than 1 percent or exceed 3 percent.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

The System maintains records and accounts, and prepares financial statements using the accrual basis of accounting. Employer contributions are recognized when legally due, pursuant to statutory requirements, in accordance with the terms of each plan. Member contributions are based on earned member salaries and are recognized when due. Benefits, expenses, and refunds are recognized when due and payable.

(b) Investments

Investments are recorded on a trade-date basis and reported at fair value. Fair value is defined as the amount that a plan can reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller. Due to the nature of investments, it is reasonable that changes in the value of investments will occur in the near future, and such changes could materially affect the amounts reported. The amounts reported as investments on the financial statements are allocated between ERS and PFRS based on each system's monthly average equity in the Fund. See note 4(c) for detailed information on the System's policy on investment valuation.

(c) Member Loan Programs

Members are entitled to participate in a loan program that allows them to borrow up to 75 percent of their member contributions. Repayment of outstanding amounts is generally made through payroll deductions within five years. The interest rate charged for member loans is fixed at 1 percent below the actuarial interest rate at the time the loan is granted. The loan rate for loans issued during the fiscal year ended March 31, 2015 was 6.5 percent.

(d) Capital Assets

Capital assets are capitalized at cost and amortized on a straight-line basis over the related assets' estimated useful lives.

During the fiscal year ended March 31, 2011, the System began capitalizing outlays associated with its data imaging, filing, and storage system. As of March 31, 2015, capitalized outlays for the project total $35.7 million. This project is currently ongoing and is expected to be completed in the fiscal year ending 2016, at which time amortization of the capitalized costs will begin.

During the fiscal year ended March 31, 2014, the System began capitalizing outlays associated with its pension administration system redesign. As of March 31, 2015, capitalized outlays for the project total $82.8 million. This project is currently ongoing and is expected to be completed in the fiscal year ending 2019, at which time amortization of the capitalized costs will begin.

(e) Contributions Receivable

Employers' contributions receivable are presented net of withdrawals, refunds, advance employer payments, and credits due employers. Receivable amounts from participating employers include $52.83 million for amortization of retirement incentives, new plan adoptions, and retroactive membership. Receivable amounts from the State for other amortizations total $0.74 million.

The Retirement and Social Security Law includes several provisions related to the amortization of employer contribution amounts. These include:

- Chapter 260 of the Laws of 2004 authorized employers to amortize over ten years, at 5 percent interest, the portion of their annual bill for the fiscal year ended 2006 that exceeded 9.5 percent of payroll. The amortized amount receivable from the State as of March 31, 2015 is $1.92 million and from participating employers is $3.46 million.
- Chapter 260 of the Laws of 2004 authorized local employers to amortize over ten years, at 5 percent interest, the portion of their annual bill for the fiscal year ended 2007 that exceeded 10.5 percent of payroll. The amortized amount receivable from participating employers as of March 31, 2015 is $5.22 million.
- Chapter 57 of the Laws of 2010 authorized the State and local employers to amortize a portion of their annual pension costs during periods when actuarial contribution rates exceed thresholds established by the statute. Amortized amounts will be paid in equal annual installments over a ten-year period including a rate of interest set by the Comptroller annually. Employers may prepay these amounts at any time without penalty. The first payment will be due in the fiscal year following the decision to amortize. Chapter 57 further provides that when contribution rates fall below legally specified levels and all outstanding amortizations have been paid, employers that elected to amortize will be required to pay additional moneys into reserve funds, specific to each employer, which will be used to offset their contributions in the future. These reserve funds will be invested separately from pension assets.

  For the annual bill for the fiscal year ended 2011, the statutory amortization threshold is 9.5 percent of payroll for ERS and 17.5 percent for PFRS. The Comptroller has set an interest rate of 5 percent. The amortized amount receivable from the State as of March 31, 2015 is $164.72 million and from participating employers is $27.73 million.

For the annual bill for the fiscal year ended 2012, the statutory amortization threshold is 10.5 percent of payroll for ERS and 18.5 percent for PFRS. The Comptroller has set an interest rate of 3.75 percent. The amortized amount receivable from the State as of March 31, 2015 is $416.46 million and from participating employers is $152.59 million.

For the annual bill for the fiscal year ended 2013, the statutory amortization threshold is 11.5 percent of payroll for ERS and 19.5 percent for PFRS. The Comptroller has set an interest rate of 3 percent. The amortized amount receivable from the State as of March 31, 2015 is $642.24 million and from participating employers is $302.24 million.

For the annual bill for the fiscal year ended 2014, the statutory amortization threshold is 12.5 percent of payroll for ERS and 20.5 percent for PFRS. The Comptroller has set an interest rate of 3.67 percent. The amortized amount receivable from the State as of March 31, 2015 is $860.33 million and from participating employers is $200 million.

For the annual bill for the fiscal year ended 2015, the statutory amortization threshold is 13.5 percent of payroll for ERS and 21.5 percent for PFRS. The Comptroller has set an interest rate of 3.15 percent. The amortized amount receivable from the State as of March 31, 2015 is $715.02 million and from participating employers is $152.13 million.

- The fiscal year 2014 Enacted Budget included an alternate contribution program (the Alternate Contribution Stabilization Program) that provided certain participating employers with a one-time election to amortize slightly more of their required contributions than would be available for amortization under the 2010 legislation. In addition, the maximum payment period was increased from ten years to twelve years. The election was available to counties, cities, towns, villages, BOCES, school districts and the four public health care centers operated in the counties of Nassau, Westchester and Erie. The State was not eligible to participate in the Alternate Contribution Stabilization Program.

  For the annual bill for the fiscal year ended 2014, the alternative amortization threshold is 12 percent of payroll for ERS and 20 percent for PFRS. The Comptroller has set an interest rate of 3.76 percent. The amortized amount receivable from participating employers is $234.14 million.

  For the annual bill for the fiscal year ended 2015, the alternative amortization threshold is 12 percent of payroll for ERS and 20 percent for PFRS. The Comptroller has set an interest rate of 3.5 percent. The amortized amount receivable from participating employers is $196.48 million.

(f) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingencies. These estimates are subject to a certain amount of uncertainty in the near term, which could result in changes in the values reported for those assets in the combined statement of fiduciary net position. Estimates also affect the reported amounts of income/additions and expenses/deductions during the reporting period. Actual results could differ from these estimates.

(g) Recent Accounting Pronouncements

The System adopted Government Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*. GASB Statement No. 67 addresses the reporting by pension plans that administer benefits for governments through trusts or similar arrangements meeting certain criteria. GASB Statement No. 67 replaces the requirements of GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and GASB Statement No. 50, *Pension Disclosures*, and requires the System to include more extensive note disclosures and required supplementary information. This statement impacts the presentation of the financial statements, notes and required supplementary information. Considerable modifications are required in actuarial calculations of pension liability. Disclosure requirements include additional information on the net pension liability and discount rate (note 8) and investments (note 4).

3. SYSTEM RESERVES

The legally required reserves, as covered by provisions of the RSSL, are maintained by the System, are fully funded as of March 31, 2015, and are described below:

- *Annuity Savings Funds* — Funds in which contributions of Tier 1 and Tier 2 members are accumulated.
- *Annuity Reserve Funds* — Funds from which member contribution annuities are paid.
- *Pension Accumulation Funds* — Funds in which employer contributions and income from the investments of the System are accumulated.
- *Pension Reserve Funds* — Funds from which pensions are paid.
- *Designated Annuitant Funds* — Funds from which beneficiary annuities are paid.
- *Loan Insurance Funds* — Funds that provide loan insurance coverage for members with existing no default loan balances at time of death.
- *Group Life Insurance Plan Reserve* — Reserves that provide group term death benefits not to exceed $50,000, payable upon the death of eligible members.
- *Coescalation (COESC) Contribution Funds* — Funds in which contributions are accumulated. These funds are transferred to the Pension Accumulation Fund at retirement.

As of March 31, 2015, the System reserves for ERS and PFRS consisted of the following:

	(Dollars in Thousands)	
	ERS	PFRS
Annuity savings	$ 6,421	$ 40,964
Annuity reserve	89,619	9,916
Pension accumulation	70,522,012	12,504,377
Pension reserve	81,838,470	15,596,545
Designated annuitant	56,214	22,300
Loan insurance	2,458	103
Group Life Insurance Plan reserve	89,607	5,224
COESC contributions	8,608,458	19,728
Total	**$ 161,213,259**	**$ 28,199,157**

4. INVESTMENTS

(a) Investment Policy

The State Comptroller, currently Comptroller Thomas P. DiNapoli, is Trustee of the Fund. He is directly accountable for the investment of Fund assets and for the oversight and management of the Fund. Comptroller DiNapoli is responsible for implementing an asset allocation with an appropriate balance of risk and return. The Trustee has put in place investment policies and practices designed to ensure that investments are made for the exclusive benefit of the participants and beneficiaries of the System, on whose behalf the assets of the Fund are invested, and that Fund investments are made with the care that a prudent person serving in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims – the "prudent person" and "exclusive benefit" fiduciary standards of investment. Additionally, the Trustee has adopted policies and practices to ensure that the Fund is managed with high levels of ethical conduct and transparency.

The Comptroller seeks the input of a wide range of internal and external advisors to determine the allocation of assets and the appropriate investment choices for the Fund. Approximately sixty employees work in the Office of the State Comptroller's Division of Pension Investment and Cash Management (PICM). The Comptroller appoints a Chief Investment Officer to oversee PICM operations, manage staff, and supervise investments on a day-to-day basis. The Fund also relies on advice from a network of outside advisors, consultants, and legal counsel, as well as the members of independent external advisory committees appointed by the Comptroller. Outside advisors and internal investment staff are part of the chain of approval that must recommend all investment decisions before they reach the Comptroller for final approval.

The asset allocation is not intended to be an absolute limit on the type of investments that can be made by the Comptroller or considered by staff. The Comptroller is expressly permitted to invest the assets of the Fund pursuant to various provisions of State law, including, among others, sections 13, 176, 177, 178, and 313 of the RSSL, which also contains limitations on the amount and quality of investments the Fund may hold in certain asset categories. Investments purchased pursuant to these provisions are so-called "legal list" investments. In addition to the foregoing, section 177(9) of the RSSL contains a provision that currently provides that up to 25 percent of the Fund's assets may be placed in investments not specifically authorized by any other provision of law. In making investments under this provision, the Comptroller is subject to the prudent person and exclusive benefit provisions in the statute. Subject to such standards, investments made under this provision also must, to the extent reasonably possible, benefit the overall economic health of the State. Investments purchased pursuant to section 177(9) of the RSSL are so called "basket clause" investments.

The external advisory committees appointed by the Comptroller meet periodically throughout the year and provide independent, expert assistance in guiding the Fund. These committees include: the Advisory Council for the Retirement System; the Investment Advisory Committee; the Real Estate Advisory Committee; the Actuarial Advisory Committee; and the Audit Advisory Committee.

(b) Asset Allocation

The following was the adopted asset allocation policy as of March 31, 2015:

Asset Class	Target Allocation
Domestic equity	38.0%
International equity	13.0
Private equity	10.0
Real estate	8.0
Absolute return strategies	3.0
Opportunistic portfolio	3.0
Real assets	3.0
Bonds and mortgages	18.0
Cash	2.0
Inflation-indexed bonds	2.0
	100.0%

(c) Methods Used to Value Investments

Equity securities traded on a national or international exchange are reported at current quoted market values.

Bonds and other fixed assets are primarily reported at fair values obtained from independent pricing services or the fund's custodian.

Mortgages are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments.

Direct investments in real estate are valued based on independent appraisals made every three years or according to the fund agreement.

Real estate partnerships are reported at values provided by general partners. These values are based on discounted cash flows, comparative sales, capitalization rates applied to net operating income, or if none of the preceding fit a property's attributes and strategy, at cost.

For various alternative investments (private equity, absolute return strategies, opportunistic funds, and real assets) where no readily ascertainable market value exists, management in consultation with its investment advisors will value these investments in good faith based upon reported net asset values, cash-flow analysis, purchases and sales of similar investments, new financings, economic conditions, other practices used within the industry, or other information provided by the underlying investment advisors. Because of the inherent uncertainty in privately held securities, the fair value may differ from the values that would have been used if a ready market for such securities existed, and the difference can be material.

The Fund trades in foreign exchange contracts in the normal course of its investing activities in order to manage exposure to market risks. Such contracts, which are generally for a period of less than one year, are used to purchase and sell foreign currency at a guaranteed future price. These contracts are recorded at market value using foreign currency exchange rates.

(d) Rates of Return

In accordance with U.S. generally accepted accounting principles, the money-weighted rate of return on plan investments, net of investment expenses, was 6.98% for the year ended March 31, 2015. The money-weighted rate of return expresses investment performance after consideration of the impact of the changing amounts actually invested. For internal purposes, the System evaluates investment performance using the time-weighted rate of return, gross of certain investment expenses, which was 7.16% for the year ended March 31, 2015.

5. DEPOSIT AND INVESTMENT RISK DISCLOSURE

(a) Custodial Credit Risk for Investments

Investment securities are exposed to custodial credit risk if the securities are not registered in the name of the Fund, or are held either by the counterparty or the counterparty's trust department or agent, but not in the name of the Fund.

Equity and fixed income investments owned directly by the Fund, which trade in the United States (U.S.) markets, are generally held by the Fund's custodian, in separate accounts, in the name of the Comptroller of the State of New York in Trust for the Fund. These securities are typically held in electronic form through the Federal Book Entry System and by the Depository Trust Company (DTC) and its subsidiaries acting as an agent of the Fund's custodian bank. Securities held directly by the Fund that trade in markets outside the U.S. are held by a subsidiary of the Fund's custodian bank in the local market, a bank performing custodial services in the local market acting as an agent for the Fund's custodian bank, and in some foreign markets, the securities are held in electronic form by a DTC subsidiary or an organization similar to DTC. Fixed income investments that are not held by the Fund's custodian are held by third-party administrators in the name of the Comptroller of the State of New York in Trust for the Fund.

Equity investments held indirectly by the Fund via limited partnerships, commingled investment funds, joint ventures, and other similar vehicles are held in custody by an organization contracted by the general partner and/or the investment management firm responsible for the management of each investment organization.

Title to real estate invested in by the Fund is held either by a real estate holding company or a real estate investment fund. Ownership of mortgage assets is documented by the Fund's holding of original mortgage and note documents by the Office of the State Comptroller's PICM.

(b) Custodial Credit Risk for Deposits

Deposits are exposed to custodial credit risk if the deposits are not covered by depository insurance or the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging institution's trust department or agent, but not in the name of the Fund.

In accordance with existing policies and procedures, the PICM in the Office of the State Comptroller monitors deposit balances for the purpose of determining collateralization levels. Collateral sufficient to cover all uninsured deposits is held at the State's custodial bank.

(c) Interest Rate Risk

The System has interest rate risk, which is the risk that changes in market interest rates will adversely affect the fair value of the Fund's fixed income securities. Pursuant to the Fund's investment policies and procedures and to address changing economic factors and their impact on various sectors of the economy, the Division's staff meets regularly to discuss the investment strategy for the fixed income portfolio. Several factors are taken into account when formulating this strategy, including sector weightings and the current duration of the portfolio.

The price volatility of the Fund's fixed income holdings is measured by duration. Effective duration is a measure of the price sensitivity of a bond to interest rate movements. Effective duration follows the concept that interest rates and bond prices move in opposite directions.

As of March 31, 2015, the duration of the fixed income portfolio is as follows:

Bond Category	Fair Value (Dollars in Thousands)	Percentage of Bond Portfolio	Effective Duration (In Years)
Core Portfolio:			
Treasury	$ 5,148,689	10.8%	6.59
Federal agency	3,196,405	6.7	3.95
Corporate	17,128,059	36.0	6.10
Asset-backed	2,003,379	4.2	1.52
Commercial mortgage-backed	2,273,606	4.8	2.76
Mortgage-backed	5,479,569	11.5	2.73
Collateralized loan obligations	926,509	1.9	0.19
Core Portfolio	**36,156,216**	**75.9**	**4.79**
Treasury Inflation-Protected Securities (TIPS)	**9,551,145**	**20.0**	**6.10**
Externally managed funds:			
Smith Graham	311,101	0.7	3.35
BlackRock	1,633,748	3.4	3.28
Total	**$ 47,652,210**	**100.0%**	

(d) Credit Risk of Debt Securities

Fixed income obligations purchased pursuant to section 177(1-a) of the RSSL must be investment grade at the time of their acquisition. A bond is considered investment grade if its credit rating is Baa or higher by Moody's or BBB– or higher by Standard & Poor's. Fixed income obligations purchased pursuant to section 177(9) of the RSSL, the "basket clause," are subject to a standard of prudence. As of March 31, 2015, credit ratings, obtained from several industry rating services, for the fixed income portfolio are as follows (dollars in thousands):

Quality Rating	Fair Value	Percentage of Fair Value
AAA	$ 26,644,073	55.90%
AA	3,658,675	7.68
A	8,118,294	17.04
BAA	6,864,538	14.41
BBB	933,288	1.96
BA	467,061	0.98
BB	133,936	0.28
B	448,504	0.94
CAA	219,323	0.46
CCC	14,464	0.03
CA	62,267	0.13
CC	7,213	0.02
C	4,762	0.01
Not rated	72,005	0.15
Default	3,807	0.01
Total	**$ 47,652,210**	**100.00%**

(e) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer.

As of March 31, 2015, the System did not hold any investments in any one issuer that totaled 5 percent or more of the pension plan's fiduciary net position. Investments issued or explicitly guaranteed by the U.S. government and pooled investments are excluded.

Issuer limits for investments held by the Fund are established by law and by policy guidelines adopted by the PICM.

Short-term fixed income investments not purchased pursuant to section 177(9) of the RSSL are generally limited to the following investment types maturing in one year or less:

- Obligations for which the full faith and credit of the U.S. is pledged to provide payment of interest and principal.
- Obligations issued by any Federal Home Loan Bank or obligations fully guaranteed as to principal and interest by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation.
- Commercial paper that has received the highest rating from two nationally recognized rating services. A maximum of $1 billion of the short-term portfolio may be invested in any one commercial paper issuer.
- Simultaneous purchase and sale of U.S. Treasury obligations may be executed with Primary Government Dealers. A maximum of $200 million may be invested with any one Primary Government Dealer.
- Corporate and Asset-backed securities (ABS) that are rated investment grade by two nationally recognized rating services. ABS must have a weighted average life of one year or less.

Short-term fixed income investments purchased pursuant to section 177(9) of the RSSL are subject to the specific prudent person investor and exclusive benefit provisions of this statute. Subject to such standards, investments made under section 177(9) must, to the extent reasonably possible, benefit the overall economic health of the State.

Fixed income investments not purchased pursuant to section 177(9) of the RSSL are generally limited to the following investment types with maturities longer than one year:

- Obligations for which the full faith and credit of the U.S. is pledged to provide payment of principal and interest.
- Obligations payable in U.S. dollars issued by any department, agency, or political subdivision of the U.S. government or issued by any corporation, company, or other issuer of any kind or description created or existing under the laws of the U.S., any state of the U.S., the District of Columbia, or the Commonwealth of Puerto Rico, and obligations payable in U.S. funds of Canada or any province or city of Canada, provided each obligation at the time of investment shall be rated investment grade by two nationally recognized rating services (or by one nationally recognized rating service in the event only one such service rates such obligation). The aggregate investment by the Fund in the obligations of any one issuer shall not exceed 2 percent of the assets of the Fund or 5 percent of the direct liabilities of the issuer.
- Interest bearing obligations payable in U.S. funds, which at the time of investment are rated in one of the three highest rating grades by each rating service approved by the New York State Department of Financial Services that has rated such obligations. The aggregate amount invested in the obligations of any single issuer may not exceed 1 percent of the assets of the Fund.
- Bonds issued or guaranteed by the State of Israel and approved by the United States Comptroller of the Currency, payable in U.S. dollars, not to exceed 5 percent of the assets of the Fund.
- Obligations issued or guaranteed by the International Bank for Reconstruction and Development (not to exceed 5 percent of the assets of the Fund), the Inter-American Development Bank, the Asian Development Bank, or the African Development Bank.

Fixed income investments purchased pursuant to section 177(9) of the RSSL are subject to the specific prudent person investor and exclusive benefit provisions of this statute. Subject to such standards, investments made under section 177(9) must, to the extent reasonably possible, benefit the overall economic health of the State.

(f) Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Fund has exposure through direct investments in international equities, international equity commingled funds, international fixed income investments, international real estate investments, international absolute return strategies, international private equity investments, international opportunistic funds, and international real asset funds. The Fund's asset allocation and investment policies allow for active and passive investments in international securities. The Fund permits the managers of direct investments in international equities to use forward currency contracts to manage their exposure to foreign currencies relative to the U.S. dollar. Where the Fund participates in commingled funds, limited partnerships, or other investment arrangements, the decision whether or not to use forward currency contracts to manage their foreign currency exposure is left up to the individual investment managers. To address the impact of changes in exchange rates, only forward foreign exchange contracts of one year or less are allowed when used to lessen portfolio volatility or hedge the portfolio's currency exposure.

Foreign investments included in the combining statement of fiduciary net position as of March 31, 2015 are as follows (U.S. Dollars in Thousands):

	Fixed Income	Equity	Cash	Real Estate	Private Equity, Opportunistic, Absolute Return Strategy and Real Asset Funds	Total
Algerian Dinar	$ –	$ –	$ –	$ 158	$ –	$ 158
Argentine Peso	12,582	–	–	1,329	17,006	30,917
Australian Dollar	293,713	452,383	2,227	127,223	84,026	959,572
Bahamian Dollar	–	–	–	331	5,836	6,167
Barbadian Dollar		–	–	279	–	279
Bermudian Dollar	4,056	–	–	–	110,541	114,597
Brazilian Real	41,890	151,448	500	73,175	84,841	351,854
British Pound Sterling	748,437	2,275,600	9,706	499,314	1,044,497	4,577,554
Bulgarian Lev	–	–	–	148	9,325	9,473
Burmese Kyat	–	–	–		5,195	5,195
Canadian Dollar	1,454,337	268,124	2,259	5,646	369,567	2,099,933
Cayman Islands Dollar	179,311	–	–		3,093,755	3,273,066
Central African CFA Franc	–	–	–	290	–	290
Chilean Peso	31,617	15,181	201		1,387	48,386
Chinese Yuan	564,540	–	–	318,273	947,521	1,830,334
Columbian Peso	13,765	982	–	527	(556)	14,718
Costa Rican Colon	4,812	–	–	172	12	4,996
Croatian Kuna	11,759	–	–	134	–	11,893
Czech Koruna	–	3,436	587	10,517	14,597	29,137
Danish Krone	35,974	244,235	538	50,433	94,122	425,302
Dominican Peso	6,742	–	–	154	1,376	8,272
Egyptian Pound	–	2,981	1,855	1,150	507	6,493
Ethiopian Birr	–	–	–	847	–	847
Euro	638,484	3,208,715	63,305	884,679	1,537,700	6,332,883
Fijian Dollar	–	–	–	165	–	165
Ghanaian Cedi	2,828	–	–		(1,110)	1,718
Guatamalan Quetzal	–	–	–		(76)	(76)
Hong Kong Dollar	74,857	991,795	1,270	127,305	45,638	1,240,865
Hungarian Forint	15,664	8,400	134	1,591	23,539	49,328
Icelandic Krona	–	–	–	69	16,265	16,334
Indian Rupee	76,174	181,343	6,231	69,881	299,786	633,415
Indonesian Rupiah	41,512	28,857	72	229	38,577	109,247
Iraqi Dinar	–	–	–	–	3,880	3,880
Israeli Shekel	267,910	5,186	7	2,610	17,782	293,495
Jamaican Dollar	705	–	–	202	–	907
Japanese Yen	349,736	2,146,872	5,305	164,358	213,153	2,879,424
Kazakhstani Tenge	12,934	–	–	54	546	13,534
Kenyan Shilling	3,994	–	–	265	–	4,259
Kuwaiti Dinar	–	–	–	289	–	289
Lebanese Pound	8,847	–	–	–	–	8,847

BASIC FINANCIAL STATEMENTS

Notes to Financial Statements

CONTINUED

	Fixed Income	Equity	Cash	Real Estate	Private Equity, Opportunistic, Absolute Return Strategy and Real Asset Funds	Total
Macanese Pataca	–	–	–	–	499	499
Malaysian Ringgit	3,503	66,935	376	716	20,235	91,765
Maldivian Rufiyaa	–	–	–	1,045	3,986	5,031
Mauritian Rupee	–	–	–	403	12,374	12,777
Mexican Peso	480,414	60,546	81	21,721	54,176	616,938
Mongolian Togrog	1,873	–	–	–	229	2,102
Moroccan Dirham	–	200	–	428	–	628
Namibian Dollar	–	–	–	–	159	159
New Taiwan Dollar	–	300,339	406	2,910	21,747	325,402
New Zealand Dollar	30,057	19,445	8	292	3,786	53,588
Nigerian Naira	–	–	–	953	5,359	6,312
Norwegian Krone	80,735	57,938	252	–	83,247	222,172
Pakistan Rupee	2,227	–	–	–	792	3,019
Panamanian Balboa	–	–	–	89	6,003	6,092
Papa New Guinean Kina	–	–	–	–	(115)	(115)
Peruvian Nuevo Sol	12,601	–	–	166	16,218	28,985
Philippine Peso	19,421	18,510	27	–	8,932	46,890
Polish Zloty	13,654	34,029	251	40,478	30,640	119,052
Qatari Rial	–	7,644	–	212	–	7,856
Romanian Leu	–	–	–	6,024	78	6,102
Russian Ruble	27,071	–	–	13,049	46,884	87,004
Saudi Riyal	–	–	–	2,040	(2)	2,038
Seychellois Rupee	–	–	–	117	–	117
Singapore Dollar	101,473	190,545	101	1,334	56,346	349,799
South African Rand	106,354	117,414	603	1,012	76,518	301,901
South Korean Won	320,033	457,421	60	3,444	101,637	882,595
Sri Lankan Rupee	10,429	–	–	117	135	10,681
Swedish Krona	932	542,500	135	143,933	211,287	898,787
Swiss Franc	74,815	1,015,908	213	2,982	147,660	1,241,578
Thai Baht	486	62,834	–	6,244	(1,732)	67,832
Trinidad and Tobago Dollar		–	–	279	–	279
Turkish Lira New	54,032	39,917	93	6,924	58,659	159,625
Ukrainian Hryvnia	1,755	–	–	2,350	(162)	3,943
United Arab Emirates Dirham	50,664	3,180	23	12,051	1,096	67,014
Uruguayan Peso	8,148	–	–	61	–	8,209
Venezuelan Bolivar	12,790	–	–	3,507	10,177	26,474
Vietnamese Dong	2,129	–	–	103	6,211	8,443
West African CFA Franc	2,506	–	–	–	4,978	7,484
Zambian Kwacha	–	–	–	–	5,815	5,815
Other	–	–	–	74	(8)	66
Total subject to foreign currency risk	**6,315,282**	**12,980,843**	**96,826**	**2,616,855**	**9,073,079**	**31,082,885**
Commingled international equity in U.S. Dollars	–	10,163,205	–	–	–	10,163,205
Foreign investments in U.S. Dollars	195,605	3,929,823	–	7,335	4,304,621	8,437,384
Total foreign investments	**$ 6,510,887**	**$ 27,073,871**	**$ 96,826**	**$ 2,624,190**	**$ 13,377,700**	**$ 49,683,474**

6. DERIVATIVES

A derivative is generally defined as an investment contract or security with a value that depends on, or is derived from, the value of an underlying asset, reference rate, or financial index. The System has classified the following as derivatives:

Forward Currency Contracts

The System may enter into forward currency contracts to manage exposure to fluctuations in foreign currency exchange rates on portfolio holdings. The System also enters into forward exchange contracts to settle future obligations. A forward exchange contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. A contract is classified as a forward contract when the settlement date is more than two days after the trade date. Risk associated with such contracts includes movement in the value of a foreign currency relative to the U.S. dollar. The contracts are valued at forward exchange rates and include net appreciation/depreciation in the combining statement of fiduciary net position. Realized gain or loss on forward currency contracts is the difference between the original contract and the closing value of such contract and is included in the combining statement of changes in fiduciary net position.

The table below summarizes the fair value of foreign currency contracts as of March 31, 2015 (U.S. Dollars in Thousands):

Currency	Forward Currency Contracts	Spot Currency Contracts	Totals
Australian Dollar	$ (53,317)	$ 241	$ (53,076)
Brazilian Real	–	(613)	(613)
British Pound Sterling	(12,622)	3,485	(9,137)
Canadian Dollar	19,595	(205)	19,390
Danish Krone	4,101	(512)	3,589
Egyptian Pound	–	(38)	(38)
Euro	(115,044)	(12,325)	(127,369)
Hong Kong Dollar	13,369	16,544	29,913
Indian Rupee	(5,134)	–	(5,134)
Japanese Yen	(133,110)	22	(133,088)
Malaysian Ringgit	–	346	346
Mexican Peso	(90)	–	(90)
Polish Zloty	(8)	–	(8)
South African Rand	2,011	–	2,011
Singapore Dollar	435	–	435
Swedish Krona	(30,543)	(740)	(31,283)
Swiss Franc	(4,501)	(294)	(4,795)
Thai Baht	(4,494)	–	(4,494)
U.S. Dollar	314,014	(5,926)	308,088
Total	**$ (5,338)**	**$ (15)**	**$ (5,353)**

7. SECURITIES LENDING PROGRAM

Section 177-d of the RSSL authorizes the Fund to enter into security loan agreements with broker/dealers and state or national banks. The Fund has designated its master custodian bank (the custodian) to manage a securities lending program. This program is subject to a written contract between the Fund and the custodian who acts as securities lending agent for the Fund. The custodian is authorized to lend securities within the borrower limits and guidelines established by the Fund. Types of collateral received from borrowers for securities loaned are cash, government securities, and obligations of federal agencies. The custodian is authorized to invest the cash collateral in short-term investments that are legal for the Fund. These include domestic corporate and bank notes, U.S. Treasury obligations, obligations of federal agencies, repurchase agreements, and specific asset-backed securities. All rights of ownership to securities pledged as collateral remain with the borrower except in the event of default. As of March 31, 2015, there were no violations of legal or contractual provisions. The Fund has not experienced any losses resulting from the default of a borrower or lending agent during the year ended March 31, 2015.

The Fund lends fixed income, domestic equity, and international equity securities to approved broker/dealers. Collateral for securities loaned equals 102 percent of fair market value for domestic securities and 105 percent for international securities. Credit risk associated with the investment of cash collateral pledged by borrowers is mitigated by the maturity restrictions, percentage limitations, and rating requirements for individual asset classes included in the Fund's reinvestment guidelines. The custodian acknowledges responsibility to reimburse the Fund for losses that might arise from managing the program in a manner inconsistent with the contract. The Fund manages its market risk by recording investments at market value daily and maintaining the value of the collateral held by the Fund in excess of the value of the securities loaned. As of March 31, 2015, the fair value of securities on loan was $13.60 billion. The associated collateral was $13.90 billion, of which $6.30 billion was cash collateral and $7.60 billion was securities. The cash collateral has been reinvested in other instruments, which had a fair value of $6.20 billion as of March 31, 2015. The securities lending obligations were $6.21 billion. The unrealized loss in invested cash collateral on March 31, 2015 was $10.60 million, which is reported in the combining statement of changes in fiduciary net position as part of "Net appreciation in fair value of investments."

All open security loans can be terminated on demand by either the Fund or the borrower. To provide sufficient liquidity, the policy of the Fund is to maintain a minimum of 10 percent collateral in overnight investments. While the Fund's Securities Lending Investment Guidelines allow investments up to a maximum of three years for U.S. Treasury and federal agency obligations and one year for all other investments, the average term of open security loans at March 31, 2015 was 18 days. All loans were open loans. There were no direct matching loans.

On March 4, 2013 a securities lending collateral deficiency was realized in the amount of $127.14 million and agreed to be repaid to the lending agent through future earnings commencing with revenues earned effective April 1, 2013 and continuing in the future until the deficiency is reimbursed in full. The securities lending collateral deficiency is due to a loss in the reinvestment of cash collateral. Investment guidelines have been strengthened to mitigate future losses. At March 31, 2015 the balance of the securities lending collateral deficiency was $69.52 million.

The collateral pool is valued at fair value obtained from independent pricing services.

8. NET PENSION LIABILITY OF PARTICIPATING EMPLOYERS

The components of the net pension liability of the employers as of March 31, 2015, were as follows:

(Dollars in Thousands)

	Employees' Retirement System	Police and Fire Retirement System	Total
Employers' total pension liability	$ 164,591,504	$ 28,474,417	$ 193,065,921
Fiduciary net position	(161,213,259)	(28,199,157)	(189,412,416)
Employers' net pension liability	**3,378,245**	**275,260**	**3,653,505**
Ratio of fiduciary net position to the employers' total pension liability	97.9%	99.0%	98.1%

(a) Actuarial Assumptions

The total pension liability at March 31, 2015 was determined by using an actuarial valuation as of April 1, 2014, with update procedures used to roll forward the total pension liability to March 31, 2015. The actuarial valuation used the following actuarial assumptions:

	ERS	PFRS
Inflation	2.7%	2.7%
Salary increases	4.9	6.0
Investment rate of return (net of investment expense, including inflation)	7.5	7.5

Annuitant mortality rates are based on April 1, 2005 – March 31, 2010 System experience with adjustments for mortality improvements based on the Society of Actuaries' Scale MP-2014.

The actuarial assumptions used in the April 1, 2014 valuation are based on the results of an actuarial experience study for the period April 1, 2005 – March 31, 2010.

The long term expected rate of return on pension plan investments was determined in accordance with Actuarial Standard of Practice (ASOP) No. 27, Selection of Economic Assumptions for Measuring Pension Obligations. ASOP No. 27 provides guidance on the selection of an appropriate assumed investment rate of return. Consideration was given to expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for equities and fixed income as well as historical investment data and plan performance.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2015 (see Investment policy — note 4(a)) are summarized below:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	7.30%
International equity	8.55
Private equity	11.00
Real estate	8.25
Absolute return strategies	6.75
Opportunistic portfolio	8.60
Real assets	8.65
Bonds and mortgages	4.00
Cash	2.25
Inflation-indexed bonds	4.00

(b) Discount Rate

The discount rate used to calculate the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(c) Sensitivity of the Net Pension Liability to the Discount Rate Assumption

The following presents the current-period net pension liability of the employers calculated using the current-period discount rate assumption of 7.5 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.5 percent) or one percentage point higher (8.5 percent) than the current assumption (in thousands):

	One Percent Decrease (6.5%)	Current Assumption (7.5%)	One Percent Increase (8.5%)
ERS net pension liability (asset)	$ 22,517,463	$ 3,378,245	$ (12,780,001)
PFRS net pension liability (asset)	$ 3,664,937	$ 275,260	$ (2,565,495)

9. FEDERAL INCOME TAX STATUS

ERS and PFRS are qualified defined benefit retirement plans under section 401(a) of the Internal Revenue Code and are exempt from federal income taxes. ERS and PFRS last received favorable determination letters from the Internal Revenue Service dated August 28, 2014 stating that ERS and PFRS are in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the System's financial statements.

10. COMMITMENTS

As of March 31, 2015, the System had contractual commitments totaling $7.93 billion to fund future private equity investments, $2.73 billion to fund future real estate investments, $1.06 billion for opportunistic funds, $240 million for absolute return strategy funds and $140 million to fund future real asset investments.

11. CONTINGENCIES

The System is a defendant in litigation involving individual benefit payments, participant eligibility, and other issues arising from its normal activities. Management of the System believes there will be no material adverse effect on the basic financial statements as a result of the outcome of these matters.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

SCHEDULE OF CHANGES IN THE EMPLOYERS' NET PENSION LIABILITY AND RELATED RATIOS (UNAUDITED)

Year Ended March 31, 2015.
(Dollars in Thousands)

	Employees' Retirement System	Police and Fire Retirement System
Total pension liability:		
Service cost	$ 2,989,807	$ 625,648
Interest	11,581,437	1,997,215
Difference between expected and actual experience	135,177	39,833
Benefit payments	(8,829,751)	(1,606,417)
Other, net	(77,388)	(158)
Net change in total pension liability	**5,799,282**	**1,056,121**
Total pension liability–beginning	**158,792,222**	**27,418,296**
Total pension liability–ending (a)	**164,591,504**	**28,474,417**
Fiduciary net position:		
Contributions–employer	4,893,110	904,339
Contributions–member	272,004	12,789
Net investment income (loss)	10,582,102	1,862,789
Benefit payments	(8,829,751)	(1,606,417)
Refunds of contributions	(77,388)	(158)
Administrative expense	(93,357)	(13,794)
Other additions	193,176	37,623
Net change in fiduciary net position	**6,939,896**	**1,197,171**
Fiduciary net position–beginning	**154,273,363**	**27,001,986**
Fiduciary net position–ending (b)	**161,213,259**	**28,199,157**
Net pension liability–ending (a) – (b)	**$ 3,378,245**	**$ 275,260**
Ratio of fiduciary net position to total pension liability	**97.9%**	**99.0%**
Covered-employee payroll	**$ 24,480,045**	**$ 3,257,100**
Net pension liability as a percentage of covered-employee payroll	**13.8%**	**8.5%**

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying independent auditors' report and notes to required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

CONTINUED

SCHEDULE OF EMPLOYER CONTRIBUTIONS (UNAUDITED)

Year Ended March 31, 2015.
(Dollars in Millions)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
ERS										
Actuarially determined contribution (1)	$ 4,893	5,138	4,524	3,879	3,623	1,879	1,963	2,135	2,216	2,349
Contributions in relation to the actuarial determined contribution (2)	4,893	5,138	4,524	3,879	3,623	1,879	1,963	2,135	2,216	2,349
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Covered-employee payroll (3)	$ 24,480	24,361	24,405	24,291	24,389	24,972	24,099	22,779	22,018	20,919
Contributions as a percentage of covered-employee payroll	19.99%	21.09%	18.54%	15.97%	14.86%	7.52%	8.15%	9.37%	10.06%	11.23%
PFRS										
Actuarially determined contribution (1)	$ 904	926	812	706	542	465	493	513	502	433
Contributions in relation to the actuarial determined contribution (2)	904	926	812	706	542	465	493	513	502	433
Contribution deficiency (excess)	$ -	-	-	-	-	-	-	-	-	-
Covered-employee payroll (3)	$ 3,257	3,233	3,163	3,191	3,146	3,113	2,970	2,926	2,825	2,712
Contributions as a percentage of covered-employee payroll	27.76%	28.64%	25.67%	22.12%	17.23%	14.94%	16.60%	17.53%	17.77%	15.97%

(1) The actuarially determined contribution includes normal costs, the GLIP amounts, adjustments made to record the reconciliation of projected salary to actual salary and miscellaneous accounting adjustments.

(2) The contributions in relation to the actuarially determined contribution reflects actual payments and installment payment plans.

(3) Covered-employee payroll represents pensionable payroll.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

CONTINUED

SCHEDULE OF INVESTMENT RETURNS (UNAUDITED)

Year Ended March 31, 2015.

	2015
Annual money-weighted rate of return, net of investment expenses	6.98%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying independent auditors' report.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Year Ended March 31, 2015.

Changes in benefit terms.
There were no significant legislative changes in benefits for the April 1, 2013 actuarial valuation.

Changes of assumptions.
There were no significant changes in actuarial assumption for the April 1, 2013 actuarial valuation.

Methods and assumptions used in calculations of actuarially determined contributions.
The April 1, 2013 actuarial valuation determines the employer rates for contributions payable in fiscal year 2015. The following actuarial methods and assumptions were used:

Actuarial cost method	The system is funded using the Aggregate Cost Method, all unfunded actuarial liabilities are evenly (as a percentage of projected pay) amortized over the remaining worker lifetimes of the valuation cohort.
Asset valuation period	5-year level smoothing of the difference between the actual gain and the expected gain using the assumed investment rate of return.
Inflation	2.7%
Salary scale	4.9% in ERS, 6.0% in PFRS, indexed by service
Investment Rate of Return	7.5% compounded annually, net of investment expenses, including inflation.

See accompanying independent auditors' report.

ADDITIONAL SUPPLEMENTARY INFORMATION

SCHEDULE OF ADMINISTRATIVE EXPENSES

Year Ended March 31, 2015.
(Dollars in Thousands)

	2015
Personal services:	
Salaries	$ 51,802
Overtime salaries	2,060
Fringe benefits	32,305
Total personal services	**86,167**
Building occupancy expenses:	
Building, lease, and condominium fees	3,648
Utilities and municipal assessments	65
Office supplies and services	904
Telephone	1,024
Total building occupancy expenses	**5,641**
Computer expenses:	
IT shared services*	9,222
Total computer expenses	**9,222**
Personal and operating expenses:	
Training	379
Travel and auto expenses — includes pre-retirement seminars	1,022
Postage — includes member and retiree communication	1,164
Printing — includes member and retiree communication	434
Subscriptions/memberships	184
Total personal and operating expenses	**3,183**
Professional expenses:	
Audit services	1,148
Medical/clinical services	1,133
Miscellaneous consulting services	657
Total professional expenses	2,938
Total	**$ 107,151**

* The System is implementing a shared service, information technology (IT) model within the Office of the State Comptroller, wherein all IT costs, including personal services, will be incorporated into the IT shared services and reflected as nonpersonal service expenditures.

See accompanying independent auditors' report.

SCHEDULE OF INVESTMENT EXPENSES

Year Ended March 31, 2015.
(Dollars in Thousands)

	2015
Investment expenses:	
Investment management and incentive fees:	
Absolute return strategy funds	$ 226,947
Private equity	134,019
International equity	76,134
Real estate	54,177
Domestic equity	47,475
Opportunistic funds	16,072
Real assets	4,410
Fixed income	1,606
Total investment management and incentive fees	**560,840**
Investment-related expenses:	
Miscellaneous expenses	5,044
Data processing expenses/licenses	4,542
Private equity consulting and monitoring	3,171
Mortgage loan servicing fees	3,004
Real estate consulting and monitoring	2,135
General consulting	1,817
Absolute return strategy consulting and monitoring	1,566
Administrative expenses	1,450
Legal fees	1,141
Audit and audit-related fees	224
Domestic equity consulting and monitoring	67
Global equity consulting	55
Custodial fees	10
Total investment-related expenses	**24,226**
Total investment expenses	**$ 585,066**

See accompanying independent auditors' report.

ADDITIONAL SUPPLEMENTARY INFORMATION

CONTINUED

SCHEDULE OF CONSULTING FEES

Year Ended March 31, 2015.
Fees in excess of $25,000 paid to outside professionals other than investment advisors.

	Amount	Nature
KPMG LLP	$ 371,015	Audit Services
FCME Management, Inc.	325,219	Medical Services
D & D Medical Associates, PC	256,550	Medical Services
Bryan, Cave LLP	190,999	Legal Services
Morgan, Lewis & Bockius, LLP	173,383	Legal Services
Mayer, Brown LLP	138,484	Legal Services
Korn Ferry International	132,194	Recruitment Services
K&L Gates, LLP	128,175	Legal Services
Foster, Pepper & Shefelman, PLLC	127,673	Legal Services
Specialty Consultants	120,231	Recruitment Services
Nixon Peabody, LLP	108,845	Legal Services
Regional Orthopaedics, PLLC	86,050	Medical Services
Jackson Walker, LLP	76,890	Legal Services
Jeffrey M. Meyer MD, PLLC	75,062	Medical Services
CEM Benchmarking, Inc.	65,000	Industry Measurement Survey
John S. Mazella MD, PC	49,450	Medical Services
Groom Law Group	48,259	Legal Services
Simaren Corp.	35,975	Security Services
KMQ Enterprises Inc.	33,350	Recruitment Services
Groom Law Group	32,428	Tax Consultant
Louis Benton, MD	32,100	Medical Services
DALCO Reporting, Inc.	27,907	Court Reporting
Seward & Kissel, LLP	27,855	Legal Services
Pine Bush Mental Health, LLP	27,625	Medical Services
Riverside Orthopaedic & Sports Medicine Assocs.	25,050	Medical Services

See accompanying independent auditors' report.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL

KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Trustee
New York State and Local Retirement System:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the New York State and Local Retirement System (the System), which comprise the combining statement of fiduciary net position as of March 31, 2015, and the related combining statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 17, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the System's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, we do not express an opinion on the effectiveness of the System's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the System's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL

CONTINUED

of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

July 17, 2015

INVESTMENT

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OVERVIEW OF INVESTMENTS

OVERALL OBJECTIVES AND PERFORMANCE

The Division of Pension Investment and Cash Management is responsible for the management of the assets of the New York State Common Retirement Fund (the Fund). The Fund's primary objectives are to provide the means to pay benefits to the System's participants and to minimize employer contributions through an investment program designed to protect and enhance the long-term value of the assets. The Fund's asset allocation policy was constructed to meet these objectives by achieving a maximum level of return consistent with policies on liquidity, diversification and investment risk. Investments in equities, although historically volatile, provide superior long-term performance and growth characteristics, while fixed-income investments provide more predictable cash flow to meet the System's funding requirements and pension obligations.

The Fund posted positive investment performance for the fiscal year ended March 31, 2015, with a return of 7.16 percent, reflecting the overall positive performance of the world equity markets. In addition to the Fund's domestic equity portfolio, the alternative investment portfolio experienced strong performance, benefited by the private equity and real estate portfolios. The Fund benefited from continued growth in the United States, but market volatility and concerns about increasing inflation and political uncertainty across the globe persist. This was the sixth year of positive performance for the Fund following the fiscal crisis of 2008.

The Fund's positive performance reflects gains across all asset classes. The global equity portfolio returned 8.2 percent, the real estate portfolio returned 10.4 percent, the private equity portfolio returned 9.2 percent and the absolute return strategies portfolio returned 5.9 percent. The core fixed income portfolio returned 5.5 percent and Treasury Inflation-Protected Securities (TIPS) returned 3.3 percent.

The sound investment framework provided by the Fund's asset allocation and diversification policies enabled it to generate positive returns as the economy continued to recover. With its long-term investment approach, the Fund remains positioned to continue to provide sufficient cash flow to fund pension payments.

The investment performance information provided in this section of the Comprehensive Annual Financial Report was calculated by the Fund's custodian, J.P. Morgan, using a daily time-weighted rate of return based on the market value of assets.

OVERVIEW OF INVESTMENTS

CONTINUED

PENSION RISK MANAGEMENT

Established in 2011, the Pension Risk Management (PRM) program is a framework for the protection and continued growth of plan assets to meet, maintain and improve the funding status of the Fund. The PRM program is intended to cover risks at the total fund level as well as at the asset class level, with the goal of increasing investment oversight and strengthening investment decision making. The PRM program has the goals of monitoring risk exposures, fostering greater transparency and leveraging risk intelligence to enhance the investment process. In 2014, the PRM staff continued to build out its suite of investment risk tools and capabilities. The PRM team coordinates periodic risk discussions with the executive team and investment staff, reviews total plan and asset class risk reports, performs simulations of portfolio performance under various stress scenarios and generates independent risk reviews of new manager commitments.

GLOBAL EQUITIES

The primary objective of the equity portion of the Fund's portfolio is to provide long-term capital appreciation with a secondary objective of generating a stream of dividend income. The allocation to equity investments is intended to provide a risk-adjusted total return that facilitates the long-term growth of principal needed to help meet the future needs of the Fund's retirees.

For the fiscal year ended March 31, 2015, the Fund's global equity portfolio posted an 8.2 percent return versus a 5.42 percent return for the MSCI All Country World Index. The global equity program continues to enhance the overall equity allocation and continues to rely on the use of internally managed passive investment vehicles in the more efficient segments of the equity markets. This allows the Fund to maintain broad market exposure at very low costs. The staff continues to pursue active manager mandates in less efficient markets where active managers can outperform.

The U.S. equity portfolio produced strong returns of 11.6 percent for the fiscal year ended March 31, 2015. The allocation to U.S. equities was 39.5 percent, the largest allocation in the Fund. During the first half of the year, the national Gross Domestic Product appeared to show a strengthening economy with an increasingly likely rise in U.S. interest rates imminent, but the economy cooled off in the fourth quarter of 2014 and turned negative in the first quarter of 2015. Lower gas prices failed to filter through to improve consumer spending. U.S. large cap equities outperformed mid- and small-cap stocks over the year.

The Fund's non-U.S. equity portfolio suffered a 0.5 percent decline for the fiscal year, but still managed to outperform the MSCI ACWI ex U.S. benchmark return of (1.0) percent. The Global Equity portfolio, primarily using active managers with purely global mandates, benchmarked to the MSCI ACWI Index, returned 4.4 percent. The Fund's investments in emerging markets rose 1.0 percent but still beat the benchmark return of (0.5) percent. Returns in emerging markets varied markedly. Many emerging market countries are transitioning from a reliance on exports of natural resources to economies that are more diversified, domestic, and consumer-driven.

The Fund expanded its commitment to women- and minority-owned businesses by adding a third emerging manager platform, Leading Edge, with an initial funding of $400 million in small-cap equities. The Fund continued to use minority- and women-owned brokerage service providers when trading internally managed assets. For the fiscal year, these brokers accounted for approximately 33 percent of the total commissions.

FIXED INCOME

The fixed income portfolio is designed to provide a consistent flow of income to help address the cash flow needs of the Fund and to provide downside protection against the volatility of the Fund's equity-like strategies while achieving efficiency in its own risk/return profile. The Fund accomplishes these goals by investing internally in long- and short-term assets, while external managers focus on increasing returns and diversification through non-core fixed income investments.

During the fiscal year ended March 31, 2015, in anticipation of rising interest rates, staff methodically positioned the long-term fixed income portfolio to dampen the impact of interest rate risk by increasing credit spread risk. The Fund uses the Barclays Aggregate Index as a benchmark and seeks to add value through sector weights, security selection, and duration management. The short-term fixed income portfolio provides liquidity to meet monthly pension fund liabilities as well as cash to fund investments in all the Fund's other asset classes.

The long-term core fixed income portfolio consists primarily of U.S. treasury securities, government-sponsored agency debentures, corporate bonds, commercial mortgage-backed securities, mortgages, asset-backed securities, collateralized loan obligations, and municipal bonds. The non-core, externally managed, fixed income allocation consists primarily of higher yielding credit-focused investments. The Fund also has a large allocation to Treasury Inflation Protected Securities (TIPS). The Fund's short-term fixed income portfolio may be invested in high quality commercial paper, U.S. treasury bills, bank certificates of deposit, agency discount notes, and short corporate and asset-backed securities.

The Fund's core long-term fixed income portfolio (excluding TIPS) returned 5.5 percent for the year, versus 5.7 percent for the Barclays Aggregate Bond Index. Commercial mortgage-backed securities were the best performing sector in the core portfolio followed by corporate bonds. The Fund's TIPS portfolio, which assists in hedging U.S. inflation risk, returned 3.3 percent, compared to the Salomon Smith Barney TIPS Index of 3.8 percent. Short-term cash investments returned 0.4 percent for the fiscal year. Both core long-term fixed income investments and TIPS modestly underperformed their respective benchmarks due to the portfolios having an underweight to interest rate risk for a majority of the year, as there was a meaningful probability that the central bank would begin raising short-term interest rates.

The Fund has 25 approved broker-dealer firms to execute trades in the long-term and short-term fixed income portfolios. Almost one-quarter of these trading partners are women- and minority-owned firms. Women- and minority-owned firms continue to play a central role in the Fund's long-term and short-term fixed income strategy, executing 11 percent of all long-term trades and 8 percent of all short-term broker-initiated trades.

The Fund participates in a securities lending program by lending a portion of its fixed income and equity securities to qualified counterparties providing incremental income to the Fund. The securities lending program earned the Fund $32 million in revenue for the fiscal year.

OVERVIEW OF INVESTMENTS

CONTINUED

REAL ESTATE

The real estate program's primary investment objective is to increase the overall performance of the Fund over multiyear periods with reduced volatility and lower risk. Other goals are to take advantage of the Fund's knowledge of the marketplace, and leverage its experience in partnering with operators, managers and advisors when seeking opportunities and strategies that provide growth and scale to the Fund.

As of March 31, 2015, equity real estate represented 6.4 percent of the total Fund assets and produced a total return of 10.4 percent. This marked the fourth full year of recovery for the Fund's real estate portfolio. During the fiscal year ended March 31, 2015, the Fund completed an asset allocation study resulting in an increase in the real estate allocation from 6 percent to 8 percent. Looking forward, the Fund will continue to invest new capital and to take advantage of the current market opportunities in core, value-added and opportunistic strategies.

Core strategies include well-located, well-leased, and well-maintained properties whose primary purpose in the portfolio is to provide a reliable source of current income, along with value appreciation commensurate with the surrounding market. These assets are often in irreplaceable locations and are of very high quality. Currently, a significant percentage of the real estate portfolio assets are located in markets that have demonstrated tenant demand for high "institutional quality" assets in prime locations in gateway cities. Value-added investments include under-managed real estate that will be repositioned and re-leased as the economy recovers. Opportunistic investments include strategies such as development or substantial renovation that carry the increased risk of construction.

In addition, the Fund will continue to target green investments. Real estate assets are by their nature long-term investments, and the movement toward green investments is a sound investment policy. Many of the Fund's assets are LEED certified. LEED (Leadership in Energy and Environmental Design) is a set of objective standards by which owners and managers can measure the efficiency of assets. The staff understands that certain tenants prefer to lease assets in LEED-certified buildings, further justifying the focus on this objective.

In terms of risk management, the real estate portfolio risk is mitigated by diversification by property type, geography, investment strategy and selection of best-in-class joint venture partners and managers, as well as consultants and advisors. In order to achieve long-term appreciation and sustainable investments returns, the Fund will continue to effectively manage the current portfolio investments and maximize the existing relationships with investment managers. In addition, the Fund partners with small and minority managers in the real estate arena to capitalize on their talent and expertise.

ALTERNATIVE INVESTMENTS

Private Equity

The Fund's private equity portfolio is designed to generate long-term returns that exceed those of public equities. As of March 31, 2015, the private equity program generated a one-year time-weighted return of 9.2 percent.

The Fund seeks to participate in private equity investments primarily through partnerships consisting of pooled funds managed by specialized investment managers for the purpose of investing in private companies. The Fund seeks to partner with the very best private equity investors, including emerging and diverse managers, across various investment strategies. Private equity investments are generally held for long-term appreciation and are less liquid than publicly-traded securities.

The Fund will commit capital to private equity at a disciplined pace to ensure the diversification of the portfolio over time. In addition, the Fund seeks to commit capital across various geographies, including international managers who have the expertise to source attractive investment opportunities in global emerging markets, and more locally, to managers that focus their investments in New York State. The Fund also seeks to commit capital to industry sectors that show high potential for economic growth and capital appreciation, and that will further enhance the diversification of the portfolio.

Because private equity investments involve long-term contractual commitments to a manager, the Fund will seek to invest with managers who have the ability to consistently deliver superior returns. The Fund can better achieve such superior returns through active portfolio management, which requires frequent and direct interaction with investment managers to monitor performance and ensure proper alignment of interests between manager and investor. The private equity program will seek to exploit those long-term commitments and alignments of interests by making additional "co-investments" alongside select managers on improved economic terms.

Absolute Return Strategies

The investment goals for the absolute return strategies program are to provide diversification benefits to the overall portfolio and to achieve superior risk-adjusted returns. The absolute return strategies portfolio invests with hedge fund managers on a global basis across securities and asset classes. The portfolio values long-term partnerships with investment managers who have shown an ability to consistently deliver top-quartile returns and who partner with the Fund to better align investor and fund manager interests.

The portfolio, as of March 31, 2015, consists of roughly 30 core investments across strategies including hedged equity, credit, global macro, managed futures, distressed debt and emerging markets. The portfolio seeks diversification through a multi-manager and multi-strategy approach, typically investing in vehicles which generate uncorrelated returns and those which can lower the overall risk and volatility of the Fund.

As of March 31, 2015, the absolute return strategies portfolio generated a return of 5.9 percent for the fiscal year versus the HFRX Global Hedge Fund Index return of (0.2) percent.

OPPORTUNISTIC

The opportunistic portfolio invests across a broad range of investment strategies that do not fit neatly into the definition of traditional asset classes, or that share characteristics of multiple asset classes. Additionally, the portfolio looks to take advantage of short- to medium-term market dislocations. The portfolio's objectives are to provide diversification to the overall Fund portfolio, preserve investment capital, increase total portfolio return, and/or reduce the risk of the overall Fund portfolio.

The investment objectives are accomplished by investing in strategic opportunities that have resulted from market dislocations, regulatory reforms, capital shortages, and distress among asset owners. These opportunities may exhibit lower risk and higher current income than the Fund's more traditional asset classes and provide a source of capital to investment ideas that do not fit neatly into existing asset categories or that span multiple categories.

The opportunistic portfolio affords the Fund the opportunity to capture returns in advance of heavy institutional asset flows (early mover advantage) or have preferential position in situations that are capacity-constrained. The portfolio also allows the Fund to invest more flexibly across asset classes, geographies and capital structures.

The structures of these investments will vary greatly depending on the opportunity, and may range from broad strategic partnerships where the Fund's staff is able to leverage the resources of an institution to invest across a wide number of asset classes or strategies, to a more targeted approach that may include investments through various vehicles. As of March 31, 2015, the portfolio has generated a one-year time-weighted return of 7.0 percent.

Environmental, Social and Governance (ESG) Investment Program

The Fund established the Green Strategic Investment Program in the fiscal year ended March 31, 2009, committing to invest $500 million in environmentally-focused investment strategies across all asset classes. Companies that have developed and adhere to sustainable business practices strengthen their competitive position in the market, which enhances the potential for increased returns for the Fund.

In public equity, the Fund invests in two index funds focusing on sustainability and climate change. The HSBC Climate Change Index Fund and the FTSE Environmental Technology 50 invest in companies finding solutions to the challenges of climate change and energy scarcity, respectively. The Fund's investment in Generation, a leading provider of sustainable investment solutions, ended the fiscal year with $906 million under management.

During the recent fiscal year, the Fund expanded its ESG investments with a $300 million commitment to the Rockefeller Global Sustainability & Impact Strategy. The Rockefeller Strategy incorporates six sustainability criteria: governance, products and marketing, workplace, environmental stewardship, community, and human rights. Rockefeller fuses its sustainability criteria with traditional fundamental bottom-up research to create a core global equity portfolio.

The Fund continues to hold World Bank green bonds, which support projects in the World Bank's member countries that meet specific criteria for low carbon development. Purchasing these bonds provided a rare opportunity for the Fund to support climate change solutions within its fixed income portfolio at competitive prices.

AFFORDABLE HOUSING PERMANENT LOAN PROGRAM

In 1991, the Fund developed a program to support the rehabilitation and development of affordable housing in New York State. Under the program, the Fund's designated manager, the Community Preservation Corporation (CPC), originates affordable long-term housing mortgages across New York State. CPC provides the construction financing and, when construction is completed, CPC sells the permanent loans to the fund. All mortgages are 100 percent insured by the State of New York Mortgage Agency (SONYMA).

Through this program with CPC, the Fund has been able to provide moderate-income and low-income families across the State with the opportunity to rent affordable housing. By purchasing permanent mortgages, the Fund provides for the production of affordable new multifamily housing and the revitalization of deteriorated or obsolete housing units.

Since the inception of this program, 17,409 units for over $694.8 million have been completed and 1,669 are in the pipeline. In fiscal year 2014-15, the Fund invested in affordable housing throughout the State, including Dutchess, Erie, Nassau, Onondaga, Orange, Saratoga and Westchester counties. In March 2014, the Common Retirement Fund committed another $200 million to a similar program with CPC. The Fund remains dedicated to working with CPC and SONYMA to provide New York State residents with opportunities in affordable housing, as long as the investment structures and potential returns fulfill the fiduciary mandate of the overall pension fund to its beneficiaries and retirees.

OVERVIEW OF INVESTMENTS

CONTINUED

HELPING NY/EQUITY REAL ESTATE INVESTMENTS

Beyond the CPC program discussed above, the Fund invests in New York State commercial real estate properties through a mix of investment structures such as joint ventures, commingled funds and club fund investments, as well as wholly owned properties. The Fund owns, in whole or in part, shopping centers, office buildings, residential properties and hotels. Through these investment vehicles, the Fund has been able to acquire, develop, re-lease and reposition properties that are in need of upgrading with the goal of increasing property values. New York properties, particularly those that are in central business districts, have rebounded in value from the recent economic downturn as investors seek to buy stabilized, in-fill assets in gateway cities such as New York.

The Fund has also invested in the development of workforce-for-sale housing in the New York State and Tri-State regions. Together with the New York City pension funds, the Fund invested in a club fund with a mandate to invest across all real estate asset classes, including office, multifamily residential and retail within the five boroughs. The Fund is committed to evaluating investment opportunities in New York provided the investments meet the diversification and actuarial needs of the portfolio.

New York Business Development Corporation

The Fund seeks to diversify its investments and achieve a risk-adjusted rate of return through a commitment to the New York Business Development Corporation (NYBDC). NYBDC underwrites loans to small businesses in New York State, often with guarantees from the Small Business Administration, for working capital, equipment, the acquisition of real property, capital improvements and the refinancing of existing loans. NYBDC has successfully completed loans to a wide range of business enterprises including retailers, restaurants, small manufacturers and a variety of other service businesses across the State. By focusing exclusively on small business lending, NYBDC can frequently offer more favorable terms than other lenders. NYBDC has a goal of making at least 25 percent of its loans to women- or minority-owned businesses. NYBDC also has an active Veteran's Loan Program where New York business owners who serve in the Guard or Reserve, or honorably-discharged former active duty members can access small business loans.

The Fund has been an investor in NYBDC since 1987 with commitments totaling $400 million. In 2010, the Fund approved a fourth $100 million commitment to support NYBDC's small business loan program. Since this program began in 1987, NYBDC has made 1,082 loans totaling $362 million to businesses that employ over 22,000 New Yorkers. During the fiscal year ended March 31, 2015, NYBDC made 40 loans totaling $19.5 million.

Financing for Businesses in New York State

In 2000, the Fund initiated the New York State Private Equity Investment Program. The In-State Program is designed to generate a market rate of return consistent with the risks of private equity while increasing the diversification of the Fund's investment portfolio and expanding the availability of capital for New York State businesses. By making sound strategic investments in new and expanding New York companies and making equity capital available to small businesses often overlooked by investment professionals in this asset class, the program is also proving to be an important contributor to the State's economy. The In-State Program provides a model for how the pension fund can identify profitable investment opportunities and generate market rate returns, while supporting business development and job growth in New York State.

On March 31, 2015, the Fund's private equity portfolio included investments in over 200 New York businesses with a market value of $1.2 billion. This figure reflects only the Fund's share of these investments; the total value of New York companies held by the Fund's partnerships was more than $20 billion as of September 30, 2014 (the most recent data available). Included in the Fund's New York State portfolio are: Flat World Knowledge in Ossining, PACS Industries in Bethpage, Multisorb in Buffalo, Auburn Armature Inc. in Auburn, Movable Ink in New York City, Vnomics in Rochester, CognitiveTPG in Ithaca, and Climax Manufacturing in Lowville.

As of March 31, 2015, the Fund had $500 million remaining in commitments to nineteen different private equity managers. Commitments in this program totaled $1.3 billion. These commitments are devoted exclusively to New York State investment opportunities. The nineteen managers in the program are:

- *Ascend Ventures*, a technology venture fund located in New York City;
- *Ascent Biomedical Ventures NY*, a New York City-based venture capital fund focusing on life sciences;
- *CSFB New York Co-Investment Fund*, a fund that makes investments alongside other private equity funds investing in New York State;
- *Contour Venture Partners*, an early stage venture fund based in New York City;
- *DeltaPoint Capital*, a growth equity fund located in Rochester;
- *DFJ Gotham*, a New York City-based fund focused on early-stage venture capital investments;
- *Easton Hunt Capital Partners*, a New York City-based fund that pursues a broad strategy of investing in companies in a wide range of industries and stages of development;
- *FA Technology Ventures*, a venture capital fund focusing on information and energy technology located in Albany;
- *Founders Equity*, a New York City-based fund that makes growth equity investments;

- *Graycliff Partners*, a New York City-based fund that targets buyout and growth equity investments;
- *Tribeca Venture Partners (fka Greenhill SAVP New York)*, a New York City-based early-stage applied technology venture firm focused on investing in business information and technology-enabled services companies;
- *Primary Venture Partners (fka High Peaks Ventures)*, an early-stage venture capital fund based in New York City and Albany;
- *Hudson River Co-Investment Fund*, a special situations fund managed by Hamilton Lane Advisors that makes investments alongside other private equity managers in New York;
- *Milestone Venture Partners*, a New York City-based fund that focuses on companies providing technology-enhanced businesses services;
- *Paladin Homeland Security Fund (NY)*, a Washington, D.C.-based fund that opened a New York office to invest in companies that address a broad range of government and commercial security needs;
- *SoftBank Capital NY*, a New York City- and Buffalo-based fund that invests in digital media and technologies that leverage broadband;
- *Summer Street Capital Partners*, a growth equity investment fund located in Buffalo;
- *Trillium Lakefront Partners NY*, a Rochester-based fund that focuses on investing in technology companies in upstate New York; and
- *Wheatley Partners*, a technology venture fund with a focus on information and medical technology located in New York City and Long Island.

Corporate Governance

Comptroller DiNapoli's role as a fiduciary keeps him engaged in discussions and negotiations with management and boards of directors of companies in the Fund's portfolio regarding corporate governance and accountability. During the fiscal year ended March 31, 2015, the corporate governance staff monitored the Common Retirement Fund's portfolio companies for compliance with industry best practices to assure that: (i) the Fund's investments were not subject to undue risks; and (ii) the Fund's portfolio companies were being managed in a sustainable fashion to help ensure long-term value. Further, the Fund actively sought reforms that aimed to enhance corporate risk oversight and management, transparency and accountability. Staff also voted proxies in-house for the Fund's shares at over 2,000 U.S. and international corporations.

The following shareholder engagements were initiated during the 2014-15 fiscal year:

- **Board Accountability:** The Comptroller continued to file proposals requesting that boards adopt best practices that make them more accountable to shareholders. The Fund filed 13 proposals on issues including requiring annual election of directors and promoting diversity in board selection, and improving executive compensation practices. Seven of the proposals were withdrawn with agreement and two proposals achieved majority support of votes cast (excluding abstentions and broker non-votes).
- **Environmental Management:** Eleven resolutions were also filed with companies on the issue of climate change management, seven of which were withdrawn with agreements with the companies. An additional two proposals filed by the Fund sought to have companies enhance their sustainability reporting. The Fund filed one resolution with an oil and mining company asking the company to commit to placing an independent director with environmental expertise on its board.
- **Global Labor Standards/Workers' Rights:** The Fund continued its participation in an international engagement on workers' rights coordinated by the United Nations' Principles for Responsible Investment (PRI) campaign. In addition, the Fund submitted and subsequently withdrew with agreement two resolutions to portfolio companies designed to promote improved labor and environmental standards in their overseas operations and those of their significant suppliers.
- **Political Spending Disclosure:** Resolutions were filed at 15 portfolio companies asking for annual disclosure of political contributions made with corporate funds. Resolutions at four companies were withdrawn when the companies agreed to make the requested disclosures. Building on the Fund's 2012-2013 Books and Records request success, whereby Qualcomm established a new policy on disclosure of political contributions, demand letters seeking disclosure of political spending were presented to an additional five companies.
- **Sexual Orientation:** The Comptroller filed shareholder resolutions with two Fortune 500 and Fortune 1000 companies in the Fund's portfolio asking them to implement non-discrimination policies based on sexual orientation and gender identity. Both of these companies responded to the initiative by agreeing to put anti-discrimination policies in place.

INVESTMENT RESULTS

Based on Market Values as of March 31, 2015.

	Annualized Rate of Return			
	1 Year	3 Years	5 Years	10 Years
Total Fund	**7.16%**	**10.16%**	**10.17%**	**7.12%**
Global Equity	8.16	13.66	11.98	7.38
Private Equity	9.18	12.74	13.04	12.93
Real Estate	10.41	13.33	16.76	7.99
Absolute Return Strategy	5.87	7.88	5.77	4.59
Opportunistic Alternatives	6.97	7.54	6.22	–
Treasury Inflation-Indexed Securities	3.25	1.41	5.92	5.13
Core Fixed Income	5.53	3.21	5.24	5.65
Short-Term Investments	0.44	0.37	0.39	1.84
Benchmarks				
MSCI All Country World Index Free	5.42	10.75	8.99	6.44
Cambridge U.S. Private Equity Index	11.09	15.46	15.66	13.57
National Council of Real Estate Investment Fiduciaries (NCREIF)	11.80	11.11	12.13	8.38
HFRX Global Hedge Fund Index	(0.21)	2.69	1.33	0.88
Salomon Smith Barney Inflation Linked Index	3.82	0.77	4.51	4.64
Barclays Capital Aggregate Bond Index	5.72	3.10	4.41	4.93

These figures are for investment management purposes and may not agree with audited statements.

Investment return calculations were prepared using a time-weighted rate of return. Private Equity and Real Estate are reported on a three-month lag and Absolute Return Strategy on a one-month lag (adjusted by cash flows).

INVESTMENT SUMMARY

The following table summarizes the market values for March 31, 2015 and 2014 (Dollars in Thousands):

Asset Type	Market Value March 31, 2015	Percentage of Total Market Value*	Market Value March 31, 2014	Percentage of Total Market Value*
Domestic Equity	$ 67,219,661	36.4%	$ 65,281,392	36.9%
Global Fixed Income	47,652,210	25.8	41,410,571	23.4
International Equity	27,073,871	14.7	27,910,342	15.8
Private Equity	14,247,374	7.7	14,369,804	8.1
Real Estate	12,123,440	6.6	12,529,309	7.1
Absolute Return Strategy	8,388,806	4.5	7,406,113	4.2
Short-Term Investments	5,252,486	2.9	6,592,848	3.7
Opportunistic Funds	1,292,161	0.7	480,851	0.3
Mortgage Loans	852,955	0.5	853,906	0.5
Real Assets	399,080	0.2	N/A	N/A
Total Investments	**$ 184,502,044**	**100.0%**	**$ 176,835,136**	**100.0%**

* This table reflects percentages derived from financial statement figures and may differ slightly from the asset allocation figures because certain investments have been reclassified.

ASSET ALLOCATION — MARCH 31, 2015*

The Fund diversifies its assets among various classes including domestic and international equity, fixed income, inflation-indexed securities, real estate, private equity, and absolute return strategies.

Asset liability studies, conducted periodically with help from an investment consultant, identify the optimal mix of assets to meet the growth requirements of pension obligations while controlling risk as measured by return volatility. In the fiscal year ended March 31, 2015, the Fund completed an asset liability analysis and adopted a new Long-Term Policy Allocation, as reflected in the schedule below. As part of the new policy, the Fund increased the allocation to domestic equity and real estate while decreasing the allocation to bonds and inflation-indexed bonds. As implementation of the new Long-Term Policy Allocation is expected to take several years, the Fund established an Interim Policy Allocation for the transition period.

The Fund has formal rebalancing guidelines, which ensure a disciplined process for meeting asset allocation goals, as well as allocation ranges for individual asset classes, which minimize unnecessary turnover.

Asset Type	Allocation as of March 31, 2015	Current Interim Policy	Long-Term Policy Allocation
Equity			
Domestic Equity	39.5%	38.0%	38.0%
International Equity	13.7	16.0	13.0
Alternatives			
Private Equity	7.5%	8.0%	10.0%
Real Estate	6.4	6.0	8.0
Absolute Return	3.5	3.0	3.0
Opportunistic Portfolio	0.7	1.0	3.0
Real Asset	0.2	1.0	3.0
Bonds, Cash & Mortgages	21.4%	20.0%	18.0%
Cash	1.9%	2.0%	2.0%
Inflation-Indexed Bonds	5.2%	5.0%	2.0%

*A detailed listing of the New York State and Local Retirement System's assets as of March 31, 2015 is on our website at **www.osc.state.ny.us**.

GLOBAL EQUITY PERFORMANCE

For the Fiscal Year Ending March 31, 2015.

	Total Assets (Dollars in Millions)	Annualized Rate of Return				Inception Date	Since Inception Performance	Benchmark Performance*
		1 Year	3 Years	5 Years	10 Years			
Total Global Equity	**$ 97,552.8**	**8.16%**	**13.66%**	**11.98%**	**7.38%**			
MSCI All Country World Index Free		**5.42%**	**10.75%**	**8.99%**	**6.44%**			
Total Large Cap Composite	$ 52,636.3	12.71%	16.05%	14.44%	7.88%	2/1/83	11.35%	11.33%
CRF S&P 500 Index Fund	50,307.3	12.73	16.02	14.40	8.02	8/1/78	11.75	11.72
Aronson+Johnson+Ortiz	1,289.8	10.90	18.10	16.22	8.59	12/1/04	8.67	7.32
Piedmont Investment Advisors	516.0	15.06	15.83	13.09	–	3/1/10	14.24	15.82
Eagle Capital	523.2	–	–	–	–	9/1/14	5.22	4.44
S&P 500 Index		**12.73%**	**16.11%**	**14.47%**	**8.01%**			
Total Mid Cap Composite	$ 6,775.6	9.50%	16.07%	15.32%	9.83%	7/1/91	12.21%	12.90%
CRF S&P 400 Midcap Fund	3,629.1	12.40	17.27	15.73	10.45	11/1/91	12.47	12.47
Progress Investment	1,624.8	9.24	15.52	15.15	9.50	9/1/94	12.02	11.52
Sasco Capital	414.6	0.53	13.58	14.33	–	7/1/05	9.87	9.35
Apex Capital	376.8	10.38	17.19	18.94	–	3/1/08	13.51	11.73
First Pacific	314.6	(9.42)	–	–	–	11/1/12	5.00	21.62
Iridian Asset	415.6	–	–	–	–	1/8/15	4.15	5.47
S&P 400 Index		**12.19%**	**17.03%**	**15.72%**	**10.32%**			
Total Small Cap Composite	$ 7,606.7	7.32%	16.67%	15.21%	9.60%	7/1/91	10.81%	10.49%
CRF S&P 600 Index Fund	1,423.9	8.87	17.15	15.96	–	10/1/05	9.23	9.16
BGI R2000 Index Fund	2,535.2	8.48	16.56	14.79	8.98	11/1/01	9.93	10.02
Brown Capital	886.2	10.17	20.57	19.84	15.83	9/1/94	15.18	9.62
EARNEST Partners	844.3	11.33	17.81	15.39	8.68	6/1/01	10.88	9.02
Systematic Financial	437.9	(2.63)	14.38	13.72	8.71	9/1/02	10.19	10.35
Lombardia Capital Partners	333.0	3.03	14.26	13.90	–	5/1/08	11.48	8.56
PENN Capital	332.0	3.89	–	–	–	9/1/13	7.20	11.29
Artisan Partners	342.4	2.85	–	–	–	8/28/13	10.87	15.67
Ariel Microcap	68.5	(7.78)	–	–	–	11/1/13	(4.49)	8.61
Russell 2000 Index		**8.21%**	**16.27%**	**14.57%**	**8.82%**			
Total Long-Only Alpha Composite	$ 937.4	15.11%	18.97%	–%	–%	9/1/11	20.75%	5.70%
Valueact Capital Partners II, LP	587.2	17.62	21.46	–	–	9/1/11	22.58	5.70
Trian Partners Strategic Fund I, LP	154.5	12.50	16.22	–	–	10/1/11	19.34	7.75
Trian Partners Strategic Fund II, LP	142.1	9.10	–	–	–	1/1/13	15.22	7.91
HFRI Equity Hedge Index		**3.03%**	**6.15%**	**4.75%**	**4.91%**			

* Benchmarks for all accounts will vary according to mandate.

GLOBAL EQUITY PERFORMANCE

CONTINUED

For the Fiscal Year Ending March 31, 2015.

	Total Assets (Dollars in Millions)	Annualized Rate of Return			Inception Date	Since Inception Performance	Benchmark Performance*
		1 Year	3 Years	5 Years			
Total Progress Composite	$ 1,624.8	9.24%	15.52%	15.15%	9/01/94	12.02%	11.52%
Affinity Investment	211.0	–	–	–	9/23/14	7.55	8.54
AH Lisanti	56.9	–	–	–	7/01/14	10.69	10.63
Channing Capital	176.6	15.01	21.02	16.51	7/01/05	9.50	9.35
Decatur Capital Management	88.4	16.71	–	–	8/01/13	13.64	17.79
Denali Advisors	205.6	11.89	20.70	16.24	3/01/08	11.87	10.64
GW Capital	173.0	(0.06)	13.18	13.41	5/01/08	9.13	9.66
Hahn Capital Management	206.3	9.60	–	–	8/01/13	11.33	16.97
Monarch Partners	231.9	8.46	–	–	8/01/13	14.66	12.05
Poplar Forest	83.0	–	–	–	9/23/14	0.12	8.54
Stoneridge	192.1	–	–	–	7/01/14	7.09	10.63
Progress Composite Benchmark		**12.37%**	**17.60%**	**15.87%**			
Total FIS Composite	$ 1,011.6	5.80%	–%	–%	10/01/13	10.13%	9.35%
Athena Global Investors	56.2	(0.21)	–	–	10/01/13	10.22	14.97
BRC Investment	178.7	16.40	–	–	10/01/13	20.15	15.36
Decatur Capital Management	131.5	16.50	–	–	10/01/13	22.02	18.89
Lombardia Capital Mangement	50.4	(11.17)	–	–	10/01/13	(1.19)	3.59
Cheswold Lane Asset Mangement	78.9	(8.91)	–	–	10/01/13	(4.00)	3.59
Global Alpha Capital Management	23.5	3.27	–	–	10/01/13	12.47	4.14
Chautauqua Capital Management	81.1	(1.05)	–	–	10/01/13	3.35	2.80
Ativo Capital Management	39.7	11.80	–	–	10/01/13	10.10	1.22
Somerset Capital Management	40.5	9.76	–	–	10/01/13	5.69	1.22
Martin Investment	24.3	–	–	–	12/01/14	3.41	1.25
FIS Frontier Market	13.4	(3.06)	–	–	10/01/13	(2.00)	6.75
FIS Global Tactical Account	209.5	8.87	–	–	10/01/13	11.97	–
MSCI All Country World Index Free		**5.42%**	**10.75%**	**8.99%**			

* Benchmarks for all accounts will vary according to mandate.

GLOBAL EQUITY PERFORMANCE

CONTINUED

For the Fiscal Year Ending March 31, 2015.

	Total Assets (Dollars in Millions)	Annualized Rate of Return				Inception Date	Since Inception Performance	Benchmark Performance*
		1 Year	3 Years	5 Years	10 Years			
Brandes Investment	$ 1,113.9	3.62%	13.09%	9.99%	4.96%	11/01/99	7.14%	4.57%
Generation Investment	906.1	11.60	17.19	12.52	–	4/08/09	18.92	15.48
Templeton Investment	2,487.5	1.28	14.62	–	–	3/01/11	10.77	8.15
T. Rowe Price	875.7	10.58	14.47	–	–	3/01/11	10.87	8.15
FIS Group	1,011.6	5.80	–	–	–	10/01/13	10.13	9.35
FTSE Environmental Technology 50	112.9	(1.38)	13.09	2.95	–	11/01/09	3.28	3.16
HSBC Climate Change ex Nuclear	129.6	0.02	9.84	5.45	–	11/01/09	6.33	5.19
Goldman Sachs	2,010.6	–	–	–	–	07/14/14	0.53	1.51
MSCI All Country World Index Free		**5.42%**	**10.75%**	**8.99%**	**6.44%**			
Acadian Asset Management	$ 1,962.2	(2.48)%	8.31%	7.11%	6.05%	11/01/04	7.13%	6.37%
BlackRock ACWI ex US	7,632.7	(0.78)	6.66	5.10	5.75	11/01/04	6.65	6.37
The Boston Co.	479.8	(4.31)	6.51	3.24	4.81	4/01/05	4.81	5.46
MSCI All Country World Free ex U.S.		**(1.01)%**	**6.40%**	**4.82%**	**5.46%**			
Capital Guardian	$ 1,374.5	(1.45)%	9.99%	7.55%	5.84%	9/01/89	7.61%	4.76%
Morgan Stanley International A/P	1,608.6	(0.18)	9.07	6.01	6.21	8/01/94	6.68	5.00
Mondrian Investment	1,499.7	(0.46)	9.46	7.06	5.93	1/01/98	7.39	5.02
Baillie Gifford	1,949.4	(0.83)	11.06	9.34	7.97	2/01/99	5.96	4.21
Baring International A/P	920.2	0.84	10.13	7.36	6.12	4/01/02	7.77	6.46
MSCI EAFE Index		**(0.92)%**	**9.02%**	**6.16%**	**4.95%**			
Morgan Stanley Emerging Markets	$ 948.7	0.25%	2.46%	3.41%	8.83%	10/01/93	7.64%	6.31%
Genesis Investment Management	648.1	(0.71)	2.84	–	–	3/01/12	1.98	(0.79)
Quantitative Management Associates	1,049.4	2.66	2.19	–	–	2/01/12	3.20	1.07
Rock Creek Emerging Markets Fund	502.8	1.50	–	–	–	10/01/13	0.29	–
MSCI Emerging Markets Index		**0.44%**	**0.31%**	**1.75%**	**8.48%**			
Cevian Capital II, LP	$ 490.2	9.27%	12.81%	–%	–%	9/01/11	17.50%	5.70%
HFRI Equity Hedge Index		**3.03%**	**6.15%**	**4.75%**	**4.91%**			

* Benchmarks for all accounts will vary according to mandate.

DOMESTIC EQUITY PORTFOLIO — TEN LARGEST HOLDINGS*

For the Fiscal Year Ending March 31, 2015.

Company	Shares	Market Value	Percentage of Domestic Equity
Apple, Inc.	16,711,216	$ 2,079,376,607	3.1%
Microsoft Corp.	26,947,225	1,095,539,432	1.6
Exxon Mobil Corp.	11,972,610	1,017,671,850	1.5
Johnson & Johnson	7,761,347	780,791,508	1.2
Berkshire Hathaway, Inc. - Class B	5,256,026	758,549,672	1.1
J.P. Morgan Chase & Company	12,519,653	758,440,579	1.1
Wells Fargo & Company	13,826,300	752,150,720	1.1
General Electric Company	27,473,856	681,626,367	1.0
Pfizer, Inc.	19,528,735	679,404,691	1.0
Procter & Gamble Company	7,400,752	606,417,619	0.9

*A detailed listing of the New York State and Local Retirement System's assets as of March 31, 2015 is on our website at **www.osc.state.ny.us**.

FIXED INCOME PORTFOLIO AND COMPARISON

As of March 31, 2015.

Sector	Market Value (Dollars in Millions)	Market Value Percentage	Effective Duration	Current Yield
Treasuries	$ 5,148.7	14.2%	6.59	1.40%
Agencies	3,196.4	8.8	3.95	1.40
Corporate Bonds	17,128.1	47.4	6.10	2.76
Asset-Backed	2,003.4	5.5	1.52	1.00
Commercial Mortgage-Backed	2,273.6	6.3	2.76	1.99
Mortgage-Backed	5,479.6	15.2	2.73	1.95
Collateralized Loan Obligations	926.5	2.6	0.19	1.62
Totals	**$ 36,156.2**	**100.0%**	**4.78**	**1.95%**
TIPS	$ 9,551.1		6.10	1.51%
Smith Graham	$ 311.1		3.35	1.47%
BlackRock	$ 1,633.7		3.28	3.38%

FIXED INCOME PERFORMANCE

As of March 31, 2015.

	Annual Rate of Return		
	1 Year	3 Years	5 Years
Common Retirement Fund — Core	**5.53%**	**3.21%**	**5.24%**
Treasuries	6.04	2.71	6.07
Agencies	4.07	2.18	4.57
Corporate Bonds	6.44	4.19	5.30
Asset-Backed	1.48	N/A	N/A
Commerical Mortgage-Backed	4.09	4.72	7.81
Mortgage-Backed	5.44	2.42	3.74
Collateralized Loan Obligations	0.93	N/A	N/A
Barclays Capital Aggregate Bond Index	**5.72**	**3.10**	**4.41**
Common Retirement Fund — TIPS	**3.25**	**1.41**	**5.92**
Salomon Smith Barney — TIPS Index	**3.82**	**0.77**	**4.51**

FIXED INCOME PORTFOLIO — TEN LARGEST HOLDINGS*

As of March 31, 2015.

Issue	Market Value (Dollars in Millions)	Percentage of Fixed Income
Treasury Inflation Indexed Securities Due 1/15/25	$ 1,427.1	3.12%
Treasury Inflation Indexed Securities Due 4/15/29	1,292.0	2.83
Treasury Inflation Indexed Securities Due 1/15/17	1,202.5	2.63
Treasury Inflation Indexed Securities Due 4/15/17	775.1	1.70
Treasury Inflation Indexed Securities Due 1/15/19	689.1	1.51
Treasury Inflation Indexed Securities Due 4/15/28	688.0	1.51
Treasury Inflation Indexed Securities Due 1/15/29	681.4	1.49
Treasury Inflation Indexed Securities Due 7/15/18	667.0	1.46
Treasury Inflation Indexed Securities Due 7/15/19	624.1	1.37
Treasury Inflation Indexed Securities Due 1/15/26	376.8	0.82
Total	**$ 8,423.1**	**18.43%**

*A detailed listing of the New York State and Local Retirement System's assets as of March 31, 2015 is on our website at **www.osc.state.ny.us.**

REAL ESTATE PORTFOLIO

As of March 31, 2015.

	Equity Amount*	Percentage	Mortgage Amount*	Percentage
Property Diversification				
Industrial/R&D	$ 926,576,528	7.7%	$ –	0.0%
Land for Development	–	0.0	–	0.0
Lodging	1,150,003,464	9.5	–	0.0
Office	3,386,649,534	28.0	58,043,894	6.8
Other	2,146,524,694	17.7	–	0.0
Residential	1,611,375,274	13.3	446,159,168	52.3
Retail	2,876,699,412	23.8	348,752,469	40.9
Total	**$ 12,097,828,906**	**100.0%**	**$ 852,955,531**	**100.0%**
Regional Diversification				
Northeast	$ 2,504,616,450	20.7%	$ 852,955,531	100.0%
Mideast	1,043,723,540	8.6	–	0.0
Southeast	803,936,130	6.6	–	0.0
Southwest	1,227,995,091	10.2	–	0.0
Midwest	699,255,592	5.8	–	0.0
Mountain	416,670,456	3.4	–	0.0
Pacific	2,746,938,464	22.7	–	0.0
Other	2,654,693,183	21.9	–	0.0
Total	**$ 12,097,828,906**	**100.0%**	**$ 852,955,531**	**100.0%**

* Note: Based on NYSCRF full real estate portfolio market value.

These figures may not agree with the audited statements due to timing and classification differences made for investment management purposes.

OPPORTUNISTIC REAL ESTATE

Number of Active Partnerships	Capital Committed (Dollars in Millions)	Capital Contributed (Dollars in Millions)	Current Market Value (Dollars in Millions)	Cumulative Distributions (Dollars in Millions)	Total Value / Exposure (Dollars in Millions)
77	$13,752.1	$ 11,991.2	$ 6,265.6	$ 7,449.2	$ 13,714.8

These figures may not agree with the audited statements due to timing and classification differences made for investment management purposes.

ALTERNATIVE INVESTMENTS SUMMARY

As of March 31, 2015.

	Number of Partnerships	Capital Committed	Capital Contributed	Net Asset Value	Cumulative Distributions	Total Value
Private Equity Funds						
Buyout	160	$ 24,690,071,487	$ 22,357,506,734	$ 9,645,755,494	$ 23,879,015,599	$ 33,524,771,093
Distressed/Turnaround	28	2,737,696,183	2,615,423,262	1,242,056,390	2,226,178,470	3,468,234,860
Growth	39	4,247,603,224	3,069,923,663	1,528,661,161	3,184,490,725	4,713,151,886
Other Opportunistic	5	375,000,000	358,184,467	52,158,119	446,050,619	498,208,738
Venture	45	3,628,298,060	3,487,208,147	1,711,336,999	2,843,602,564	4,554,939,563
Other	N/A	N/A	67,405,611	67,405,611	N/A	67,405,611
Total*	**277**	**$ 35,678,668,954**	**$ 31,955,651,884**	**$ 14,247,373,774**	**$ 32,579,337,977**	**$ 46,826,711,751**
ARS Funds						
Equity Long-Bias	5	N/A	N/A	1,427,647,752	N/A	1,427,647,752
Equity Long-Short	7	N/A	N/A	1,237,392,030	N/A	1,237,392,030
Event Driven	21	N/A	N/A	1,817,002,908	N/A	1,817,002,908
Fund of Funds	5	N/A	N/A	736,488,588	N/A	736,488,588
Quantitative	1	N/A	N/A	143,947,203	N/A	143,947,203
Relative Value	4	N/A	N/A	857,475,160	N/A	857,475,160
Structured Credit	2	N/A	N/A	395,940,485	N/A	395,940,485
Tactical Trading	8	N/A	N/A	1,772,911,585	N/A	1,772,911,585
Total	**53**			**$ 8,388,805,711**		**$ 8,388,805,711**
Opportunistic Funds	**10**	**$ 2,280,000,000**	**$ 1,417,641,298**	**$ 1,292,161,184**	**$ 194,136,107**	**$ 1,486,297,291**

* The total figures include the Fund's private equity investments and other investments through the New York Business Development Corporation (NYBDC).

DOMESTIC EQUITY MANAGEMENT FEES

For the Fiscal Year Ended March 31, 2015.

Apex Capital Management, Inc.	$	1,481,671
Ariel Investments, LLC		580,022
Aronson+Johnson+Ortiz, LP		1,938,894
Artisan Partners, LP		3,251,031
BlackRock Institutional Trust Company, NA		602,292
Brown Capital Management, Inc.		6,242,737
Eagle Capital Management, LLC		2,240,705
Earnest Partners, LLC		2,906,332
First Pacific Advisors, LLC		2,117,180
FIS Group, Inc.		4,275,695
Globeflex Capital, LP		668,810
Iridian Asset Management, LLC		546,467
Leading Edge Investment Advisors, LP		135,289
Lombardia Capital Partners, LLC		1,478,096
New Amsterdam Partners, LLC		504,094
PENN Capital Management Company, Inc.		1,657,977
Piedmont Investment Advisors, LLC		1,035,269
Progress Investment Management Company		10,309,085
SASCO Capital, Inc.		1,561,450
Steinberg Asset Management, LLC		552,636
Systematic Financial Management, LP		3,389,010
Total	**$**	**47,474,742**

DOMESTIC EQUITY COMMISSIONS

For the Fiscal Year Ended March 31, 2015.

Broker	Shares	Commission $ U.S.
Abel Noser Corp.	12,124,266	$ 112,214
Academy Securities, Inc.	85,610	2,731
Access Securities, Inc.	40,700	1,018
Aegis Capital Corp.	498,027	4,233
Albert Fried & Company, LLC	12,700	635
American Portfolios Financial Services, Inc.	59,424	2,971
Ancora Securities, Inc.	58,445	2,154
Avondale Partners, LLC	427,962	16,286
B Riley & Company, LLC	607,193	15,353
Baird Robert W. & Company, Inc.	3,317,718	128,144
Barclays Capital, Inc.	8,551,781	234,351
Baypoint Trading, LLC	7,873,356	250,193
Benchmark Company, LLC	79,165	2,583
Blaylock & Company, Inc.	3,922,847	77,489
Bloomberg Tradebook, LLC	8,797,800	166,993
BMO Capital Markets	522,464	20,421
BNY Brokerage	24,525,024	567,551
BOE Securities, Inc.	128,476	4,746
Brean Capital, LLC	169,008	3,265
Buckingham Research Group, Inc.	219,411	8,855
C L King & Associates, Inc.	6,336,321	127,617
Cabrera Capital Markets, Inc.	5,726,935	127,283
Cantor Fitzgerald & Company	13,745,392	398,829
Capital Institutional Services, Inc.	4,705,978	178,290
Cheevers & Company	4,458,097	112,756
Citation Group	4,718,047	154,385
Citigroup Global Markets, Inc.	6,725,436	162,300
CLG Investment Company, Inc.	37,000	1,480
Collins Stewart, LLC	304,729	14,217
Compass Point Research & Trading, LLC	343,079	13,967
Conifer Securities, LLC	956,000	17,000
Cornerstone Macro, LLC	96,653	2,468
Cowen & Company, LLC	277,558	10,653
Craig-Hallum Capital Group, LLC	802,883	25,518
Credit Research & Trading Capital Group, LLC	154,795	5,263
Credit Suisse Securities, Ltd.	9,209,130	248,162
CSI U.S. Institutional Desk	22,564	677
Cuttone & Company, Inc.	66,903	1,338

Broker	Shares	Commission $ U.S.
D.A. Davidson & Company, Inc.	65,689	$ 2,628
DeMatteo Monness, LLC	17,823	356
Deutsche Bank Alex Brown	63,650	2,342
Deutsche Bank Securities, Inc.	5,639,603	94,450
Donaldson, Lufkin & Jenrette	2,656,632	59,033
Dougherty & Company, LLC	31,706	1,048
Dowling & Partners	185,300	7,412
Drexel Hamilton, LLC	2,113,367	73,657
Evercore Group, LLC	15,005	750
Fidelity Capital Markets	2,960,140	44,402
FIG Partners, LLC	102,447	2,049
First Clearing Corp.	2,320,449	48,892
First Southwest Company	2,707,135	124,288
Fox River Execution Technology, LLC	2,052,006	25,748
Frank Russell Securities, Inc.	1,409,735	55,834
Friedman Billings & Ramsey	272,038	10,596
Global Hunter Securities, LLC	7,588	379
Goldman Sachs & Company	13,868,297	284,073
Gordon, Haskett & Company	389,930	13,648
Great Pacific Securities, Inc.	3,916,000	78,320
Greentree Brokerage Services, Inc.	367,819	17,242
Guzman & Company	8,853,660	161,133
Hibernia Southcoast Capital, Inc.	97,100	3,772
Imperial Capital, LLC	245,564	9,823
Instinet	28,686,433	586,001
Invemed Associates, Inc.	19,940	698
Investment Technology Group	58,296,959	781,959
ISI Group, Inc.	2,336,903	82,268
Island Trader Securities, Inc./Telsey Advisory Group	612,432	20,463
Ivy Securities	449,507	17,932
Janney Montgomery Scott, Inc.	193,753	6,085
Jefferies & Company, Inc.	9,536,834	273,592
JMP Securities	628,098	20,391
JNK Securities, Inc.	3,452,066	51,818
Johnson Rice & Company, LLC	675,162	22,727
Jones Trading Institutional Services, LLC	12,649,376	437,912
J.P. Morgan Securities, Inc.	10,153,345	240,793
Keefe Bruyette & Wood, Inc.	2,086,702	64,329

DOMESTIC EQUITY COMMISSIONS

CONTINUED

Broker	Shares	Commission $ U.S.
Keybanc Capital Markets, Inc.	916,014	$ 36,250
Knight Equity Markets, LP	6,131,734	119,825
Leerink Swann & Company	510,045	16,302
Liquidnet, Inc.	26,416,559	342,934
Longbow Securities, LLC	1,067,235	33,320
Loop Capital Markets, LLC	38,803,627	613,367
Lynch Jones & Ryan, Inc.	67,262	1,345
M Ramsey King Securities, Inc.	354,257	10,635
Macquarie Securities (USA), Inc.	187,455	6,500
Maxim Group	10,010	432
McDonald & Company Securities, Inc.	252,940	10,637
Merrill Lynch Pierce Fenner & Smith, Inc.	17,015,685	321,944
Mischler Financial Group, Inc.	616,740	20,795
Mizuho Securities USA, Inc.	159,355	6,374
MKM Partners, LLC	151,151	5,765
Monness, Crespi, Hardt & Company, Inc.	123,435	6,172
Morgan Stanley & Company, Inc.	11,605,398	310,455
National Financial Services Corp.	3,360,508	67,131
Needham & Company	2,135,345	75,037
Noble International Investments	35,014	1,436
North South Capital, LLC	1,637,391	64,325
Oppenheimer & Company, Inc.	1,367,227	49,439
Pacific Crest Securities	35,720	1,609
Penserra Securities, Inc.	797,689	7,977
Pickering Energy Partners, Inc.	225,880	8,932
Piper Jaffray	794,132	28,114
Pulse Trading, LLC	348,489	3,495
Raymond James & Associates, Inc.	2,939,368	113,787
RBC Capital Markets	6,554,017	241,182
Rosenblatt Securities, LLC	1,789,807	26,883
Roth Capital Partners, Inc.	326,807	7,790
Samuel A Ramirez & Company, Inc.	4,969,822	99,396
Sanford C Bernstein & Company, LLC	5,778,956	146,790
Scotia Capital, Inc.	590,738	24,200
Scott & Stringfellow, Inc.	255,742	10,764
Seaport Group Securities, LLC	176,833	2,549
SG Americas Securities, LLC	5,090,361	52,909
Sidoti & Company, LLC	1,777,285	70,553
Simmons & Company International	340,231	16,212

Broker	Shares	Commission $ U.S.
Southwest Securities, Inc.	2,581,408	$ 117,410
State Street Global Markets, LLC	8,054,927	109,962
Stephens, Inc.	646,252	30,243
Sterne Agee & Leach, Inc.	4,077,881	146,024
Stifel Nicolaus & Company, Inc.	6,894,924	210,251
Strategas Securities, LLC	594,939	20,590
Sturdivant and Company, Inc.	6,870,431	150,325
SunTrust Capital Markets, Inc.	1,000,130	38,331
Themis Trading, LLC	921,346	11,517
Topeka Capital Markets, Inc.	2,758,895	117,881
UBS Securities, LLC	3,054,025	70,242
USCA Securities, LLC	32,560	1,140
Vandham Securities Corp.	9,807	294
Wedbush Morgan Securities, Inc.	4,488,300	79,548
Weeden & Company	5,486,334	110,016
Wells Fargo Securities, LLC	4,772,831	129,709
Western International Securities, Inc.	36,690	917
William Blair & Company	1,387,390	40,597
Williams Capital Group, LP	10,443,573	217,890
Wunderlich Securities, Inc.	141,077	5,417
Yamner & Company, Inc.	297,008	2,970
Total	**521,112,062**	**$ 11,548,068**

INTERNATIONAL EQUITY MANAGEMENT FEES

For the Fiscal Year Ended March 31, 2015.

Acadian Asset Management, LLC	$ 5,073,901
Baillie Gifford Overseas, Ltd.	5,167,015
Baring Asset Management	2,877,236
BlackRock Institutional Trust Company, NA	2,781,322
Boston Company, LLC	1,527,707
Brandes Investment Partners, LP	4,295,259
Capital Guardian Emerging Markets	415,040
Capital Guardian Trust Company	5,445,046
Consilium Frontier Equity Fund, LP	145,510
Generation Investment Management, LLP	9,324,373
Genesis Investment Management, LLP	4,821,017
Goldman Sachs Asset Management	4,818,215
Mondrian Investment Partners, Inc.	4,561,265
Morgan Stanley Emerging Markets Fund, Inc.	7,333,704
Morgan Stanley Investment Management, Inc.	5,112,107
Quantitative Management Associates, LLC	2,907,847
T. Rowe Price Associates, Inc.	4,099,688
Templeton Investment Counsel, LLC	5,427,609
Total	**$ 76,133,861**

INTERNATIONAL EQUITY COMMISSIONS

For the Fiscal Year Ended March 31, 2015.

Broker	Shares	Commission $ U.S.
ABG Securities	409,391	$ 16,491
Ak Yatirim Menkul Degerler A.S.	577,619	3,972
Ancora Securities, Inc.	53,900	1,833
Arqaam Securities, LLC	7,600	1,193
Auerbach Grayson & Company, Inc.	1,562,300	7,801
B. Riley & Company, LLC	16,100	564
Baader Bank AG	35,992	1,041
Baird Robert W. & Company, Inc.	228,019	8,939
Banca IMI Securities Corp.	52,977	696
Banco Bradesco S.A.	50,643	930
Banco Icatu	25,726	1,250
Banco Itau	962,089	9,911
Banco Pactual S.A.	58,271	697
Banco Portugues de Investimento	2,675	48
Banco Santander	241,545	3,622
Bank am Bellevue	3,366	2,002
Barclays Capital Securities, Ltd.	1,189,440	1,662
Barclays Capital, Inc.	38,151,836	249,548
Bay Crest Partners, LLC	2,032,549	20,325
Baypoint Trading, LLC	1,680,959	21,469
Beacon Capital	74,500	2,980
Bell Potter Securities, Ltd.	86,426	2,184
Berenberg Bank	1,284,037	48,614
BGC Brokers, LP	182,290	463
Blair, William & Company	835,493	39,648
Blaylock & Company, Inc.	157,134	1,571
Blaylock & Partners	432,274	6,798
Bloomberg Tradebook, LLC	5,139,872	15,864
BMO Capital Markets	919,390	27,763
BNP Paribas Securities Corp.	8,924,648	87,548
BNY Brokerage	13,585,104	74,150
BOCI Securities, Ltd.	164,000	714
Brean Murray, Carret & Company, LLC	92,900	3,716
Brockhouse & Cooper, Inc.	10,334,920	33,857
Bryan, Garnier & Company	11,750	89
BTIG, LLC	7,455,706	48,864
B-Trade Services, LLC	15,200	114
Buckingham Research Group, Inc.	16,000	640

Broker	Shares	Commission $ U.S.
C.L. King & Associates, Inc.	38,700	$ 1,548
Cabrera Capital Markets, Inc.	21,615,853	74,975
Canaccord Adams, Inc.	220,116	5,868
Canaccord Capital Corp.	40,600	1,027
Cantor Fitzgerald & Company	18,803,737	107,127
Carnegie Fondkommission	100,000	2,226
CBA Equities, Ltd.	184,846	4,645
Celfin Capital S.A.	40,037	1,059
Cheevers & Company	161,363	4,558
Cheuvreux	6,962	768
CIBC World Markets Corp.	1,168,655	10,465
CIMB Securities	22,818,463	55,294
Citibank	223,588	2,094
Citigroup Global Markets, Inc.	219,194,343	693,436
Commerzbank Capital Markets Corp.	27,200	453
Compass Point Research & Trading, LLC	127,500	5,100
Cowen & Company, LLC	251,765	7,553
Credit Agricole Indosuez Cheuvreux	84,900	1,956
Credit Lyonnais Securities, Inc.	65,188,674	350,626
Credit Suisse Securities, Ltd.	78,974,880	710,781
Daewoo Securities	77,290	10,142
Daiwa Securities America, Inc.	7,588,654	34,377
Danske Securities	244,815	10,353
DeMatteo Monness, LLC	171,000	6,287
Deutsche Bank Securities, Inc.	226,903,368	866,030
Deutsche Securities Asia, Ltd.	474,600	1,697
Dexia Securities	1,892	74
DNB ASA	9,199	213
Dougherty & Company, LLC	209,600	8,324
Drexel Hamilton, LLC	96,000	480
Dundee Securities Corp.	125,479	3,111
Edelweiss Securities	242,162	1,826
Enskilda	141,987	6,358
Equita SIM S.p.A.	559,908	1,232
Euroclear	91,971	2,628
Exane, Paris	5,907,433	57,702
Execution, Ltd.	61,771	347
Financial Brokerage Group (FBG)	127,482	2,577

INTERNATIONAL EQUITY COMMISSIONS

CONTINUED

Broker	Shares	Commission $ U.S.
Findentiis Equities S.V.	3,000,159	$ 3,301
Fox River Execution Technology, LLC	7,186	364
Friedman Billings & Ramsey	207,300	8,292
Global Hunter Securities, LLC	254,800	10,192
Goldman Sachs & Company	38,570	1,157
Goldman Sachs International, Ltd.	232,527,410	827,212
Goodbody Stockbrokers	17,210,808	19,698
Great Pacific Securities, Inc.	541,258	5,413
Green Street Advisors, Inc.	50,629	1,744
Griffiths McBurney & Partners	99,000	2,965
G-Trade Services, LLC	38,437,039	88,682
Guggenheim Securities, LLC	155,000	6,200
Guzman & Company	1,602,211	14,906
Handelsbanken	124,433	2,376
Hanwha Securities Company, Ltd.	385	141
Haywood Securities, Inc.	76,975	3,412
Helvea S.A.	52,151	4,404
Hibernia Southcoast Capital, Inc.	298,000	11,830
Hong Kong Shanghai Bank	13,714,478	80,343
Howard Weil, Inc.	405,400	16,156
HSBC Bank plc London	849,457	5,138
HSBC Brokerage (USA), Inc.	44,610,720	328,817
HSBC Securities (Asia), Inc.	126,722	486
HSBC Securities, Inc.	4,564,084	19,144
ICAP Corporates, LLC	619,506	10,191
IM Trust S.A. Corredores de Bolsa	319,600	1,977
India Infoline, Ltd.	1,191,968	19,463
Instinet	253,480,230	641,633
Investec Henderson Crosthwaite Securities	540,726	9,055
Investec Securities, Ltd. Johannesburg	18,939	263
Investment Performance Services, LLC	339,757	2,567
Investment Technology Group	50,849,553	547,869
ISI Group, Inc.	1,838,287	64,350
Island Trader Securities, Inc.	35,869	1,435
Ivy Securities, Inc.	39,076	1,172
IXIS Corporate & Investment Bank	17,973	807
Janney Montgomery Scott, Inc.	106,500	4,260
Jefferies & Company, Inc.	8,763,075	130,315
JM Financial Institutional Securities, Ltd.	285,967	722

Broker	Shares	Commission $ U.S.
JMP Securities	12,900	$ 423
Johnson Rice & Company, LLC	24,000	960
Jones & Associates, Inc.	567,685	11,709
JonesTrading Institutional Services, LLC	32,300	775
J.P. Morgan Securities (Asia Pacific), Ltd	5,452,721	5,054
J.P. Morgan Securities (Far East), Ltd.	22,200	1,948
J.P. Morgan Securities, Inc.	174,093,657	466,108
J.P. Morgan Securities, Ltd.	656,560	4,095
KBC Financial Products	463	9
Keefe Bruyette & Wood, Inc.	1,276,310	38,387
Kempen & Company	530,353	16,388
Kepler Equities	849,179	44,630
KeyBanc Capital Markets, Inc.	395,760	15,752
KGI Securities Company, Ltd.	10,000	37
Kim Eng Securities	122,000	1,514
Knight Equity Markets, LP	1,135,080	11,612
Korea Investment & Securities Company	626,594	15,301
Kotak Securities, Ltd.	1,050,265	5,316
Leerink Swann & Company	124,800	4,992
Leumi Bank	60,005	680
Liberum Capital, Ltd.	640,351	4,452
Liquidnet, Inc.	8,848,958	76,567
Loop Capital Markets, LLC	2,479,340	20,248
M & B Capital Markets	508,600	1,604
M. M. Warburg & Company	97,115	1,258
M. Ramsey King Securities, Inc.	730,177	16,143
Macquarie Equities, Ltd.	198,808,367	786,125
Macquarie Securities (USA), Inc.	7,438	190
MainFirst Bank AG	211,513	26,035
Maxim Group	5,043	252
Merrill Lynch Pierce Fenner & Smith, Inc.	339,937,005	1,211,456
Mirabaud Securities	37,809	331
Mischler Financial Group, Inc.	931,390	8,646
Mitsubishi Finance International	129,400	4,823
Mizuho Securities	2,954,366	21,223
Montrose Securities International	30,400	608
Morgan Stanley & Company, Inc.	376,617,274	1,021,832
Motilal Oswal Securities, Ltd.	303,145	5,234
National Bank Financial, Inc.	2,500	100

INTERNATIONAL EQUITY COMMISSIONS

CONTINUED

Broker	Shares	Commission $ U.S.
National Financial Services Corp.	3,038,172	$ 39,492
Needham & Company	70,200	2,808
Nikko Citigroup, Ltd.	24,000	1,255
NMAS1 Equities S.A.	8,021,241	13,279
Noble Financial Capital Markets	183,100	7,204
Nomura Securities International, Inc.	1,241,138	11,221
Nordea Bank AB	54,547	2,559
Numis Securities, Ltd.	1,945,778	20,614
Oddo Securities	55,023	2,324
Pacific Crest Securities	51,900	1,796
Parel Paris	14,715	292
Pareto Fonds A.S. Oslo	59,840	2,918
Penserra Securities, Inc.	2,306,729	17,303
Pershing, LLC	9,189,949	85,583
Peters & Company, Ltd.	213,300	6,867
Piper Jaffray	624,976	28,139
Princeton Securities	2,979,218	59,584
Pulse Trading, LLC	84,100	841
Rabo Securities	92,515	7,314
Rafferty Capital Markets, LLC	3,600	144
Raymond James & Associates, Inc.	1,141,466	39,198
RBC Capital Markets	8,823,179	119,734
RBC Dain Rauscher, Inc.	73,000	2,920
Redburn Partners, LLP	7,066,473	46,430
Robert Fleming & Company	1,013,337	42,704
Rosenblatt Securities, Inc.	2,579,255	25,793
Royal Bank of Canada Dominion Securities	822,557	15,560
Royal Bank of Scotland	2,700	21
RS Platou ASA	19,200	576
Samsung Securities	5,663	817
Samuel A. Ramirez & Company, Inc.	3,100	62
Sandler O'Neill & Partners, LP	50,600	24
Sanford C. Bernstein & Company, LLC	40,564,518	358,614
Santander Investment Securities, Inc.	954,400	18,298
Scotia Capital, Inc.	347,719	4,964
Scott & Stringfellow, Inc.	3,000	120
SEB Copenhagen	672,178	17,466
SG Americas Securities, LLC	64,251,062	113,580
SG Cowen Securities Corp.	8,829	441

Broker	Shares	Commission $ U.S.
Sidoti & Company, LLC	15,500	$ 465
Simmons & Company International	185,200	7,348
SIS SegaInterSettle AG Zurich	297	4
SMBC Nikko Securities	843,600	5,386
Societe Generale Securities Corp.	40,575,096	188,793
Standard Chartered Bank	2,532,757	14,502
State Street Global Markets, LLC	610,677	8,770
Stephens, Inc.	175,206	6,652
Sterne Agee & Leach, Inc.	57,703	2,376
Stifel Nicolaus & Company, Inc.	599,968	19,565
Strategas Securities, LLC	9,000	225
SunTrust Capital Markets, Inc.	79,900	2,397
Susquehanna Partners	196,000	4,060
Svenska International Equities	377,607	19,020
TD Securities, Inc.	148,400	4,786
Themis Trading, LLC	55,800	1,356
Topeka Capital Markets, Inc.	700	28
Toronto Dominion Bank	1,286,829	18,878
Tudor, Pickering, Holt & Company	211,800	8,472
UBS Securities, LLC	373,014,935	1,124,908
Union Gaming Advisors, LLC	1,000	40
Wedbush Securities, Inc.	121,079	2,984
Weeden & Company	15,850,794	155,533
Wells Fargo & Company	1,496,672	42,567
Wells Fargo Investments, LLC	32,900	329
Williams Capital Group, LP	613,743	7,484
Wolfe Trahan Securities	18,500	622
Woori Investment & Securities Company, Ltd.	846	1,534
XP Investimentos	1,131,713	2,796
Yuanta Core Pacific Securities	701,530	375
Total	**3,166,687,687**	**$ 13,327,271**

FIXED INCOME MANAGEMENT FEES

For the Fiscal Year Ended March 31, 2015.

BlackRock Institutional Trust Company, NA	$ 970,000
Smith Graham & Company Investment Advisors, LP	635,449
Total	**$ 1,605,449**

DOMESTIC BOND TRANSACTIONS

For the Fiscal Year Ended March 31, 2015.
Summarized by Broker or Direct Issuer

Long-Term Broker	Par $ U.S.
Amherst Pierpont	$ 608,178,000
Bank America Merrill Lynch	2,306,189,947
Barclays Capital, Inc.	1,426,048,000
BNP Paribas Securities Corp.	62,000,000
Capital Institutional Services, Inc.	58,755,000
CastleOak Securities, LP	1,092,676,700
Citigroup Global Markets, Inc.	3,285,499,017
Credit Suisse Securities, Ltd.	518,925,000
Daiwa Securities America, Inc.	6,600,000
Deutsche Bank Securities, Inc.	1,579,382,624
Development Corp. for Israel	80,000,000
First Tennessee Securities Corp.	858,103,754
Goldman Sachs & Company	1,563,314,000
Great Pacific Securities, Inc.	677,355,000
HSBC Securities, Inc.	871,500,000
J.P. Morgan Securities, Inc.	1,981,705,000
Janney Montgomery Scott, Inc.	1,190,000
Jefferies & Company, Inc.	109,321,000
KeyBanc Capital Markets, Inc.	390,000
Loop Capital Markets, LLC	25,000,000
Mitsubishi UFJ Securities (USA), Inc.	20,000,000
Morgan Stanley & Company, Inc.	2,062,180,579
Muriel Siebert & Company, Inc.	290,000,000
RBC Capital Markets	617,115,000
RBS Securities	103,000,000
Sterne Agee & Leach, Inc.	156,155,000
SunTrust Capital Markets	17,840,000
Susquehanna Partners	7,425,000
Toronto Dominion Bank	20,000,000
Toyota Motor Credit Corp.	5,500,000
UBS Securities, LLC	120,810,000
U.S. Bank National Association	63,000,000
Wells Fargo & Company	1,035,623,000
Williams Capital Group, LP	266,513,000
Total	**$ 21,289,116,621**

Short-Term Broker	Par $ U.S.
Bank America Merrill Lynch	$ 15,953,906,000
Barclays Capital, Inc.	3,993,171,000
BNP Paribas Securities	10,159,256,000
Branch Banking & Trust	300,000,000
CastleOak Securities, LP	123,901,000
Citigroup Global Markets, Inc.	18,786,700,000
Credit Suisse Securities, Ltd.	6,437,143,960
Deutsche Bank Securities, Inc.	1,789,426,000
Exxon Asset Management Company	400,000,000
General Electric Capital Corp.	494,849,000
Goldman Sachs & Company	2,000,501,000
Great Pacific Securities, Inc.	5,179,493,000
HSBC Securities, Inc.	8,675,000
J.P. Morgan Securities, Inc.	14,096,947,000
Loop Capital Markets, LLC	290,045,000
Morgan Stanley & Company, Inc.	4,113,967,000
Muriel Siebert & Company, Inc.	34,680,000
Prudential Funding	275,000,000
RBC Capital Markets	641,408,000
Sterne Agee & Leach, Inc.	39,800,000
Toronto Dominion Bank	1,858,435,000
Toyota Motor Credit Corp.	556,258,000
U.S. Bank National Association	15,000,000
Wells Fargo & Company	442,764,000
Williams Capital Group, LP	1,181,000,000
Total	**$ 89,172,325,960**

BLACKROCK BOND TRANSACTIONS

For the Fiscal Year Ended March 31, 2015.
Summarized by Broker or Direct Issuer

Global Fixed Income Broker	Par $ U.S.
Bank of America Securities, LLC	$ 63,636,703
Barclays Capital, Inc.	69,186,005
Bayerische Vereinsbank	2,416,000
BBVA Securities, Inc.	4,407,144
BNP Paribas Securities Corp.	67,860,872
C.L. King & Associates, Inc.	1,530,000
Calyon Securities (USA), Inc.	1,200,000
Cantor Fitzgerald & Company	6,853,549
Cedel Bank	55,078,223
China International Fund Management Company, Ltd.	6,386,000
CIBC World Markets Corp.	8,197,000
Citibank, NA	33,774,000
Citigroup Global Markets, Inc.	96,097,738
Commerzbank AG	1,556,000
Credit Agricole S.A.	200,000
Credit Suisse First Boston, LLC	130,234,324
Deutsche Bank AG	92,892,641
Deutsche Morgan Grenfell & Company	9,313,900
Euroclear	49,182,858
Goldman Sachs & Company	22,048,000
HSBC Securities, Inc.	1,083,000
ING Securities, Inc.	1,503,000
Janney Montgomery Scott, Inc.	630,000
Jefferies & Company, Inc.	38,063,960
J.P. Morgan Chase & Company	204,322,940
Mabon Securities, Inc.	1,990,000

Global Fixed Income Broker	Par $ U.S.
Merrill Lynch Pierce Fenner & Smith, Inc.	$ 5,591,000
Midland Bank	26,007,000
Mitsubishi Securities Company, Ltd.	587,000
Mitsubishi UFJ Securities (USA), Inc.	1,836,973
Morgan Stanley & Company, Inc.	551,604,018
National Financial Services Corp.	721,000
NationsBank	6,366,354
New Japan Securities Company, Ltd.	2,470,000
Nomura Securities International	118,474,204
Oppenheimer & Company, Inc.	1,051,000
Pershing, LLC	87,294,239
RBC Capital Markets Corp.	33,396,116
Robert W. Baird & Company	2,509,000
Santander Investment Bank	468,800
Scotia Capital (USA), Inc.	1,689,500
SG Americas Securities, LLC	4,480,000
Societe Generale Securities Corp.	1,200,000
Standard Bank	2,080,000
Sterne, Agee & Leach, Inc.	930,000
Stifel Nicolaus & Company, Inc.	4,920,000
The Bank of New York	171,869,486
UBS Securities, LLC	3,600,000
U.S. Bancorp Investments, Inc.	4,250,000
Wells Fargo & Company	99,525,000
William Blair & Company	1,380,000
Total	**$ 2,103,944,547**

REAL ESTATE MANAGEMENT FEES (EXPENSED)

For the Fiscal Year Ended March 31, 2015.

	Management Fees	Incentive Fees	Total
ARES Management	$ 4,416,945	$ 0	$ 4,416,945
Artemis Real Estate Partners, LLC	3,750,000	0	3,750,000
Blackstone Real Estate Advisors	8,276,384	0	8,276,384
Carlyle Group	2,721,396	0	2,721,396
Cherokee Advisers, LLC	677,764	0	677,764
CIF-H GP, LLC (Cayuga Lake Fund, LP)	2,618,302	0	2,618,302
CIF-V GP, LLC (Seneca Lake Fund, LP)	687,850	0	687,850
CIM Group, LP	7,594,969	0	7,594,969
Clarion Partners	4,753,799	0	4,753,799
Cypress Grove International Management, LLC	316,671	0	316,671
Franklin Templeton Institutional, LLC (Lake Montauk)	1,434,319	0	1,434,319
Genesis Workforce Housing Fund II, LLC	336,881	0	336,881
Heitman Capital Management, LLC	5,042,758	0	5,042,758
J.P. Morgan Investment Management, Inc.	936,960	3,500,000	4,436,960
Kimex	95,279	0	95,279
Lake Hempstead Fund, LP	251,460	0	251,460
Lake Success Fund, LP	209,248	0	209,248
LaSalle Investment Management, Inc.	1,634,918	0	1,634,918
Metropolitan Workforce Housing Fund, LLC	573,049	0	573,049
Morgan Stanley Group	1,036,783	0	1,036,783
Redwood Grove International Management, LLC	362,955	0	362,955
Rockpoint Real Estate Funds	1,592,536	0	1,592,536
Westbrook Realty Management	1,355,505	0	1,355,505
Total	**$ 50,676,731**	**$ 3,500,000**	**$ 54,176,731**

REAL ESTATE MANAGEMENT FEES (CAPITALIZED)

For the Fiscal Year Ended March 31, 2015.

	Management Fees	Incentive Fees	Total
ACA Advisors (Aetos)	$ 508,858	$ 0	$ 508,858
ARES Management	2,073,865	0	2,073,865
BCP Strategic Partners (Beacon)	2,629,872	0	2,629,872
CBRE Global Investors Luxembourg S.à.r.l.	493,679	0	493,679
City Investment Fund Associates, LLC	693,665	0	693,665
Clarion Partners	151,531	0	151,531
Colony Advisors, LLC	3,840,815	0	3,840,815
Cypress Grove International Management, LLC (CGI Co-Investment Fund)	49,882	0	49,882
Heitman Capital Management, LLC	1,543,500	0	1,543,500
Landmark Partners	768	0	768
LSP (Lone Star)	374,379	0	374,379
Noble Investment Management, LLC	532,904	0	532,904
Praedium	1,260,867	0	1,260,867
RREEF America, LLC	299,894	0	299,894
Stockbridge Real Estate Funds	3,811,949	0	3,811,949
Warburg Pincus, LLC	227,492	0	227,492
Total	**$ 18,493,920**	**$ 0**	**$ 18,493,920**

PRIVATE EQUITY MANAGEMENT FEES (EXPENSED)

For the Fiscal Year Ended March 31, 2015.

57 Stars, LLC	$	231,427
Access Capital Advisors, LLC		1,409,004
ACON Investments, LLC		1,385,600
Affinity Equity Partners		2,595,395
Aisling Capital, LLC		658,622
Apollo Management, LP		5,118,030
Ares Management, LP		2,390,732
Ascent Biomedical Ventures		432,368
Asia Alternatives Management, LLC		1,011,843
Banc of America Capital Investors, LP		944,121
Blackstone Group, LP		1,486,740
Brait Capital Partners, Ltd.		394,363
Carlyle Group		2,971,317
CCMP Capital Advisors, LLC		318,599
CCMP Capital Associates III, LP		3,782,403
Centerbridge Partners, LP		2,191,654
Charterhouse Capital Partners		706,121
Cinven Capital Management, Ltd.		2,483,678
Clearlake Capital Group, LP		173,950
Contour Venture Partners		250,000
CVC Capital Partners		8,430,494
DeltaPoint Capital Management, LLC		677,127
Draper Fisher Jurvetson		390,068
EQT Partners		4,743,910
Ethos Private Equity		243,640
Fairview Capital Partners, Inc.		1,629,420
Falcon Investment Advisors, LLC		245,081
Farol Asset Management, LP		1,250,000
FountainVest Partners (Asia), Ltd.		1,500,000
Freeman, Spogli & Company		1,950,275
GCM Grosvenor Capital Management, LP		952,142
GenNx360 Capital Partners		3,074,429
Gilde, LP		543,300
Goldman, Sachs & Company		70,076
GSO Capital Solutions Associates II, LLC		374,366
Hamilton Lane Advisors, LLC		3,586,003
HarbourVest Partners, LLC		2,437,500
Hellman & Friedman Investors, Inc.		2,571,218
High Peaks Venture Partners		678,058
HIP GP III, Ltd.		2,528,767
Hony Capital		1,968,288
Hudson Capital GP, LLC		2,167,016

InterMedia Advisors, LLC	$	973,232
Irving Place Capital Advisors		446,453
J.P. Morgan Partners, LLC		3,700,323
JMI Equity		916,571
Kelso & Company		2,008,687
KKR & Company, LP		4,641,978
KSL Capital Partners, LLC		1,901,631
Leonard Green & Partners, LP		538,073
Levine Leichtman Capital Partners, Inc.		303,785
Lindsay Goldberg & Company, LLC		1,674,286
Lion Capital, LLP		1,331,775
Madison Dearborn Partners, Inc.		331,660
Markstone Capital Group		399,160
Milestone Managers, LLC		213,785
Muller & Monroe Asset Management, LLC		1,339,681
New Mountain Capital, LLC		273,983
New York Credit Co-Investment Fund GP, LLC		325,000
Nordic Capital VIII, Ltd.		4,048,384
Paladin Capital Group		159,636
Palladium Equity Partners		240,558
Patria Investimentos		1,500,000
Performance Equity Management, LLC		1,393,198
Pine Brook Road Partners, LLC		1,746,061
Providence Equity Partners, LLC		3,289,394
Quadrangle Group		1,083,030
RRJ Capital II, Ltd.		177,148
SAIF IV GP, LP		929,168
Searchlight Capital Partners		2,510,911
Snow Phipps Group, LLC		1,790,670
SoftBank Capital		346,998
StepStone Group, LLC		30,543
Summer Street Capital Partners, LLC		745,844
TA Associates X, LP		827,128
TA Associates XI GP, LP		572,942
TFSI Management		445,290
TLP Management, LLC		185,242
TPG Capital, LP		3,132,456
Tribeca Venture Partners		293,078
Vista Equity Partners		12,200,188
Warburg Pincus, LLC		2,661,748
Wheatley NY Partners, LLC		173,028
Yucaipa Companies, LLC		(731,040)
Total	**$**	**134,018,811**

PRIVATE EQUITY MANAGEMENT FEES (CAPITALIZED)

For the Fiscal Year Ended March 31, 2015.

Avenue Capital Group	$ 1,620,331
Bridgepoint Capital, Ltd.	1,413,207
Cerberus Capital Management, LP	200,392
Clearwater Capital Partners	1,719,088
Easton Capital Investment Group	82,650
First Albany Companies, Inc.	241,122
HarbourVest Partners, LLC	1,843,106
Horsley Bridge Partners, LLC	247,500
Institutional Venture Partners	1,125,000
NCH Capital, Inc.	636,969
Oaktree Capital Management, LP	2,757,106
Pacific Corporate Group	214,331
StepStone Group, LLC	334,498
RRJ Capital II, Ltd.	5,454,123
SAIF Partners	1,558,186
Softbank Capital Managers New York, LLC	853,480
TA Associates	2,768,913
Venture Capital Fund of America	803,154
Warburg Pincus, LLC	4,588,705
Total	**$ 28,461,861**

ABSOLUTE RETURN STRATEGY MANAGEMENT AND INCENTIVE FEES

For the Fiscal Year Ended March 31, 2015.

	Management Fees	Incentive Fees	Total
Angelo, Gordon & Company, LP	$ 1,978,155	$ 175,131	$ 2,153,286
Apollo Value Advisors, LP	0	351	351
Apollo Value Management, LP	329	0	329
BlueCrest Capital Management, LP	2,664,301	2,574,411	5,238,712
Brevan Howard Offshore Management, Ltd.	4,927,975	0	4,927,975
Bridgewater Associates, LP	381,958	0	381,958
Brigade Capital GP, LLC	0	1,113,601	1,113,601
Brigade Capital Management, LLC	3,083,844	0	3,083,844
Brookside Capital, LLC	1,839,271	1,645,340	3,484,611
Cevian Capital (Malta)	7,147,918	0	7,147,918
Cevian Capital II GP, Ltd.	0	25,361,640	25,361,640
D.E. Shaw & Company, LP	11,692,290	12,784,380	24,476,670
Discovery Capital Management, LLC	4,326,764	0	4,326,764
Drawbridge Special Opportunities Advisors, LLC	1,034,731	0	1,034,731
Drawbridge Special Opportunities GP, LLC	0	1,092,577	1,092,577
Elm Ridge Capital Management, LLC	2,019,140	0	2,019,140
Galton Capital Group, LLC	0	444,925	444,925
GoldenTree Asset Management, LP	43,443	0	43,443
Graticule Asia Macro Advisors, LLC	1,433,312	0	1,433,312
Graticule Asia Macro GP	0	4,843,501	4,843,501
HBK Capital, LP	0	1,592,246	1,592,246
HBK Investment, LP	4,008,773	0	4,008,773
Highfields Associates, LLC	0	2,080,630	2,080,630
Highfields Capital Management, LP	3,651,972	0	3,651,972
Highland Capital Management, LP	227	0	227
Horizon Asset Cayman Limited	0	2,782,671	2,782,671
Horizon Asset, LLP	2,340,334	0	2,340,334
King Street Capital Management, LP	3,389,448	2,020,889	5,410,337
Knighthead Capital Management, LLC	3,736,485	0	3,736,485
Landsdowne Partners, Ltd. Partnership	3,381,792	6,015,767	9,397,558
Marathon Asset Management, LP	36,129	0	36,129
Mariner Investment Group, LLC	4,655,789	(100,122)	4,555,667
Marshall Wace (GPI), Ltd.	0	6,393,632	6,393,632
Marshall Wace, LLP	4,142,706	0	4,142,706
Mezzacappa Investors II, LLC	61,954	0	61,954
OxFORD Asset Management, LLP	2,555,393	4,736,691	7,292,084
OZ Advisors, LP	0	7,125,943	7,125,943

ABSOLUTE RETURN STRATEGY MANAGEMENT AND INCENTIVE FEES

CONTINUED

	Management Fees	Incentive Fees	Total
OZ Management II, LP	$ 6,084,722	$ 0	$ 6,084,722
Paulson & Co., Inc.	328,831	0	328,831
Pharo Global Advisors, Ltd.	2,841,993	2,627,443	5,469,437
Pine River Domestic Management, LP	4,885,070	4,040,175	8,925,244
Schultze Asset Management, LLC	108,286	0	108,286
Schultze Management Group, LLC	0	4,645	4,645
SR Financial, LLC	25,827	0	25,827
St. James Bank & Trust Company, Ltd.	10,000	0	10,000
The Rock Creek Group, LP	5,199,049	0	5,199,049
Tilden Park Associates I, LLC	0	3,315,488	3,315,488
Tilden Park Management I, LLC	4,241,662	0	4,241,662
Trian Fund Management, LP	6,297,730	0	6,297,730
Trian Partners Strategic Investment Fund GP, LP	0	6,262,430	6,262,430
Trian Partners Strategic Investment Fund II GP, LP	0	2,999,994	2,999,994
ValueAct Capital Management, LP	5,861,839	0	5,861,839
Viking Global Investors, LP	2,294,021	0	2,294,021
Viking Global Performance, LLC	0	12,299,335	12,299,335
Total	**$ 112,713,462**	**$ 114,233,712**	**$ 226,947,174**

OPPORTUNISTIC ALTERNATIVES MANAGEMENT AND INCENTIVE FEES

For the Fiscal Year Ended March 31, 2015.

	Management Fees	Incentive Fees	Total
Blackstone Tactical Opportunities Advisors, LLC	$ 542,163	$ 0	$ 542,163
Blackstone Tactical Opportunities Associates, LLC	0	225,707	225,707
Finisterre Capital, LLP	2,635,496	4,216,583	6,852,079
Invesco Institutional (N.A.), Inc.	439,790	0	439,790
Invesco Mortgage Recovery Master Associates, LLC	0	596,566	596,566
Pacific Alternative Asset Management Company, LLC	758,145	0	758,145
Pine Street Alternative Asset Management, LP	2,750,743	0	2,750,743
TPG Opportunities III Management, LLC	2,798,630	0	2,798,630
TSSP Adjacent Opportunities Management, LLC	1,108,625	0	1,108,625
Total	**$ 11,033,593**	**$ 5,038,856**	**$ 16,072,449**

REAL ASSETS MANAGEMENT FEES

For the Fiscal Year Ended March 31, 2015.

P2 Brasil Private Infrastructure General Partner III, Ltd.	$ 3,237,842
Wellington Management Company, LLP	1,172,559
Total	**$ 4,410,401**

CONSULTANT AND ADVISOR FEES

For the Fiscal Year Ended March 31, 2015.

Albourne America, LLC	$ 749,333
Cutter Associates, LLC	147,439
Cynthia Simon	84,758
FX Transparency, LLC	55,000
Hamilton Lane Advisors, LLC	1,822,917
J.P. Morgan Asset Management, Inc.	161,815
J.P. Morgan Investment Management, Inc.	1,560,533
LP Capital Advisors, LLC	643,718
McKinsey & Company, Inc.	650,000
Mercer Investment Consulting, Inc.	40,000
Pension Consulting Alliance, Inc.	543,012
RV Kuhns & Associates, Inc.	895,000
Stockbridge Risk Management, Inc.	13,698
The Bank of New York Mellon	816,351
The Townsend Group	560,519
Wilshire Associates, Inc.	67,338
Total	**$ 8,811,431**

ACTUARIAL

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STATEMENT OF THE ACTUARY

September 30, 2015

As the Actuary for the Employees' Retirement System (ERS) and the Police and Fire Retirement System (PFRS), it is my duty to ensure that the New York State and Local Retirement System (the System) properly funds the benefits of its members, retirees and beneficiaries. A discussion of the plan provisions can be found at the beginning of the Notes to Financial Statements. The System's funding policy is established by the New York State Retirement and Social Security Law. The System has a funding objective of employer contributions that, over time, are a level percentage of payroll and accumulate assets over an employee's working lifetime sufficient to pay benefits as they become due.

The Actuarial bureau annually generates actuarial valuations which determine the annual contributions required of employers. The most recent valuation was for valuation date April 1, 2014 and determined the employer contribution rates for February 1, 2016. A valuation relies on valuation date data for active members, retirees and beneficiaries. Data for active members includes date of birth, salary, credited service, tier and plan. For retired members and beneficiaries, data includes date of birth, monthly benefits and benefit option. In preparation for the valuation, we conduct a thorough validation of the System's data by running reasonableness tests and accounting for every individual on a year-to-year basis. We also review the information contained in the financial statements.

For active members, the valuation projects expected benefits at retirement, death, disablement and withdrawal based on estimated pay and service, as well as the member's plan benefit formula. For retirees, the valuation determines the present value of payments expected to be made for the retiree's and beneficiary's lifetimes.

Proper funding requires that liabilities and employer contribution rates be determined on the basis of reasonable actuarial assumptions and methods. The types of assumptions that must be made include both demographic (rates of employee mortality, disability, turnover and retirement) and economic (interest rates, inflation and salary growth). Therefore, valuations include assumptions about these uncertainties.

The Actuary performs annual experience studies, ascertaining how closely the System's experience is conforming to the assumptions. If significant differences occur that the Actuary believes may indicate permanent shifts, the Actuary may recommend assumption changes.

The System retains an external auditor to independently review its financial records every year. Furthermore, an Actuarial Advisory Committee meets annually to review the actuarial assumptions and the results of the actuarial valuation. The System also engages the services of an outside actuarial consultant to perform a review every five years; similarly, every five years, the System is audited by the New York State Department of Financial Services. Lastly, the Comptroller of the State of New York, in his role as sole trustee of the System, established an Office of Internal Audit to help fulfill his fiduciary objectives.

The April 1, 2013 valuation for determining the February 1, 2015 employer contribution rates found in this report was performed under my direction and supervision, using the assumptions adopted by the Comptroller; a summary is included later in this section.

STATEMENT OF THE ACTUARY

CONTINUED

I am responsible for all of the valuation results and other actuarial calculations contained in this report. I prepared the employer contribution rates that determined the 2015 employer billing; however, I did not prepare the Schedule of Employer Contributions. In addition to the funding valuation report for ERS and PFRS, separate reports are issued to provide financial reporting for NYSLRS in accordance with Governmental Accounting Standard Board (GASB) Statement No. 67. Reports containing the actuarial results of the financial reporting valuations are based upon the measurement date of March 31, 2015.

On the basis of the foregoing, I hereby certify that, to the best of my knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial practices, which are consistent with the principles prescribed by the Actuarial Standards Board as well as the Code of Professional Conduct and Qualification Standards for Public Statements of Actuarial Opinion of the American Academy of Actuaries, of which I am a member.

Michael Dutcher, E.A., A.S.A., M.A.A.A.
Actuary
New York State and Local Employees' Retirement System
New York State and Local Police and Fire Retirement System

ACTUARIAL COST METHOD AND VALUATION

ACTUARIAL COST METHOD

An actuarial cost method is a procedure for allocating the costs of a retirement system to particular time periods. It does not determine how much a system will ultimately cost; rather, it determines the portion of the estimated total cost that is to be allocated to a particular year.

The aggregate method is ultimately an amortization policy. All valuation gains and losses are amortized evenly over the remaining working lifetimes of the active membership. The fact that the method does not allow arbitrary amortization periods or increasing payments is useful in a public setting, as budgetary pressures can inspire a temptation to fund benefits over time frames that extend beyond the working lifetimes of the benefit recipients, and/or with back-loaded payments, which is not prudent and compromises intergenerational equity.

The "drawback" of the aggregate cost method is that it defines the accrued liability to be the actuarial value of assets. Thus, the unfunded accrued liability is always zero, and the system's funded ratio is always 100 percent. This "drawback" is overcome by using the entry age normal cost method for purposes of financial disclosures. In this report, the reader should assume that any funding data provided is under the aggregate cost method, unless otherwise noted as under the entry age normal method. The actuarial assumptions used are the same under either method.

ACTUARIAL VALUATION

At the beginning of the fiscal year, the Actuary, by law, determines the System's actuarial assets and liabilities. The actuarial valuation is important since it determines the rates of employer contributions. Chapter 49 of the Laws of 2003 mandates that the actuarial valuation undertaken on the first day of a fiscal year be used to determine contribution rates for the next succeeding fiscal year, to be applied to salaries as of the end of that fiscal year.

Each valuation differs markedly from the March 31 point-in-time snapshot of the System provided by the Financial Statements. The two measurements serve different purposes and use different techniques.

Two examples help make this clear:

- The actuarial assets for valuation purposes include the current value of all the future contributions employers and employees will make on behalf of current members. The Financial Statement balance sheet asset figure includes contributions previously received and invested.
- The actuarial assets smooth out the investment performance by using a multiyear smoothing procedure. Techniques like this are widely practiced and professionally recommended to protect employers from volatile contribution rates. The Financial Statements, on the other hand, simply present market values of assets on the last day of the fiscal year.

ACTUARIAL COST METHOD AND VALUATION

CONTINUED

AGGREGATE ACTUARIAL FUNDING METHOD

Actuarial liabilities are the valuation date values (called the actuarial present values) of the benefits the Retirement System expects to pay to current members, retirees and beneficiaries. The actuarial present value of benefits is calculated by projecting the amount of future service retirement, death and disability benefits (based on past and future service, salary, and plan) to be paid, and then discounting for assumed investment earnings, employee turnover and other contingencies.

The actuarial present value of the contributions that employers must make to the System to fund the projected benefit payment is equal to the actuarial liabilities, minus the sum of the actuarial value of present assets and the present value of employee contributions.

Under the aggregate funding method, the actuarial present value of the contributions that employers must make to the System is funded as a level percentage of salary over the projected future working lifetimes of current members.

ELEMENTS OF THE ACTUARIAL VALUATION

ACTUARIAL ASSUMPTIONS

The actuarial assumptions for employer contribution rates for the fiscal year ending 2015 were adopted effective April 1, 2010. These assumptions and their predecessors are shown below. All assumptions presume ongoing Systems:

Fiscal Year Ended 3/31	Salary Scale*			Interest Rate	Multiple-Decrement Tables based on Systems' Experience
1987–88	Inflation Productivity & Merit	5.00% 2.30% 7.30%		8.00%	4/1/81–3/31/86 experience
1989–92	Inflation Productivity & Merit	5.00% 2.00% 7.00%		8.75%	4/1/81–3/31/86 experience
1993–96	Inflation Productivity & Merit	5.00% 2.00% 7.00%		8.75%	4/1/86–3/31/91 experience
		ERS	PFRS		
1997–98	Inflation Productivity & Merit	4.75% 1.25% 6.00%	4.75% 1.75% 6.50%	8.50%	4/1/90–3/31/95 experience
1999–2000	Inflation Productivity & Merit	3.50% 2.50% 6.00%	3.50% 3.00% 6.50%	8.50%	4/1/90–3/31/95 experience
2001	Inflation Productivity & Merit	3.00% 2.50% 5.50%	3.00% 3.00% 6.00%	8.00%	4/1/90–3/31/95 experience
2002–04	Inflation Productivity & Merit	3.00% 2.90% 5.90%	3.00% 3.90% 6.90%	8.00%	4/1/95–3/31/00 experience
2005	Inflation Productivity & Merit	3.00% 2.40% 5.40%	3.00% 3.90% 6.90%	8.00%	4/1/95–3/31/00 experience
2006	Inflation Productivity & Merit	3.00% 2.40% 5.40%	3.00% 3.90% 6.90%	8.00%	4/1/95–3/31/00 experience with subsequent adjustments
2007–10	Inflation Productivity & Merit	3.00% 2.40% 5.40%	3.00% 3.70% 6.70%	8.00%	4/1/00–3/31/05 experience with subsequent adjustments
2011–15	Inflation Productivity & Merit	2.70% 2.20% 4.90%	2.70% 3.30% 6.00%	7.50%	4/1/05–3/31/10 experience

* This is an approximate value. Salary scales vary by age and plan and are based on each System's experience.

ELEMENTS OF THE ACTUARIAL VALUATION

CONTINUED

SELECTED ACTUARIAL ASSUMPTIONS USED IN THE APRIL 1, 2013 VALUATION

These illustrations present our assumptions related to members (mortality, retirement, disability and withdrawals, etc.). Demographic assumptions below show counts per 10,000 members. Assumptions are computed by the Actuary and adopted by the Comptroller. They are based on recent member experience.

Service Retirement — ERS

Age	Service (in years)		
	< 20	20 – 29.99	≥ 30
Tier 1			
55	1,566	2,977	5,586
60	982	1,600	1,930
65	2,050	2,553	2,321
Tiers 2–4			
55	592	821	4,185
60	489	781	1,994
65	1,576	2,579	2,775
Tiers 5–6			
55	477	662	821
60	393	630	781
65	1,576	2,579	2,775

Service Retirement — PFRS

Service	20-year (All Tiers)	20-year with additional 60ths (All Tiers)
20	2,165	847
25	1,188	541
30	945	1,681

Service Retirees — Mortality

Age	Male Clerk	Female Clerk	PFRS
55	61	32	38
60	59	55	49
70	136	123	126
80	352	301	445

Disability Retirees — Mortality

Age	Male	Female	PFRS
30	10	10	6
40	16	15	7
60	212	233	63
80	761	532	510

Disability Retirement — Ordinary and Accidental

Age	ERS Ordinary	ERS Accidental	PFRS Ordinary*	PFRS Accidental
35	7	0	13	18
40	15	1	25	38
45	23	1	31	47
50	38	1	47	43

* includes performance of duty.

Ordinary Death

Age	ERS	PFRS
35	7	4
40	9	4
45	11	6
50	16	9

Withdrawal — ERS (Ten-year ultimate rates)

Age	ERS
35	222
40	183
45	162
50	125

Withdrawal — PFRS

Service	PFRS
5	121
10	55
15	43

Salary Scale — Annual Percentage Increase

Service	ERS	PFRS
5	5.92	7.41
10	4.86	4.85
15	4.40	4.41
20	4.06	4.42
25	3.81	4.22

ELEMENTS OF THE ACTUARIAL VALUATION

CONTINUED

ACTUARIAL VALUE OF ASSETS

The actuarial asset values are determined by applying the assumed return on investments (currently 7.5 percent) to the financial statement plan net position with adjustments for cash flow (contributions and deductions). This smoothing method expects and immediately recognizes the assumed return on assets while phasing in unexpected gains/losses over a five-year period. The method treats realized and unrealized gains in the same manner. The Group Term Life Insurance Plan assets appreciate at the same rate as our short-term investment pool.

In the April 1, 2013 valuation of the System and Insurance Plan for fiscal year 2015, the difference between market and actuarial values of smoothed investments was:

	Investments (Dollars in Millions)
Market Value	$ 160,661
Actuarial Value	151,824
Difference	$ (8,837)

ADMINISTRATIVE EXPENSES

The cost of administering the System is borne by the State and local employers on a current disbursement basis.

GROUP LIFE INSURANCE PLAN (GLIP)

GLIP provides for up to $50,000 of member and certain post-retirement death benefits to be paid as life insurance. All benefits provided are on a one-year term insurance basis. Participating employers are billed each year based on the aggregate of anticipated claims for the plan year. Premiums are set so that the reserve will, at its lowest amount during any year, be approximately equal to payables. Payables is an estimate of the amount of claims currently being processed, plus claims incurred but not yet reported.

DEFICIENCY COSTS

An employer may also have a deficiency contribution. When a new employer joins the System, any past service liability is paid for by separate annual payments over a period of up to 25 years. These payments are not affected by the funding method.

RATE AND CONTRIBUTION COMPARABILITY

For comparability, unless stated otherwise, rates and contributions assume a payment date of February 1 before the fiscal year end. Presenting the State rates and contributions as of this payment date provides for comparability of State and local government rates and costs.

ACTUARIAL VALUATION BALANCE SHEETS

Used to determine employer contributions for the fiscal year ending March 31; in millions of dollars, as calculated April 1, 2014 and April 1, 2015.

	2014	2015*
	(Dollars in Millions)	
ERS		
Actuarial Assets		
Actuarial Value of Present Assets:		
Held for Current Retirees & Beneficiaries	$ 75,210	$ 78,743
Held for Members	42,310	44,997
Members' Contributions	8,168	8,328
Total	$ 125,688	$ 132,067
Actuarial Present Value of Prospective Contributions:		
From Employers	$ 41,028	$ 39,457
From Members	1,248	1,657
Total	$ 42,276	$ 41,114
Total Actuarial Assets	**$ 167,964**	**$ 173,181**
Actuarial Liabilities		
Actuarial Present Value of Benefits for Current Retirees & Beneficiaries:		
Service Retirement Benefits	$ 71,398	$ 74,775
Disability Retirement Benefits	3,700	3,858
Death Benefits	112	110
Total	$ 75,210	$ 78,743
Actuarial Present Value of Benefits for Members:		
Service Retirement Benefits	$ 89,496	$ 91,085
Disability Retirement Benefits	1,741	1,798
Death Benefits	1,173	1,186
Other	343	369
Total	$ 92,753	$ 94,438
Total Actuarial Liabilities	**$ 167,963**	**$ 173,181**

* Numbers may not add up due to rounding.

ACTUARIAL VALUATION BALANCE SHEETS

CONTINUED

	2014	2015*
	(Dollars in Millions)	
PFRS		
Actuarial Assets		
Actuarial Value of Present Assets:		
Held for Current Retirees & Beneficiaries	$ 14,060	$ 14,948
Held for Members	7,948	8,159
Members' Contributions	2	5
Total	$ 22,009	$ 23,112
Actuarial Present Value of Prospective Contributions:		
From Employers	$ 8,578	$ 8,106
From Members	51	120
Total	$ 8,629	$ 8,226
Total Actuarial Assets	**$ 30,638**	**$ 31,338**
Actuarial Liabilities		
Actuarial Present Value of Benefits for Current Retirees & Beneficiaries:		
Service Retirement Benefits	$ 11,244	$ 12,008
Disability Retirement Benefits	2,673	2,789
Death Benefits	142	151
Total	$ 14,059	$ 14,948
Actuarial Present Value of Benefits for Members:		
Service Retirement Benefits	$ 14,734	$ 14,576
Disability Retirement Benefits	1,557	1,525
Death Benefits	286	285
Other	2	4
Total	$ 16,579	$ 16,390
Total Actuarial Liabilities	**$ 30,638**	**$ 31,338**

* Numbers may not add up due to rounding.

New York Public Employees' Group Life Insurance Plan

Actuarial Assets	2014	2015
	(Dollars in Millions)	
Assets		
Investments	$ 134	$ 128
Premiums Receivable	–	–
Total Assets	**$ 134**	**$ 128**
Liabilities		
Managed Overdraft (cash)	5	5
Claims Being Processed	36	28
Claims Unreported	16	16
Reserve for Mortality Fluctuations	77	79
Total Liabilities	**$ 134**	**$ 128**

LOCAL GOVERNMENT EMPLOYERS' FINAL CONTRIBUTION RATES FOR SELECT PLANS

For the fiscal year ending March 31, 2015, assuming a February 1, 2015 payment.

All rates exclude any contribution rates due to amortization payments, prior years' adjustments, deficiency costs, retirement incentive programs and certain benefits electable by local governments, such as credit for unused sick leave or one-year final average salary. All rates include Group Life Insurance.

	Plan ID	Percentage of Payroll				
		Tier 1	Tier 2	Tiers 3 & 4	Tier 5	Tier 6
ERS						
Age-based plans						
Basic, Age 55, Age 60 Contributory	71-a	13.4	12.5	n/a	n/a	n/a
Article 14	A14	n/a	n/a	20.1	n/a	n/a
Article 15	A15	n/a	n/a	20.1	16.4	10.8
Guaranteed Benefits	75-e	24.8	22.5	n/a	n/a	n/a
Career	75-g	26.3	24.0	n/a	n/a	n/a
New Career	75-h/75-i	27.4	25.1	n/a	n/a	n/a
25-year plans						
Sheriffs and Deputies	89-a	30.6	28.6	n/a	n/a	n/a
Article 14B Sheriffs — 25-year	551	28.3	27.8	25.0	22.6	15.6
Article 14B Sheriffs — 25-year + 1/60th	551-e	30.3	30.0	27.1	24.1	17.1
full service for 1/60th	551-ee	31.4	31.2	28.2	25.0	17.7
County Law Enforcement	89-e, etc.	30.6	30.2	22.1	19.5	12.9
20-year plans						
Sheriffs and Deputies	89-b	35.3	29.1	n/a	n/a	n/a
additional 1/60th	89-b(m)	35.6	30.7	n/a	n/a	n/a
Article 14B Sheriffs — 20-year	552	35.4	35.1	32.1	29.0	21.6
Article 14B Sheriffs — 20-year + 1/60th	553	35.4	35.1	32.4	29.5	22.5
full service for 1/60th	553b	36.8	36.5	33.6	30.6	23.4
Detective Investigators	89-d	34.5	34.2	n/a	n/a	n/a
additional 1/60th	89-d(m)	34.7	34.4	n/a	n/a	n/a

LOCAL GOVERNMENT EMPLOYERS' FINAL CONTRIBUTION RATES FOR SELECT PLANS

CONTINUED

	Plan ID	Percentage of Payroll				
		Tier 1	Tier 2	Tier 3	Tier 5*	Tier 6*
PFRS						
Age-based plans						
Basic, Age 55, Age 60 Contributory	371-a	13.9	12.2	12.2	7.5	2.6
Guaranteed Benefits	375-e	21.4	17.8	17.8	12.7	7.2
Career	375-g	23.4	19.4	19.4	14.2	8.5
New Career	375-i	24.2	19.9	19.9	14.7	8.7
Improved Career	375-j	24.2	19.9	19.9	14.7	8.7
25-year plans						
Contributory	384	n/a	n/a	n/a	18.1	12.0
additional 1/60th	384(f)	n/a	n/a	n/a	19.7	13.3
Non-Contributory	384	23.2	23.1	23.1	22.1	19.6
additional 1/60th	384(f)	25.1	24.8	24.8	23.7	21.1
20-year plans						
Contributory	384-d	n/a	n/a	n/a	22.0	15.4
additional 1/60th	384-e	n/a	n/a	n/a	22.3	15.6
Non-contributory	384-d	28.0	27.3	26.1	26.1	23.1
additional 1/60th	384-e	28.4	27.6	26.1	26.3	23.3

* Age-based plans in Tier 5 and Tier 6 are contributory.

CONTRIBUTION RATE TREND FOR LOCAL GOVERNMENTS

Rates are based on a February 1 payment date. Each rate is applied to the salary of members covered by that particular plan. Rates were calculated under the aggregate method. All rates include Group Life Insurance and administrative rates.

Actual costs borne by employers are shown in the Statistical Section.

Plan Name (Section)	Percentage of Payroll									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
ERS										
Guaranteed Benefits (75-e)										
Tier 1	13.7	12.0	10.9	9.7	8.4	13.8	19.4	22.9	25.8	24.8
Tier 2	11.7	10.9	9.9	8.8	7.6	12.5	17.5	20.7	23.3	22.5
Career (75-g)										
Tier 1	14.4	12.7	11.5	10.3	8.9	14.6	20.4	24.1	27.3	26.3
Tier 2	12.5	11.6	10.5	9.4	8.1	13.3	18.6	22.0	24.9	24.0
New Career (75-i)										
Tier 1	15.0	13.2	12.0	10.7	9.2	15.2	21.3	25.2	28.5	27.4
Tier 2	13.0	12.1	11.0	9.8	8.5	13.9	19.5	23.0	26.0	25.1
Article 14/15 — Tier 3	10.2	9.7	8.8	7.9	6.9	11.2	15.6	18.4	20.8	20.1
Article 15 — Tier 4	10.2	9.7	8.8	7.9	6.9	11.2	15.6	18.4	20.8	20.1
Article 15 — Tier 5							12.6	14.9	16.7	16.4
Article 15 — Tier 6								9.9	11.3	10.8

CONTRIBUTION RATE TREND FOR LOCAL GOVERNMENTS

CONTINUED

Plan Name (Section)	Percentage of Payroll									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PFRS										
Guaranteed Benefits (375-e)										
Tier 1	11.6	12.2	11.9	11.2	10.8	13.2	16.1	19.6	22.1	21.4
Tiers 2 & 3	9.3	10.1	9.7	9.5	9.2	11.1	13.0	16.2	18.1	17.8
Tier 5*							9.3	11.8	13.0	12.7
Tier 6*								7.0	7.3	7.2
Career (375-g)										
Tier 1	12.6	13.4	13.0	12.3	11.8	14.4	17.6	21.3	24.1	23.4
Tiers 2 & 3	10.2	11.1	10.7	10.4	10.0	12.1	14.2	17.6	19.7	19.4
Tier 5*							10.4	13.1	14.5	14.2
Tier 6*								8.2	8.6	8.5
New Career (375-i)										
Tier 1	13.0	13.8	13.5	12.7	12.2	14.9	18.1	22.1	24.9	24.2
Tiers 2 & 3	10.4	11.3	10.9	10.7	10.3	12.5	14.6	18.1	20.3	19.9
Tier 5*							10.8	13.6	15.1	14.7
Tier 6*								8.5	8.9	8.7
25-Year (384) — Contributory										
Tiers 1, 2 & 3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Tier 5							13.7	16.5	18.4	18.1
Tier 6								11.4	12.3	12.0
25-Year + 1/60ths (384(f)) — Contributory										
Tiers 1, 2 & 3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Tier 5							15.0	18.0	20.2	19.7
Tier 6								12.8	13.8	13.3
25-Year (384) — Non-Contributory										
Tier 1	12.8	13.5	13.3	12.5	11.9	14.7	17.7	21.2	24.0	23.2
Tiers 2 & 3	12.1	13.4	13.2	12.5	11.9	14.7	17.6	21.2	23.9	23.1
Tier 5							16.9	20.4	22.9	22.1
Tier 6								18.4	20.4	19.6
25-Year + 1/60ths (384(f)) — Non-Contributory										
Tier 1	13.1	14.0	13.8	12.9	12.4	15.2	19.2	23.1	26.1	25.1
Tiers 2 & 3	12.8	13.6	13.3	12.7	12.2	15.0	19.0	22.9	25.9	24.8
Tier 5							18.3	21.9	24.7	23.7
Tier 6								19.9	22.0	21.1

* Age-based plans in Tier 5 and Tier 6 are contributory.

CONTRIBUTION RATE TREND FOR LOCAL GOVERNMENTS

CONTINUED

Plan Name (Section)	Percentage of Payroll									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
20-Year (384-d) — Contributory										
Tiers 1, 2 & 3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Tier 5							16.7	20.1	22.7	22.0
Tier 6								14.6	16.0	15.4
20-Year + 1/60ths (384-e) — Contributory										
Tiers 1, 2 & 3	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Tier 5							17.0	20.5	23.0	22.3
Tier 6								14.9	16.3	15.6
20-Year (384-d) — Non-Contributory										
Tier 1	14.8	15.7	15.5	14.9	14.2	17.4	21.5	25.7	29.2	28.0
Tier 2	14.2	15.0	14.7	14.5	13.8	16.8	20.9	25.1	28.4	27.3
Tier 3							20.4	24.2	27.5	26.1
Tier 5							20.0	24.1	27.1	26.1
Tier 6								21.6	24.1	23.1
20-Year + 1/60ths (384-e) — Non-Contributory										
Tier 1										
1990-1998 elections (avg.)	26.2	26.9	26.7	20.5	19.9	23.1	21.8	26.1	29.6	28.4
all other years	15.4	16.1	15.9	15.1	14.5	17.7	21.8	26.1	29.6	28.4
Tier 2										
1990-1998 elections (avg.)	16.9	17.7	17.1	15.9	15.3	18.4	21.2	25.4	28.8	27.6
all other years	15.1	16.0	15.7	15.0	14.4	17.5	21.2	25.4	28.8	27.6
Tier 3							20.4	24.2	27.5	26.1
Tier 5							20.3	24.4	27.5	26.3
Tier 6								22.0	24.4	23.3

EMPLOYER CONTRIBUTIONS

Contributions here may differ from those appearing elsewhere in the Actuarial Section because this section deals only with the contributions attributable to the single year shown. Actual contributions may include adjustments due to previous years, such as amortization payments or credits and reconciliation of other years' bills. In 2005, 2006 and 2007, employers could amortize a portion of their contributions. Employers who opted into either of the Contribution Stabilization Programs (Chapter 57 of the Laws of 2010 and Chapter 57 of the Laws of 2013) are allowed to amortize a portion of their contribution. The following amounts show their total obligation. The average rates below are for normal, administrative and Group Life Insurance contributions.

COMPARISON OF EMPLOYER CONTRIBUTIONS*

For fiscal years ending 2014 and 2015. (Dollars in Millions)

	2015 Contribution			2014 Contribution		
	Salary	Contribution	Average Rate	Salary	Contribution	Average Rate
ERS						
Tier 1	$ 228	$ 63	27.7%	$ 273	$ 78	28.7%
Tier 2	265	67	25.4	315	83	26.3
Tiers 3 & 4	20,627	4,291	20.8	21,226	4,558	21.5
Tier 5	1,408	240	17.0	1,431	247	17.3
Tier 6	1,952	222	11.4	1,116	132	11.8
Total	**$ 24,480**	**$ 4,884**	**19.9%**	**$ 24,361**	**$ 5,099**	**20.9%**
PFRS						
Tier 1	$ 10	$ 3	31.9%	$ 14	$ 5	33.0%
Tier 2	2,953	832	28.2	3,022	887	29.3
Tier 3	12	3	25.1	11	3	26.4
Tier 5	110	25	23.2	99	24	23.9
Tier 6	172	27	15.9	86	14	16.6
Total	**$ 3,257**	**$ 891**	**27.4%**	**$ 3,233**	**$ 932**	**28.8%**

Deficiency contributions for FY 2015 (as of 2/1/15) totaled $1,616,767.
Incentive contributions for FY 2015 (as of 2/1/15) totaled $63,379,617.

*Numbers may not add up due to rounding.

EMPLOYER CONTRIBUTIONS

CONTINUED

FINAL EMPLOYER CONTRIBUTIONS BY EMPLOYER TYPE*

Attributable to fiscal year 2015 costs only. (Dollars in Millions)

Employer	Normal	Administrative	GLIP	Total
ERS				
State	$ 1,989	$ 41	$ 36	$ 2,066
Counties	842	17	14	874
Cities	126	3	3	131
Towns	288	6	6	300
Villages	88	2	2	92
Miscellaneous	737	16	16	770
Schools	625	13	13	651
Total	**$ 4,695**	**$ 98**	**$ 91**	**$ 4,884**
PFRS				
State	$ 163	$ 2	$ 1	$ 166
Counties	201	3	1	205
Cities	251	4	1	256
Towns	98	1	-	100
Villages	78	1	-	79
Miscellaneous	85	1	-	86
Total	**$ 875**	**$ 13**	**$ 3**	**$ 891**

EMPLOYER CONTRIBUTIONS BY TIER*

(Dollars in Millions)

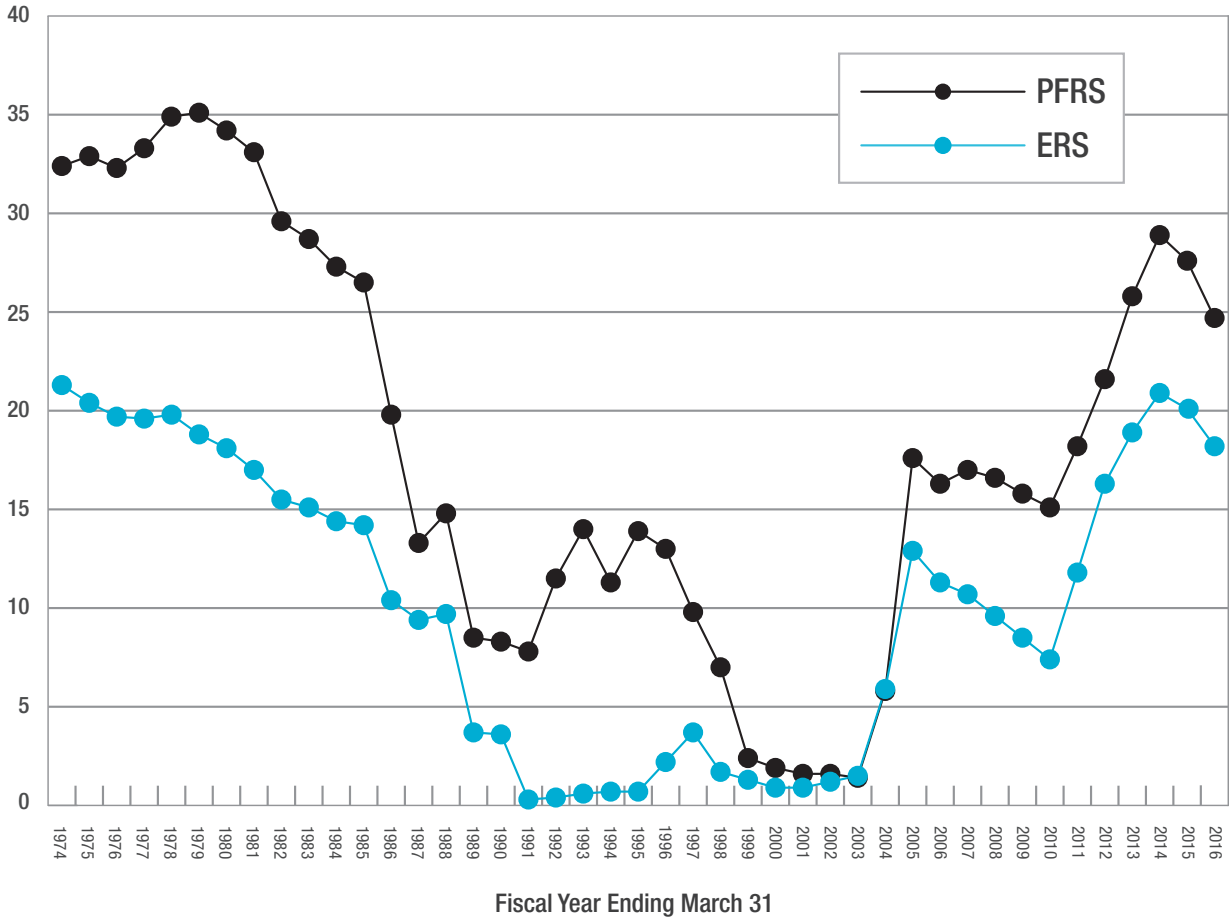
	2015 (as of 2/1/15)		2014 (as of 2/1/14)	
	Employer Contributions Attributable to Year	Percentage	Employer Contributions Attributable to Year	Percentage
ERS				
Tier 1	$ 63	1.3%	$ 78	1.5%
Tier 2	67	1.4	83	1.6
Tiers 3 & 4	4,291	87.9	4,558	89.4
Tier 5	240	4.9	247	4.8
Tier 6	222	4.6	132	2.6
Total	**$ 4,884**	**100.0%**	**$ 5,099**	**100.0%**
PFRS				
Tier 1	$ 3	0.4%	$ 5	0.5%
Tier 2	832	93.4	887	95.1
Tier 3	3	0.3	3	0.3
Tier 5	25	2.9	24	2.5
Tier 6	27	3.1	14	1.5
Total	**$ 891**	**100.0%**	**$ 932**	**100.0%**

*Numbers may not add up due to rounding.

HISTORICAL TRENDS (RATES AS A PERCENTAGE OF SALARY, 1974 – 2016)

The State is obligated to pay its bill on March 1, one month before the end of the fiscal year. Through 2004, local employers paid their bills by December 15, three and one-half months before the end of the fiscal year. Beginning in 2005, the payment date for local employers was changed to February 1.

TRENDS IN EMPLOYER CONTRIBUTIONS



CHANGES IN CONTRIBUTIONS

The System's experience in many areas (employee salary growth or decrease, investment return, legislative enactments of benefits) is assessed and quantified yearly. Each element exerts an increasing, decreasing or neutral pressure on contributions to be charged for that year.

ANALYSIS OF CHANGES (BY SOURCE)

Experience during one fiscal year produces the increase or decrease in contributions for the following year. (Dollars in Millions)

Fiscal Year Valuation Date	Fiscal Year Bill Date	Contributions for Preceding Fiscal Year Bill	Salary Growth	Return on Investments	Assumption Changes	Change in Benefits	Other Adjustments	Projected Contributions for Year Shown*
ERS								
2005	2007	2,652	124	(746)	23	n/a	399	2,452
2006	2008	2,395	112	51	n/a	n/a	(191)	2,367
2007	2009	2,316	93	(147)	n/a	n/a	(91)	2,171
2008	2010	2,018	88	(192)	n/a	n/a	(79)	1,835
2009	2011	1,854	135	1,098	(75)	n/a	130	3,142
2010	2012	3,029	89	782	417	n/a	(71)	4,246
2011	2013	3,948	15	570	202	n/a	(81)	4,654
2012	2014	4,627	119	870	(9)	n/a	(343)	5,264
2013	2015	5,243	97	521	(539)	n/a	(182)	5,140
2014	2016	5,143	(24)	(937)	633	n/a	(187)	4,628
PFRS								
2005	2007	446	21	(119)	4	n/a	80	432
2006	2008	430	21	6	n/a	n/a	16	473
2007	2009	476	22	(24)	n/a	n/a	12	486
2008	2010	487	26	(29)	8	n/a	(1)	491
2009	2011	474	31	152	(13)	n/a	(42)	602
2010	2012	576	10	117	22	n/a	(31)	694
2011	2013	693	18	93	(8)	n/a	53	849
2012	2014	827	25	142	(1)	n/a	(36)	957
2013	2015	936	3	79	(83)	n/a	(18)	917
2014	2016	917	23	(143)	52	n/a	(7)	842

* This is an estimated figure. Minor adjustments, mostly salary related, result in the final contribution figure for the year as shown in the Contributions for Preceding Fiscal Year Bill Date column.

SOLVENCY TEST

The System is funded in accordance with the aggregate method. The following solvency test is one means of checking the System's funding progress. In this test, the System's actuarial value of assets is compared to:

(1) member contributions on deposit;

(2) the liabilities for future benefits to persons who have retired; and

(3) the employer-financed liabilities for service already rendered by active members.

The accrued liabilities in this chart are calculated in accordance with the entry age normal method.

Valuation Date	Accrued Liability (Dollars in Millions)				Actuarial Assets (Dollars in Millions)	Portion of Actuarial Accrued Liabilities Covered by Actuarial Assets		
	Member Contributions (1)	Retiree (2)	Active (3)	Total (1) + (2) + (3)		(1)	(2)	(3)
ERS								
4/1/06	$ 6,792	$ 48,601	$ 52,392	$ 107,785	$ 112,209	100.0%	100.0%	108.4%
4/1/07	7,112	51,231	56,182	114,525	121,116	100.0	100.0	111.7
4/1/08	7,430	54,945	57,808	120,183	128,916	100.0	100.0	115.1
4/1/09	7,718	57,419	59,999	125,136	126,438	100.0	100.0	102.2
4/1/10	7,979	62,692	62,903	133,574	125,482	100.0	100.0	87.1
4/1/11	8,214	67,412	64,461	140,087	126,395	100.0	100.0	78.8
4/1/12	8,177	75,210	60,783	144,170	125,751	100.0	100.0	69.7
4/1/13	8,336	78,743	62,202	149,281	132,138	100.0	100.0	72.4
4/1/14	8,468	85,528	64,704	158,700	146,046	100.0	100.0	80.4
PFRS								
4/1/06	$ 21	$ 10,169	$ 8,663	$ 18,853	$ 19,827	100.0%	100.0%	111.2%
4/1/07	22	10,638	9,414	20,074	21,379	100.0	100.0	113.9
4/1/08	22	11,156	9,894	21,072	22,767	100.0	100.0	117.1
4/1/09	26	11,588	9,983	21,597	22,423	100.0	100.0	108.3
4/1/10	27	12,891	10,080	22,998	22,230	100.0	100.0	92.4
4/1/11	29	13,383	10,757	24,169	22,205	100.0	100.0	81.7
4/1/12	33	14,060	11,003	25,096	22,058	100.0	100.0	72.4
4/1/13	38	14,948	10,864	25,850	23,147	100.0	100.0	75.1
4/1/14	47	15,958	11,410	27,415	25,513	100.0	100.0	83.3

SCHEDULE OF ACTIVE MEMBER DATA

Fiscal Year Ending March 31	Active Members	Annual Member Payroll (Dollars in Millions)	Percentage Increase in Annual Member Payroll	Average Salary
ERS				
2005	508,856	$ 20,218	3.3%	$ 39,733
2006	513,016	20,919	3.5	40,776
2007	519,203	22,018	5.3	42,408
2008	528,435	22,779	3.5	43,106
2009	530,023	24,099	5.8	45,468
2010	529,466	24,972	3.6	47,164
2011	513,092	24,389	(2.3)	47,534
2012	505,575	24,291	(0.4)	48,046
2013	498,266	24,405	0.5	48,979
2014	493,209	24,361	(0.2)	49,392
PFRS				
2005	32,388	$ 2,531	2.9%	$ 78,149
2006	32,469	2,712	7.1	83,518
2007	32,811	2,825	4.2	86,099
2008	33,089	2,926	3.6	88,440
2009	33,052	2,970	1.5	89,854
2010	32,449	3,113	4.8	95,934
2011	31,659	3,146	1.0	99,357
2012	31,024	3,191	1.4	102,850
2013	30,780	3,163	(0.9)	102,754
2014	31,218	3,233	2.2	103,549

SCHEDULE OF RETIRED MEMBERS AND BENEFICIARIES

Added to and Removed from Benefit Payroll

Fiscal Year	Number of Retired Members and Beneficiaries		Annual Benefits of Retired Members and Beneficiaries		Total Number of Retired Members and Beneficiaries	Total Annual Benefit	Percentage Increase in Total Annual Benefits	Average Annual Benefit
	Added During the Year	Removed During the Year	Added During the Year	Removed During the Year				
ERS								
2005	16,902	11,899	$ 359,819,587	$ 140,495,573	306,531	$ 4,997,168,797	4.59%	$ 16,302
2006	20,121	12,815	444,562,616	142,494,586	313,837	5,299,236,827	6.04	16,885
2007	19,780	12,504	453,890,020	144,683,098	321,113	5,608,443,749	5.83	17,466
2008	20,787	13,174	538,291,047	156,937,687	328,726	5,989,797,109	6.80	18,221
2009	21,585	14,038	565,713,502	173,445,214	336,273	6,382,065,397	6.55	18,979
2010	22,885	14,052	604,707,420	181,343,790	345,106	6,805,429,027	6.63	19,720
2011	22,733	13,899	683,435,574	186,508,676	353,940	7,302,355,926	7.30	20,632
2012	31,906	14,378	990,541,993	198,660,208	371,468	8,094,237,711	10.84	21,790
2013	23,424	13,993	627,992,358	207,014,141	380,899	8,515,215,928	5.20	22,356
2014	23,320	14,931	636,672,277	229,131,028	389,288	8,922,757,178	4.79	22,921
PFRS								
2005	1,588	697	$ 91,631,714	$ 18,120,868	27,720	$ 973,647,141	8.17%	$ 35,124
2006	1,404	716	85,412,810	18,880,308	28,408	1,040,179,643	6.83	36,616
2007	1,230	685	74,195,781	18,847,992	28,953	1,095,527,432	5.32	37,838
2008	1,157	727	73,592,416	20,604,380	29,383	1,148,515,468	4.84	39,088
2009	1,270	748	85,132,844	21,203,012	29,905	1,212,445,300	5.57	40,543
2010	1,606	814	106,721,728	25,637,123	30,697	1,293,529,905	6.69	42,139
2011	1,184	790	80,517,204	24,073,826	31,091	1,349,973,282	4.36	43,420
2012	1,403	788	97,599,791	23,890,471	31,706	1,423,682,602	5.46	44,903
2013	1,629	798	120,115,279	25,836,637	32,537	1,517,961,244	6.62	46,653
2014	1,431	851	99,767,882	27,650,778	33,117	1,590,078,348	4.75	48,014

ERS — Annual benefits are based on option 0 benefits plus COLA.

PFRS — Annual benefits are based on option 0 benefits (prior to option selection and partial lump sum distribution) plus COLA.

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SCHEDULE OF ADDITIONS TO FIDUCIARY NET POSITION

(Dollars in Thousands)

Year Ending	Member Contributions	Employer Contributions	Other Income*	Investment Income	Total
2015	$ 284,793	$ 5,797,449	$ 230,799	$ 12,444,891	**$ 18,757,932**
ERS	272,004	4,893,110	193,176	10,582,102	15,940,392
PFRS	12,789	904,339	37,623	1,862,789	2,817,540
2014	$ 281,398	$ 6,064,133	$ 192,581	$ 20,598,593	**$ 27,136,705**
ERS	273,545	5,137,935	175,677	17,496,541	23,083,698
PFRS	7,853	926,198	16,904	3,102,052	4,053,007
2013	$ 269,134	$ 5,336,045	$ 131,853	$ 14,717,622	**$ 20,454,654**
ERS	264,788	4,524,395	122,931	12,496,378	17,408,492
PFRS	4,346	811,650	8,922	2,221,244	3,046,162
2012	$ 273,247	$ 4,585,178	$ 157,625	$ 7,868,313	**$ 12,884,363**
ERS	268,545	3,878,717	134,821	6,681,603	10,963,686
PFRS	4,702	706,461	22,804	1,186,710	1,920,677
2011	$ 286,199	$ 4,164,571	$ 127,709	$ 19,339,896	**$ 23,918,375**
ERS	284,486	3,622,638	101,730	16,427,023	20,435,877
PFRS	1,713	541,933	25,979	2,912,873	3,482,498
2010	$ 284,291	$ 2,344,222	$ 81,981	$ 28,422,361	**$ 31,132,855**
ERS	282,791	1,879,209	76,466	24,145,393	26,383,859
PFRS	1,500	465,013	5,515	4,276,968	4,748,996
2009	$ 273,316	$ 2,456,223	$ 155,918	$ (40,428,820)	**$ (37,543,363)**
ERS	268,991	1,963,413	89,042	(34,368,280)	(32,046,834)
PFRS	4,325	492,810	66,876	(6,060,540)	(5,496,529)
2008	$ 265,676	$ 2,648,448	$ 116,112	$ 3,163,728	**$ 6,193,964**
ERS	263,098	2,134,954	98,703	2,690,533	5,187,288
PFRS	2,578	513,494	17,409	473,195	1,006,676
2007	$ 250,158	$ 2,718,551	$ 131,863	$ 17,416,082	**$ 20,516,654**
ERS	247,237	2,216,087	110,929	14,803,498	17,377,751
PFRS	2,921	502,464	20,934	2,612,584	3,138,903
2006	$ 241,173	$ 2,782,147	$ 94,556	$ 17,615,876	**$ 20,733,752**
ERS	237,686	2,348,721	79,731	14,959,666	17,625,804
PFRS	3,487	433,426	14,825	2,656,210	3,107,948

* Includes interest earned on member loans, interest on accounts receivable and transfers from other systems.

SCHEDULE OF INVESTMENT INCOME

(Dollars in Thousands)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net Change in Fair Value of Investments	$ 9,275,335	$ 17,432,110	$ 11,592,363	$ 4,958,927	$ 16,740,555	$ 25,631,185	$ (43,720,432)	$ (1,287,032)	$ 13,538,322	$ 14,449,770
Interest	1,447,757	1,366,175	1,394,442	1,379,423	1,426,941	1,540,095	1,722,343	1,976,372	1,816,416	1,474,863
Dividends	1,589,248	1,498,622	1,512,908	1,405,870	1,269,009	1,202,421	1,531,091	2,060,063	1,563,627	1,308,358
Real Estate and Mortgages	414,345	353,821	382,315	239,038	97,844	155,974	194,517	8,872	176,456	279,002
Alternative Investments	174,850	259,960	377,664	170,225	234,940	109,603	49,646	150,360	170,689	137,393
Security Lending Income	35,639	28,381	32,617	33,323	31,328	62,224	545,934	1,335,474	1,248,865	811,972
International	137,227	220,090	146,314	153,157	46,127	5,748	23,223	379,185	276,755	270,128
Other Included Prior Year Adjustment	(40,881)	17,187	(247,988)	(44,790)	(57,241)	81,669	(44,810)	47,318	8,551	(158,570)
Security Lending Expenses	(3,563)	(2,838)	(3,261)	(3,332)	(2,744)	(2,080)	(367,584)	(1,217,664)	(1,209,216)	(772,192)
Investment Expenses	(585,066)	(574,915)	(469,752)	(423,528)	(446,863)	(364,478)	(362,748)	(289,220)	(174,383)	(184,848)
Net Investment Income	**$ 12,444,891**	**$ 20,598,593**	**$ 14,717,622**	**$ 7,868,313**	**$ 19,339,896**	**$ 28,422,361**	**$(40,428,820)**	**$ 3,163,728**	**$ 17,416,082**	**$ 17,615,876**

SCHEDULE OF DEDUCTIONS FROM FIDUCIARY NET POSITION

(Dollars in Thousands)

Year Ending	Retirement Allowances	Post-Retirement Supplements	Death Benefits	Separation from Service	Administrative Expenses	Other Expenses	Total
2015	$ 9,651,227	$ 601,850	$ 183,091	$ 27,628	$ 107,151	$ 49,918	**$ 10,620,865**
ERS	8,152,183	502,916	174,652	26,067	93,357	51,321	9,000,496
PFRS	1,499,044	98,934	8,439	1,561	13,794	(1,403)	1,620,369
2014	$ 9,098,453	$ 596,556	$ 203,820	$ 29,972	$ 105,662	$ 48,725	**$ 10,083,188**
ERS	7,702,970	497,142	185,169	28,439	92,266	51,341	8,557,327
PFRS	1,395,483	99,414	18,651	1,533	13,396	(2,616)	1,525,861
2013	$ 8,669,843	$ 586,209	$ 194,170	$ 29,265	$ 105,720	$ 42,049	**$ 9,627,256**
ERS	7,339,678	487,100	177,113	28,294	92,134	43,221	8,167,540
PFRS	1,330,165	99,109	17,057	971	13,586	(1,172)	1,459,716
2012	$ 8,109,356	$ 568,466	$ 184,960	$ 29,789	$ 100,649	$ 45,260	**$ 9,038,480**
ERS	6,845,843	470,310	172,340	28,866	87,232	44,949	7,649,540
PFRS	1,263,513	98,156	12,620	923	13,417	311	1,388,940
2011	$ 7,717,007	$ 555,255	$ 192,265	$ 27,745	$ 101,333	$ 27,951	**$ 8,621,556**
ERS	6,520,651	457,931	179,301	26,653	87,760	29,328	7,301,624
PFRS	1,196,356	97,324	12,964	1,092	13,573	(1,377)	1,319,932
2010	$ 6,931,780	$ 548,321	$ 183,023	$ 25,805	$ 100,029	$ 29,943	**$ 7,818,901**
ERS	5,807,070	451,277	170,188	23,940	86,769	29,318	6,568,562
PFRS	1,124,710	97,044	12,835	1,865	13,260	625	1,250,339
2009	$ 6,497,135	$ 534,487	$ 180,491	$ 31,680	$ 99,229	$ 21,706	**$ 7,364,728**
ERS	5,431,840	439,000	173,580	29,577	86,727	23,775	6,184,499
PFRS	1,065,295	95,487	6,911	2,103	12,502	(2,069)	1,180,229
2008	$ 6,142,751	$ 511,069	$ 181,693	$ 29,841	$ 90,304	$ 17,680	**$ 6,973,338**
ERS	5,135,670	418,423	169,688	27,919	78,849	17,896	5,848,445
PFRS	1,007,081	92,646	12,005	1,922	11,455	(216)	1,124,893
2007	$ 5,722,875	$ 495,908	$ 164,632	$ 29,331	$ 79,772	$ 18,985	**$ 6,511,503**
ERS	4,777,587	405,264	153,660	27,034	69,893	18,363	5,451,801
PFRS	945,288	90,644	10,972	2,297	9,879	622	1,059,702
2006	$ 5,388,590	$ 479,128	$ 161,249	$ 27,320	$ 78,506	$ 16,581	**$ 6,151,374**
ERS	4,498,131	390,703	149,847	25,691	68,836	17,164	5,150,372
PFRS	890,459	88,425	11,402	1,629	9,670	(583)	1,001,002

SCHEDULE OF TOTAL CHANGES IN FIDUCIARY NET POSITION

(Dollars in Thousands)

Year Ending	Member Contributions	Employer Contributions	Other Income	Investment Income	Total
2015	$ 284,793	$ 5,797,449	$ 230,799	$ 12,444,891	**$ 18,757,932**
ERS	272,004	4,893,110	193,176	10,582,102	15,940,392
PFRS	12,789	904,339	37,623	1,862,789	2,817,540
2014	$ 281,398	$ 6,064,133	$ 192,581	$ 20,598,593	**$ 27,136,705**
ERS	273,545	5,137,935	175,677	17,496,541	23,083,698
PFRS	7,853	926,198	16,904	3,102,052	4,053,007
2013	$ 269,134	$ 5,336,045	$ 131,853	$ 14,717,622	**$ 20,454,654**
ERS	264,788	4,524,395	122,931	12,496,378	17,408,492
PFRS	4,346	811,650	8,922	2,221,244	3,046,162
2012	$ 273,247	$ 4,585,178	$ 157,625	$ 7,868,313	**$ 12,884,363**
ERS	268,545	3,878,717	134,821	6,681,603	10,963,686
PFRS	4,702	706,461	22,804	1,186,710	1,920,677
2011	$ 286,199	$ 4,164,571	$ 127,709	$ 19,339,896	**$ 23,918,375**
ERS	284,486	3,622,638	101,730	16,427,023	20,435,877
PFRS	1,713	541,933	25,979	2,912,873	3,482,498
2010	$ 284,291	$ 2,344,222	$ 81,981	$ 28,422,361	**$ 31,132,855**
ERS	282,791	1,879,209	76,466	24,145,393	26,383,859
PFRS	1,500	465,013	5,515	4,276,968	4,748,996
2009	$ 273,316	$ 2,456,223	$ 155,918	$ (40,428,820)	**$ (37,543,363)**
ERS	268,991	1,963,413	89,042	(34,368,280)	(32,046,834)
PFRS	4,325	492,810	66,876	(6,060,540)	(5,496,529)
2008	$ 265,676	$ 2,648,448	$ 116,112	$ 3,163,728	**$ 6,193,964**
ERS	263,098	2,134,954	98,703	2,690,533	5,187,288
PFRS	2,578	513,494	17,409	473,195	1,006,676
2007	$ 250,158	$ 2,718,551	$ 131,863	$ 17,416,082	**$ 20,516,654**
ERS	247,237	2,216,087	110,929	14,803,498	17,377,751
PFRS	2,921	502,464	20,934	2,612,584	3,138,903
2006	$ 241,173	$ 2,782,147	$ 94,556	$ 17,615,876	**$ 20,733,752**
ERS	237,686	2,348,721	79,731	14,959,666	17,625,804
PFRS	3,487	433,426	14,825	2,656,210	3,107,948

SCHEDULE OF TOTAL CHANGES IN FIDUCIARY NET POSITION

CONTINUED

Retirement Allowances	Post-Retirement Supplement	Death Benefits	Separation from Service	Administrative Expenses	Other Expenses	Total	Net Increase / Decrease
$ 9,651,227	$ 601,850	$ 183,091	$ 27,628	$ 107,151	$ 49,918	**$ 10,620,865**	**$ 8,137,067**
8,152,183	502,916	174,652	26,067	93,357	51,321	9,000,496	6,939,896
1,499,044	98,934	8,439	1,561	13,794	(1,403)	1,620,369	1,197,171
$ 9,098,453	$ 596,556	$ 203,820	$ 29,972	$ 105,662	$ 48,725	**$ 10,083,188**	**$ 17,053,517**
7,702,970	497,142	185,169	28,439	92,266	51,341	8,557,327	14,526,371
1,395,483	99,414	18,651	1,533	13,396	(2,616)	1,525,861	2,527,146
$ 8,669,843	$ 586,209	$ 194,170	$ 29,265	$ 105,720	$ 42,049	**$ 9,627,256**	**$ 10,827,398**
7,339,678	487,100	177,113	28,294	92,134	43,221	8,167,540	9,240,952
1,330,165	99,109	17,057	971	13,586	(1,172)	1,459,716	1,586,446
$ 8,109,356	$ 568,466	$ 184,960	$ 29,789	$ 100,649	$ 45,260	**$ 9,038,480**	**$ 3,845,883**
6,845,843	470,310	172,340	28,866	87,232	44,949	7,649,540	3,314,146
1,263,513	98,156	12,620	923	13,417	311	1,388,940	531,737
$ 7,717,007	$ 555,255	$ 192,265	$ 27,745	$ 101,333	$ 27,951	**$ 8,621,556**	**$ 15,296,819**
6,520,651	457,931	179,301	26,653	87,760	29,328	7,301,624	13,134,253
1,196,356	97,324	12,964	1,092	13,573	(1,377)	1,319,932	2,162,566
$ 6,931,780	$ 548,321	$ 183,023	$ 25,805	$ 100,029	$ 29,943	**$ 7,818,901**	**$ 23,313,954**
5,807,070	451,277	170,188	23,940	86,769	29,318	6,568,562	19,815,297
1,124,710	97,044	12,835	1,865	13,260	625	1,250,339	3,498,657
$ 6,497,135	$ 534,487	$ 180,491	$ 31,680	$ 99,229	$ 21,706	**$ 7,364,728**	**$ (44,908,091)**
5,431,840	439,000	173,580	29,577	86,727	23,775	6,184,499	(38,231,333)
1,065,295	95,487	6,911	2,103	12,502	(2,069)	1,180,229	(6,676,758)
$ 6,142,751	$ 511,069	$ 181,693	$ 29,841	$ 90,304	$ 17,680	**$ 6,973,338**	**$ (779,374)**
5,135,670	418,423	169,688	27,919	78,849	17,896	5,848,445	(661,157)
1,007,081	92,646	12,005	1,922	11,455	(216)	1,124,893	(118,217)
$ 5,722,875	$ 495,908	$ 164,632	$ 29,331	$ 79,772	$ 18,985	**$ 6,511,503**	**$ 14,005,151**
4,777,587	405,264	153,660	27,034	69,893	18,363	5,451,801	11,925,950
945,288	90,644	10,972	2,297	9,879	622	1,059,702	2,079,201
$ 5,388,590	$ 479,128	$ 161,249	$ 27,320	$ 78,506	$ 16,581	**$ 6,151,374**	**$ 14,582,378**
4,498,131	390,703	149,847	25,691	68,836	17,164	5,150,372	12,475,432
890,459	88,425	11,402	1,629	9,670	(583)	1,001,002	2,106,946

SERVICE RETIREES — ERS

As of March 31, 2015 — by category of employer and by age and years of service, number, average final average salary (Avg FAS) and average option 0 (prior to option selection) plus COLA (Avg Pen).

Years of Service	Nearest Age														
	Under 55			55 – 64			65 – 74			75 – 84			85 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
State															
Under 10	-	-	-	1,108	43,805	4,176	1,821	39,855	4,784	760	31,836	4,221	559	17,613	3,091
10 – 14	-	-	-	3,570	36,858	5,836	7,336	34,559	6,754	4,382	31,108	7,051	2,751	23,200	6,434
15 – 19	-	-	-	2,253	44,497	9,881	4,722	42,634	11,713	3,764	35,840	11,506	2,291	25,690	10,151
20 – 24	-	-	-	2,528	57,238	20,909	7,660	52,728	22,816	5,818	41,330	20,315	3,150	30,174	17,435
25 – 29	1,415	80,657	39,995	5,764	69,576	34,147	9,226	58,028	31,340	5,543	44,548	27,379	2,138	33,075	23,423
30 – 34	127	93,595	46,438	8,890	72,472	44,984	11,112	60,722	39,571	4,685	48,599	34,747	1,571	36,659	29,979
35 & Over	-	-	-	9,119	68,641	50,919	16,737	65,009	50,573	4,848	56,225	46,459	1,761	45,513	41,712
Total	**1,542**	**81,722**	**40,526**	**33,232**	**63,081**	**34,955**	**58,614**	**55,097**	**31,795**	**29,800**	**43,056**	**24,678**	**14,221**	**30,661**	**18,862**
Counties															
Under 10	-	-	-	961	38,364	3,724	1,717	35,129	4,099	654	29,326	3,993	364	15,703	2,872
10 – 14	-	-	-	2,305	35,334	5,629	4,563	33,208	6,442	2,986	27,652	6,268	1,759	19,702	5,457
15 – 19	2	47,638	7,679	1,373	42,066	9,425	3,228	39,568	10,822	2,442	32,512	10,410	1,648	22,944	9,076
20 – 24	249	75,202	39,104	1,891	50,968	19,579	4,578	47,517	20,739	3,118	36,772	18,087	1,624	27,276	15,374
25 – 29	392	94,208	48,105	2,089	64,876	31,927	4,053	52,533	28,295	2,438	41,228	25,093	966	30,455	21,073
30 – 34	16	108,134	58,889	3,430	64,498	40,454	3,989	55,337	36,084	1,526	44,098	31,345	487	34,349	27,210
35 & Over	-	-	-	3,162	64,734	48,236	4,968	64,054	49,645	1,306	53,375	44,098	428	39,022	35,313
Total	**659**	**87,224**	**44,843**	**15,211**	**54,822**	**27,907**	**27,096**	**48,309**	**24,784**	**14,470**	**36,856**	**18,642**	**7,276**	**25,471**	**13,646**
Cities															
Under 10	-	-	-	153	35,103	3,368	264	31,636	3,689	127	22,818	3,054	83	12,335	2,380
10 – 14	-	-	-	374	32,116	4,988	741	30,002	5,886	460	24,052	5,471	320	17,986	4,867
15 – 19	-	-	-	237	36,305	8,278	502	36,890	10,138	377	28,250	9,071	283	19,685	7,962
20 – 24	-	-	-	255	47,271	16,665	618	44,183	18,942	425	32,888	16,260	268	23,556	13,335
25 – 29	-	-	-	209	55,899	25,706	608	48,130	26,001	411	35,497	22,311	249	24,640	17,929
30 – 34	-	-	-	603	58,664	36,771	731	50,822	33,211	344	39,830	28,778	159	27,457	22,940
35 & Over	-	-	-	657	60,612	45,114	1,014	55,394	42,975	340	41,555	35,132	133	30,040	28,693
Total	**-**	**-**	**-**	**2,488**	**50,209**	**26,438**	**4,478**	**44,437**	**23,625**	**2,484**	**32,612**	**17,813**	**1,495**	**22,180**	**13,050**
Towns															
Under 10	-	-	-	298	30,710	3,056	731	28,380	3,406	365	25,746	3,418	136	14,283	2,308
10 – 14	-	-	-	570	35,233	5,693	1,275	32,191	6,295	987	25,648	5,737	515	19,633	5,173
15 – 19	-	-	-	421	39,562	9,110	1,017	37,850	10,367	850	30,218	9,621	438	22,971	8,637
20 – 24	-	-	-	437	49,524	18,036	1,274	46,536	20,164	998	36,638	17,774	422	27,734	15,379
25 – 29	1	58,615	29,307	360	59,192	27,652	1,034	51,760	27,919	749	39,937	23,920	301	30,089	19,903
30 – 34	-	-	-	854	66,003	41,433	1,039	54,620	35,505	581	43,771	30,833	173	31,158	24,130
35 & Over	-	-	-	1,254	74,131	55,670	1,477	63,607	49,505	454	48,950	40,074	135	36,476	31,625
Total	**1**	**58,615**	**29,307**	**4,194**	**56,788**	**31,240**	**7,847**	**46,360**	**23,656**	**4,984**	**35,018**	**17,426**	**2,120**	**25,090**	**13,059**

SERVICE RETIREES — ERS

CONTINUED

Years of Service	Nearest Age														
	Under 55			55–64			65–74			75–84			85 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
Villages															
Under 10	-	-	-	94	31,077	3,008	201	29,625	3,502	98	23,386	3,177	45	13,057	1,894
10 – 14	-	-	-	199	33,945	5,322	381	30,497	5,919	303	26,559	5,977	194	17,914	4,813
15 – 19	-	-	-	105	40,301	9,167	317	39,623	10,964	237	30,431	9,699	164	19,887	7,832
20 – 24	-	-	-	136	52,593	18,770	349	48,205	20,808	296	35,555	17,476	152	22,302	12,355
25 – 29	-	-	-	117	56,735	26,394	297	52,205	28,133	245	38,496	23,466	119	26,147	17,550
30 – 34	-	-	-	246	62,763	39,270	352	51,687	33,511	182	39,233	28,273	55	32,307	24,718
35 & Over	-	-	-	299	69,505	51,816	453	61,773	48,118	139	45,083	37,524	62	36,327	33,788
Total	**-**	**-**	**-**	**1,196**	**53,445**	**27,674**	**2,350**	**46,230**	**23,679**	**1,500**	**33,943**	**17,137**	**791**	**22,573**	**12,293**
Miscellaneous															
Under 10	-	-	-	816	48,324	4,594	1,319	42,572	4,906	406	35,427	4,670	155	18,476	3,111
10 – 14	1	29,295	3,138	1,593	47,288	7,590	2,780	41,070	7,922	1,567	34,075	7,618	744	22,942	6,147
15 – 19	-	-	-	1,093	55,686	12,195	2,223	48,281	13,148	1,234	37,954	11,924	566	25,147	9,628
20 – 24	-	-	-	1,427	62,934	22,372	3,112	56,751	24,200	1,454	44,416	20,969	647	30,349	16,680
25 – 29	-	-	-	1,023	69,768	32,487	2,512	63,225	33,528	1,087	50,132	29,813	513	35,044	23,977
30 – 34	1	95,148	45,354	2,192	80,173	50,218	2,224	68,761	44,061	878	55,363	38,712	346	39,382	31,443
35 & Over	-	-	-	1,833	78,963	58,591	2,798	74,923	58,030	946	65,885	53,428	341	50,321	44,337
Total	**2**	**62,221**	**24,246**	**9,977**	**65,880**	**31,252**	**16,968**	**57,499**	**28,148**	**7,572**	**45,513**	**23,240**	**3,312**	**30,968**	**17,994**
Schools															
Under 10	-	-	-	1,338	23,734	2,314	2,594	20,701	2,449	1,226	17,477	2,381	741	8,959	1,649
10 – 14	-	-	-	2,089	27,615	4,470	4,757	25,748	4,998	4,231	20,929	4,687	2,552	13,144	3,670
15 – 19	-	-	-	1,549	32,330	7,398	4,084	29,843	8,157	3,256	25,059	8,059	2,288	14,478	5,905
20 – 24	-	-	-	1,925	39,303	14,733	6,080	37,141	16,073	3,848	28,009	13,793	2,342	17,335	9,703
25 – 29	-	-	-	1,291	45,597	21,695	4,359	40,787	22,042	2,901	29,311	17,930	1,427	20,334	13,976
30 – 34	-	-	-	1,408	54,449	34,111	2,534	44,315	28,738	1,545	33,620	23,599	574	24,428	19,094
35 & Over	-	-	-	1,073	60,880	45,313	1,655	50,514	39,014	831	38,497	31,525	333	30,128	27,305
Total	**-**	**-**	**-**	**10,673**	**38,980**	**16,576**	**26,063**	**34,438**	**15,142**	**17,838**	**26,254**	**12,150**	**10,257**	**16,279**	**8,464**

SERVICE RETIREES — PFRS

As of March 31, 2015 — by category of employer and by age and years of service, number, average final average salary (Avg FAS) and average option 0 (prior to option selection and partial lump sum distribution) plus COLA (Avg Pen).

Years of Service	Nearest Age														
	Under 40			40–49			50–59			60–69			70 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
State															
Under 10	-	-	-	-	-	-	1	20,139	1,860	3	29,224	3,539	10	22,655	4,450
10–14	-	-	-	-	-	-	12	46,130	9,776	24	33,740	7,053	25	12,801	3,129
15–19	-	-	-	-	-	-	2	50,659	13,347	12	39,438	11,316	20	26,872	10,956
20–24	-	-	-	121	120,859	63,891	405	100,954	53,875	329	60,804	34,572	877	31,060	24,167
25–29	-	-	-	23	136,693	81,033	338	123,828	76,027	262	86,486	53,101	377	45,086	33,235
30–34	-	-	-	-	-	-	162	133,790	90,727	383	105,088	71,626	337	57,366	43,751
35 & Over	-	-	-	-	-	-	9	135,386	91,713	157	114,430	82,140	190	73,286	58,036
Total	**-**	**-**	**-**	**144**	**123,388**	**66,629**	**929**	**114,432**	**68,015**	**1,170**	**87,392**	**56,351**	**1,836**	**42,798**	**32,591**
Counties															
Under 10	-	-	-	-	-	-	1	90,011	13,742	4	34,949	4,518	1	96,529	65,163
10–14	-	-	-	-	-	-	5	69,804	13,723	20	37,666	8,120	12	26,307	5,873
15–19	-	-	-	-	-	-	1	73,636	18,900	12	45,329	13,606	8	35,529	13,273
20–24	-	-	-	86	150,147	77,505	272	136,964	72,236	539	80,758	45,767	1,018	48,029	32,899
25–29	-	-	-	12	182,436	109,870	269	168,064	103,096	311	123,279	77,649	355	72,457	48,640
30–34	-	-	-	-	-	-	69	177,423	120,127	695	143,487	100,443	439	96,410	70,847
35 & Over	-	-	-	-	-	-	-	-	-	429	170,314	127,966	391	122,395	94,974
Total	**-**	**-**	**-**	**98**	**154,101**	**81,468**	**617**	**154,325**	**90,390**	**2,010**	**127,410**	**86,501**	**2,224**	**74,412**	**53,614**
Cities															
Under 10	-	-	-	-	-	-	4	32,110	3,798	4	51,392	6,914	7	38,364	8,315
10–14	-	-	-	-	-	-	27	42,707	8,348	87	27,003	5,994	47	16,993	4,149
15–19	-	-	-	-	-	-	22	54,566	15,087	40	44,891	15,754	33	21,237	7,624
20–24	-	-	-	407	95,740	48,590	1,324	83,173	42,941	1,374	55,394	30,994	1,452	33,184	23,753
25–29	-	-	-	17	105,082	59,414	497	102,749	60,466	753	81,386	48,577	779	44,427	30,483
30–34	-	-	-	-	-	-	159	119,454	78,202	812	90,514	60,457	883	55,778	41,587
35 & Over	-	-	-	-	-	-	8	96,049	64,890	471	97,753	71,002	676	68,249	54,428
Total	**-**	**-**	**-**	**424**	**96,114**	**49,024**	**2,041**	**89,873**	**49,207**	**3,541**	**73,788**	**45,997**	**3,877**	**46,414**	**34,113**
Towns															
Under 10	-	-	-	-	-	-	8	33,587	4,038	23	27,862	3,869	34	16,376	2,620
10–14	-	-	-	-	-	-	8	34,697	6,780	42	30,753	6,090	38	22,395	5,869
15–19	-	-	-	-	-	-	5	68,983	18,816	15	39,540	11,956	23	25,208	9,616
20–24	-	-	-	117	104,885	53,150	493	92,466	47,119	339	65,220	35,612	313	40,553	27,536
25–29	-	-	-	7	106,083	56,008	114	110,164	60,845	185	86,229	49,672	99	50,717	33,286
30–34	-	-	-	-	-	-	42	118,574	73,780	204	103,872	70,187	144	71,339	51,295
35 & Over	-	-	-	-	-	-	-	-	-	125	118,856	84,819	110	89,404	70,070
Total	**-**	**-**	**-**	**124**	**104,952**	**53,311**	**670**	**95,545**	**49,918**	**933**	**82,138**	**50,061**	**761**	**52,312**	**36,191**

SERVICE RETIREES — PFRS

CONTINUED

Years of Service	Nearest Age														
	Under 40			40 – 49			50 – 59			60 – 69			70 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
Villages															
Under 10	-	-	-	-	-	-	17	26,881	2,726	23	25,449	3,040	44	10,220	1,366
10 – 14	-	-	-	-	-	-	12	30,639	5,573	58	27,320	5,630	51	18,560	4,750
15 – 19	-	-	-	-	-	-	9	46,225	12,096	31	33,680	10,499	27	20,998	9,046
20 – 24	-	-	-	145	97,167	49,122	401	85,541	43,169	369	61,395	33,360	368	36,309	25,684
25 – 29	-	-	-	14	121,638	64,630	121	116,989	63,126	145	81,903	45,178	140	41,899	28,374
30 – 34	-	-	-	-	-	-	30	133,040	81,663	134	111,875	71,853	143	61,914	44,115
35 & Over	-	-	-	-	-	-	3	135,592	74,554	111	124,867	89,700	95	87,817	68,932
Total	**-**	**-**	**-**	**159**	**99,322**	**50,488**	**593**	**91,225**	**46,956**	**871**	**76,459**	**44,968**	**868**	**44,225**	**30,907**
Miscellaneous															
Under 10	-	-	-	-	-	-	-	-	-	4	58,522	6,348	1	101,364	8,700
10 – 14	-	-	-	-	-	-	1	49,063	10,949	8	41,473	8,744	10	18,605	4,587
15 – 19	-	-	-	-	-	-	2	114,488	32,739	6	47,416	13,994	5	58,746	22,501
20 – 24	-	-	-	16	142,207	72,763	121	126,447	66,030	322	104,508	56,902	277	39,832	30,662
25 – 29	-	-	-	-	-	-	90	152,110	92,514	198	137,224	84,942	87	74,234	47,804
30 – 34	-	-	-	-	-	-	25	171,359	117,983	166	166,484	114,421	82	101,944	72,621
35 & Over	-	-	-	-	-	-	-	-	-	48	156,112	114,218	87	103,442	80,540
Total	**-**	**-**	**-**	**16**	**142,207**	**72,763**	**239**	**140,385**	**80,928**	**752**	**128,726**	**79,517**	**549**	**64,539**	**46,960**

DISABILITY RETIREES — ERS

As of March 31, 2015 — by category of employer and by age and years of service, number, average final average salary (Avg FAS) and average option 0 (prior to option selection) plus COLA (Avg Pen).

Years of Service	Nearest Age														
	Under 55			55 – 64			65 – 74			75 – 84			85 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
State															
Under 10	193	34,254	17,853	345	25,524	11,238	275	21,702	11,157	134	18,748	9,513	55	15,123	7,374
10 – 14	506	44,402	18,784	1,037	36,627	13,711	898	30,144	12,552	437	23,232	10,870	144	16,983	9,652
15 – 19	434	49,825	21,095	977	41,966	16,980	948	34,424	16,142	418	27,066	15,272	114	16,120	12,749
20 – 24	347	56,241	24,766	873	47,444	20,745	766	38,924	21,021	280	27,013	19,243	61	18,321	16,265
25 – 29	165	60,768	33,302	596	54,135	28,602	402	39,850	24,007	127	29,857	22,444	31	16,417	17,617
30 – 34	28	63,346	37,055	215	49,884	29,277	152	39,942	26,283	50	31,812	25,932	4	20,663	20,110
35 & Over	-	-	-	43	49,612	31,072	35	42,112	29,260	6	41,300	34,292	-	-	-
Total	**1,673**	**49,025**	**22,254**	**4,086**	**42,665**	**18,960**	**3,476**	**34,250**	**17,380**	**1,452**	**25,601**	**15,254**	**409**	**16,685**	**11,901**
Counties															
Under 10	50	50,722	28,954	71	29,406	13,461	58	25,314	13,067	31	16,958	7,719	18	17,739	7,368
10 – 14	242	50,925	23,405	390	40,422	15,841	341	29,972	11,232	170	21,917	9,041	50	13,080	8,465
15 – 19	239	60,444	29,639	379	44,944	18,820	319	36,040	16,021	130	27,475	14,163	31	15,642	11,194
20 – 24	167	72,196	38,813	349	55,260	26,909	227	38,742	20,770	64	32,791	24,896	15	24,741	21,182
25 – 29	68	68,908	38,724	211	57,535	31,312	104	42,661	26,183	35	30,267	23,411	4	18,011	14,196
30 – 34	10	71,287	37,055	71	55,091	33,362	32	48,707	33,714	9	36,148	28,130	1	15,837	20,675
35 & Over	-	-	-	9	52,377	33,403	8	61,585	44,245	-	-	-	1	58,756	52,907
Total	**776**	**60,260**	**30,517**	**1,480**	**47,767**	**22,253**	**1,089**	**35,324**	**17,052**	**439**	**25,756**	**14,313**	**120**	**16,466**	**11,258**
Cities															
Under 10	7	35,128	12,333	20	26,102	10,184	19	21,867	10,440	10	20,777	11,833	5	14,090	11,702
10 – 14	36	44,081	15,139	75	33,750	10,988	77	29,682	11,370	37	19,530	8,559	11	13,756	10,909
15 – 19	22	40,420	13,679	94	39,098	13,864	75	32,571	12,507	26	24,154	11,741	5	11,357	9,601
20 – 24	17	52,630	18,800	63	40,886	16,963	45	33,216	16,724	20	21,135	17,192	6	20,889	17,583
25 – 29	8	54,423	24,019	47	42,797	20,327	44	34,144	20,186	14	29,742	21,235	1	8,251	19,625
30 – 34	5	77,022	38,410	15	43,678	24,518	9	36,523	23,403	2	24,435	14,915	3	14,532	14,112
35 & Over	-	-	-	3	47,491	29,289	-	-	-	-	-	-	1	22,668	26,421
Total	**95**	**46,708**	**17,222**	**317**	**38,213**	**15,176**	**269**	**31,485**	**14,362**	**109**	**22,443**	**12,947**	**32**	**14,950**	**13,137**
Towns															
Under 10	18	33,796	12,460	16	33,016	13,838	14	26,374	13,994	14	17,848	8,416	6	15,076	10,387
10 – 14	48	40,604	14,101	104	38,470	13,269	84	30,869	12,534	41	21,573	9,901	14	16,892	9,293
15 – 19	62	50,521	17,244	118	45,048	15,954	103	35,563	14,029	28	33,551	13,877	13	17,568	10,222
20 – 24	54	60,427	22,006	97	51,289	21,101	68	39,479	21,862	29	28,487	20,691	7	24,713	24,326
25 – 29	32	70,236	31,211	62	52,739	25,129	45	43,368	26,849	9	29,975	20,729	2	14,972	21,821
30 – 34	7	81,361	42,456	31	53,980	32,183	17	45,784	30,502	5	28,471	27,040	1	23,018	22,445
35 & Over	-	-	-	5	71,765	43,992	5	42,568	29,884	1	30,632	21,446	-	-	-
Total	**221**	**53,257**	**20,156**	**433**	**46,471**	**19,183**	**336**	**36,466**	**18,026**	**127**	**26,320**	**14,611**	**43**	**18,169**	**13,062**

DISABILITY RETIREES — ERS

CONTINUED

Years of Service	Nearest Age														
	Under 55			55 – 64			65 – 74			75 – 84			85 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
Villages															
Under 10	3	41,145	14,787	8	31,645	11,324	6	21,215	12,003	3	14,944	10,934	-	-	-
10 – 14	21	43,719	14,935	32	36,857	13,383	25	28,115	10,877	13	20,290	10,785	5	14,913	8,297
15 – 19	13	52,156	17,598	31	45,598	16,226	28	35,722	16,362	10	20,132	10,239	2	22,692	22,774
20 – 24	10	50,598	18,638	33	52,813	21,429	22	32,806	18,847	12	27,820	18,310	2	15,178	10,081
25 – 29	8	68,650	29,123	19	57,064	26,493	15	37,476	21,104	7	29,004	23,744	1	41,924	36,750
30 – 34	2	84,838	44,435	15	62,675	35,649	8	41,811	28,002	5	27,876	24,473	2	34,662	35,034
35 & Over	-	-	-	1	58,962	36,284	-	-	-	-	-	-	-	-	-
Total	**57**	**51,656**	**19,211**	**139**	**48,002**	**20,168**	**104**	**33,161**	**16,897**	**50**	**23,723**	**15,674**	**12**	**21,796**	**17,834**
Miscellaneous															
Under 10	21	34,935	12,513	47	30,220	11,630	29	26,274	11,018	19	18,767	10,391	6	21,263	7,028
10 – 14	88	43,116	14,877	227	43,753	14,195	179	38,070	12,459	60	24,579	10,026	15	14,822	8,815
15 – 19	87	51,396	17,338	221	46,927	16,025	190	39,079	14,713	39	29,120	12,682	6	13,250	12,747
20 – 24	59	63,276	23,265	168	51,978	19,326	83	43,675	18,994	23	25,969	15,332	6	27,211	18,983
25 – 29	37	57,902	25,012	97	53,386	25,027	42	47,907	26,382	18	39,198	30,002	4	23,562	24,750
30 – 34	5	67,183	34,659	47	57,798	32,511	11	45,799	28,214	8	44,101	35,284	-	-	-
35 & Over	-	-	-	6	48,583	34,631	2	31,490	24,350	1	37,830	34,719	-	-	-
Total	**297**	**51,215**	**18,693**	**813**	**47,530**	**18,107**	**536**	**39,562**	**15,650**	**168**	**27,741**	**14,900**	**37**	**18,565**	**12,535**
Schools															
Under 10	14	22,787	8,420	39	19,189	7,423	52	18,904	7,949	40	14,731	6,595	17	13,560	7,195
10 – 14	128	34,412	11,705	364	30,059	9,528	336	25,745	8,121	165	21,654	7,565	52	10,774	5,169
15 – 19	55	44,771	15,182	270	33,289	11,194	322	31,845	11,118	86	20,670	9,743	46	12,920	8,829
20 – 24	69	48,037	17,582	181	37,865	14,392	91	31,109	14,613	54	23,039	13,120	10	19,117	13,413
25 – 29	28	55,681	24,306	96	45,325	20,545	45	32,206	17,536	23	28,451	20,508	7	20,597	18,598
30 – 34	7	44,965	23,608	33	48,451	25,875	16	47,536	28,323	1	28,335	20,705	2	15,144	16,126
35 & Over	-	-	-	5	52,917	33,203	-	-	-	1	22,658	18,704	-	-	-
Total	**301**	**41,111**	**14,984**	**988**	**34,156**	**12,528**	**862**	**28,919**	**10,782**	**370**	**21,322**	**9,647**	**134**	**13,065**	**8,163**

DISABILITY RETIREES — PFRS

As of March 31, 2015 — by category of employer and by age and years of service, number, average final average salary (Avg FAS) and average option 0 (prior to option selection and partial lump sum distribution) plus COLA (Avg Pen).

Years of Service	Nearest Age														
	Under 40			40–49			50–59			60–69			70 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
State															
Under 10	8	77,999	48,161	25	66,664	42,617	41	38,607	23,972	38	23,077	18,242	12	12,104	19,493
10–14	3	101,640	50,820	16	81,406	44,387	35	54,572	32,183	34	34,763	23,736	49	17,001	20,774
15–19	1	130,391	65,195	19	100,776	65,645	43	71,957	42,289	45	43,303	28,325	100	22,553	22,860
20–24	-	-	-	8	117,423	78,192	40	97,976	65,850	35	57,897	36,214	81	38,179	31,729
25–29	-	-	-	1	133,166	77,636	20	114,859	76,919	31	85,171	57,028	36	46,097	35,338
30–34	-	-	-	-	-	-	6	117,183	82,988	17	105,212	74,477	13	50,745	42,348
35 & Over	-	-	-	-	-	-	-	-	-	6	107,742	80,848	10	73,894	58,963
Total	**12**	**88,275**	**50,245**	**69**	**86,324**	**54,001**	**185**	**73,007**	**46,476**	**206**	**53,928**	**36,706**	**301**	**31,177**	**28,306**
Counties															
Under 10	2	88,181	66,845	24	89,003	55,461	21	54,073	35,144	26	31,418	31,703	21	20,137	31,001
10–14	6	135,936	85,881	55	109,886	77,734	50	85,890	57,739	112	40,790	34,750	56	28,973	31,669
15–19	2	116,777	87,583	61	127,321	90,796	69	103,677	72,248	179	55,327	45,580	111	41,282	38,719
20–24	-	-	-	28	138,758	92,191	110	127,967	88,520	152	74,652	58,252	174	56,939	48,016
25–29	-	-	-	7	147,344	100,356	44	146,608	101,826	46	106,816	78,700	67	64,941	52,729
30–34	-	-	-	-	-	-	1	142,620	106,965	41	130,520	94,269	17	81,091	66,044
35 & Over	-	-	-	-	-	-	-	-	-	10	151,097	114,360	16	106,402	83,717
Total	**10**	**122,553**	**82,414**	**175**	**119,217**	**82,450**	**295**	**112,724**	**77,744**	**566**	**67,865**	**53,637**	**462**	**51,877**	**45,611**
Cities															
Under 10	7	81,550	46,434	44	57,782	37,210	50	47,604	30,312	42	29,360	23,083	9	10,890	21,324
10–14	11	84,708	58,562	82	69,225	42,873	112	54,906	34,187	120	34,259	25,023	58	18,826	21,529
15–19	1	67,395	50,546	78	81,278	50,009	157	66,196	42,456	147	39,809	29,475	97	27,224	25,243
20–24	-	-	-	43	96,329	60,621	163	81,785	51,857	221	51,076	36,207	156	37,289	32,239
25–29	-	-	-	1	103,271	51,636	67	96,212	61,639	105	69,804	47,065	138	41,295	33,557
30–34	-	-	-	-	-	-	14	94,028	59,087	61	76,942	53,033	92	47,266	37,200
35 & Over	-	-	-	-	-	-	1	194,708	146,031	15	76,813	47,636	24	63,866	48,933
Total	**19**	**82,633**	**53,672**	**248**	**75,822**	**47,225**	**564**	**71,296**	**45,330**	**711**	**50,153**	**35,441**	**574**	**36,982**	**31,613**
Towns															
Under 10	2	107,418	80,564	18	66,891	43,846	24	50,152	30,991	15	33,377	23,133	5	14,020	19,480
10–14	1	96,483	72,848	27	80,890	51,245	43	65,014	39,945	44	35,930	25,160	24	25,420	25,468
15–19	-	-	-	34	93,096	58,793	35	75,156	49,672	37	42,537	32,594	39	31,337	29,103
20–24	-	-	-	14	108,506	68,715	65	96,490	65,410	67	63,287	44,200	36	43,360	36,684
25–29	-	-	-	2	145,445	72,723	23	100,301	61,907	26	83,856	59,576	13	60,802	48,712
30–34	-	-	-	-	-	-	3	149,418	88,758	15	109,212	78,032	8	74,387	53,681
35 & Over	-	-	-	-	-	-	-	-	-	1	108,517	82,468	3	134,508	102,828
Total	**3**	**103,773**	**77,992**	**95**	**88,035**	**55,571**	**193**	**81,123**	**52,548**	**205**	**57,671**	**41,090**	**128**	**41,034**	**35,433**

DISABILITY RETIREES — PFRS

CONTINUED

Years of Service	Nearest Age														
	Under 40			40 – 49			50 – 59			60 – 69			70 & Over		
	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen	Number	Avg FAS	Avg Pen
Villages															
Under 10	4	65,265	41,173	16	65,712	39,374	23	38,560	24,641	24	25,805	22,788	7	13,899	20,790
10 – 14	2	101,994	66,312	30	83,059	55,035	40	64,735	41,187	34	38,991	28,521	26	22,537	22,746
15 – 19	1	122,725	61,362	38	93,855	58,383	49	77,674	50,050	54	50,075	38,086	33	31,021	26,882
20 – 24	-	-	-	11	104,775	64,916	56	84,725	54,218	44	66,112	47,618	34	40,706	34,977
25 – 29	-	-	-	-	-	-	9	119,521	84,640	24	85,572	55,904	16	49,716	39,882
30 – 34	-	-	-	-	-	-	1	127,731	63,866	6	132,875	89,839	8	55,864	43,583
35 & Over	-	-	-	-	-	-	-	-	-	4	83,403	47,855	5	75,685	54,145
Total	**7**	**83,968**	**51,240**	**95**	**86,970**	**54,881**	**178**	**74,328**	**47,913**	**190**	**56,540**	**40,740**	**129**	**36,525**	**31,556**
Miscellaneous															
Under 10	2	83,164	63,435	13	77,446	48,758	14	58,261	37,048	16	39,339	30,805	-	-	-
10 – 14	2	116,257	75,282	30	114,903	82,079	27	90,058	61,390	27	56,639	37,774	4	37,148	21,193
15 – 19	-	-	-	19	125,346	86,889	19	104,183	69,818	52	66,581	49,594	18	39,608	33,234
20 – 24	-	-	-	3	116,785	80,643	54	129,283	89,544	63	94,485	68,210	14	56,180	44,524
25 – 29	-	-	-	-	-	-	18	136,897	95,191	28	128,076	91,490	9	75,714	56,811
30 – 34	-	-	-	-	-	-	1	163,801	81,901	9	128,756	96,132	2	121,573	96,295
35 & Over	-	-	-	-	-	-	-	-	-	1	153,924	116,307	4	114,739	91,545
Total	**4**	**99,710**	**69,359**	**65**	**110,551**	**76,755**	**133**	**111,548**	**76,192**	**196**	**84,043**	**60,878**	**51**	**59,443**	**46,596**

NEW OPTION SELECTIONS

The $ Amount column represents payment after the option selection and partial lump sum distribution.*

Options	2011		2012		2013		2014		2015	
	Number	$ Amount	Number	$ Amount	Number	$ Amount	Number	$ Amount	Number	$ Amount
ERS Females										
Single Life Allowance**	6,357	157,233,622	9,847	244,526,001	7,066	145,987,536	6,795	143,422,357	6,320	142,513,916
Cash Refund	68	1,726,027	69	1,813,098	26	931,274	20	473,751	19	561,834
Joint Allowance — Full	606	9,213,038	861	14,148,043	699	9,574,166	763	11,629,185	588	8,007,103
Joint Allowance — Half	125	3,341,251	189	5,485,019	132	3,476,859	128	3,073,482	124	3,115,553
Five Year Certain	143	3,654,514	211	5,788,347	149	3,346,546	112	2,345,998	123	2,979,134
Ten Year Certain	311	5,943,014	419	9,708,694	296	5,513,983	296	5,363,546	208	4,043,326
Pop-Up — Full	1,154	25,707,695	1,600	36,193,577	1,194	22,353,822	1,239	25,390,149	1,097	23,550,358
Pop-Up — Half	830	25,014,603	1,131	36,260,986	705	19,919,224	693	20,361,320	678	20,062,741
Other (Option 4)	559	18,639,606	804	27,448,210	526	15,976,185	590	17,789,997	559	18,418,160
Total	**10,153**	**250,473,374**	**15,131**	**381,371,979**	**10,793**	**222,079,599**	**10,636**	**229,849,789**	**9,716**	**223,252,128**
ERS Males										
Single Life Allowance**	3,131	104,062,350	4,739	153,233,477	3,314	91,200,227	3,328	96,281,163	2,997	88,942,511
Cash Refund	27	928,824	33	1,638,041	16	777,752	9	236,241	9	311,243
Joint Allowance — Full	1,730	53,676,380	2,555	80,606,825	1,798	45,969,725	1,738	46,047,124	1,475	40,833,756
Joint Allowance — Half	306	13,377,569	429	19,451,402	236	8,353,592	244	9,002,641	233	8,521,708
Five Year Certain	94	2,714,802	120	3,952,047	93	2,575,856	77	2,024,955	52	1,617,199
Ten Year Certain	246	7,362,695	324	9,913,276	208	5,481,097	193	4,696,445	172	4,932,061
Pop-Up — Full	1,723	55,839,349	2,537	83,585,224	1,726	49,381,516	1,724	50,437,559	1,651	51,382,784
Pop-Up — Half	757	32,626,784	1,069	44,906,134	616	23,124,767	624	23,815,933	624	24,050,864
Other (Option 4)	794	34,497,279	1,262	57,034,571	768	30,476,297	857	34,791,727	804	33,899,200
Total	**8,808**	**305,086,035**	**13,068**	**454,321,001**	**8,775**	**257,340,833**	**8,794**	**267,333,792**	**8,017**	**254,491,330**
PFRS Females										
Single Life Allowance**	42	2,657,247	57	3,496,158	105	6,768,155	65	4,294,738	64	4,451,492
Cash Refund	-	-	-	-	-	-	-	-	-	-
Joint Allowance — Full	3	228,283	3	90,382	5	202,829	4	196,548	1	146,116
Joint Allowance — Half	-	-	2	168,563	3	256,284	3	150,200	3	169,021
Five Year Certain	1	134,929	2	152,893	1	93,215	1	75,517	-	-
Ten Year Certain	8	477,772	6	442,145	9	764,107	5	248,602	4	312,565
Pop-Up — Full	10	553,586	11	595,115	11	696,482	10	500,175	10	434,592
Pop-Up — Half	4	321,162	5	262,928	4	176,756	5	214,516	11	624,942
Other (Option 4)	3	209,089	2	210,532	4	236,218	4	388,118	2	162,922
Total	**71**	**4,582,071**	**88**	**5,418,718**	**142**	**9,194,052**	**97**	**6,068,418**	**95**	**6,301,653**
PFRS Males										
Single Life Allowance**	311	19,885,227	423	25,769,728	456	30,408,806	409	26,754,924	354	24,590,267
Cash Refund	6	401,003	1	44,596	1	78,836	2	239,734	1	87,958
Joint Allowance — Full	148	8,289,809	161	9,062,001	167	12,048,353	156	9,699,880	136	8,872,941
Joint Allowance — Half	41	2,978,684	52	4,154,005	67	5,694,946	52	4,013,396	46	3,585,725
Five Year Certain	5	261,642	6	372,945	11	810,791	6	338,162	3	372,785
Ten Year Certain	20	1,218,286	26	1,729,546	47	2,801,198	36	2,689,781	24	1,530,830
Pop-Up — Full	174	9,127,129	211	10,693,161	219	12,422,440	226	12,069,140	157	9,271,264
Pop-Up — Half	94	6,026,504	136	10,128,505	166	11,990,873	108	7,075,973	86	5,813,128
Other (Option 4)	105	8,679,910	117	8,982,280	144	11,388,742	143	11,641,329	124	9,765,795
Total	**904**	**56,868,198**	**1,133**	**70,936,772**	**1,278**	**87,644,989**	**1,138**	**74,522,324**	**931**	**63,890,698**

* In 2015, 79 PFRS pensioners selected partial lump sum payments which totaled $11,300,808.

** Includes Option 0 and ½.

OPTION SELECTION — TOTAL PAYMENTS

The $ Amount column represents payment after the option selection and partial lump sum distribution.*

Options	2011		2012		2013		2014		2015	
	Number	$ Amount	Number	$ Amount	Number	$ Amount	Number	$ Amount	Number	$ Amount
ERS Females										
Single Life Allowance**	125,963	1,778,387,368	131,577	1,986,711,063	134,734	2,097,523,060	137,143	2,199,495,808	139,436	2,301,148,172
Cash Refund	9,353	102,351,848	8,758	100,233,102	8,205	97,167,869	7,611	93,452,340	7,116	90,210,442
Joint Allowance — Full	7,473	75,659,051	8,052	87,382,895	8,472	94,438,499	8,947	103,313,062	9,255	108,355,697
Joint Allowance — Half	2,571	39,574,808	2,655	44,160,312	2,694	46,678,830	2,718	48,593,182	2,722	50,311,548
Five Year Certain	4,112	56,118,973	4,142	60,318,191	4,133	62,301,500	4,041	62,599,394	3,999	64,218,334
Ten Year Certain	6,462	76,116,358	6,644	83,605,226	6,669	86,834,748	6,687	89,939,370	6,656	91,970,160
Pop-Up — Full	11,880	180,512,529	13,289	214,674,185	14,280	234,957,928	15,285	258,136,457	16,151	279,589,915
Pop-Up — Half	11,174	218,408,531	12,074	252,090,560	12,537	269,247,425	12,955	285,932,247	13,367	302,832,057
Other (Option 4)	3,468	84,453,806	4,227	111,203,138	4,692	126,307,424	5,218	142,916,829	5,702	160,017,110
Total	**182,456**	**2,611,583,271**	**191,418**	**2,940,378,671**	**196,416**	**3,115,457,282**	**200,605**	**3,284,378,690**	**204,404**	**3,448,653,436**
ERS Males										
Single Life Allowance**	55,942	1,266,672,453	58,582	1,389,716,674	59,788	1,449,117,701	60,859	1,511,993,719	61,693	1,564,822,972
Cash Refund	5,774	110,133,454	5,389	106,841,326	5,043	102,915,632	4,667	97,809,143	4,357	93,603,693
Joint Allowance — Full	26,627	582,284,424	28,084	645,917,503	28,746	673,789,024	29,291	699,932,285	29,636	721,763,534
Joint Allowance — Half	9,144	260,218,588	9,130	271,792,548	8,876	270,583,032	8,743	271,788,909	8,571	272,110,655
Five Year Certain	1,990	41,634,759	2,000	44,325,066	2,003	45,773,736	1,958	45,763,720	1,917	45,841,030
Ten Year Certain	4,525	89,931,374	4,633	96,940,848	4,643	99,670,379	4,589	100,426,526	4,552	102,446,498
Pop-Up — Full	19,180	464,337,060	21,269	541,371,444	22,536	584,081,845	23,761	625,938,791	24,925	668,777,757
Pop-Up — Half	12,033	375,880,652	12,781	414,558,462	13,052	430,283,454	13,309	445,943,369	13,537	460,462,999
Other (Option 4)	5,775	206,388,513	6,945	261,383,004	7,600	289,382,235	8,336	321,539,065	8,969	351,108,729
Total	**140,990**	**3,397,481,277**	**148,813**	**3,772,846,875**	**152,287**	**3,945,597,038**	**155,513**	**4,121,135,528**	**158,157**	**4,280,937,867**
PFRS Females										
Single Life Allowance**	583	26,779,606	638	30,248,414	743	37,098,117	803	41,227,459	863	45,682,000
Cash Refund	5	293,595	5	295,261	5	295,261	5	295,261	5	295,261
Joint Allowance — Full	37	1,441,268	39	1,495,342	44	1,698,300	47	1,887,708	48	2,076,810
Joint Allowance — Half	12	473,968	13	569,194	16	825,479	20	1,034,320	23	1,203,342
Five Year Certain	10	402,287	12	555,181	13	648,397	14	723,914	14	723,914
Ten Year Certain	66	3,187,109	72	3,631,250	80	4,307,112	85	4,551,912	89	4,905,198
Pop-Up — Full	101	4,791,269	112	5,388,537	123	6,086,218	133	6,586,394	143	7,029,555
Pop-Up — Half	61	2,946,302	66	3,228,967	70	3,410,624	74	3,594,146	85	4,223,475
Other (Option 4)	19	1,214,436	21	1,426,365	25	1,662,583	29	2,050,867	31	2,216,352
Total	**894**	**41,529,840**	**978**	**46,838,511**	**1,119**	**56,032,092**	**1,210**	**61,951,983**	**1,301**	**68,355,906**
PFRS Males										
Single Life Allowance**	15,134	505,331,446	15,157	524,509,183	15,210	547,056,375	15,209	566,215,055	15,154	582,235,830
Cash Refund	1,720	54,117,611	1,653	52,698,493	1,601	51,632,893	1,521	49,735,195	1,465	48,293,210
Joint Allowance — Full	2,595	108,224,229	2,710	115,847,369	2,825	126,043,453	2,929	134,264,050	3,021	141,254,474
Joint Allowance — Half	1,338	61,942,344	1,352	65,139,874	1,381	69,844,520	1,392	72,447,011	1,406	75,063,474
Five Year Certain	383	13,227,537	379	13,342,340	377	13,799,772	368	13,765,390	362	13,971,786
Ten Year Certain	1,403	48,264,086	1,397	49,099,834	1,409	51,045,019	1,407	52,696,182	1,396	53,234,819
Pop-Up — Full	2,557	107,908,349	2,748	118,181,382	2,940	129,993,076	3,133	141,182,490	3,260	149,724,858
Pop-Up — Half	2,285	124,898,266	2,397	134,364,179	2,517	144,819,757	2,587	150,482,065	2,634	154,828,074
Other (Option 4)	1,016	74,869,627	1,129	83,685,215	1,269	95,023,807	1,404	106,245,733	1,516	115,219,264
Total	**28,431**	**1,098,783,495**	**28,922**	**1,156,867,868**	**29,529**	**1,229,258,672**	**29,950**	**1,287,033,170**	**30,214**	**1,333,825,789**

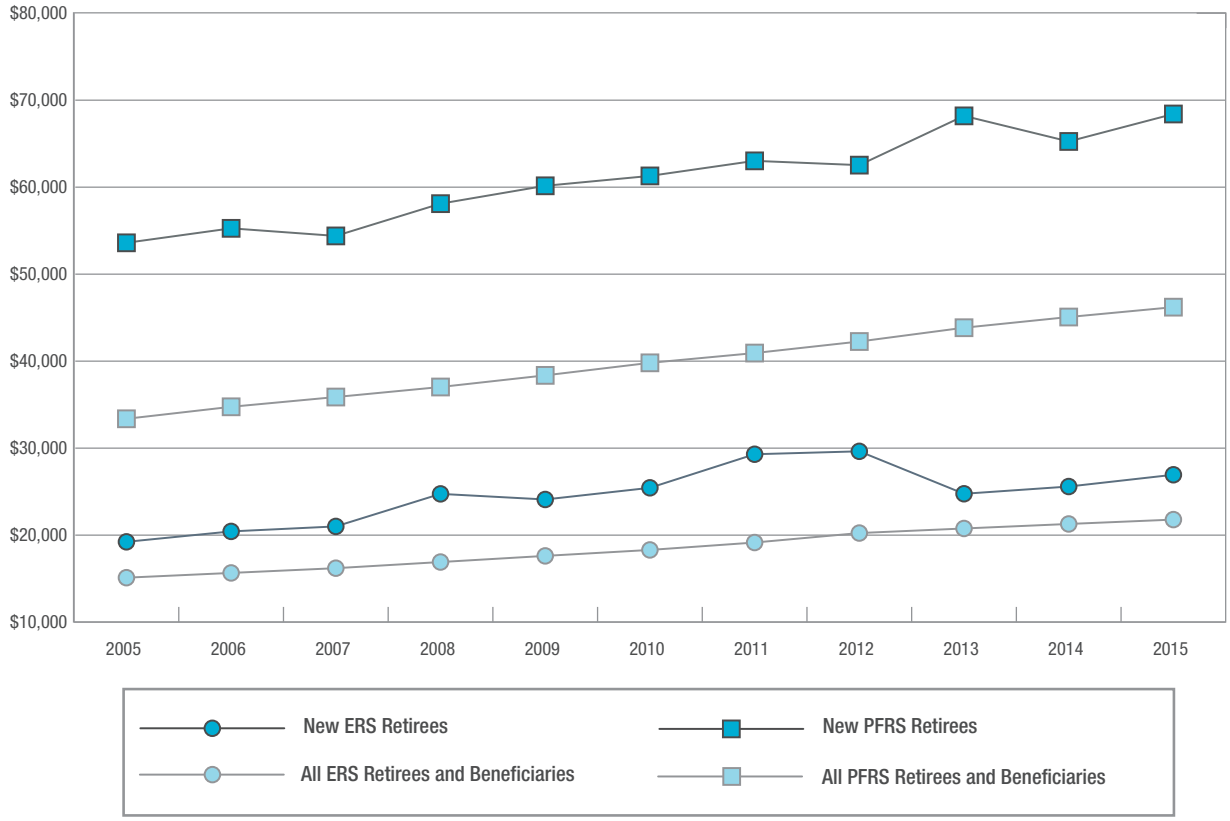
* In the seven years since this program began, 901 PFRS pensioners have selected partial lump sum payments which totaled $92,245,562.

** Includes Option 0 and ½.

AVERAGE PENSION BENEFITS PAID DURING YEAR SHOWN

Average benefit payments to all retirees and beneficiaries receiving benefits during the year compared with average benefit payments to new retirees during the year. The benefit consists of actual payments (after option selection and partial lump sum distribution), plus COLA.

Year	ERS		PFRS	
	All Retirees & Beneficiaries	New Retirees	All Retirees & Beneficiaries	New Retirees
2005	$ 15,110	$ 19,231	$ 33,375	$ 53,604
2006	15,657	20,430	34,753	55,269
2007	16,202	21,004	35,877	54,397
2008	16,909	24,744	37,030	58,106
2009	17,615	24,100	38,367	60,158
2010	18,300	25,441	39,808	61,295
2011	19,151	29,300	40,932	63,026
2012	20,241	29,636	42,259	62,535
2013	20,766	24,756	43,844	68,197
2014	21,285	25,588	45,074	65,256
2015	21,788	26,941	46,207	68,414



AVERAGE BENEFIT PAY TYPES

NEW BENEFITS: ERS

These tables show the average monthly unmodified retirement allowance (prior to option selection) awarded to Employees' Retirement System members retiring during the fiscal year ending March 31, 2015. The average monthly allowances are shown for groupings based on years of service. The average final average salary (FAS) is also shown for the groupings.

New Service Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	9	$ 56	$ 13,489
5 - 9	1,317	355	38,726
10 - 14	2,558	668	44,148
15 - 19	1,867	999	47,551
20 - 24	2,649	1,934	56,678
25 - 29	3,093	2,854	67,663
30 - 34	3,429	3,792	73,513
35 - 39	1,644	4,380	75,667
40 & Over	583	5,422	80,375
Total	**17,149**	**$ 2,412**	**$ 60,387**

New Accidental Disability Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	-	$ -	$ -
5 – 9	-	-	-
10 – 14	-	-	-
15 – 19	1	4,668	74,695
20 – 24	-	-	-
25 – 29	-	-	-
30 – 34	-	-	-
35 – 39	-	-	-
40 & Over	-	-	-
Total	**1**	**$ 4,668**	**$ 74,695**

New Ordinary Disability Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	4	$ 1,045	$ 37,730
5 – 9	9	1,156	42,316
10 – 14	144	1,239	48,968
15 – 19	138	1,464	54,347
20 – 24	119	1,811	59,455
25 – 29	88	2,253	61,745
30 – 34	32	2,816	65,100
35 – 39	1	4,600	93,000
40 & Over	-	-	-
Total	**535**	**$ 1,689**	**$ 55,641**

New Performance of Duty Disability Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	1	$ 3,376	$ 54,172
5 – 9	6	3,558	57,026
10 – 14	8	5,798	93,245
15 – 19	10	5,124	84,190
20 – 24	10	4,812	79,897
25 – 29	10	6,845	110,199
30 – 34	3	5,810	92,961
35 – 39	-	-	-
40 & Over	-	-	-
Total	**48**	**$ 5,341**	**$ 86,750**

AVERAGE BENEFIT PAY TYPES

CONTINUED

NEW BENEFITS: PFRS

These tables show the average monthly unmodified retirement allowance (prior to option selection and partial lump sum distribution) awarded to Police and Fire Retirement System members retiring during the fiscal year ending March 31, 2015. The average monthly allowances are shown for groupings based on years of service. The average final average salary (FAS) is also shown for the groupings.

New Service Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	-	$ -	$ -
5 – 9	10	300	32,587
10 – 14	15	750	45,349
15 – 19	19	1,458	58,420
20 – 24	317	4,815	112,469
25 – 29	272	6,931	138,039
30 – 34	163	7,837	141,400
35 – 39	61	7,106	127,353
40 & Over	33	10,133	158,660
Total	**890**	**$ 6,179**	**$ 125,133**

New Accidental Disability Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	-	$ -	$ -
5 – 9	5	5,160	89,257
10 – 14	13	6,725	112,744
15 – 19	18	7,254	115,371
20 – 24	16	6,604	105,619
25 – 29	19	6,685	109,532
30 – 34	2	8,701	139,221
35 – 39	-	-	-
40 & Over	-	-	-
Total	**73**	**$ 6,766**	**$ 110,111**

New Ordinary Disability Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	-	$ -	$ -
5 – 9	1	4,745	113,901
10 – 14	2	2,904	81,879
15 – 19	1	5,362	128,708
20 – 24	1	3,952	94,857
25 – 29	-	-	-
30 – 34	-	-	-
35 – 39	-	-	-
40 & Over	-	-	-
Total	**5**	**$ 3,974**	**$ 100,245**

New Performance of Duty Disability Retirements

Years of Service	Number Granted	Monthly Allowance	Average FAS
Under 5	-	$ -	$ -
5 – 9	3	3,646	87,517
10 – 14	7	4,425	106,021
15 – 19	17	3,623	86,582
20 – 24	20	4,268	102,266
25 – 29	10	4,435	106,441
30 – 34	1	6,825	163,801
35 – 39	-	-	-
40 & Over	-	-	-
Total	**58**	**$ 4,139**	**$ 99,140**

NEW BENEFITS — SERVICE RETIREMENTS BY AGE AND SERVICE

During the fiscal year ending March 31, 2015, the number of members retiring, their average Single Life Allowance (prior to option selection or partial lump sum distribution) and the average allowance as a percentage of the average final average salary.

Years of Service	Age at Retirement											
	50 – 59			60 – 64			65 – 69			70 & Over		
	Number	Allowance	%	Number	Allowance	%	Number	Allowance	%	Number	Allowance	%
ERS												
Under 5	0	$ 0	0	1	$ 1,537	4	3	$ 752	5	5	$ 469	10
5 – 9	407	3,476	9	432	4,625	11	325	4,640	12	153	4,507	12
10 – 14	790	6,033	14	823	8,296	19	661	9,631	20	284	9,043	20
15 – 19	550	9,673	20	614	12,593	27	458	13,670	28	245	12,572	28
20 – 24	577	19,357	33	1,033	23,794	42	775	24,901	43	264	24,414	43
25 – 29	992	36,208	46	1,247	33,637	52	619	33,498	54	235	31,253	53
30 – 34	1,755	46,270	62	1,161	45,503	62	379	43,804	62	134	40,344	63
35 – 39	929	50,418	69	470	56,043	70	178	53,560	71	67	55,357	71
40 & Over	82	59,494	79	240	60,730	79	171	71,511	81	90	69,467	86
Total	**6,082**	**$ 31,488**	**44**	**6,021**	**$ 29,369**	**45**	**3,569**	**$ 25,927**	**41**	**1,477**	**$ 24,033**	**40**

Years of Service	Age at Retirement											
	40 – 49			50 – 54			55 – 59			60 & Over		
	Number	Allowance	%	Number	Allowance	%	Number	Allowance	%	Number	Allowance	%
PFRS												
Under 5	0	$ 0	0	0	$ 0	0	0	$ 0	0	0	$ 0	0
5 – 9	0	0	0	0	0	0	8	3,508	10	2	3,977	12
10 – 14	0	0	0	0	0	0	14	9,177	20	1	6,563	18
15 – 19	0	0	0	0	0	0	13	17,801	29	6	16,850	32
20 – 24	192	57,920	51	94	59,942	51	28	50,708	49	3	48,211	51
25 – 29	32	81,636	58	137	85,962	60	89	81,909	60	14	67,438	61
30 – 34	0	0	0	30	99,841	66	85	91,128	65	48	95,622	67
35 – 39	0	0	0	0	0	0	9	79,311	67	52	86,311	67
40 & Over	0	0	0	0	0	0	0	0	0	33	121,599	76
Total	**224**	**$ 61,308**	**52**	**261**	**$ 78,186**	**57**	**246**	**$ 71,371**	**55**	**159**	**$ 89,907**	**66**

NEW BENEFITS — ACCIDENTAL AND ORDINARY DEATH

ACCIDENTAL DEATH BENEFITS

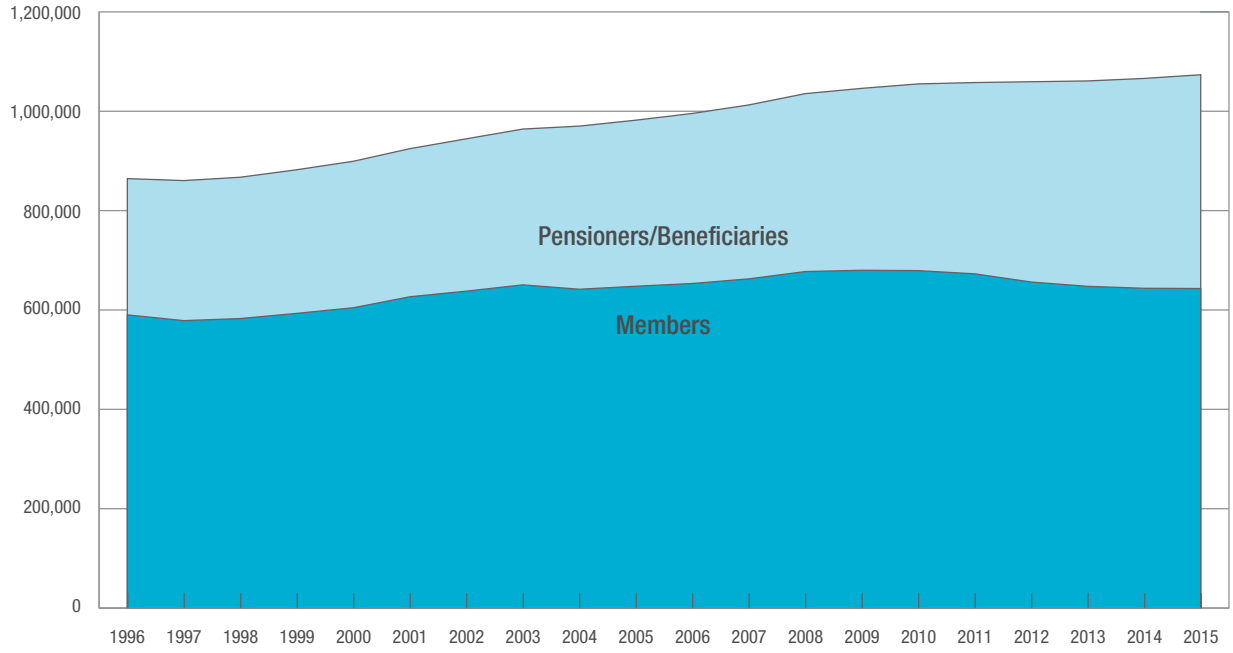
During the fiscal year ending March 31, 2015, the Employees' Retirement System approved three accidental death benefits, which averaged $30,715. The Police and Fire Retirement System approved two accidental death benefits, which averaged $52,684.

ORDINARY DEATH BENEFITS

Years of Service	ERS			PFRS		
	Number Paid	Average Benefit	Percentage of Salary	Number Paid	Average Benefit	Percentage of Salary
Under 5	89	$ 68,076	196.7	3	$ 184,701	300.3
5 – 9	158	118,089	276.8	2	263,000	300.5
10 – 14	207	105,218	227.2	4	256,125	262.8
15 – 19	135	130,416	246.8	4	261,795	262.6
20 – 24	116	151,094	272.6	-	-	-
25 – 29	96	182,681	280.0	5	1,078,149	760.8
30 – 34	42	185,890	283.8	2	1,619,749	780.9
35 – 39	21	199,102	326.9	1	665,255	692.4
40 & Over	10	529,956	696.9	-	-	-
Total	**874**	**$ 133,244**	**258.4**	**21**	**$ 592,728**	**460.1**

COMBINED SYSTEM PARTICIPANTS

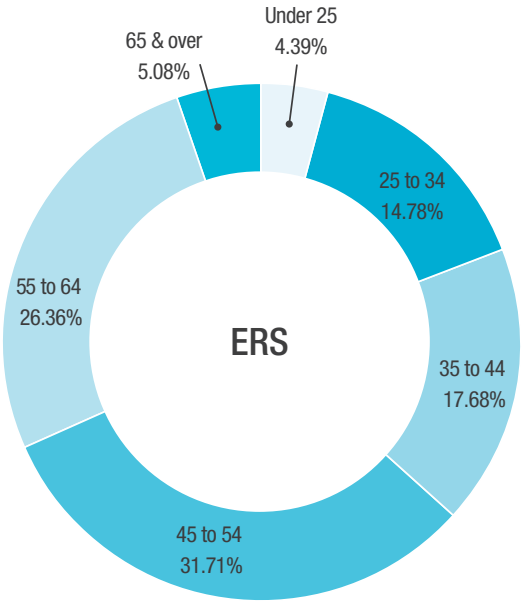
Fiscal Year	Members	Percentage Changed	Pensioners/ Beneficiaries	Percentage Changed	Total Participants	Percentage Changed
1996	590,130	(3)	274,330	5	864,460	0
1997	578,566	(2)	281,863	3	860,429	0
1998	582,689	1	284,515	1	867,204	1
1999	593,188	2	289,046	2	882,234	2
2000	604,479	2	294,835	2	899,314	2
2001	626,565	4	298,078	1	924,643	3
2002	637,896	2	306,604	3	944,500	2
2003	650,543	2	313,597	2	964,140	2
2004	641,721	(1)	328,357	5	970,078	1
2005	647,758	1	334,251	2	982,009	1
2006	653,291	1	342,245	2	995,536	1
2007	662,633	1	350,066	2	1,012,699	2
2008	677,321	2	358,109	2	1,035,430	2
2009	679,908	0	366,178	2	1,046,086	1
2010	679,217	0	375,803	3	1,055,020	1
2011	672,723	(1)	385,031	2	1,057,754	0
2012	656,224	(2)	403,174	5	1,059,398	0
2013	647,574	(1)	413,436	3	1,061,010	0
2014	643,659	(1)	422,405	2	1,066,064	0
2015	643,178	0	430,308	2	1,073,486	1

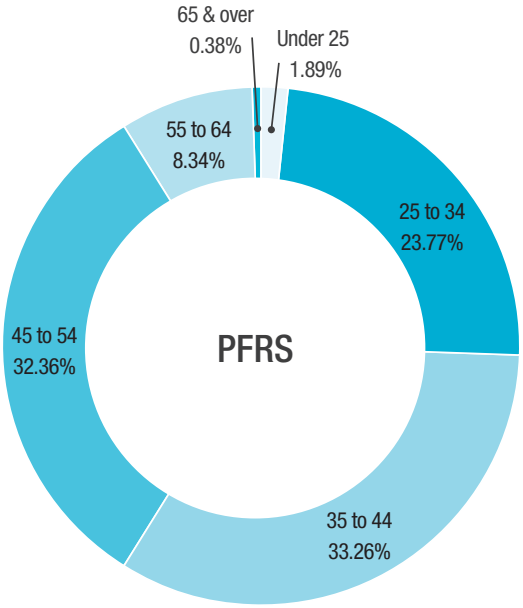


MEMBERSHIP BY AGE AND YEARS OF SERVICE

As of March 31, 2015.

Age	Years of Service											
	Total		0 – 4		5 – 9		10 – 19		20 – 29		30 & Over	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
ERS												
Under 25	26,741	4.39	26,594	4.37	147	0.02	0	0	0	0	0	0
25 – 34	89,949	14.78	61,164	10.05	23,412	3.85	5,373	0.88	0	0	0	0
35 – 44	107,581	17.68	35,682	5.86	30,736	5.05	37,855	6.22	3,308	0.54	0	0
45 – 54	193,017	31.71	36,278	5.96	38,609	6.34	64,132	10.54	44,711	7.35	9,287	1.53
55 – 64	160,415	26.36	20,417	3.35	25,445	4.18	52,573	8.64	40,083	6.59	21,897	3.60
65 & Over	30,934	5.08	4,232	0.70	4,883	0.80	10,245	1.68	7,375	1.21	4,199	0.69
Total	**608,637**	**100.00**	**184,367**	**30.29**	**123,232**	**20.25**	**170,178**	**27.96**	**95,477**	**15.69**	**35,383**	**5.81**
PFRS												
Under 25	654	1.89	650	1.88	4	0.01	0	0	0	0	0	0
25 – 34	8,212	23.77	4,617	13.37	2,849	8.25	746	2.16	0	0	0	0
35 – 44	11,488	33.26	1,304	3.78	2,359	6.83	7,047	20.40	778	2.25	0	0
45 – 54	11,177	32.36	374	1.08	711	2.06	3,099	8.97	6,379	18.47	614	1.78
55 – 64	2,879	8.34	84	0.24	160	0.46	289	0.84	961	2.78	1,385	4.01
65 & Over	131	0.38	17	0.05	15	0.04	17	0.05	9	0.03	73	0.21
Total	**34,541**	**100.00**	**7,046**	**20.40**	**6,098**	**17.65**	**11,198**	**32.42**	**8,127**	**23.53**	**2,072**	**6.00**



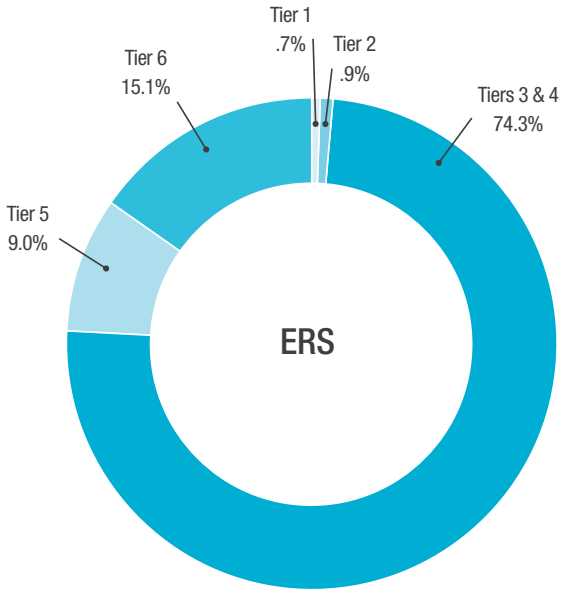


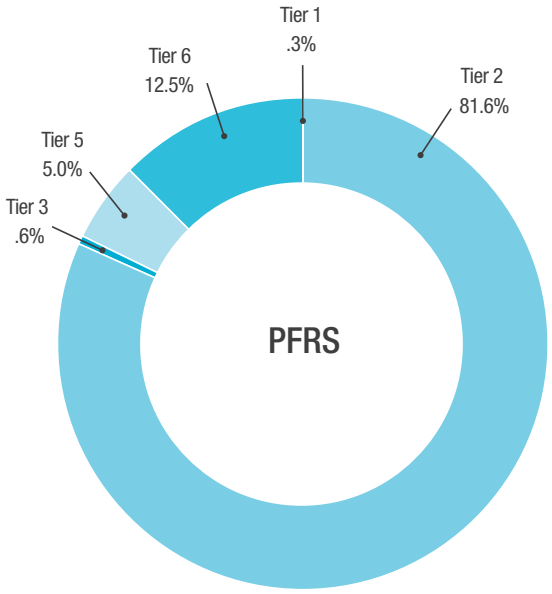
MEMBERSHIP BY TIER

As of March 31, 2015.

	ERS		PFRS		Total	
	Number	Percentage	Number	Percentage	Number	Percentage
Tier 1	4,520	0.7	92	0.3	4,612	0.7
Tier 2	5,375	0.9	28,179	81.6	33,554	5.2
Tiers 3 & 4*	452,306	74.3	224	0.6	452,530	70.4
Tier 5	54,829	9.0	1,731	5.0	56,560	8.8
Tier 6	91,607	15.1	4,315	12.5	95,922	14.9
Total	**608,637**	**100.0**	**34,541**	**100.0**	**643,178**	**100.0**

* There is no Tier 4 in the Police and Fire Retirement System.





MEMBERSHIP BY STATUS

	ERS			PFRS		
	Active	Inactive	Total	Active	Inactive	Total
2006	513,016	104,973	**617,989**	32,469	2,833	**35,302**
2007	519,203	107,720	**626,923**	32,811	2,899	**35,710**
2008	528,435	112,684	**641,119**	33,089	3,113	**36,202**
2009	530,023	113,677	**643,700**	33,052	3,156	**36,208**
2010	505,575	116,532	**622,107**	31,024	3,093	**34,117**
2011	513,092	124,829	**637,921**	31,659	3,143	**34,802**
2012	505,575	116,532	**622,107**	31,024	3,093	**34,117**
2013	498,266	115,664	**613,930**	30,780	2,864	**33,644**
2014	493,209	116,356	**609,565**	31,218	2,876	**34,094**
2015	491,558	117,079	**608,637**	31,372	3,169	**34,541**

NUMBER OF EMPLOYERS

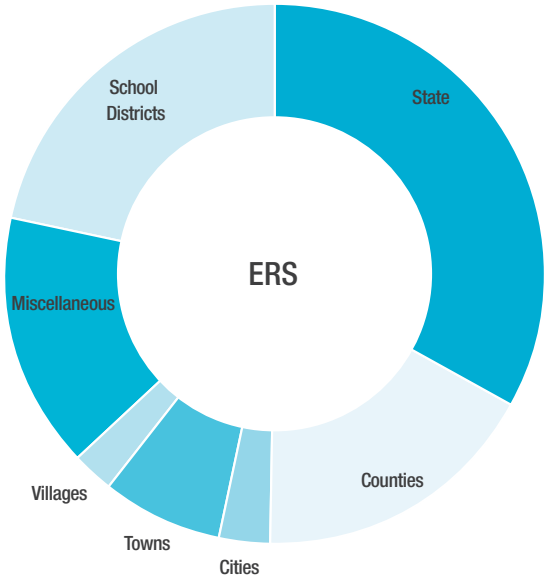
As of March 31, 2015.

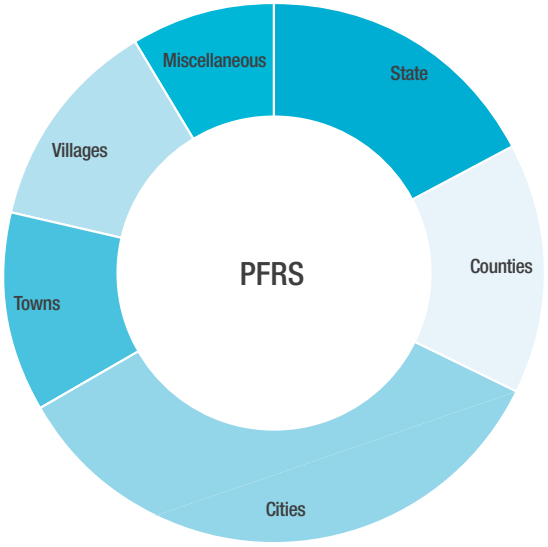
Category	ERS	PFRS
State	1	1
Counties	57	4
Cities	61	61
Towns	913	206
Villages	489	376
Miscellaneous	787	34
School Districts	698	0
Total	**3,006**	**682**

MEMBERSHIP BY EMPLOYER TYPE*

As of March 31, 2015.

	ERS		PFRS		Total	
	Total	Active	Total	Active	Total	Active
State	201,194	168,743	6,009	5,538	207,203	174,281
Counties	105,582	83,735	5,179	4,932	110,761	88,667
Cities	18,079	14,241	11,856	10,898	29,935	25,139
Towns	44,826	35,383	4,196	3,732	49,022	39,115
Villages	14,129	10,890	4,343	3,514	18,472	14,404
Miscellaneous	94,341	72,694	2,958	2,758	97,299	75,452
School Districts	130,486	105,872	0	0	130,486	105,872
Total	**608,637**	**491,558**	**34,541**	**31,372**	**643,178**	**522,930**





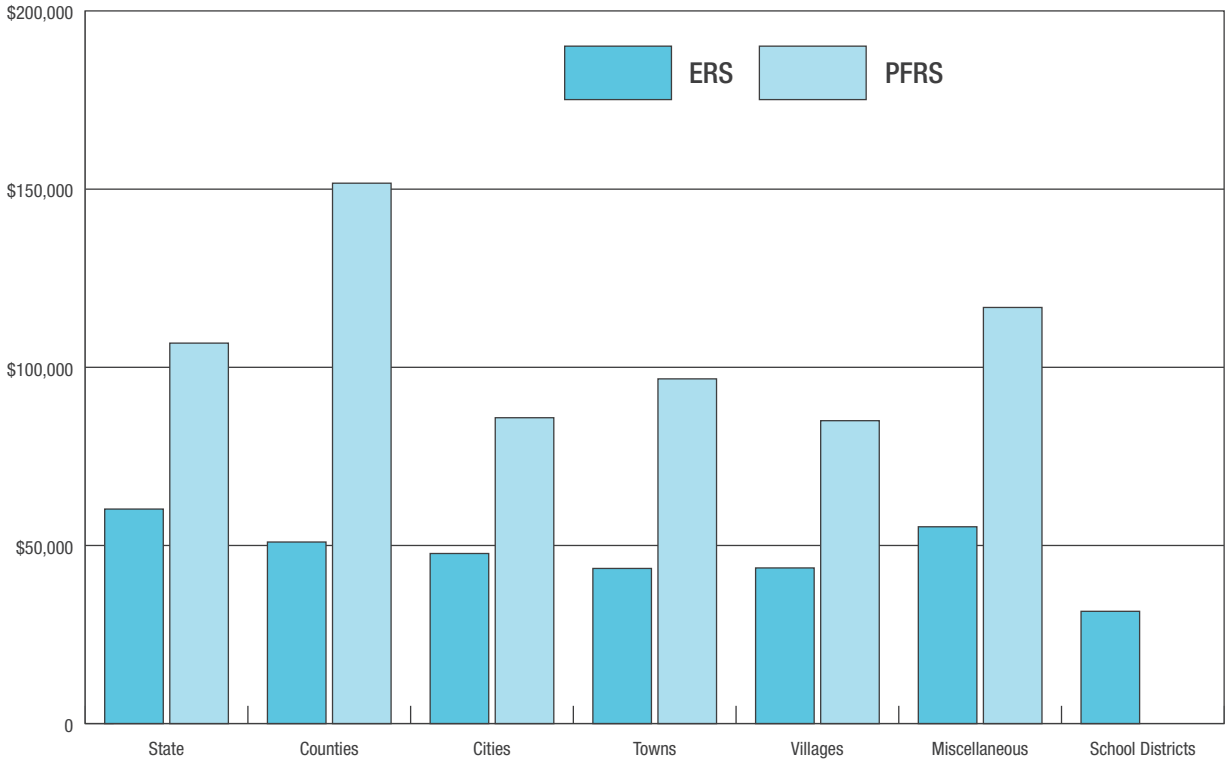
*A detailed listing of employers as of March 31, 2015 is available on our website at **www.osc.state.ny.us/retire/employers/index.php**.

AVERAGE SALARY BY EMPLOYER TYPE

Fiscal year ending March 31, 2015.

	Average Salary	Total Members*	Total Salaries
ERS			
State	$ 60,218	168,743	$ 10,161,372,125
Counties	50,971	83,735	4,268,067,078
Cities	47,748	14,241	679,974,190
Towns	43,554	35,383	1,541,086,716
Villages	43,698	10,890	475,868,192
Miscellaneous	55,250	72,694	4,016,329,118
School Districts	31,522	105,872	3,337,347,615
Total	**$ 49,801**	**491,558**	**$ 24,480,045,033**
PFRS			
State	$ 106,791	5,538	$ 591,410,281
Counties	151,675	4,932	748,062,206
Cities	85,853	10,898	935,625,329
Towns	96,759	3,732	361,105,008
Villages	85,022	3,514	298,766,083
Miscellaneous	116,799	2,758	322,131,153
Total	**$ 103,822**	**31,372**	**$ 3,257,100,059**

* Active members receiving salary.



MEMBERS AND SALARIES BY PLAN — ERS

As of March 31, 2015.

	Tier 1	Tier 1 Salaries	Tier 2	Tier 2 Salaries
Age 55/60 Contributory	6	$ 270,922	3	$ 157,795
Age 55 75-c	24	746,394	37	1,488,424
Age 55 75-e	7	348,029	14	397,811
Age 55 75-g	50	2,317,801	65	2,851,002
Age 55 75-h	1,377	110,034,917	1,600	121,311,020
Age 55 75-i	1,995	109,558,886	2,303	129,275,374
Regular Correction Officers/SHTA ¾ Disability	2	206,750	0	0
Correction Officers 89	19	1,839,423	41	4,055,592
Sheriffs 89-a	1	125,182	0	0
Sheriffs 89-b	0	0	0	199
Sheriffs 89-b(m)	0	0	1	70,609
Investigators 89-d	0	0	0	0
Investigators 89-d(m)	2	323,607	0	0
Sheriffs — 551	0	0	2	182,076
Sheriffs — 551e	0	0	0	0
Sheriffs — 552	2	163,586	0	0
Sheriffs — 553	2	216,454	5	459,336
Legislators 80-a	3	278,249	0	0
Unified Court Peace Officers	0	0	28	2,796,258
25-Year Correction Officers/Sheriffs/Office of Mental Health	17	1,316,905	26	2,215,949
25-Year 1/60 Peace Officers, Amb Med Techs, Paramedics	1	112,139	2	220,864

	Tier 3 & 4	Tier 3 & 4 Salaries	Tier 5	Tier 5 Salaries	Tier 6	Tier 6 Salaries*
Article 14 & 15	330,800	$ 18,038,704,032	36,475	$ 1,288,940,449	77,640	$ 1,755,410,120
Regular Correction Officers/SHTA ¾ Disability	414	36,911,501	12	803,252	47	2,342,103
Article 14 Correction Officers	15,987	1,292,432,751	870	52,528,673	3,330	132,164,751
Sheriffs — 551	291	22,325,230	9	435,511	43	1,572,584
Sheriffs — 551e	55	3,468,261	5	227,001	14	540,246
Sherrifs — 552	426	32,064,491	31	1,644,103	58	2,083,807
Sheriffs — 553	1,474	130,064,092	127	8,140,395	139	5,814,478
Unified Court Peace Officers	5,709	468,242,560	209	12,234,138	83	3,727,513
25-Year Correction Officers/Sheriffs/Office of Mental Health	7,210	577,452,898	712	41,716,798	1,503	48,274,513
25-Year 1/60 Peace Officers, Paramedics	12	756,817	0	0	0	0
20-Year 1/60 Investigators	18	2,794,859	1	93,465	0	0
Westchester County Criminal Investigators	24	3,151,846	1	108,229	0	0
25-Year 1/60 ¾ accidental disability Amb Med Techs, Fire Marshalls	181	18,870,646	12	653,216	1	8,154

* Reportable Tier 6 salaries are capped at the Governor's salary, which was $179,000 for fiscal year 2015.

There may be plans with no member count and salary greater than zero. Members who work for multiple employers may have salary under multiple plans but will only be counted once, under their primary plan.

MEMBERS AND SALARIES BY PLAN — PFRS

As of March 31, 2015.

	Tier 1	Tier 1 Salaries	Tier 2	Tier 2 Salaries	Tier 3	Tier 3 Salaries
Age 55/60 Basic	0	$ 0	40	$ 498,345	2	$ 30,823
Age 55 375-c	0	0	132	2,882,200	1	6,178
Age 55 375-e	0	0	41	716,123	1	41,372
Age 55 375-g	0	0	43	941,763	1	20,222
Age 55 375-h	0	0	1	102,234	0	0
Age 55 375-i	11	1,374,835	162	9,362,692	3	81,777
Age 55 375-j	1	175,630	3	329,775	0	0
State Police 381-b	0	0	4,039	488,273,505	4	263,889
Regional Park Police 383-a	0	0	186	16,929,092	2	108,439
EnCon Police 383-b	0	0	247	24,095,794	1	69,169
Forest Ranger 383-c	0	0	110	10,047,558	1	70,993
25-Year 384	0	0	46	1,818,091	15	1,355,507
25-Year 384(f)	2	234,560	93	10,134,266	67	4,968,468
20-Year 384-d	12	1,915,642	7,658	761,443,011	56	3,292,031
20-Year 1/60 384-e	40	6,699,385	12,647	1,625,254,680	25	1,952,371

MEMBERS AND SALARIES BY PLAN — PFRS

CONTINUED

Tier 5 Contributory	Tier 5 Contributory Salaries	Tier 5 Non-Contributory	Tier 5 Non-Contributory Salaries	Tier 6 Contributory	Tier 6 Contributory Salaries*	Tier 6 Non-Contributory	Tier 6 Non-Contributory Salaries*
9	$ 58,072	0	$ 0	13	$ 133,413	0	$ 0
23	224,249	0	0	36	501,831	0	0
11	185,299	0	0	14	180,498	0	0
3	21,627	0	0	13	151,509	0	0
0	0	0	0	0	0	0	0
13	645,489	0	0	41	1,364,761	0	0
0	0	0	0	0	0	0	0
57	4,571,843	0	0	772	40,601,554	0	0
3	211,676	0	0	80	3,620,164	0	0
3	227,001	0	0	23	1,590,675	0	0
2	144,316	0	0	7	482,380	0	0
17	701,955	1	44,768	38	1,121,316	0	0
4	364,766	9	799,558	10	366,297	4	247,890
592	37,451,093	136	8,830,907	1,363	48,584,090	14	803,301
578	47,708,775	92	7,569,732	1,661	69,735,649	37	2,363,190

* Reportable Tier 6 salaries are capped at the Governor's salary, which was $179,000 for fiscal year 2015.

There may be plans with no member count and salary greater than zero. Members who work for multiple employers may have salary under multiple plans but will only be counted once, under their primary plan.

RETIREES AND BENEFICIARIES BY AGE

As of March 31, 2015.

Age	ERS			PFRS		
	Retirees & Beneficiaries	Retirees	Beneficiaries	Retirees & Beneficiaries	Retirees	Beneficiaries
0 – 25	195	0	195	16	0	16
26 – 30	198	0	198	5	0	5
31 – 35	300	9	291	20	12	8
36 – 40	435	64	371	90	71	19
41 – 45	816	303	513	414	394	20
46 – 50	2,240	1,489	751	1,878	1,817	61
51 – 55	6,402	5,180	1,222	3,371	3,278	93
56 – 60	35,568	33,537	2,031	3,791	3,664	127
61 – 65	69,040	66,094	2,946	5,542	5,321	221
66 – 70	86,963	82,779	4,184	6,445	6,143	302
71 – 75	66,475	61,824	4,651	5,025	4,703	322
76 – 80	48,850	44,060	4,790	3,177	2,907	270
81 – 85	37,309	32,630	4,679	2,058	1,836	222
86 – 90	25,868	21,641	4,227	1,239	1,039	200
91 – 95	12,544	10,176	2,368	396	291	105
96 – 100	3,146	2,459	687	54	36	18
101+	432	316	116	6	3	3
Total	**396,781**	**362,561**	**34,220**	**33,527**	**31,515**	**2,012**

RETIREES AND BENEFICIARIES — ERS

As of March 31, 2015 — by fiscal year of retirement: average annual option 0 retirement benefit (prior to option selection) without annual cost-of-living adjustment (COLA), average COLA and total.

Year of Retirement	Number	Average Option 0 Benefit w/o COLA*	Average COLA	Total
1942	0	$ 0	$ 0	**$ 0**
1943	0	0	0	**0**
1944	0	0	0	**0**
1945	0	0	0	**0**
1946	0	0	0	**0**
1947	0	0	0	**0**
1948	0	0	0	**0**
1949	0	0	0	**0**
1950	0	0	0	**0**
1951	0	0	0	**0**
1952	0	0	0	**0**
1953	0	0	0	**0**
1954	0	0	0	**0**
1955	1	2,107	6,499	**8,606**
1956	2	1,145	4,736	**5,881**
1957	0	0	0	**0**
1958	1	2,142	12,715	**14,857**
1959	2	2,145	5,948	**8,093**
1960	2	4,397	11,514	**15,911**
1961	0	0	0	**0**
1962	2	3,195	7,415	**10,609**
1963	3	2,379	8,922	**11,301**
1964	4	3,170	5,669	**8,840**
1965	3	4,949	12,610	**17,560**
1966	12	3,949	7,571	**11,519**
1967	5	2,377	6,765	**9,142**
1968	14	2,961	5,172	**8,132**
1969	18	2,591	4,293	**6,883**
1970	47	2,994	4,347	**7,341**
1971	59	4,631	5,950	**10,581**
1972	125	4,589	5,647	**10,236**
1973	194	5,135	5,819	**10,954**
1974	235	5,253	5,941	**11,194**
1975	321	5,384	5,426	**10,810**
1976	555	5,227	5,200	**10,426**
1977	773	5,185	4,958	**10,143**
1978	878	5,663	4,902	**10,565**
1979	1,103	5,710	4,742	**10,452**
1980	1,408	$ 5,611	$ 4,003	**$ 9,614**
1981	1,730	5,663	3,393	**9,056**
1982	2,153	6,317	3,353	**9,670**
1983	2,159	6,616	3,208	**9,824**
1984	3,453	8,669	3,796	**12,464**
1985	3,143	8,558	3,491	**12,049**
1986	3,910	9,094	3,432	**12,526**
1987	4,217	9,965	3,541	**13,506**
1988	4,341	10,868	3,493	**14,361**
1989	4,961	11,535	3,395	**14,930**
1990	5,644	13,077	3,296	**16,373**
1991	8,923	17,039	3,504	**20,543**
1992	8,445	14,341	2,983	**17,324**
1993	6,852	14,829	2,774	**17,603**
1994	6,224	14,888	2,561	**17,449**
1995	7,720	15,752	2,521	**18,274**
1996	13,500	20,519	2,698	**23,217**
1997	12,248	19,088	2,352	**21,440**
1998	9,293	16,954	1,923	**18,878**
1999	10,226	16,633	1,760	**18,393**
2000	12,188	17,919	1,647	**19,566**
2001	13,044	21,446	1,631	**23,078**
2002	10,882	19,436	1,411	**20,848**
2003	23,533	28,112	1,383	**29,495**
2004	11,857	19,478	1,002	**20,480**
2005	14,387	21,585	869	**22,454**
2006	15,843	22,407	719	**23,126**
2007	16,492	24,756	588	**25,343**
2008	17,013	26,489	446	**26,935**
2009	15,772	26,539	271	**26,810**
2010	18,074	28,139	148	**28,287**
2011	27,848	34,456	0	**34,456**
2012	17,898	27,262	0	**27,262**
2013	17,962	26,929	0	**26,929**
2014	19,397	27,820	0	**27,820**
2015	12,727	29,245	0	**29,245**

* 6,955 of the 34,220 beneficiaries are not eligible for COLA and are not included in the above counts.

RETIREES AND BENEFICIARIES — PFRS

As of March 31, 2015 — by fiscal year of retirement: average annual modified option 0 retirement benefit without annual cost-of-living adjustment (COLA), average COLA and total. Modified option 0 is the amount after reduction for a partial lump sum distribution.

Year of Retirement	Number	Average Option 0 w/o COLA*	Average COLA	Total
1942	1	$ 2,029	$ 21,645	**$ 23,674**
1943	0	0	0	**0**
1944	0	0	0	**0**
1945	0	0	0	**0**
1946	0	0	0	**0**
1947	0	0	0	**0**
1948	0	0	0	**0**
1949	0	0	0	**0**
1950	0	0	0	**0**
1951	0	0	0	**0**
1952	0	0	0	**0**
1953	0	0	0	**0**
1954	1	2,357	14,730	**17,087**
1955	2	2,482	7,639	**10,121**
1956	1	3,614	21,429	**25,043**
1957	0	0	0	**0**
1958	0	0	0	**0**
1959	0	0	0	**0**
1960	1	3,478	19,160	**22,638**
1961	1	2,435	6,768	**9,203**
1962	0	0	0	**0**
1963	3	3,462	13,626	**17,088**
1964	1	4,864	17,840	**22,704**
1965	2	5,365	17,868	**23,232**
1966	3	8,511	15,700	**24,210**
1967	7	5,505	13,036	**18,541**
1968	9	4,689	11,817	**16,506**
1969	16	4,969	10,284	**15,252**
1970	23	5,837	12,193	**18,030**
1971	22	6,798	12,033	**18,831**
1972	101	7,242	12,911	**20,153**
1973	88	7,584	13,003	**20,587**
1974	127	7,979	13,027	**21,006**
1975	92	8,468	11,974	**20,441**
1976	122	9,693	12,045	**21,738**
1977	216	10,603	12,033	**22,635**
1978	222	10,824	11,612	**22,436**
1979	287	11,401	10,902	**22,303**
1980	301	$ 12,230	$ 9,881	**$ 22,111**
1981	276	13,290	8,683	**21,972**
1982	372	14,864	8,146	**23,010**
1983	406	15,802	7,746	**23,548**
1984	397	17,723	7,710	**25,433**
1985	475	19,279	7,199	**26,478**
1986	695	20,731	7,057	**27,788**
1987	736	22,989	6,966	**29,955**
1988	844	24,640	6,608	**31,247**
1989	884	24,970	6,162	**31,132**
1990	898	27,622	5,595	**33,217**
1991	998	30,759	5,101	**35,859**
1992	1,108	35,143	4,540	**39,684**
1993	1,031	34,037	4,201	**38,238**
1994	910	33,015	3,798	**36,813**
1995	801	37,638	3,382	**41,020**
1996	795	36,494	3,095	**39,590**
1997	783	40,605	2,789	**43,394**
1998	743	39,556	2,375	**41,931**
1999	768	40,599	2,226	**42,826**
2000	906	46,998	1,912	**48,910**
2001	1,105	52,801	1,795	**54,596**
2002	956	52,895	1,525	**54,420**
2003	1,274	60,565	1,309	**61,874**
2004	1,206	58,002	1,104	**59,106**
2005	1,098	58,332	823	**59,155**
2006	1,112	59,452	574	**60,027**
2007	1,107	60,399	449	**60,849**
2008	1,131	62,753	300	**63,054**
2009	1,075	65,964	213	**66,177**
2010	1,111	68,071	115	**68,186**
2011	1,259	68,502	0	**68,502**
2012	1,221	69,963	0	**69,963**
2013	1,225	68,731	0	**68,731**
2014	1,215	71,776	0	**71,776**
2015	575	73,187	0	**73,187**

* 382 of the 2,012 beneficiaries are not eligible for COLA and are not included in the above counts.

LOCAL GOVERNMENT SALARIES AND BILLINGS — ERS

Contributions include the normal cost of benefits including supplemental pensions and, in some cases, the Retirement Incentive Program, Deficiency Contributions that defray any liabilities an employer brings when it joins the System, the Group Life Insurance Plan (GLIP) and the administrative cost for the fiscal year. Amounts shown are due February 1st preceding the fiscal year end (FYE).

FYE	Salaries	Contributions	Normal	Deficiency	GLIP	Administrative
Counties						
2006	$ 3,973,182,698	$ 464,679,243	$ 438,815,394	$ –	$ 13,890,586	$ 11,973,263
2007	4,082,673,936	447,024,967	417,028,835	–	17,682,805	12,313,327
2008	4,216,431,872	422,160,637	394,084,911	–	11,157,933	16,917,793
2009	4,377,722,306	386,066,989	357,016,093	–	11,534,099	17,516,797
2010	4,440,975,009	348,633,573	319,242,145	–	15,718,947	13,672,481
2011	4,400,173,486	559,214,523	525,419,127	–	15,589,216	18,206,180
2012	4,443,930,817	776,404,451	748,265,831	–	14,983,770	13,154,850
2013	4,373,201,590	869,913,388	836,809,946	–	15,242,472	17,860,970
2014	4,336,303,275	961,029,407	932,736,131	–	15,028,728	13,264,548
2015	4,268,067,445	916,967,766	884,569,811	–	14,822,845	17,575,110
Cities						
2006	612,669,624	68,193,077	63,955,140	–	2,421,685	1,816,252
2007	625,077,477	65,850,318	60,796,905	–	3,158,385	1,895,028
2008	648,030,721	61,051,722	56,528,107	–	1,938,692	2,584,923
2009	669,808,943	54,817,726	50,114,905	–	2,015,498	2,687,323
2010	672,358,993	49,473,203	44,600,856	–	2,784,205	2,088,142
2011	660,882,586	78,687,818	73,186,068	–	2,750,875	2,750,875
2012	663,784,626	107,570,937	102,977,843	–	2,624,624	1,968,470
2013	657,761,044	124,229,355	118,894,947	–	2,667,204	2,667,204
2014	673,091,884	137,981,259	133,304,614	–	2,672,375	2,004,270
2015	679,974,366	134,647,196	129,157,994	–	2,744,601	2,744,601
Towns						
2006	1,318,853,035	143,799,692	134,049,741	678,480	5,182,369	3,889,102
2007	1,356,019,116	140,466,376	128,916,495	696,150	6,782,132	4,071,599
2008	1,417,734,849	131,248,138	120,766,233	677,721	4,200,582	5,603,602
2009	1,465,224,022	120,574,358	109,598,831	695,659	4,404,475	5,875,393
2010	1,483,730,590	108,762,029	97,393,459	717,958	6,084,843	4,565,769
2011	1,483,142,934	174,236,832	161,410,776	687,246	6,068,074	6,070,736
2012	1,499,756,171	243,005,724	232,009,841	701,186	5,881,293	4,413,404
2013	1,523,144,059	282,487,748	269,746,224	730,975	6,003,677	6,006,872
2014	1,514,279,860	320,436,350	308,991,586	729,377	6,121,687	4,593,700
2015	1,541,087,303	304,935,776	292,018,266	704,881	6,104,792	6,107,837

LOCAL GOVERNMENT SALARIES AND BILLINGS — ERS

CONTINUED

FYE	Salaries	Contributions	Normal	Deficiency	GLIP	Administrative
Villages						
2006	$ 396,489,726	$ 43,514,076	$ 40,517,640	$ 232,514	$ 1,579,370	$ 1,184,552
2007	411,425,147	42,088,503	38,567,121	240,460	2,050,581	1,230,341
2008	427,838,001	39,705,557	36,476,385	243,599	1,279,527	1,706,046
2009	444,961,775	36,293,410	32,947,899	231,780	1,334,454	1,779,277
2010	452,674,761	32,980,639	29,491,939	243,794	1,854,239	1,390,667
2011	453,586,842	53,044,335	49,083,776	251,569	1,854,495	1,854,495
2012	456,923,176	75,242,014	71,732,124	359,252	1,800,376	1,350,262
2013	464,343,459	84,603,712	80,734,045	210,055	1,829,806	1,829,806
2014	468,173,558	96,707,532	93,193,118	224,737	1,879,811	1,409,866
2015	475,868,379	93,000,032	88,986,865	214,831	1,899,168	1,899,168
Miscellaneous						
2006	3,318,406,341	362,539,880	338,428,405	1,038,366	13,184,634	9,888,475
2007	3,452,844,188	351,765,032	323,252,763	1,090,110	17,138,851	10,283,308
2008	3,612,130,156	333,088,130	307,009,697	1,016,328	10,741,056	14,321,049
2009	3,877,365,154	307,150,742	279,817,198	1,031,567	11,272,265	15,029,712
2010	4,053,679,047	288,402,076	258,729,069	1,396,742	16,157,869	12,118,396
2011	4,009,081,340	476,258,246	441,882,050	1,123,038	16,626,579	16,626,579
2012	4,074,206,349	705,637,232	676,397,501	1,117,975	16,069,562	12,052,194
2013	3,971,661,743	749,635,292	716,057,300	835,444	16,371,274	16,371,274
2014	3,968,529,764	826,997,637	797,752,084	791,616	16,258,823	12,195,114
2015	4,016,329,736	786,826,716	753,471,524	785,464	16,284,864	16,284,864
School Districts						
2006	2,804,610,717	295,369,803	276,074,953	76,738	10,981,781	8,236,331
2007	2,892,495,432	295,496,975	272,049,180	87,908	14,599,932	8,759,955
2008	3,028,665,963	276,852,420	255,641,659	94,016	9,050,047	12,066,698
2009	3,179,510,771	258,982,162	236,727,573	107,511	9,491,589	12,655,489
2010	3,277,959,694	237,870,801	214,479,105	111,442	13,303,002	9,977,252
2011	3,299,608,584	387,560,100	360,157,255	414,165	13,494,340	13,494,340
2012	3,363,257,728	530,456,512	507,067,857	433,238	13,117,370	9,838,047
2013	3,295,559,464	623,154,200	595,786,408	426,060	13,470,866	13,470,866
2014	3,295,866,762	685,241,928	661,805,954	135,753	13,314,400	9,985,821
2015	3,337,348,846	654,771,133	627,945,059	139,518	13,343,278	13,343,278

LOCAL GOVERNMENT SALARIES AND BILLINGS — PFRS

Contributions include the normal cost of benefits including supplemental pensions, the Group Life Insurance Plan (GLIP) and the administrative cost for the fiscal year. Amounts shows are due February 1st preceding the fiscal year end.

FYE	Salaries	Contributions	Normal	Deficiency	GLIP	Administrative
Counties						
2006	$ 669,734,523	$ 111,831,299	$ 109,868,889	$ –	$ –	$ 1,962,410
2007	686,235,014	121,577,173	118,828,521	–	–	2,748,652
2008	705,089,650	120,646,667	117,816,582	–	707,521	2,122,564
2009	705,233,176	117,939,533	115,751,728	–	–	2,187,805
2010	691,324,895	113,345,262	109,684,666	–	–	3,660,596
2011	774,589,528	128,266,705	124,105,246	–	693,576	3,467,883
2012	741,170,663	165,977,875	162,848,546	–	–	3,129,329
2013	750,476,797	186,487,909	182,070,522	–	736,230	3,681,157
2014	742,952,940	215,606,426	212,605,235	–	–	3,001,191
2015	748,062,218	204,532,593	200,811,227	–	744,273	2,977,093
Cities						
2006	788,096,235	131,076,054	128,739,253	–	–	2,336,801
2007	803,949,506	142,751,818	139,481,125	–	–	3,270,693
2008	862,509,071	142,311,942	138,966,064	–	836,467	2,509,411
2009	878,117,139	151,071,141	148,374,256	–	–	2,696,885
2010	898,507,065	146,455,535	141,869,364	–	–	4,586,171
2011	896,261,192	171,091,657	165,609,925	–	913,625	4,568,107
2012	919,665,789	202,376,328	198,704,804	–	–	3,671,524
2013	904,451,691	242,732,696	237,147,463	–	930,870	4,654,363
2014	940,121,957	270,589,638	266,868,512	–	–	3,721,126
2015	935,625,377	266,374,021	261,525,612	–	969,687	3,878,722
Towns						
2006	281,549,923	45,712,713	44,877,786	–	–	834,927
2007	293,260,663	50,495,562	49,326,214	–	–	1,169,348
2008	307,058,431	51,073,666	49,853,332	–	305,084	915,250
2009	321,618,843	53,509,018	52,550,766	–	–	958,252
2010	324,877,420	52,903,830	51,226,025	–	–	1,677,805
2011	333,981,112	60,280,009	58,310,352	–	328,283	1,641,374
2012	345,481,241	74,297,961	72,943,723	–	–	1,354,238
2013	344,465,630	90,102,480	88,024,012	–	346,422	1,732,046
2014	351,821,273	101,830,050	100,430,452	–	–	1,399,598
2015	361,105,021	99,600,409	97,809,899	–	358,100	1,432,410

LOCAL GOVERNMENT SALARIES AND BILLINGS — PFRS

CONTINUED

FYE	Salaries	Contributions	Normal	Deficiency	GLIP	Administrative
Villages						
2006	$ 245,318,712	$ 37,677,735	$ 36,941,498	$ –	$ –	$ 736,237
2007	251,789,449	40,309,964	39,301,296	–	–	1,008,668
2008	260,713,425	40,875,275	39,828,283	–	261,751	785,241
2009	271,083,935	41,155,426	40,339,680	–	–	815,746
2010	279,110,145	41,046,994	39,630,908	–	–	1,416,086
2011	284,144,385	49,801,862	48,105,170	–	282,784	1,413,908
2012	288,899,267	61,448,733	60,286,366	–	–	1,162,367
2013	289,479,125	72,871,202	71,130,551	–	290,108	1,450,543
2014	296,688,354	83,549,031	82,367,874	–	–	1,181,157
2015	298,766,157	81,460,417	79,943,884	–	303,296	1,213,237
Miscellaneous						
2006	230,403,597	40,016,217	39,322,040	–	–	694,177
2007	245,010,928	42,931,506	41,968,985	–	–	962,521
2008	266,355,184	44,355,212	43,330,386	–	256,207	768,619
2009	278,364,071	44,753,630	43,917,335	–	–	836,295
2010	276,719,595	44,766,923	43,309,191	–	–	1,457,732
2011	277,823,751	51,630,642	49,951,567	–	279,846	1,399,229
2012	305,193,545	60,344,419	59,216,144	–	–	1,128,275
2013	303,608,075	77,558,504	75,734,743	–	303,957	1,519,804
2014	324,198,568	88,966,389	87,744,530	–	–	1,221,859
2015	322,131,168	89,840,321	88,189,827	–	330,099	1,320,395

CONTRIBUTIONS RECORDED, 2006 – 2015

(Dollars in Millions)

Contributions recorded are the amounts presented in the System's financial statements and include employer costs plus or minus any adjustments in amounts receivable and changes resulting from legislation.

Year Ended 3/31	Employer Contributions*	Member Contributions
2006		
Total	**$ 2,782.1**	**$ 241.2**
State	1,067.9	
Local	1,714.2	
2007		
Total	**$ 2,718.5**	**$ 250.2**
State	988.2	
Local	1,730.3	
2008		
Total	**$ 2,648.5**	**$ 265.7**
State	1,007.8	
Local	1,640.7	
2009		
Total	**$ 2,456.2**	**$ 273.3**
State	889.2	
Local	1,567.0	
2010		
Total	**$ 2,344.2**	**$ 284.3**
State	897.5	
Local	1,446.7	

* Includes employer premiums to Group Term Life Insurance Plan.

Year Ended 3/31	Employer Contributions*	Member Contributions
2011		
Total	**$ 4,164.6**	**$ 286.2**
State	1,759.0	
Local	2,405.6	
2012		
Total	**$ 4,585.2**	**$ 273.2**
State	1,785.6	
Local	2,799.6	
2013		
Total	**$ 5,336.0**	**$ 269.1**
State	1,950.1	
Local	3,385.9	
2014		
Total	**$ 6,064.1**	**$ 281.4**
State	2,372.7	
Local	3,691.4	
2015		
Total	**$ 5,797.4**	**$ 284.8**
State	2,263.0	
Local	3,534.4	

* Includes employer premiums to Group Term Life Insurance Plan.

20-YEAR SUMMARY*

	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Participants	**1,073,486**	**1,066,064**	**1,061,010**	**1,059,398**	**1,057,754**	**1,055,020**	**1,046,086**	**1,035,430**	**1,012,699**
Number of Members	**643,178**	**643,659**	**647,574**	**656,224**	**672,723**	**679,217**	**679,908**	**677,321**	**662,633**
ERS (a)	**608,637**	**609,565**	**613,930**	**622,107**	**637,921**	**643,875**	**643,700**	**641,119**	**626,923**
State	201,194	201,192	202,570	203,274	213,089	216,582	219,741	220,216	215,296
Counties	105,582	106,688	108,302	111,051	114,111	115,722	116,515	117,084	115,944
Cities	18,079	18,182	18,176	18,420	18,667	18,897	18,893	18,992	18,843
Towns	44,826	44,676	44,407	44,644	44,416	44,361	43,403	43,203	41,989
Villages	14,129	14,073	14,040	14,051	14,165	14,150	14,000	13,891	13,597
Miscellaneous	94,341	94,396	95,199	97,225	98,115	97,960	97,272	95,601	92,736
School Districts	130,486	130,358	131,236	133,442	135,358	136,203	133,876	132,132	128,518
PFRS (a)	**34,541**	**34,094**	**33,644**	**34,117**	**34,802**	**35,342**	**36,208**	**36,202**	**35,710**
State	6,009	5,792	5,630	5,548	5,779	5,973	6,222	6,223	6,219
Counties	5,179	5,003	5,076	5,372	5,499	5,560	5,841	5,898	5,873
Cities	11,856	11,812	11,868	11,974	12,137	12,289	12,433	12,414	12,206
Towns	4,196	4,162	4,153	4,178	4,205	4,249	4,340	4,364	4,295
Villages	4,343	4,330	4,370	4,433	4,512	4,547	4,592	4,621	4,591
Miscellaneous	2,958	2,995	2,547	2,612	2,670	2,724	2,780	2,682	2,526
Members by Tier (b)									
ERS Tier 1	4,520	5,249	6,230	7,551	10,718	13,395	16,829	20,513	25,053
ERS Tier 2	5,375	6,297	7,538	9,222	12,911	15,651	18,097	20,315	22,458
ERS Tiers 3 through 6	598,742	598,019	600,162	605,334	614,292	614,829	608,774	600,291	579,412
PFRS Tier 1	92	123	172	230	304	393	576	745	924
PFRS Tier 2	28,179	29,188	30,295	31,830	33,091	34,261	35,632	35,457	34,786
PFRS Tiers 3, 5 & 6	6,270	4,783	3,177	2,057	1,407	688	0	0	0
Retirees & Beneficiaries	**430,308**	**422,405**	**413,436**	**403,174**	**385,031**	**375,803**	**366,178**	**358,109**	**350,066**
ERS	396,781	389,288	380,899	371,468	353,940	345,106	336,273	328,726	321,113
PFRS	33,527	33,117	32,537	31,706	31,091	30,697	29,905	29,383	28,953
Employers	**3,032**	**3,027**	**3,029**	**3,040**	**3,039**	**3,035**	**3,026**	**3,021**	**3,010**
ERS	3,006	3,002	3,004	3,016	3,016	3,011	3,001	2,995	2,983
PFRS	682	681	681	682	681	681	683	683	683
Benefit Payments (c)	**$ 10,436.2**	**$ 9,898.8**	**$ 9,450.2**	**$ 8,862.8**	**$ 8,464.6**	**$ 7,663.1**	**$ 7,212.1**	**$ 6,835.6**	**$ 6,383.4**
Retirement Allowances	9,651.2	9,098.4	8,669.8	8,109.3	7,717.0	6,931.8	6,497.1	6,142.8	5,722.9
Death Benefits (Lump Sum)	183.1	203.8	194.2	185.0	192.3	183.0	180.5	181.7	164.6
COLA Payments	601.9	596.6	586.2	568.5	555.3	548.3	534.5	511.1	495.9
# of Service Retirements	18,039	19,702	19,962	28,259	19,092	19,193	17,979	17,261	16,390
# of Death Benefits Paid	900	810	844	879	984	955	935	1,014	832
# of Disability Retirements	720	963	1,026	1,161	844	1,421	1,020	950	1,227
Employer Contributions	**$ 5,797.4**	**$ 6,064.1**	**$ 5,336.1**	**$ 4,585.2**	**$ 4,164.5**	**$ 2,344.2**	**$ 2,456.2**	**$ 2,648.4**	**$ 2,718.6**
ERS	4,802.2	5,045.6	4,435.6	3,790.6	3,525.8	1,785.5	1,898.7	2,073.5	2,116.0
PFRS	901.0	926.3	808.5	706.4	538.8	465.0	492.8	510.6	502.5
Group Life Insurance Plan	94.2	92.2	92.0	88.2	99.9	93.7	64.7	64.3	100.1
Rate (as a % of Salary) (d)									
ERS	20.1%	20.9%	18.9%	16.3%	11.9%	7.4%	8.5%	9.6%	10.7%
PFRS	27.6%	28.9%	25.8%	21.6%	18.2%	15.1%	15.8%	16.6%	17.0%
Employee Contributions	**$ 284.8**	**$ 281.4**	**$ 269.1**	**$ 273.2**	**$ 286.2**	**$ 284.3**	**$ 273.3**	**$ 265.7**	**$ 250.2**
ERS	272.0	273.5	264.8	268.5	284.5	282.8	269.0	263.1	247.2
PFRS	12.8	7.9	4.3	4.7	1.7	1.5	4.3	2.6	2.9
Investments (e)	**$ 184,502.0**	**$ 176,835.1**	**$ 160,660.8**	**$ 150,658.9**	**$ 147,237.0**	**$ 132,500.2**	**$ 108,960.7**	**$ 153,877.7**	**$ 154,575.5**
Equities	94,293.5	93,191.7	83,049.5	79,059.2	79,945.0	72,674.0	47,871.0	83,153.7	90,119.7
Core Fixed Income	47,652.2	41,410.6	38,559.5	33,440.5	31,037.9	33,726.1	36,541.6	36,571.4	33,536.2
Commercial Mortgages	852.9	853.9	812.7	803.0	851.3	845.7	710.2	772.4	889.7
Short-Term Investments	5,252.5	6,592.8	6,461.3	7,397.7	8,360.2	3,086.1	3,826.7	6,443.1	8,551.1
Private Equity	14,247.4	14,369.8	14,072.6	14,925.9	14,620.4	12,584.0	10,563.7	12,699.4	10,044.8
Equity Real Estate	12,123.4	12,529.3	11,195.4	9,339.5	7,631.0	5,551.1	7,066.5	8,909.4	6,752.7
Absolute Return Strategy	8,388.8	7,406.1	6,124.7	5,165.7	4,215.5	3,553.3	2,381.0	5,328.3	4,681.3
Opportunistic Funds	1,292.2	480.9	385.1	527.4	575.7	479.9	0.0	0.0	0.0
Other	399.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate of Return (f)	**7.2%**	**13.0%**	**10.4%**	**6.0%**	**14.6%**	**25.9%**	**(26.4)%**	**2.6%**	**12.6%**
Core Fixed Income	5.5%	(0.5)%	4.7%	9.0%	8.0%	7.4%	2.4%	8.6%	6.0%
Equity Investments	8.3%	19.1%	12.5%	4.9%	17.1%	41.3%	(30.8)%	0.9%	15.0%
Administrative Cost	$ 107.2	$ 105.7	$ 105.7	$ 100.6	$ 101.3	$ 100.0	$ 99.2	$ 90.3	$ 79.8
Financial Statement Assets	$ 189,412.4	$ 181,275.3	$ 164,221.8	$ 153,394.4	$ 149,548.6	$ 134,251.7	$ 110,937.8	$ 155,845.9	$ 156,625.2

20-YEAR SUMMARY*

CONTINUED

2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
995,536	**982,009**	**970,078**	**964,140**	**944,500**	**924,643**	**899,314**	**882,234**	**867,204**	**860,429**	**864,460**
653,291	**647,758**	**641,721**	**650,543**	**637,896**	**626,565**	**604,479**	**593,188**	**582,689**	**578,566**	**590,130**
617,989	**612,410**	**606,155**	**614,555**	**602,428**	**590,959**	**569,369**	**558,236**	**547,805**	**543,663**	**553,649**
211,041	208,899	207,641	216,005	216,507	222,343	216,347	216,380	214,628	216,084	225,771
115,472	118,006	117,514	119,319	118,318	119,638	115,576	113,856	112,792	115,904	118,055
18,891	18,979	18,933	19,637	19,671	19,551	19,148	18,966	18,907	18,909	19,410
41,393	40,561	39,841	39,395	38,063	37,121	35,882	35,056	34,764	33,949	33,997
13,388	13,106	12,878	12,823	12,360	11,969	11,509	11,279	11,087	10,942	10,939
90,879	86,791	85,732	85,708	81,752	69,968	67,212	64,218	62,176	58,128	58,582
126,925	126,068	123,616	121,668	115,757	110,369	103,695	98,481	93,451	89,747	86,895
35,302	**35,348**	**35,566**	**35,988**	**35,468**	**35,606**	**35,110**	**34,952**	**34,884**	**34,903**	**36,481**
5,955	6,038	5,898	5,802	5,679	5,534	5,279	5,232	5,195	5,230	5,793
5,850	5,833	5,814	5,901	6,029	6,176	6,267	6,338	6,332	6,277	6,542
12,147	12,113	12,374	12,541	12,612	12,781	12,660	12,552	12,579	12,538	12,923
4,261	4,217	4,231	4,233	4,191	4,180	4,163	4,149	4,139	4,095	4,170
4,641	4,653	4,732	4,867	4,795	4,805	4,727	4,699	4,683	4,743	4,967
2,448	2,494	2,517	2,644	2,162	2,130	2,014	1,982	1,956	2,020	2,086
29,492	34,980	39,622	50,032	56,541	60,736	57,657	64,173	69,942	75,166	84,015
24,263	25,938	27,398	30,122	31,981	32,914	32,641	34,296	36,061	37,739	41,631
564,234	551,492	539,135	534,401	513,906	497,309	479,071	459,767	441,802	430,758	428,003
1,143	1,503	2,076	2,597	3,260	3,927	4,469	4,997	5,537	6,087	6,872
34,159	33,845	33,490	33,391	32,208	31,679	30,641	29,955	29,347	28,816	29,609
0	0	0	0	0	0	0	0	0	0	0
342,245	**334,251**	**328,357**	**313,597**	**306,604**	**298,078**	**294,835**	**289,046**	**284,515**	**281,863**	**274,330**
313,837	306,531	301,528	287,341	280,997	273,147	270,333	264,899	260,751	258,413	251,442
28,408	27,720	26,829	26,256	25,607	24,931	24,502	24,147	23,764	23,450	22,888
3,001	**2,993**	**2,985**	**2,968**	**2,922**	**2,897**	**2,860**	**2,843**	**2,809**	**2,786**	**2,779**
2,974	2,967	2,959	2,943	2,917	2,890	2,853	2,836	2,813	2,782	2,773
685	684	684	681	679	678	678	679	678	676	675
$ 6,028.9	**$ 5,674.7**	**$ 5,347.5**	**$ 4,984.6**	**$ 4,488.3**	**$ 4,181.0**	**$ 3,720.2**	**$ 3,482.0**	**$ 3,305.0**	**$ 3,122.0**	**$ 2,877.9**
5,388.6	5,041.0	4,722.1	4,373.3	3,872.0	3,619.9	3,415.1	3,217.1	3,071.6	2,885.3	2,639.8
161.2	161.9	157.3	148.4	151.8	152.9	142.8	123.0	125.7	118.5	140.0
479.1	471.8	468.1	462.9	464.5	336.1	162.3	141.9	107.7	118.2	98.1
16,827	14,533	23,655	16,078	17,499	11,640	14,470	12,675	11,932	15,324	19,578
932	1,041	1,025	1,019	1,068	1,005	1,026	956	974	965	1,092
1,267	1,463	1,103	1,064	1,038	1,079	1,189	1,356	938	1,016	1,235
$ 2,782.2	**$ 2,964.8**	**$ 1,286.5**	**$ 651.9**	**$ 263.8**	**$ 214.8**	**$ 164.5**	**$ 291.7**	**$ 462.6**	**$ 903.5**	**$ 776.9**
2,271.4	2,434.5	1,052.3	525.5	179.1	131.0	83.0	193.2	280.1	668.8	521.8
433.4	455.3	158.4	66.3	47.3	49.0	62.0	50.1	125.1	177.9	219.3
77.3	75.0	75.8	60.1	37.4	34.8	19.5	48.4	57.4	56.8	35.9
11.3%	12.9%	5.9%	1.5%	1.2%	0.9%	0.9%	1.3%	1.7%	3.7%	2.2%
16.3%	17.6%	5.8%	1.4%	1.6%	1.6%	1.9%	2.4%	7.0%	9.8%	13.0%
$ 241.2	**$ 227.3**	**$ 221.9**	**$ 219.2**	**$ 210.2**	**$ 319.1**	**$ 422.7**	**$ 399.8**	**$ 369.4**	**$ 348.2**	**$ 341.9**
237.7	224.5	217.4	214.1	206.0	317.4	422.0	398.7	368.8	347.7	338.5
3.5	2.8	4.5	5.1	4.2	1.7	0.7	1.1	0.6	0.5	3.5
$ 140,453.3	**$ 126,083.5**	**$ 119,245.0**	**$ 95,598.3**	**$ 111,168.5**	**$ 112,432.9**	**$ 127,138.9**	**$ 111,008.7**	**$ 104,921.8**	**$ 82,333.8**	**$ 74,827.9**
88,550.9	80,917.2	74,876.5	51,357.0	66,375.5	63,661.7	82,733.6	66,397.8	63,348.7	45,827.4	42,818.4
28,889.0	29,310.8	29,691.2	32,019.7	31,839.2	35,305.7	31,764.3	34,307.9	32,451.7	27,373.5	25,709.5
1,162.7	1,281.9	1,530.0	1,723.6	1,628.7	1,835.8	1,318.6	1,509.5	1,635.0	1,506.3	1,736.3
6,619.3	2,602.5	1,879.1	771.2	1,429.0	992.0	2,238.3	2,541.8	1,927.0	3,011.2	1,092.8
8,284.8	6,832.4	6,738.8	5,564.8	5,579.5	5,941.6	5,385.9	3,159.8	2,671.7	2,122.9	2,067.3
5,430.7	4,634.0	4,529.4	4,162.0	4,316.6	4,696.0	3,698.1	3,091.8	2,887.7	2,492.5	1,403.6
1,516.0	504.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14.6%	**8.5%**	**28.8%**	**(10.2)%**	**2.8%**	**(8.7)%**	**17.8%**	**8.8%**	**30.4%**	**10.9%**	**21.8%**
1.7%	3.0%	8.9%	16.8%	4.3%	14.1%	1.3%	6.6%	15.6%	4.3%	12.9%
19.1%	10.6%	42.8%	(24.3)%	2.9%	(20.3)%	25.3%	10.1%	47.2%	15.0%	29.7%
$ 78.5	$ 65.3	$ 69.6	$ 67.5	$ 66.6	$ 57.8	$ 50.7	$ 52.6	$ 49.1	$ 47.6	$ 46.6
$ 142,620.1	$ 128,037.7	$ 120,799.0	$ 97,372.7	$ 112,724.9	$ 114,043.5	$ 128,889.4	$ 112,723.1	$ 106,319.2	$ 83,947.5	$ 77,452.8

NOTES TO 20-YEAR SUMMARY

* Combined Systems unless noted; $ in millions; data as of March 31 fiscal year end.

(a) Includes active members and inactive members identified with their last employer.

(b) Tier 3 through 6 membership statistics are combined. Tier 6 was enacted on April 1, 2012.

(c) Total does not include Employee Contributions Refunded or Other Benefits found in the Financial Statements.

(d) Beginning in the 2006 fiscal year, all rates assume a February 1 payment date prior to the close of the fiscal year. Previous years assume rates based on a December 15 payment date. Contributions include normal, administrative, retirement incentive and deficiency costs.

(e) Investments for 1995 and later years are shown at (and rate of return is calculated on) market value as required by GASB 25, which the System adopted that year.

(f) Generally, the Rate of Return is calculated on a time-weighted, gross of fees, basis.

New York State Office of the State Comptroller
Thomas P. DiNapoli
New York State and Local Retirement System
Employees' Retirement System
Police and Fire Retirement System