New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

For The Fiscal Years Ended

June 30, 2013 and June 30, 2012

Salvatore J. Cassano
Fire Commissioner
and Chairperson of the Board of Trustees
City of New York

New York City Fire Pension Fund

9 MetroTech Center, Brooklyn, N.Y. 11201 - 3857
(718) 999 - 1190

Comprehensive Annual Financial Report
A Pension Trust Fund of the City of New York
For Fiscal Years Ended
June 30, 2013 and June 30, 2012

Prepared under the Direction of:

Mary E. Basso
Pension Director

Prepared By:

Angel G. Garcia
Assistant Deputy Director

Maureen V. Dale
Administrative Staff Analyst

Agnes S. Chan
Associate Accountant

Actuary:

Robert C. North, Jr.
Chief Actuary
255 GREENWICH ST, 9th FLOOR
NEW YORK, NY 10013

Custodian of the Fund:

John C. Liu
Comptroller of the City of New York
1 CENTRE STREET
NEW YORK, NY 10007

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New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

Introductory Section

Part I

Fiscal Year Ended June 30, 2013

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

New York City

Fire Department SubChapter Two

Pension Fund, New York

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

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The City of New York

FIRE DEPARTMENT
9 METROTECH CENTER BROOKLYN, N.Y. 11201-3857

SALVATORE J. CASSANO
Fire Commissioner Suite 8W-6

December 9, 2013

TO: **ALL MEMBERS OF THE NEW YORK CITY FIRE PENSION FUND**

RE: **PENSION FUND COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2013**

As Fire Commissioner and Chairperson of the Board of Trustees, I hereby present the New York City Fire Pension Fund Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2013. Within this report you will find financial, investment, actuarial and statistical information disclosing the results of operations and the financial position of the Pension Fund.

Our goal is to manage the assets of the Fund efficiently and prudently, in full compliance with established Regulations and Laws, so as to promote growth and provide secure retirement benefits for our members and their beneficiaries. The external auditors, Deloitte & Touche LLP, confirm in their Independent Auditors' Report on the financial condition of the Fund for Fiscal Year 2013 that we have adhered to required standards in all material respects.

During Fiscal Year 2013, despite modest national economic growth, debt concerns and continued volatility in investment markets, our Pension Fund's investment portfolio posted positive results. Growth in assets assures the soundness of the Fund and is a good indicator of the Fund's ability to meet its obligations. Members and their beneficiaries may therefore be assured that the Fund is well managed and that their retirement benefits are secure.

On behalf of the Board of Trustees, I wish to express our sincere appreciation to all active and retired uniformed members for their valuable service and dedication to the Fire Department and the City of New York.

Sincerely,

Salvatore J. Cassano
Fire Commissioner
Chairperson of the Board of Trustees

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The City of New York

FIRE DEPARTMENT
9 METROTECH CENTER, 6TH FLOOR BROOKLYN N. Y. 11201-3857

Mary E. Basso
Director
Bureau of Pension

December 9, 2013

TO: **Board of Trustees**
New York City Fire Pension Fund

I am pleased to present this Comprehensive Annual Financial Report of the New York City Fire Pension Fund ("Fire" or the "Plan"), also known as the New York City Fire Department Subchapter Two Pension Fund, for the fiscal year ended June 30, 2013. Management is responsible for the preparation, accuracy and completeness of this presentation. We believe that the data in this report is a fair representation of the financial position and results of operations of the Fund and to the best of our knowledge, the information is accurate and includes all required disclosures. Our report is organized into the Introductory, Financial, Investment, Actuarial and Statistical sections. Users of the financial statements are encouraged to review the Management's Discussion and Analysis (MD&A) presented in the financial section.

Profile of the Fund

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

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

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

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

Current Initiatives

Management's goal is to administer the Plan in a manner that will ensure accurate and timely payment of benefits to retirees and beneficiaries and provide members with the best information available so that they may prepare for a secure retirement. The highlights of our accomplishments during the past year evidence our commitment to deliver exemplary member services.

During fiscal year 2013, our unit and a technology team from the Fire Department Bureau of Technology Development and Systems (BTDS) worked on the enhancement of our new administrative pension system (e-UPS). The challenge was to design and implement a member self-service portal that will allow members to view updated account details, current Annual Pension Statements and to download manuals and forms. Phase I of this project was completed and became operational in May 2013. For the first time, members' Annual Pension Statements were not only distributed electronically, they were available months earlier than in prior years. The unit also updated the e-UPS system with information on the requirements for newly enacted Tier 3 and modified Tier 3 legislation. The update will facilitate the registration of applicants for membership in the pension system, under the new laws.

The pension managers and key personnel of our unit completed the challenging task of processing membership applications for over 320 probationary firefighters, hired by the Fire Department during the fiscal year. These firefighters are now members of the pension system under either Tier 2 or the new Tier 3 legislation.

The Retirement Counseling unit advised many prospective retirees and processed new retirement applications for over 350 members during fiscal year 2013. These applicants are now receiving 90% of their expected retirement benefit, pending finalization.

In addition, the Pension Payroll and Calculations Units were able to finalize approximately 545 retirees and beneficiaries who were previously receiving 90% of their benefits. These retirees and beneficiaries are now receiving the full amount of their benefits.

Financial Information

Economic Conditions in Fiscal Year 2013 and Outlook for Fiscal Year 2014

Economic conditions at both the national and local levels significantly impact financial markets and investment revenues. Our pension fund relies on employer and employee contributions and investment revenues to meet current obligations and future commitments. Therefore, the state of the economy is always of great concern. The U.S. economy, as measured by the change in real Gross Domestic Product (GDP), grew moderately at an annual rate of 2.5% in the fourth quarter of fiscal year 2013. Also, the unemployment rate continued to improve, moving from a high of 8.2% in July 2012 to 7.6% in June 2013. During the period, the Federal Reserve continued to pursue highly accommodative monetary policy actions, by purchasing over $85 billion per month in longer-term Treasuries and Agency mortgage-backed securities and holding the Federal Funds short term interest rate at the target range between 0% and 0.25%. These actions were attempts to boost aggregate demand and promote growth in the economy. There was also a tightening of fiscal policy through tax increases and spending sequestration. This had the effect of further restraining growth in the economy. In addition, there was some easing of financial stresses globally, due mainly to policies adopted by the European Central Bank (ECB) to stabilize the economies of the Euro Zone.

The City's economy continued to strengthen in fiscal year 2013. Job creation remained strong, while the unemployment rate trended downward. The City's economy, as measured by change in real Gross City Product (GCP), grew by approximately 1.8% during fiscal year 2013. Although this pace of growth was slower than that of the national economy, it was a positive trend compared to the 1.3% rate achieved in fiscal year 2012. The City's unemployment rate fell to 8.4% in fiscal year 2013, a significant change from the 9.4% in fiscal year 2012. The decrease in the City's unemployment rate can be attributed to a stable labor force participation rate combined with modest job growth.

For fiscal year 2014, it is predicted that the national economy will continue to recover at a moderate pace, although current risk factors may continue to impact the economy. The Comptroller's Office remains hopeful that both the national and the local economies will recover over time and return to historic levels of growth. The Bureau of Economic Analysis indicated that GDP increased at the modest rate of 2.8% in the third quarter of calendar year 2013 (advance estimate). Also, the Bureau of Labor Statistics indicated that the unemployment rate had fallen to 7.2% by end of September 2013. The increase in economic activity (GDP) and the decline in the unemployment rate are signals that the economy is in recovery and gaining traction. Improvement in the economy will have a positive impact on investment markets and ultimately the earnings of the Fund's portfolio.

Accounting and Reporting

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

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

Internal Control

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

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

Independent Audit

The Fire Pension Fund is required to undergo an annual audit by independent certified public accountants in accordance with generally accepted auditing standards. The accounting firm of Deloitte & Touche was selected to perform the annual audits for the fiscal years ended June 30, 2010 through June 30, 2013. The Independent Auditor's Report on the general-purpose financial statements and schedules of historical information required by the Governmental Accounting Standard Board (GASB) is presented in the financial section of this report. As required under GASB pronouncement 34, adopted in fiscal year 2001, the financial section also contains Management's' Discussion and Analysis (MD&A) with comparative data for fiscal years 2011, 2012 and 2013. The contents of this letter should be considered along with additional information contained in the MD&A.

Funding

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

The Plan's funded ratio, which is the ratio of Actuarial Asset Value to the Actuarial Accrued Liability, stands at 50.3% for fiscal year 2013, an increase from 48.2% in the previous period. (Funded status - Note 5 of Notes to Financial Statements). The change can be attributed to the revised actuarial assumptions and methods adopted by the Plan for fiscal year 2012. Funding is further addressed in the actuarial section of our report, which details the revised actuarial methods and assumptions used in the determination of the required funding for the Plan.

Investments

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

The Fund's portfolio is comprised largely of holdings in domestic, international, private equities and fixed income securities. Equity investments, although historically volatile, provide superior performance and growth over time, while fixed income investments provide predictable cash flows to meet the Fund's current obligations. For fiscal year 2013, the Fund's investment portfolio of approximately $ 9.1 billion under management posted gains of 11.9 %, while the corresponding Policy Index posted gains of 11.8%. A detailed discussion of investment policy, activities and results is presented in the Investment Section of our report.

Other Information

Awards

The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the New York City Fire Department Subchapter Two Pension Fund, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to conform to the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for fiscal year 2013.

Professional Services

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

Acknowledgements

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

I wish to thank the Office of the Actuary and the Office of the Comptroller for the expertise and the wide range of valuable information they provided for our unit. I am also very grateful to the Board of Trustees for the leadership and direction they provided during this period.

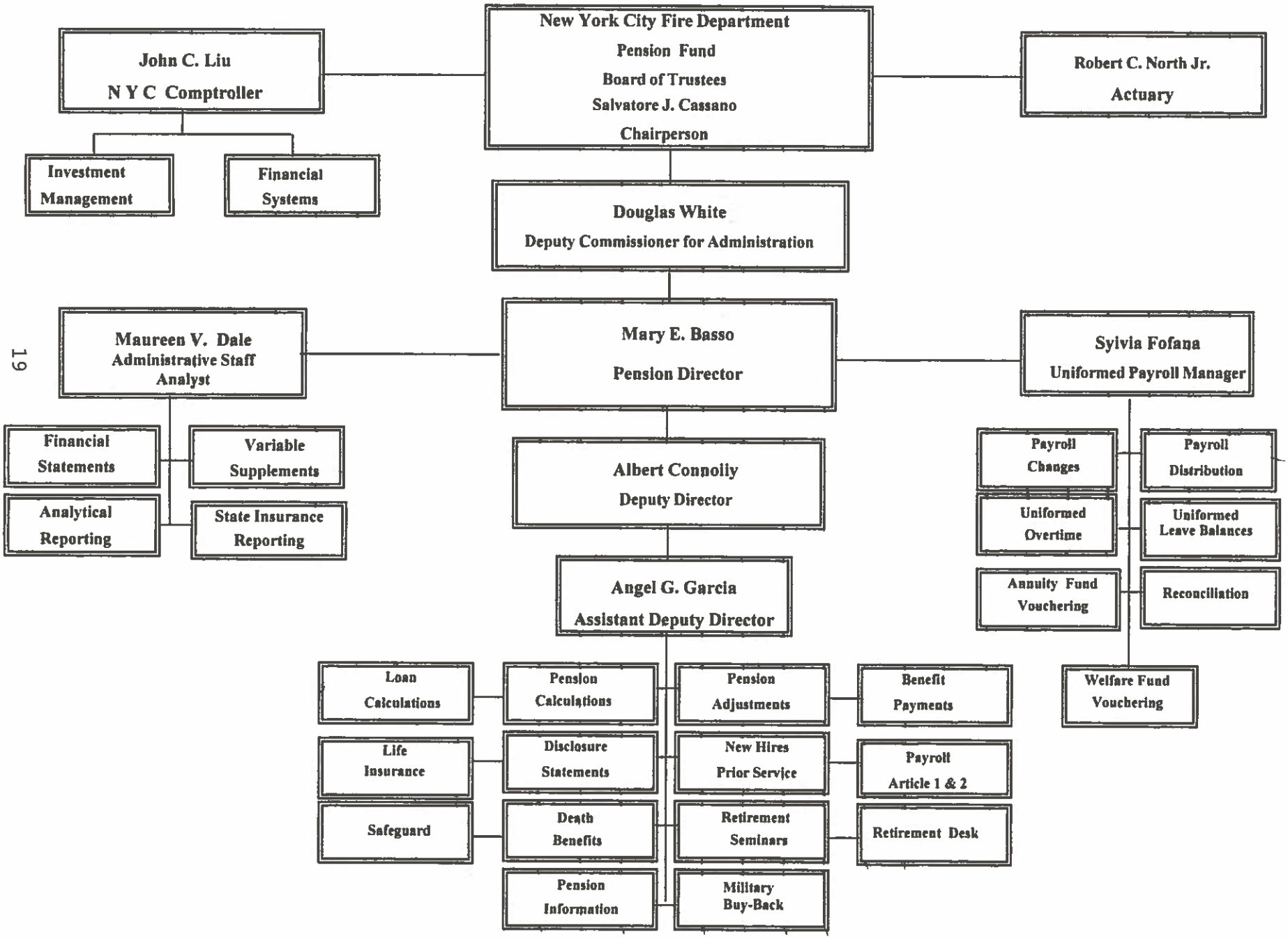
In closing, I wish to express my sincere gratitude to the managers and staff of the Pension Bureau, who have worked so diligently to enhance the delivery of member services and to assure the successful daily operation of the Fire Department Pension Fund.

Respectfully submitted,

Mary E. Basso

Mary E. Basso
Director of Pensions

ADMINISTRATIVE ORGANIZATION



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MEMBERS OF THE BOARD OF TRUSTEES

As of June 30, 2013

Michael R. Bloomberg	**Mayor, City of New York.**
Salvatore J. Cassano	**Fire Commissioner and Chairperson.**
John C. Liu	**Comptroller, City of New York.**
David M. Frankel	**Commissioner, of Finance.**
Stephen J. Cassidy	**President of the Uniformed Firefighters Association of Greater New York.**
James M. Slevin	**Vice-President of the Uniformed Firefighters Association of Greater New York.**
Robert Straub	**Treasurer of the Uniformed Firefighters Association of Greater New York.**
John Kelly	**Chairperson of the Board of Trustees Uniformed Firefighters Association of Greater New York.**
Al Hagan	**President of the Uniformed Fire Officers' Association of Greater New York.**
James A. Lemonda	**Chiefs' Representative of the Uniformed Fire Officers' Association of Greater New York.**
John Dunne	**Captains' Representative of the Uniformed Fire Officers' Association of Greater New York.**
James McGowan	**Lieutenants' Representative of the Uniformed Fire Officers' Association of Greater New York.**
Sean O'Connor	**Representative of the Uniformed Pilots' and MarineEngineers' Association of Greater New York.**

PENSION FUND ADMINISTRATION AND REPORTING

Douglas White
Deputy Commissioner for Administration

Mary E. Basso
Pension Director

Albert Connolly
Deputy Director

Angel G. Garcia
Assistant Deputy Director

Maureen V. Dale
Administrative Staff Analyst

Summary Plan and Options Benefits

TIERS I & II

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

MEMBERSHIP

TIERS

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

ORIGINAL PLAN – PRE-JULY 1, 1981 MEMBERS

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

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

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

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

SUMMARY

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

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

KINGSTON LAW LIMITATIONS

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

CONTRIBUTIONS

REQUIRED EMPLOYEE CONTRIBUTIONS

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

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

TAXATION

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

VOLUNTARY EMPLOYEE CONTRIBUTIONS 50% INDICATOR

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

ITHP WAIVER

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

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

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

HOW TO REDUCE PAYROLL DEDUCTIONS (138-b REGULATIONS)

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

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

EXCESS CONTRIBUTIONS

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

CREDITED SERVICE

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

ALLOWABLE FIRE SERVICE

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

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

Credit for service rendered in the uniformed force of the New York City Police Department immediately preceding service in the uniformed force of the New York City Fire Department, provided application for such credited service is made within prescribed time limits and such credited service is transferred to the Fund.

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

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

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

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

BUYBACK CREDIT

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

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

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

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

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

OTHER CREDITED SERVICE

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

RETIREMENT PROCESS

SERVICE RETIREMENT

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

WITHDRAWAL OF SERVICE RETIREMENT APPLICATION

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

DISABILITY RETIREMENT

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

STEP I: SUBMISSION OF APPLICATION

Member's Application for Disability Retirement:

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

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

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

Fire Commissioner's Application for Disability Retirement:

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

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

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

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

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

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

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

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

STEP III: REVIEW BY THE BOARD OF TRUSTEES

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

WITHDRAWAL OF DISABILITY RETIREMENT APPLICATION

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

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

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

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

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

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

RETIREMET PROCEDURES FOR ALL RETIREES

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

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

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

TIER I: SERVICE RETIREMENT ALLOWANCE

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

The Service retirement allowance is calculated as follows:

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

TIER I: DISABILITY RETIREMENT ALLOWANCE

ORDINARY DISABILITY RETIREMENT

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

An Ordinary Disability retirement allowance is calculated as follows:

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

ACCIDENTAL DISABILITY RETIREMENT

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

An Accidental Disability retirement allowance is calculated as follows:

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

Notes:

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

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

TIER I: OPTIONS

MAXIMUM RETIREMENT ALLOWANCE (NO OPTION)

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

OPTIONS

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

OPTION 1

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

OPTION 2

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

OPTION 3

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

OPTION 4

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

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

"POP-UP" OPTION MODIFICATION

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

Notes:

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

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

TIER I: SURVIVOR BENEFITS

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

There are two types of death benefits:

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

DEATH GAMBLE BENEFIT

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

ACCIDENTAL (LINE –OF-DUTY) DEATH BENEFIT

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

a pension equal to 50% of final compensation will be paid to a surviving spouse, to continue for life;
or
if there is no surviving spouse or if a surviving spouse dies before any eligible child attains 18 years of age (or, if a student, 23 years of age), then to such child or children under such age, until every such child dies or attains such age;
or
if there is no surviving spouse or eligible child under the age of 18 years (or 23 years, if a student), then to the member's dependent parent(s) to continue for life;
plus
a lump sum equal to the balance of the member's ITHP reserve account
plus
a lump sum equal to the member's accumulated deductions/contributions will be paid to the designated beneficiary(ies)
plus
a Special Accidental Death benefit under Section 208-f of the General Municipal Law (State portion)

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

BENEFICIARY DESIGNATION

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

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Summary Plan Benefits

TIER III

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

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

MEMBERSHIP

Uniformed members of the FDNY appointed on or after July1, 2009 are subject to Article 14 of the RSSL, also known as Tier 3.

CONTRIBUTIONS

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

MINIMUM REQUIRED AND INTEREST

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

ITHP (INCREASED-TAKE-HOME-PAY)

ITHP stands for "Increased-Take-Home-Pay" and relates to the increase in a member's take home pay due to the City paying a portion or all of the required rate by making the contribution on the member's behalf. If applied to Tier 3, this could eliminate or reduce any contribution being made by the member. The Supreme Court, New York County, recently found that Tier 3 members are eligible for ITHP; however, the City of New York has appealed the case. The decision is now on appeal in the Appellate Division, First Department. Tier 3 members will continue to make the 3% contributions until and unless the Supreme Court decision is ultimately upheld. The Fire Pension Fund will keep members up-to-date on developments in the litigation.

DEFICITS

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

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

REFUNDS

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

WITHDRAWAL OF CONTRIBUTIONS

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

LOANS

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

CREDITED SERVICE

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

ALLOWABLE UNIFORMED SERVICE

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

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

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

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

Credit for military service acquired pursuant to applicable law.

PRIOR SERVICE CREDIT

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

MILITARY SERVICE CREDIT

Military service with the federal government may be credited pursuant to New York State Military Law 243, the federal Uniformed Services Employment and Reemployment Right Act (USERRA), and RSSL 1000. Members who join the Fire Pension Fund on or after April 1, 2012, and who wish to purchase credit for military service under RSSL 1000, pay an amount for such credit equal to the number of years of military credit being purchased multiplied by 6% of the compensation earned by the member during the 12 months of credited service immediately preceding the member's application to purchase such credit. Members who joined the Fire Pension Fund prior to April1, 2012 and who wish to purchase credit for military service under RSSL 1000, pay an amount for such credit equal to the number of years of military credit being purchased multiplied by 3% of the compensation earned by the member during the 12 months of credited service immediately preceding the member's application to purchase such credit.

TRANSFER TO THE FIRE PENSION FUND

A member may transfer to the Fire Pension Fund from another public retirement system within the State of New York. In Tier 3, transferring prior City or State service, other than Uniformed Police of Fire service, does not provide any additional monetary benefit, nor does it change your Service Retirement eligibility date. However, members with a membership in a New York public pension fund that began prior to July1, 2009 will become Tier 2 members of the Fire Pension Fund upon completion of a proper transfer. Before deciding whether to transfer service from another pension system, eligible members should contact the Fire Pension Fund Administration Office at (718) 999-2300.

New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

Financial Section

Part II

Fiscal Years Ended June 30, 2013 and June 30, 2012

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Deloitte.

Deloitte & Touche LLP
30 Rockefeller Plaza
New York, NY 10112-0015
USA

Tel: +1 212 492 4000
Fax: +1 212 492 5000
www.deloitte.com

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of the
New York City Fire Department Pension Fund:

Report on the Financial Statements

We have audited the accompanying statements of plan net position of the New York City Fire Department Pension Fund (the "Plan") as of June 30, 2013 and 2012, and the related statements of changes in plan net position for the years then ended, and the related notes to the financial statements, which collectively comprise the Plan's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 auditor's 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 auditor considers internal control relevant to the Plan'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 Plan'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 plan net position as of June 30, 2013 and 2012, and the changes in plan net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Member of
Deloitte Touche Tohmatsu

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule 1, Schedule 2 and Schedule 3, as listed in the table of contents, be presented to supplement the basic 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.

Other Supplementary Information

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

The Additional Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits 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 by us and the other auditors. In our opinion the Additional Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Deloitte & Touche LLP

October 29, 2013

This narrative discussion and analysis of the New York Fire Department Pension Fund's ("FIRE" or the "Plan"), also known as the New York Fire Department, Subchapter Two Pension Fund, financial performance provides an overview of the Plan's financial activities for the fiscal years ended June 30, 2013 and 2012. It is meant to assist the reader in understanding the Plan's financial statements by providing an overall review of the financial activities during the two years and the effects of significant changes, as well as a comparison with the prior years' activity and results. This discussion and analysis is intended to be read in conjunction with the Plan's financial statements.

OVERVIEW OF BASIC FINANCIAL STATEMENTS

The following discussion and analysis are intended to serve as an introduction to the basic financial statements. The basic financial statements are:

- **The Statement of Plan Net Position** — presents the financial position of the Plan at each fiscal year end. It provides information about the nature and amounts of resources with present service capacity that the Plan presently controls (assets), consumption of net assets by the Plan that is applicable to a future reporting period (deferred outflow of resources), present obligations to sacrifice resources that the Plan has little or no discretion to avoid (liabilities), and acquisition of net assets by the Plan that is applicable to a future reporting period (deferred inflow of resources) with the difference between assets/deferred outflow of resources and liabilities/deferred inflow of resources being reported as net position. Investments are shown at fair value. All other assets and liabilities are determined on an accrual basis.

- **The Statement of Changes in Plan Net Position** — presents the results of activities during the fiscal year. All changes affecting the assets and liabilities of the Plan are reflected on an accrual basis when the activity occurred, regardless of the timing of the related cash flows. In that regard, changes in the fair values of investments are included in the year's activity as net appreciation (depreciation) in fair value of investments.

- **The Notes to Financial Statements** — provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes present information about the Plan's accounting policies, significant account balances and activities, material risks, obligations, contingencies, and subsequent events, if any.

Other information as required by the Governmental Accounting Standards Board (GASB) is presented after the Notes to the Financial Statements.

The financial statements are prepared in accordance with GASB Pronouncements.

FINANCIAL HIGHLIGHTS

For fiscal year ended June 30, 2013, the Plan's net position held in trust for pension benefits increased by $1.0 billion (12.3%) to approximately $9.1 billion, compared to the Plan's net position for fiscal year 2012. The growth for fiscal year 2013 can be attributed to the excess of total contributions and net investment income over pension benefits paid. Additionally, due to a net appreciation in the fair value of the Plan's

investment portfolio, there was a significant increase in the amount of net investment income reported for the period.

For fiscal year ended June 30, 2012, the Plan's net position held in trust for pension benefits increased by $169.0 million (2.1%) to approximately $8.1 billion, compared to the Plan's net position for fiscal year 2011. The increase for fiscal year 2012 can be attributed to the excess of total contributions and net investment income over pension benefits paid. In addition, during the period a net depreciation in fair value of the Plan's investment portfolio, primarily the decrease in value of equity investments, served to reduce the amount of net investment income reported.

Changes in Plan Net Position
Years Ended June 30, 2013, 2012 and 2011
(In thousands)

	2013	2012	2011
Additions:			
Member contributions	$ 104,816	$ 98,494	$ 94,893
Employer contributions	962,173	976,895	890,706
Net investment income	961,192	93,548	1,472,892
Other	38,965	37,661	41,887
Total	2,067,146	1,206,598	2,500,378
Deductions:			
Benefit payments and withdrawals	1,064,631	1,037,589	983,474
Net increase	1,002,515	169,009	1,516,904
Plan net position held in trust for pension benefits:			
Beginning of year	8,124,677	7,955,668	6,438,764
End of year	$ 9,127,192	$ 8,124,677	$ 7,955,668

For fiscal year ended June 30, 2013, member contributions were approximately $104.8 million or an increase of $6.3 million (6.4%) compared to member contributions for fiscal year 2012. For fiscal year ended June 30, 2012, member contributions were approximately $98.5 million or an increase of $3.6 million (3.8%) compared to member contributions for fiscal year 2011. The increases in member contributions are primarily due to a greater number of active Plan members making voluntary contributions in addition to their required contributions and increases in the average annual pay of Plan members.

Employer contributions are made on a statutory basis determined by the actuarial valuations performed as of June 30, 2011, 2010 and 2009. Employer contributions for fiscal year 2013 totaled $962.2 million, a reduction of $14.7 million (1.5%) compared to employer contributions for fiscal year 2012 primarily due to the net result of acturaial gains and losses. Employer contributions for fiscal year 2012 totaled $976.9 million, an increase of $86.2 million (9.7%) over employer contributions for fiscal year 2011 due to changes in actuarial methods and assumptions for fiscal years beginning 2012.

For fiscal year ended June 30, 2013, the Plan had a net investment gain of $961.2 million, this amount was an increase of 928.0% compared to the net investment gain of $93.5 million recorded for fiscal year 2012. The gain for fiscal year 2013 can be attributed to the net appreciation in fair value of the Plan's investment portfolio, primarily the equity investments.

For fiscal year ended June 30, 2012, the Plan had a net investment gain of $93.5 million, this amount was a decrease of 93.6% compared to the net investment gain of $1,472.9 million recorded for fiscal year 2011. The

gain for fiscal year 2012 can be attributed to the excess of interest and dividends received over the net depreciation in fair value of the Plan's investment portfolio.

Benefit payments and withdrawals recorded were $1,064.6 million for the period ended June 30, 2013; this was an increase of 2.6% over benefit payments and withdrawals recorded for fiscal year 2012. Benefit payments and withdrawals recorded were $1,037.6 million for the period ended June 30, 2012; this was an increase of 5.5% over benefit payments and withdrawals recorded in fiscal year 2011. Increases in benefit payments and withdrawals are primarily due to changes in the number of new retirees and the amount of payments made to beneficiaries. In addition, legislatively enacted cost of living increase for certain retirees and beneficiaries also serves to increase benefit payments each year.

PLAN NET POSITION

For fiscal year 2013, FIRE's plan net position held in trust for benefits increased by 12.3% to $9.1 billion, compared to plan net position of $8.1 billion in fiscal year 2012. The growth for fiscal year 2013 can be attributed to the excess of total contributions and net investment income over pension benefits paid. Additionally, due to a net appreciation in the fair value of the Plan's investment portfolio, there was a significant increase in the amount of net investment income reported for the period.

For fiscal year 2012, FIRE's plan net position held in trust for benefits increased by 2.1% to approximately $8.1 billion, compared to plan net position of $8.0 billion in fiscal year 2011. The increase for fiscal year 2012 can be attributed to the excess of total contributions and net investment income over pension benefits paid. In addition, during the fiscal period a net depreciation in fair value of the Plan's investment portfolio, primarily the decrease in value of equity investments, served to reduce the amount net investment income reported.

Outstanding member loans for fiscal year 2013 totaled $29.7 million, this amount was a decrease from member loans reported in fiscal year 2012. Outstanding member loans for fiscal year 2012 totaled $32.4 million, a decrease from member loans reported in fiscal year 2011. Changes in member loans can be attributed to changes in the number and amounts of new loans disbursed and the amount of repayments received. Members are permitted to borrow up to 75% (for certain members up to 90%) of their required contributions, including accumulated interest.

Plan Net Position
June 30, 2013, 2012 and 2011
(In thousands)

	2013	2012	2011
Cash	$ 2,155	$ 9,929	$ 2,331
Receivables	385,627	243,784	213,733
Investments — at fair value	9,512,406	8,392,441	8,325,700
Collateral from securities lending	936,985	730,002	746,949
Other assets	4,807	57,929	3,545
Total assets	10,841,980	9,434,085	9,292,258
Accounts payable	115,178	108,237	28,201
Payables for investments purchased	643,697	452,438	543,353
Accrued benefits payable	15,499	15,302	14,658
Payables for securities lending transactions	940,414	733,431	750,378
Total liabilities	1,714,788	1,309,408	1,336,590
Plan net position held in trust for benefits	$ 9,127,192	$ 8,124,677	$ 7,955,668

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

INVESTMENT SUMMARY

Investment Summary
June 30, 2013, 2012 and 2011
(In thousands)

Type of Investment (Fair Value)	2013	2012	2011
Short-term investments	$ 392,855	$ 479,205	$ 774,441
U.S. debt securities	1,893,576	2,144,762	1,839,397
Yankee bonds	8,918	10,265	6,634
U.S. equity securities	3,440,857	2,856,302	3,271,136
Mutual funds	2,318,759	1,797,489	1,677,960
Collateral from securities lending	936,985	730,002	746,949
Promissory notes	1,788	3,320	3,628
Private equity	1,455,653	1,101,098	752,504
Total	$ 10,449,391	$ 9,122,443	$ 9,072,649

INVESTMENTS

The table above summarizes the Plan's investment portfolio including collateralized securities lending. Due to the long-term nature of the Plan's benefit obligations, the Plan's assets are invested with a long-term investment horizon. Assets are invested in a diversified portfolio of capital market securities. Investments in these assets are expected to produce higher returns, but are also subject to greater volatility and may produce negative returns. For example, the Russell 3000 index, a broad measure of the United States stock market posted gains of 21.5% in fiscal year 2013, compared to gains posted of 3.8% in fiscal year 2012. The Investment results for fiscal year 2013 were generally consistent with related benchmarks, within asset classes. Overall, the most significant gains were posted within the equity asset classes during the fiscal period. The Plan's investment portfolio posted gains of 11.9% for fiscal year 2013 compared to the gain of 1.1% for fiscal year 2012. For the three-year period ended June 30, 2013, the overall rate of return on the Plan's investment portfolio was 11.7%.

CONTACT INFORMATION

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

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NEW YORK FIRE DEPARTMENT PENSION FUND

STATEMENTS OF PLAN NET POSITION
JUNE 30, 2013 AND 2012
(In thousands)

	2013	2012
ASSETS:		
Cash	$ 2,155	$ 9,929
Receivables:		
Investment securities sold	335,643	184,757
Member loans (Note 6)	29,707	32,350
Accrued interest and dividends	20,277	26,677
Total receivables	385,627	243,784
Investments — at fair value (Notes 2 and 3):		
Short-term investments:		
Short-term investment fund	184,694	172,383
Commercial paper	208,161	306,822
Debt securities:		
U.S. Government	984,390	1,045,802
Corporate	909,186	1,098,960
Yankee bonds	8,918	10,265
Equities:		
Domestic	3,440,857	2,856,302
Private equity	1,119,593	839,603
Private equity real estate	336,060	261,495
Mutual fund:		
International — equity	1,698,801	1,555,269
Fixed Investment	337,426	26,233
Domestic — equity		93
Mortgage — debt security	50,067	50,052
Treasury inflation protected securities	232,465	165,842
Promissory notes	1,788	3,320
Collateral from securities lending	936,985	730,002
Total investments	10,449,391	9,122,443
Other assets	4,807	57,929
Total assets	10,841,980	9,434,085
LIABILITIES:		
Accounts payable	115,178	108,237
Payables for investment securities purchased	643,697	452,438
Accrued benefits payable (note 1)	15,499	15,302
Securities lending (note 2)	940,414	733,431
Total liabilities	1,714,788	1,309,408
Plan net position held in trust for benefits	$ 9,127,192	$ 8,124,677

NEW YORK FIRE DEPARTMENT PENSION FUND

STATEMENTS OF CHANGES IN PLAN NET POSITION
YEARS ENDED JUNE 30, 2013 AND 2012
(In thousands)

	2013	2012
ADDITIONS:		
Contributions:		
Member contributions	$ 104,816	$ 98,494
Employer contributions	962,173	976,895
Total contributions	1,066,989	1,075,389
Investment income (Note 2):		
Interest income	109,000	97,567
Dividend income	128,031	122,806
Net appreciation (depreciation) in fair value of investments	757,136	(98,920)
Total investment income	994,167	121,453
Less:		
Investment expenses	38,482	32,928
Net income	955,685	88,525
Securities lending transactions:		
Securities lending income	6,298	5,340
Securities lending fees	(791)	(317)
Net securities lending income	5,507	5,023
Net investment income	961,192	93,548
Other:		
Net receipts from other retirement systems	37,976	35,470
Litigation income	989	2,191
Total additions	2,067,146	1,206,598
DEDUCTIONS		
Benefit payments and withdrawals	1,064,631	1,037,589
Total deductions	1,064,631	1,037,589
INCREASE IN PLAN NET POSITION	1,002,515	169,009
PLAN NET POSITION HELD IN TRUST FOR BENEFITS:		
Beginning of year	8,124,677	7,955,668
End of year	$ 9,127,192	$ 8,124,677

See notes to financial statements.

1. PLAN DESCRIPTION

The City of New York ("The City") maintains a number of pension systems providing benefits for employees of its various agencies (as defined within New York State ("State") statutes and City laws). The City's five major actuarially-funded pension systems are the New York Fire Department Pension Fund (the "Plan"), the New York City Employees' Retirement System (NYCERS), the Teachers' Retirement System of the City of New York - Qualified Pension Plan (TRS), the New York City Board of Education Retirement System - Qualified Pension Plan (BERS) and the New York City Police Pension Fund (POLICE). Each pension system is a separate Public Employee Retirement System (PERS) with a separate oversight body and is financially independent of the others.

The New York Fire Department, Subchapter Two Pension Fund is generally being referred to herein as the New York Fire Department Pension Fund as set forth in Administrative Code of The City of New York Section 13-313.1.

The Plan is a single-employer PERS. The Plan provides pension benefits for full-time uniformed employees of the New York City Fire Department (the "Employer"). All full-time uniformed employees of the New York City Fire Department become members of the Plan upon employment.

The Plan functions in accordance with existing State statutes and City laws. It combines features of a defined benefit pension plan with those of a defined contribution pension plan. Contributions are made by the Employer and the members.

In June 1991, the Governmental Accounting Standards Board (GASB) issued Statement No. 14, *The Financial Reporting Entity*. The definition of the reporting entity is based primarily on the notion of financial accountability. In determining financial accountability for legally separate organizations, the Plan considered whether its officials appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or if there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Plan. The Plan also considered whether there are organizations that are fiscally dependent on it. It was determined that there are no component units of the Plan.

The Plan is included in the Pension and Other Employee Benefit Trust Funds section of The City's Comprehensive Annual Financial Report (CAFR).

At June 30, 2010 and June 30, 2009, the dates of the Plan's most recent actuarial valuations, the Plan's membership consisted of:

	2011	2010
Retirees and beneficiaries receiving benefits	17,017	17,140
Terminated vested members not yet receiving benefits	30	33
Other inactives *	16	23
Active members receiving salary	10,650	11,080
Total	27,713	28,276

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

Under the One-Year Lag Methodology (OYLM) in effect for Fiscal Years beginning 2006, the actuarial valuation determines the Employer Contribution for the second following Fiscal Year. June 30, 2011 and June 30, 2010 are the dates used for calculating Fiscal Year 2013 and Fiscal Year 2012 Employer Contributions, respectively.

For most Plan participants, there are two benefit structures: The Original Plan (old program) covering members hired prior to July 1, 1981 and the Improved Benefits Plan (new program) covering members hired on and after July 1, 1981 and members hired prior to July 1, 1981 who elected the Improved Benefits Plan. The Plan pays the benefits for both programs.

The Plan provides three main types of retirement benefits: service retirements, ordinary disability retirements (non job-related disabilities) and accident disability retirements (job-related disabilities). For Tier I (Tier 1) and Tier II (Tier 2) members, the Plan generally provides:

- A service retirement benefit, in both programs, provides an allowance of one-half of "final salary" after 20 years or 25 years of service (as elected), with additional benefits equal to a specified percentage per year of service (currently approximately 1.67%) of "average salary" times the number of years of service in excess of the 20-year or 25-year minimum. Under the new program, these additional benefits are increased, where applicable, by an annuity attributable to employee contributions accumulated with interest with respect to service over the 20-year or 25-year minimum and an annuity attributable to the Increased-Take-Home-Pay (ITHP) contributions accumulated after required member qualifying service. ITHP represents amounts contributed by The City in lieu of members' own contributions. These amounts reduce the contributions that the members would have to make to the Plan during their service and thereby increases their take-home pay. Members have the choice of waiving their ITHP reduction, which would reduce their take-home pay, but provide them with additional benefits upon retirement.

- An ordinary disability retirement benefit generally provides a pension equal to 1/40 of "final salary" times the number of years of service but not less than one-half of "final salary" if 10 or more years of service were completed, or one-third of "final salary" if less than 10 years of service were completed. Members of the Improved Benefits Plan with years of service in excess of 20 years receive the actuarial equivalent of their Annuity Savings Fund balance.

- An accident disability retirement benefit provides a pension of three-fourths of "final salary" plus an increment, as described above based on years of service in excess of the 20-years or 25-years minimum plus; (i) under the Original Plan, accumulated employee contributions without interest as a lump sum or an actuarially equivalent annuity, (ii) under the Improved Benefits Plan, an annuity

based on the member's contributions and ITHP contributions both of which are accumulated with interest.

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

Chapter 659 of the Laws of 1999 reduced the amount of service credit needed for vesting purposes to five years, subject to certain conditions. In addition, the Plan includes provisions for death benefits.

During the Spring 2000 session, the State Legislature approved and the State Governor (Governor) signed laws that provide automatic Cost-of-Living Adjustments (COLA) for certain retirees and beneficiaries (Chapter 125 of the Laws of 2000), an increase of the ITHP contributions rate to 5.0% from 2.5% for certain Tier 1 and Tier 2 members (Chapter 373 of the Laws of 2000) and a revised definition of salary to be used for the computation of certain Tier 2 benefits (Chapter 372 of the Laws of 2000).

Finally, certain service retirees also receive supplemental benefits under the New York City Fire Department Variable Supplements Funds, which are not included in these financial statements.

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

Tier III (Tier 3) — During June 2009 the Governor vetoed legislation that would have extended Tier II (Tier 2) to members hired after June 30, 2009. As a result of the Governor's veto, FIRE members hired on and after July 1, 2009 are covered under Tier III (Tier 3).

Tier VI (Tier 6) – During March 2012 the Governor signed Chapter 18 of the Laws of 2012 ("Chapter 18/12") that placed certain limitations on the Tier 3 and Tier 4 benefits available to participants hired on and after April 1, 2012 in most New York State PERS, including FIRE. These changes are sometimes referred to as Tier 6.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PLAN ASSET MATTERS

Basis of Accounting — The Plan uses the accrual basis of accounting where the measurement focus is on the flow of economic resources. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred. Contributions from members are recognized when the Employer makes payroll deductions from Plan members. Employer contributions are recognized when due and the Employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investment Valuation — Investments are reported at fair value. Securities purchased pursuant to agreements to resell are carried at the contract price, exclusive of interest, at which the securities will be resold. Fair value is defined as the quoted market value on the last trading day of the period, except for the Short-Term Investment Fund (STIF) (a money market fund), International Investment funds (IIF)

and Altemative Investment funds (ALTINVF). The IIF are private funds of publicly traded securities which are managed by various investment managers on behalf of the Plan. Fair value is determined by Plan management based on information provided by the various investment managers. The investment managers determine fair value using the last available quoted price for each security owned adjusted by any contributions to or withdrawals from the fund during the period. The ALTINVF are Investments for which exchange quotations are not readily available and are valued at estimated fair value as determined in good faith by the General Partner (GP). These investments are initially valued at cost with subsequent adjustments that reflect third party transactions, financial operating results and other factors deemed relevant by the GP. Fair value is determined by plan management based on information provided by the various GP's after review by an independent consultant and the custodian bank for the fund.

Purchases and sales of securities are reflected on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on an accrual basis.

No investment in any one security represents 5% or more of the Plan net position held in trust for benefits.

The Plan does not possess an investment risk policy statement nor does it actively manage Plan assets to specified risk targets. Rather, investment risk management is an inherent function of our asset allocation process. Plan assets are diversified over a broad range of asset classes and encompass multiple investment strategies aimed at limiting concentration risk.

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

Accounts Payable — Accounts payable is principally comprised of amounts owed to the Plan's banks for overdrawn bank balances. The Plan's practice is to fully invest cash balances in most bank accounts on a daily basis. Overdrawn balances result primarily from outstanding benefit checks that are presented to the banks for payment on a daily basis, and these balances are routinely settled each day.

Securities Lending Transactions — State statutes and Board policies permit the Plan to lend its investments to broker-dealers and other entities for collateral, with a simultaneous agreement to return the collateral for the same securities in the future. The Plan's custodian lends the following types of securities: short-term securities, common stock, long-term corporate bonds, U.S. Government and U.S. Government agencies' bonds, asset-backed securities and international equities and bonds held in collective investment funds. In return, it receives collateral in the form of cash and U.S Treasury and U.S. Government agency securities at 100 percent to 105 percent of the principal plus accrued interest for reinvestment. At June 30, 2013, management believes the Plan had no credit risk exposure to borrowers because the amounts the Plan owed the borrowers equaled or exceeded the amounts the borrowers owed the Plan. The contracts with the Plan's custodian require borrowers to indemnify the Plan if the borrowers fail to return the securities and if the collateral is inadequate to replace the securities loaned or fail to pay the Plan for income distributions by the securities' issuers while the securities are on loan. All securities loans can be terminated on demand within a period specified in each agreement by either the Plan or the borrowers. Cash collateral is invested in the lending agents' short-term investment pools, which have a weighted-average maturity of 90 days. The underlying fixed income securities in these pools have an average maturity of ten years.

During Fiscal Year 2003, the value of certain underlying securities became impaired because of the credit failure of the issuer. Accordingly, the carrying amount of the collateral reported in the Plan's statements of plan net position for fiscal year 2003 was reduced by $10 million to reflect this impairment and reflect the net realizable value of the securities purchased with collateral from securities lending transactions. In fiscal years 2004 through 2007, the Plan received $2.6 million from distribution in bankruptcy proceedings from the defaulted issuers. During the same period, the Plan also received

$3.9 million from litigation settlements. For fiscal years 2008 and 2009, the Plan received securities totaling $102.4 thousand from distributions in bankruptcy proceedings. There were no recoveries for the defaulted security in fiscal years 2013, 2012 and 2011.

The securities lending program in which the Plan participates only allows pledging or selling securities in the case of borrower default.

GASB Statement No. 28, *Accounting and Financial Reporting for Securities Lending Transactions*, requires that securities loaned as assets and related liabilities be reported in the statements of Plan net position. Cash received as collateral on securities lending transactions and investments made with that cash are reported as assets. Securities received as collateral are also reported as assets if the government entity has the ability to pledge or sell them without a borrower default. Accordingly, the Plan recorded the investments purchased with the cash collateral as collateral from securities lending with a corresponding liability for securities lending.

Securities on loan are carried at market value and the value as of June 30, 2013 is $1.028.7 billion. As of the balance sheet date the maturities of the investments made with cash collateral on average exceed the maturities of the securities loans by approximately 30 days.

New Accounting Standards Adopted — In fiscal year 2013, the Plan adopted Governmental Accounting Standards Board ("GASB") Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* The Statement's objective is to provide a new statement of net position format to report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires that deferred outflows of resources and deferred inflows of resources be reported separately from assets and liabilities. The Plan concluded that except for the change in nomenclature, the adoption of GASB Statement No. 63 had no impact on its financial position and results from operations.

The Plan has adopted GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities.* GASB Statement No. 65 reclassifies certain items currently being reported as assets and liabilities as deferred outflows of resources and deferred inflows of resources. In addition, this Statement recognizes certain items currently being reported as assets and liabilities as outflows of resources and inflows of resources. The Plan has determined that GASB Statement No. 65 had no impact on its financial position or results of operations and therefore it is not applicable to its operation at the present time.

New Accounting Standard Issued but Not Yet Effective — In June of 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans.* This Statement establishes financial reporting standards for state and local governmental pension plans, defined benefit pension plans and defined contribution pension plans that are administered through trusts or equivalent arrangements in which: (1) contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable (2) pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms and (3) pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the pension plan administrator. If the plan is a defined benefit pension plan, plan assets are also legally protected from creditors of the plan members. For defined benefit pension plans, this statement establishes standards of financial reporting for separately issued financial reports and specifies the required approach to measuring the pension liability of employers and nonemployer contributing entities for benefits provided through the pension plan (the net pension liability), about which information is required to be presented. Distinctions are made regarding the particular requirements depending upon the type of pension plan administered. This Statement replaces the requirements of Statement No. 25, *Financial Reporting for Defined Benefit*

Pension Plans and Note Disclosures for Defined Contribution Plans, and Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The requirements of Statement No. 25 and Statement No. 50 remain applicable to pension plans that are not administered through trusts covered by the scope of this Statement and to defined contribution plans that provide postemployment benefits other than pensions. The provisions of Statement No. 67 are effective for financial statements for fiscal years beginning after June 15, 2013. Earlier application is encouraged. The Plan has not completed the process of evaluating the impact of Statement No. 67 on its financial statements.

3. INVESTMENTS AND DEPOSITS

The Comptroller of The City of New York (the "Comptroller") acts as an investment advisor to the Plan. In addition, the Plan employs an independent investment consultant as an investment advisor. The Plan utilizes several investment managers to manage the long-term debt and equity portfolios. The managers are regularly reviewed, with regard to both their investment performance and their adherence to investment guidelines.

Concentration of Credit Risk

The Plan does not have any investments in any one entity that represent 5% or more of plan net position.

The legal requirements for Plan investments are as follows:

a. Fixed income, equity and other investments may be made as permitted by New York State RSSL §§ 176-178(a) and Banking Law § 235, the New York City Administrative Code, and the Legal Investments for New York Savings Banks list as published by The New York State Banking Department, subject to Note 3(b).

b. Investments up to 25% of total pension fund assets may be made in instruments not expressly permitted by the State RSSL.

Bank of New York Mellon (BNYM) is the primary custodian for substantially all of the securities of the Plan.

Cash deposits are insured by the Federal Deposit Insurance Corporation for up to $250,000 per Plan member and are, therefore, fully insured.

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

Investment Type*	S&P Quality Ratings									
June 30, 2013	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
U.S. Government	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Corporate bonds	0.70	3.03	13.92	27.53	5.95	9.42	2.47	-	8.89	71.91
Yankee bonds	0.18	0.14	-	0.36	0.03	-	-	-		0.71
Short-term:										
Commercial paper	-	-	-	-	-	-	-	10.62	-	10.62
Pooled fund	-	-	-	-	-	-	-	10.92	-	10.92
U.S. Treasuries	-	-	-	-	-	-	-	3.68	-	3.68
U.S. Agencies	-	-	-	-	-	-	-	2.16	-	2.16
Percent of rated portfolio	0.88 %	3.17 %	13.92 %	27.89 %	5.98 %	9.42 %	2.47 %	27.38 %	8.89 %	100.00 %

Investment Type*	S&P Quality Ratings									
June 30, 2012	AAA	AA	A	BBB	BB	B	CCC & Below	Short term	Not Rated	Total
U.S. Government	- %	- %	- %	- %	- %	- %	- %	- %	- %	- %
Corporate bonds	1.16	3.64	13.42	20.74	13.51	12.88	3.20	-	4.70	73.25
Yankee bonds	0.02	0.05	0.17	0.29	0.04	-	-	-	0.11	0.68
Short-term:										
Commercial paper	-	-	-	-	-	-	-	14.58	-	14.58
Pooled fund	-	-	-	-	-	-	-	-	11.49	11.49
U.S. Treasuries	-	-	-	-	-	-	-	-	-	-
U.S. Agencies	-	-	-	-	-	-	-	-	-	-
Percent of rated portfolio	1.18 %	3.69 %	13.59 %	21.03 %	13.55 %	12.88 %	3.20 %	14.58 %	16.30 %	100.00 %

*U.S. Treasury Bonds, Notes and Treasury-inflation protected securities are obligations of the U.S. government or explicitly guaranteed by the U.S. government and therefore not considered to have credit risk and are not included above.

Custodial Credit Risk — Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Plan will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held by either the counterparty or the counterparty's trust department or agent but not in the Plan's name.

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

All of the Plan's deposits are insured and or collateralized by securities held by a financial institution separate from the Plan's depository financial institution.

All of the Plan's securities are held by the Plan's custodial bank in the Plan's name.

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

Years to Maturity June 30, 2013	Fair Value	Investment Maturities: Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. Government	43.77 %	0.44 %	1.68 %	5.68 %	35.97 %
Corporate bonds	40.43	2.19	11.30	17.10	9.84
Yankee bonds	0.41		0.29	0.05	0.07
Short-term:					
Commercial paper	5.97	5.97	-	-	-
Pooled fund	6.14	6.14	-	-	-
U.S. Agencies	1.21	1.21	-	-	-
U.S. Treasuries	2.07	2.07	-	-	-
Percent of rated portfolio	100.00 %	18.02 %	13.27 %	22.83 %	45.88 %

Years to Maturity June 30, 2012	Fair Value	Investment Maturities: Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S. Government	39.70 %	0.22 %	1.27 %	4.75 %	33.46 %
Corporate bonds	41.73	0.79	11.71	20.20	9.03
Yankee bonds	0.39	0.02	0.14	0.14	0.09
Short-term:					
Commercial paper	8.30	8.30	-	-	-
Pooled fund	6.54	6.54	-	-	-
U.S. Agencies	3.34	3.34	-	-	-
U.S. Treasuries	-	-	-	-	-
Percent of rated portfolio	100.00 %	19.21 %	13.12 %	25.09 %	42.58 %

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

In addition, the Plan has investments in foreign stocks and/or bonds denominated in foreign currencies. The Plan's foreign currency exposures as of June 30, 2013 and 2012 are as follows (amounts in U.S. dollars, in thousands):

Trade Currency	2013	2012
Euro Currency	$ 168,424	$ 171,473
Hong Kong Dollar	149,232	132,544
British Pnd Sterling	138,859	187,164
Japanese Yen	133,401	148,891
South Korean Won	91,683	84,875
Swiss Franc	69,872	63,515
New Taiwan Dollar	69,376	57,527
Indian Rupee	51,492	32,937
Brazilian Real	46,286	47,193
Australian Dollar	37,941	40,168
South African Rand	35,861	32,403
Swedish Krona	25,222	14,859
Mexican Nuevo Peso	23,880	20,054
Malaysian Ringgit	23,715	15,438
Canadian Dollar	20,015	31,830
Singapore Dollar	19,377	21,897
Thai Baht	19,084	18,613
Indonesian Rupiah	16,779	15,792
Danish Krone	11,292	8,898
Polish Zloty	9,438	8,547
Other	6,453	2,631
Chilean Peso	6,389	5,380
Philippines Peso	5,087	3,817
Norwegian Krone	4,589	8,494
Turkish Lira	3,467	1,820
Hungarian Forint	3,446	3,036
Colombian Peso	3,292	2,797
Egyptian Pound	2,913	2,474
Czech Koruna	2,048	2,102
Qatar Rial	1,578	-
Kuwait Dinar	1,501	-
UAE Dirham	1,493	-
Pakistan Rupee	834	690
Israeli Shekel	723	823
Moroccan Dirham	700	942
Totals	$ 1,205,742	$ 1,189,624

Securities Lending Transactions:

Credit Risk — The quality ratings of investments held as collateral for Securities Lending are as follows:

Investment Type and Fair Value of Securities Lending Transactions (In Thousands)

June 30, 2013	S&P Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short Term	Not Rated	Total
U.S. Government	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Corporate bonds	119,006	273,517	143,014	-	-	-	-	-	7,735	543,272
Yankee bonds	-	-	-	-	-	-	-	-	-	-
Short-term:										
Reverse repurchase agreements	-	-		-	-	-	-	-	196,320	196,320
Certificate of deposits	-	-	73,949	-	-	-	-	-	-	73,949
Commercial paper	-	-	74,662	-	-	-	-	-	-	74,662
Uninvested	-	-	-	-	-	-	-	-	(3,755)	(3,755)
U.S. Agencies	-	-	-	-	-	-	-	-	52,537	52,537
Total	$ 119,006	$ 273,517	$ 291,625	$ -	$ -	$ -	$ -	$ -	$ 252,837	$ 936,985
Percent of securities lending portfolio	12.70 %	29.19 %	31.12 %	%	%	%	%	%	26.99 %	100.00 %

June 30, 2012	S&P Quality Ratings									
	AAA	AA	A	BBB	BB	B	CCC & Below	Short Term	Not Rated	Total
U.S. Government	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Corporate bonds	89,279	202,468	147,473	-	-	6,936	-	-	3,105	449,261
Yankee bonds	-	-	-	-	-	-	-	-	-	-
Short-term:										
Reverse repurchase agreements	-	-	-	-	-	-	-	-	172,149	172,149
Certificate of deposits	-	-	70,827	-	-	-	-	-	-	70,827
Commercial paper	-	-	11,049	-	-	-	-	-	-	11,049
Uninvested	-	-	-	-	-	-	-	-	(139)	(139)
U.S. Agencies	-	-	-	-	-	-	-	-	26,855	26,855
Total	$ 89,279	$ 202,468	$ 229,349	$ -	$ -	$ 6,936	$ -	$ -	$ 201,970	$ 730,002
Percent of securities lending portfolio	12.23 %	27.73 %	31.42 %	- %	- %	0.95 %	- %	- %	27.67 %	100.00 %

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

Years to Maturity
Investment Type
(In Thousands)

June 30, 2013	Fair Value	Investment Maturities: Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S Government	$ -	$ -	$ -	$ -	$ -
Corporate bonds	543,272	287,563	255,709		
Yankee bonds	-	-	-	-	-
Short-term:					
Repurchase agreements	-	-	-	-	-
Reverse repurchase agreements	196,320	196,320	-	-	-
Certificate of deposits	73,949	73,949	-	-	-
Commercial paper	74,662	74,662	-	-	-
Money market	-	-	-	-	-
Bank notes	-	-	-	-	-
U.S. Agency	52,537	38,755	13,782	-	-
Time deposits	-	-	-	-	-
Uninvested	(3,755)	(3,755)	-	-	-
Total	$ 936,985	$ 667,494	$ 269,491	$ -	$ -
Percent of securities lending portfolio	100.00 %	71.24 %	28.76 %	- %	- %

(In Thousands) June 30, 2012	Fair Value	Investment Maturities: Less Than One Year	One to Five Years	Six to Ten Years	More Than Ten Years
U.S Government	$ -	$ -	$ -	$ -	$ -
Corporate bonds	449,261	317,814	131,447	-	-
Yankee bonds	-	-	-	-	-
Short-term:					
Repurchase agreements	-	-	-	-	-
Reverse repurchase agreements	172,149	172,149	-	-	-
Certificate of deposits	70,827	70,827	-	-	-
Commercial paper	11,049	11,049	-	-	-
Money market	-	-	-	-	-
Bank notes	-	-	-	-	-
U.S. Agency	26,855	10,535	16,320	-	-
Time deposits	-	-	-	-	-
Uninvested	(139)	(139)	-	-	-
Total	$ 730,002	$ 582,235	$ 147,767	$ -	$ -
Percent of securities lending portfolio	100.00 %	79.38 %	20.62 %	- %	- %

4. DUE TO VARIABLE SUPPLEMENTS FUNDS ("VSFs")

The Administrative Code of The City of New York (ACNY) provides that the Plan transfer to the Firefighters' Variable Supplements Fund (FFVSF) and the Fire Officers' Variable Supplements Fund (FOVSF) amounts equal to certain excess earnings on equity investments of the Plan, if any. These excess earnings are defined as the amount by which earnings on equity investments of the Plan exceed what the earnings would have been had such funds been invested at a yield comparable to that available from fixed income securities, less any cumulative deficiencies of prior years' excess earnings that fell below the yield of fixed income investments. In addition, such transfers from the Plan to the FFVSF and FOVSF are limited to the unfunded Accumulated Benefit Obligation (ABO) of these VSFs.

For Fiscal Year 2013, the excess earnings of the Plan, inclusive of prior years' cumulative deficiencies, are estimated to be equal to zero and therefore, no transfers were due from the Plan to the VSFs as of June 30, 2013.

For Fiscal Year 2012, the excess earnings of the Plan, inclusive of prior years' cumulative deficiencies, are estimated to be equal to zero and therefore, no transfers were due from the Plan to the VSFs as of June 30, 2012.

5. CONTRIBUTIONS AND ACTUARIAL ASSUMPTIONS

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

Member Contributions — Tier I (Tier 1) and Tier II (Tier 2) members contribute by salary deductions on the basis of a normal rate of contribution which is assigned by the Plan at membership. This member normal rate, which is dependent upon age and actuarial tables in effect at the time of membership, is determined so as to provide approximately one-fourth of the service retirement allowance at the earliest age for service retirement. For Tier 1, the average member normal rate is approximately 7.4%. For Tier 2, the average member normal rate is approximately 6.8%.

These member contributions are reduced by 5.0% under the ITHP program.

Members may voluntarily increase their rates of contribution by 50% for the purpose of purchasing an additional annuity. Members are permitted to borrow up to 90% of their own contributions including accumulated interest.

Tier III (Tier 3) and Tier VI (Tier 6) members contribute 3.0% of salary until they have 25 years of credited service.

Employer Contributions — Statutory Contributions to the Plan, determined by the Plan's Chief Actuary of the Office of the Actuary (the "Actuary") in accordance with State statutes and City laws, are generally funded by the Employer within the appropriate fiscal year.

The June 30, 2011 (Lag) actuarial valuation was used to determine the Fiscal Year 2013 Employer Contribution. There were no changes in actuarial assumptions and methods from the prior (Lag) actuarial valuation.

The June 30, 2010 (Lag) actuarial valuation used to determine the Fiscal Year 2012 Employer Contribution was based on revised actuarial assumptions and methods proposed by the Actuary (the "2012 A&M"). The Board of Trustees of the Plan adopted those changes to the actuarial assumptions and methods that require Board approval during Fiscal Year 2012. The New York State Legislature and Governor enacted Chapter 3 of the Laws of 2013 ("Chapter 3/13") to provide for those changes in actuarial assumptions and methods that require legislation, including the Actuarial Interest Rate (AIR) assumption of 7.0% per annum, net of expenses, the Entry Age Actuarial Cost Method and the amortization of Unfunded Actuarial Accrued Liabilities.

Beginning with the June 30, 2010 (Lag) actuarial valuation under the 2012 A&M, the Entry Age Actuarial Cost Method (EAACM) of funding is utilized by the Plan's Actuary to calculate the contribution required of the Employer.

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

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

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

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

The obligations of the Plan to the FFVSF and the FOVSF are recognized through the Liability Valuation Method.

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

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

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

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

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

Chapter 125 of the Laws of 2000 (Chapter 125/00) provided eligible retirees and eligible beneficiaries with increased Supplementation as of September 2000 and with automatic COLA beginning September 2001. Chapter 125/00 also provided for a five-year phase-in schedule for funding the additional actuarial liabilities created by the benefits provided by this law. Chapter 278 of the Laws of 2002 (Chapter 278/02) required the Actuary to revise the methodology and timing for determining the Statutory Contributions on account of the additional actuarial liabilities attributable to the benefits provided under Chapter 125/00 by extending the phase-in period for funding these liabilities from five years to ten years.

The impact of the ten-year phase-in of Chapter 278/02 was to postpone funding of the additional actuarial liabilities attributable to Chapter 125/00 resulting in greater Employer Contributions in later years.

Chapter 152 of the Laws of 2006 (Chapter 152/06) eliminated the ten-year phase-in. All actuarial liabilities attributable to Chapter 125/00 are now recognized in the actuarial valuation.

Chapter 85 of the Laws of 2000 (Chapter 85/00) reestablished the UAAL and eliminated the Balance Sheet Liability (BSL) for actuarial purposes as of June 30, 1999. The schedule of payments toward the reestablished UAAL provides that the UAAL be amortized over a period of 11 years beginning Fiscal Year 2000, where each annual payment after the first equals 103% of its preceding annual payment.

The Statutory Contributions for Fiscal Years 2013 and 2012 were equal to the Actuarial Contributions.

Funded Status and Funding Progress — One measure of the funded status of the Plan as of June 30, 2011, the most recent actuarial valuation date, based on the Entry Age Actuarial Cost Method, the plan's funding method, is as follows (dollar amounts in thousands):

Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
$7,955,668	$ 15,808,930	$7,853,262	50.3%	$1,125,460	697.8 %

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

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

Additional information as of the latest actuarial valuation follows:

Valuation Date	June 30, 2011 (Lag)
Actuarial Cost Method	Entry Age
Amortization Method	
Initial Unfunded	Increasing Dollar
Post-2010 Unfundeds	Level Dollar
Remaining Amortization Period	
Initial Unfunded	21 Years (Closed)
Post-2010 Unfundeds	15 Years (Closed).
Actuarial Asset Valuation Method	6-Year Smoothed Market[1]
Actuarial Assumptions	
Projected Salary Increases[2]	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per annum.
Investment Rate of Return[2]	7.0% per annum, net of Investment Expenses
COLAs[2]	1.5% per annum for Tier I and Tier II, 2.5% per annum for Tier III.

[1] With the June 30, 2011 Actuarial Asset Value reset to Market Value of Assets.

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

6. MEMBER LOANS

Members are permitted to borrow up to 90% (for certain members, the 75% has been increased to 90% effective July 20, 2004) of their own accumulated contributions including accumulated interest. The balance of member loans receivable at June 30, 2013 and 2012 is $29.7 million and $32.4 million, respectively. Upon termination of employment before retirement, certain members are entitled to refunds of their own contributions including, for new program members, accumulated interest less any loans outstanding. Certain prior year loans to retirees were removed from member loans receivables. Such balances should be reduced at the effective date of retirement as a result of payoff or future benefit reductions.

7. RELATED PARTIES

The Comptroller has been appointed by law as custodian for Fixed Annuity Program assets with revocable discretionary authority. Securities are held by certain banks under custodial agreements with the Comptroller. The Comptroller also provides cash receipt and cash disbursement services to the Plan. Actuarial services are provided to the Plan by the Office of the Actuary employed by the Boards of Trustees of The City's main pension systems. The City's Corporation Counsel provides legal services to the Plan. Other administrative services are also provided by The City. The cost of providing such services amounted to $2,118,051 and $1,894,451 in Fiscal Years 2013 and 2012, respectively.

8. ADMINISTRATIVE AND INVESTMENT EXPENSES

There are no administrative expenses paid out of the Plan because they are paid for by related parties. Investment expenses charged to the investment earnings of the Plan, exclusive of expenses relating to

securities-lending transactions amounted to approximately $38.5 and $32.9 in 2013 and 2012, respectively.

9. CONTINGENT LIABILITIES AND OTHER MATTERS

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

Other Matters — During Fiscal Years 2013 and 2012, certain events described below took place which, in the opinion of Plan management, could have the effect of increasing benefits to members and/or their beneficiaries. The effect of such events has not been fully quantified. However, it is the opinion of Plan management that such developments would not have a material effect on the statements of Plan net position held in trust for pension benefits or cause changes in Plan net position held in trust for pension benefits.

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

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

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

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

Revised Actuarial Assumptions and Methods — In accordance with the ACNY and with appropriate practice, the Boards of Trustees of the five actuarially-funded NYCRS are to periodically review and adopt actuarial assumptions as proposed by the Actuary for use in the determination of Employer Contributions.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Tier III (Tier 3) – During June 2009 the Governor vetoed legislation that would have extended Tier II (Tier 2) to members hired after June 30, 2009. As a result of the Governor's veto, FIRE members hired on and after July 1, 2009 are covered under Tier III (Tier 3).

Chapter 18 of the Laws of 2012 placed certain limitations on the Tier 3 and Tier 4 benefits available to participants hired on and after April 1, 2012 in most New York State PERS, including FIRE. These changes are sometimes referred to as Tier 6.

Chapter 3 of the Laws of 2013 ("Chapter 3/13") implemented changes in the actuarial procedures for determining Employer Contributions beginning Fiscal Year 2012. In particular, Chapter 3/13 continued the OYLM, employed the Entry Age Actuarial Cost Method (EAACM), an Actuarial Interest Rate (AIR) assumption of 7.0% per annum, net of expenses and defined the amortization of Unfunded Actuarial Accrued Liabilities (UAAL).

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SCHEDULE 1

NEW YORK FIRE DEPARTMENT PENSION FUND

QUALIFIED PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF FUNDING PROGRESS
(IN CONFORMITY WITH THE PLAN'S FUNDING METHOD)
(In Thousands)

Actuarial Valuation Date June 30	(1) Actuarial Asset Value (AAV)	(2) Actuarial Accrued Liability (AAL)[1]	(3) Unfunded AAL (UAAL)	(4) Funded Ratio	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
	(A)	(A) & (B)	(C) (2) - (1)	(1) ÷ (2)		(3) ÷ (5)
2011 (Lag)[2]	$ 7,955,668	$ 15,808,930	$ 7,853,262	50.3 %	$ 1,125,460	697.8 %
2010 (Lag)[2]	7,392,656	15,349,598	7,956,942	48.2	1,138,188	699.1
2009 (Lag)	7,304,758	7,327,560	22,802	99.7	1,079,682	2.1
2008 (Lag)	6,942,992	6,986,243	43,251	99.4	1,051,592	4.1
2007 (Lag)	6,459,130	6,520,670	61,540	99.1	1,000,383	6.2
2006 (Lag)	6,174,111	6,251,960	77,849	98.8	932,730	8.3

1 Effective June 30, 2010, based on Entry Age Actuarial Cost Method (EAACM). Previously, based on the Frozen Initial Liability Actuarial Cost Method.

Includes the Accrued Liabilities attributable to the Variable Supplements Funds, net of their Actuarial Asset Values, if any.

2 Reflects revised actuarial assumptions and methods based on experience review.

Notes:

A. For the June 30, 2011 (Lag) actuarial valuation, the AAV was reset to the MVA (i.e., "Market Value Restart").

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

The Actuarial Asset Valuation Method (AAVM) in use for actuarial valuations after the June 30, 2011 (Lag) actuarial valuation is unchanged from the AAVM in use for the June 30, 2009 (Lag) actuarial valuation.

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

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

The UIR for Fiscal Years 2000 to 2004 was set equal to the UIR under the prior AAVM.

The prior AAVM was changed as of June 30, 1999 to reflect a market basis for investments held by the Plan.

B. To effectively assess the funding progress of the Plan, it is necessary to compare the AAV and the AAL calculated in a manner consistent with the Plan's funding method over a period of time. The AAL is the portion of the Actuarial Present Value of pension plan benefits and expenses which is not provided for by future Employer normal costs and future Member Contributions.

C. The UAAL is the excess of the AAL over the AAV. Under the EAACM, actuarial gains (losses), as they occur, reduce (increase) the UAAL and are explicitly identified and amortized. Increases (decreases) in obligations due to benefit changes, actuarial assumption changes and/or actuarial method changes are also explicitly identified and amortized.

(Schedule of Funding Progress Concluded)

SCHEDULE 2

NEW YORK FIRE DEPARTMENT PENSION FUND
QUALIFIED PENSION PLAN

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

Fiscal Years Ended June 30	Annual Required Contribution (ARC)	Percentage of ARC Contributed	Net Pension Obligation
2013	$962,173	100.0 %	$ 178,300
2012	976,895	100.0	185,834
2011	890,706	100.0	185,874
2010	874,331	100.0	193,030
2009	843,751	100.0	199,928
2008	780,202	100.0	206,676

Under the requirements of Governmental Accounting Standards Board Statement No. 25 (GASB25), as amended by GASB Statement No. 50 (GASB50), the Annual Required Contribution (ARC) is determined through an actuarial valuation reflecting all liabilities of the Plan. The Employer Contribution to the Plan is determined in accordance with statute (i.e., Statutory Contribution).

SCHEDULE 3

NEW YORK FIRE DEPARTMENT PENSION FUND
QUALIFIED PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF ACTUARIAL METHODS AND ASSUMPTIONS

The information presented in the required supplementary schedules was determined as part of the actuarial valuations as of June 30, 2011 (Lag) and June 30, 2010 (Lag). These actuarial valuations were used to determine Employer Contributions for Fiscal Years 2013 and 2012, respectively. Additional information as of the last two actuarial valuations follows:

	June 30, 2011 (Lag)[1]	June 30, 2010 (Lag)[1]
Actuarial cost method	Entry Age.	Entry Age.
Amortization Method for Unfunded Actuarial Accrued Liabilities		
Initial Unfunded	Increasing Dollar.	Increasing Dollar.
Post-2010 Unfundeds	Level Dollar.	Level Dollar.
Remaining amortization period		
Initial Unfunded	21 Years (Closed).	22 Years (Closed).
Post-2010 Unfundeds	15 Years (Closed).	N/A
Actuarial Asset Valuation Method	Modified 6-year moving average of market values with a "Market Value Restart" as of June 30, 2011.[2]	Modified 6-year moving average of market values with a "Market Value Restart" as of June 30, 2011.[2]
Actuarial assumptions:		
Investment rate of return	7.0% per annum,[3] net of Investment Expenses.	7.0% per annum,[3] net of Investment Expenses.
Post-retirement mortality	Tables adopted by Board of Trustees during Fiscal Year 2012.	Tables adopted by Board of Trustees during Fiscal Year 2012.
Active service: withdrawal, death, disability, service retirement	Tables adopted by Board of Trustees during Fiscal Year 2012.	Tables adopted by Board of Trustees during Fiscal Year 2012.
Salary increases	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per annum.[3]	In general, merit and promotion increases plus assumed General Wage Increases of 3.0% per annum.[3]
Cost-of-Living adjustments[3]	1.5% per annum for Tier I and Tier II, 2.5% per annum for Tier III.	1.5% per annum for Tier I and Tier II, 2.5% per annum for Tier III.

1. Under the One-Year Lag Methodology, the actuarial valuation determines the Employer Contribution for the second following Fiscal Year.

2. With the June 30, 2010 Actuarial Asset Value defined to recognize Fiscal Year 2011 investment performance.

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

Additional Supplementary Information

Schedule of Investment Expenses

For Fiscal year ended June 30,2013

Schedule 4

	Average assets under management ($MMS)	Total Fees
Small Cap Active		
Brown AM	27.7	238,861
Perimeter	-	172,233
Ceredex	62.5	230,726
Dalton Greiner	40.9	359,413
Total Small Cap active	**131.1**	**1,001,233**
Small/Mid Cap		
Security Global Inv SMDV	65.95	332,112
Total small Mid Cap	**65.95**	**332,112**
Mid Cap Active		
Timessquare Capital MCG	134.67	790,157
Iridian Asset MCV	75.16	376,943
Wellington Mgmt MCC	78.98	345,732
Total Mid Cap Active	**288.81**	**1,512,832**
Mid Cap Passive		
State Street GA S&P 400	223.08	10,161
Total Mid Cap Passive	**223.08**	**10,161**
Large Cap		
Profit Investment Mgmt	42.77	157,936
Zevenbergen	153.95	296,155
Aronson Johnson	-	135,215
Seizert Cap Ptnrs	44.64	133,856
Total Large Cap	**241.36**	**723,163**
Emerging Managers		
Attucks	21.17	152,063
Capital Prospects	31.70	218,166
Total Progress Trust	80.58	458,827
Total Emerging Managers	**133.45**	**829,056**
Passive		
Russell 3000		
BlackRock	1,359.63	39,495
State Street	962.59	60,338
Total Passive Russell 3000	**2,322.22**	**99,833**
EAFE Markets Equities		
Active		
Baillie	163.33	104,477
Pyramis Global Advisors	0.19	283,241
Walter Scott	99.22	98,750
Causeway EAFE Large Cap MTA	105.09	77,091
Sprucegrove	176.76	392,864
Philadelphia	2.41	308,116
Thornburg Investment MNGT	105.30	832,919
Acadian EAFE Small Cap MTA	57.29	38,780
Pyramis EAFE Small Cap MTA	55.87	36,500
Passive		
SSGA	74.52	11,216
Total EAFE Market Equities Active	**839.98**	**2,183,954**
Opportunistic Equity Strategies		
NON-U.S. Activist		
Governance For Owners	21.30	120,740
Total EAFE Market Equities Active	**21.30**	**120,740**
Opportunistic Equity Strategies		

(Continued)

Additional Supplementary Information

Schedule of Investment Expenses

For Fiscal year ended June 30,2013

Schedule 4

	Average assets under management ($MMS)	Total Fees
Emerging Markets Active		
Acadian	101.99	396,861
Baillie Gifford	148.40	852,020
DFA	74.19	162,857
Eaton Vance	88.63	322,577
Blackrock Account EM	167.01	135,571
Total Emerging Markets Active	**580.22**	**1,869,885**
Hedge Funds		
Permal Hedge Fund of Funds	53.25	967,608
Blue Trend Fd	20.41	466,124
Brevan Howard	41.88	823,711
Brigade Lev Cap Str	23.43	327,704
Carlson Blk DIA fd	27.00	-
Caspian Select CF	17.88	212,090
CCP Quant Fd	17.63	138,120
D.E. Shaw	50.22	1,147,128
Fir Tree Val Fd	13.91	59,282
Perry Capital	21.38	-
Pharo Macro Fd Ltd	16.00	-
Total Hedge Funds	**302.99**	**4,141,767**
Real Estate Equity Securities		
Adelante Capital Management	58.61	188,967
European REIT MTA	104.66	461,226
MS REIT MTA	161.53	638,265
Total Real Estate Equity Securities	**324.80**	**1,288,458**
Private Equity Investments		
ACON Equity Ptnrs III	0.15	-
Aisling Capital II	0.69	10,813
Aisling Capital III	1.60	61,101
Aldus New York Fire Fund	36.44	581,952
American Sec Ptnrs VI	4.47	208,518
Ampersand 2009	3.64	100,000
Apollo Investment Fd V	2.33	-
Apollo Investment Fd VI	18.04	-
Apollo Investment Fd VII	21.53	232,002
Ares Corp Opp	1.00	8,556
Ares Corp Opp Fd II	2.29	18,659
Ares Corp Opp Fd III	7.25	51,542
Ares Corp Opp Fd IV	0.62	194,233
Aurora Equity Capital Partners III	3.20	3,736
Avista Capital Partners	4.01	31,250
Avista Capital Partners II	9.29	62,500
AXA Secondary Fd V	24.55	400,000
BC EUR Cap IX	8.01	53,896
BDCM Opportunity Fd III	4.41	149,793
Blackstone Capital Ptnrs IV	8.17	-
Blackstone Capital Ptnrs V	9.35	20,774
Blackstone Capital Ptnrs VI	2.72	96,277
Blackstone Mezz Ptnrs IL	0.79	10,916
Bridgepoint Europe III	3.11	-
Bridgepoint Europe IV	5.73	-

(Continued)

Additional Supplementary Information

Schedule of Investment Expenses

For Fiscal year ended June 30,2013

Schedule 4

	Average assets under management ($MMS)	Total Fees
Carlyle Ptnrs III	0.04	-
Carlyle Ptnrs IV	3.09	15,020
Carlyle Ptnrs V	8.27	106,462
Catterton Partners VI	7.12	88,562
CCMP Capital Investors II	4.86	66,007
Clayton, Dubilier and Rice Fund VII	2.33	-
Clayton, Dubilier and Rice Fund VIII	2.81	-
Celtic Pharm Hldgs, LP	3.84	38,792
Coller International Ptnrs V	3.12	49,262
Comvest Investment Ptnrs IV	7.09	145,899
Constellation Ventures III	4.54	100,000
Credit Suisse EM Fd	0.98	85,104
Credit Suisse EM Co/Inv Fd	4.05	5,570
Crestview Ptnrs II	6.40	92,512
CVC Euro Eq Ptnrs III	2.25	-
CVC Euro Eq Ptnrs V	9.54	122,798
Cypress Merch Bk Ptnrs II	2.14	15,248
EQT VI	5.63	267,262
Erasmus NYC Growth FD A	0.39	-
Fairview Emerging Mgrs Fd	4.09	41,021
FdG Capl Ptnrs	5.17	-
FdG Capl Ptnrs II	1.75	29,209
Fenway Ptnrs Capital III	2.24	33,503
First Mark Fd IV	3.45	24,877
First Reserve Fd XI	4.50	27,784
First Reserve Fd XII	3.84	66,633
Fourth CINVEN Fd	2.49	18,625
FS Equity Ptnrs V	3.52	10,299
FS Equity Ptnrs VI	8.59	153,326
FT Ventures Fd III	2.96	56,252
GI Ptnrs Fd II	2.46	-
GI Partners Fund III	7.45	85,079
Green Eq Inv VI	2.31	189,964
GSO Capital Opportunities Fd	3.64	84,999
Highland Consumer Fd I	1.21	50,230
ICV Ptnrs III	0.46	25,041
Intermedia Ptnrs VII	3.28	36,336
JPM Strategic Prop Fd	2.15	276,084
JPM Special Sit Fd	-	65,442
Landmark Equity Ptnrs XI	0.87	10,141
Landmark Equity Ptnrs XIV	8.60	136,300
Lee Equity Ptnrs	5.88	36,315
Levine Leichtman Cap Ptnrs IV	5.53	33,468
Lexington Capital Ptnrs VII	6.40	100,000
Lincolnshire Eq Fd II	0.81	-
Lincolnshire Eq Fd III	3.33	18,164
Lincolnshire Eq Fd IV	1.09	13,326
LODH Euro Choice II	4.77	56,344
LODH Euro Choice III	4.00	48,319
LODH Euro Choice IV	3.29	64,164
Markstone Capital Ptnrs	2.07	29,036
Midocean Eq Ptnrs III	9.14	86,045

(Continued)

Additional Supplementary Information

Schedule of Investment Expenses

For Fiscal year ended June 30,2013

Schedule 4

	Average assets under management ($MMS)	Total Fees
Montreux Eq Ptnrs IV	4.29	84,630
Neuberger Berman Emg Mgr	3.10	-
New Mountain Ptnrs	0.95	-
New Mountain Ptnrs II	1.23	1,771
New Mountain Ptnrs III	8.96	105,169
Newspring Venture II	2.39	-
NGN Biomed Opportunity II	2.96	94,263
Olympus Capital Asia III	3.46	100,000
Onex Ptnrs III	4.17	82,916
Paladin Homeland Security Fd	3.41	56,412
Paladin Fund III	4.99	150,000
Palladium Eq Ptnrs III	9.26	44,052
Palladium Eq Ptnrs IV	1.33	180,000
PCGAM Clean Energy & Tech Fund	5.09	45,000
Pegasus Partners IV	6.86	87,169
Pegasus Partners V	3.11	130,846
Permira Fd IV	4.61	35,984
Perseus Ptnrs VII	1.96	47,715
Pine Brook Capital Ptnrs	5.36	146,114
Platinum Eq Cap Ptnrs III	2.29	-
Prism Venture Ptnrs IV	0.02	15,458
Prism Venture Ptnrs V-A	3.29	158,562
Psilos Group Partners III	1.98	50,578
Riverstone/Carlyle GLB EP IV	5.93	20,436
RRE Ventures IV	2.80	62,500
Scale Venture Ptnrs III	6.23	126,140
SCP Priv Eq Ptnrs II	6.15	64,921
SCP Vitalife Partners II	3.77	115,507
Snow Phipps Group	3.47	62,062
Snow Phipps II	3.37	143,884
Summit Partnern Gr EQ VIII	4.00	225,000
Tailwind Capital Partners	0.31	-
Terra Firma Cap III	2.69	43,530
Trident V	7.42	225,000
Trilantic Capital Ptnrs	0.93	-
Trilantic Capital Ptnrs III	0.26	9,675
Trilantic Capital Ptnrs IV	5.38	55,013
US Power Fund II	4.18	-
US Power Fund III	3.84	75,310
Vista Equity Ptnrs III	7.30	150,000
Vista Equity Ptnrs IV	14.22	375,000
Vitruvian Ptnrs	2.13	-
VS&A Comm Ptnrs III	0.88	-
VSS Comm Ptnrs IV	1.45	16,202
Warburg Pincus XI	6.75	426,684
Wellspring Capital Ptnrs V	1.32	116,256
Welsh, Carson, Anderson & Stowe XI	5.93	106,335
Yucaipa American Alliance Fd	3.25	10,590
Yucaipa American Alliance Fd II	20.16	121,908
Yucaipa Corp Initiative II	2.66	35,308
Total Private Equity Investments	595.07	9,605,242

(Continued)

Additional Supplementary Information

Schedule of Investment Expenses

For Fiscal year ended June 30,2013

Schedule 4

	Average assets under management ($MMS)	Total Fees
PRIVATE REAL ESTATE		
AG Realty Fd VII	12.85	106,877
Amer Value Ptnrs I	2.42	32,108
Apollo Europe III	13.46	173,393
ARA Asia Dragon Fd	13.44	98,942
Blackrock Carbon III	3.79	87,331
Blackstone Real Estate Ptnrs EU III	4.09	75,000
Blackstone Real Estate Ptnrs IV	2.72	36,930
Blackstone Real Estate Ptnrs VI	12.91	127,862
Blackstone Real Estate Ptnrs VII	15.98	370,783
Brookfield Strategic RE Ptnrs	1.90	122,882
Canyon Johnson Urban Fd II	4.86	-
Canyon Johnson Urban Fd III	3.81	245,032
Carlyle R.P. Fd V	3.68	106,461
Carlyle Realty VI	7.81	79,881
Colony Investors VIII	6.26	173,522
Colony Realty Ptnrs II	2.10	58,369
Divco West Fd III	28.25	318,750
Emmes Asset Mgmt Co	0.38	-
H/2 Spec Opportunity Fd II	5.96	30,223
Heitman America Fd	11.62	43,201
JPM Strategic Prop Fd	29.27	266,896
JPM Special Sit Fd	4.35	63,836
KTR Ind Fd III	1.05	-
Lasalle US Property Fd	23.75	119,784
Metro Workforce Housing Fd	1.88	-
PRISA	7.07	53,986
PRISA II	19.62	169,345
Prologis Targeted US Logistics Fd	4.22	29,770
RREEF Amer. II	7.16	30,640
RREEF Amer. III	2.13	17,868
Silverpeak RE Ptnrs Fd III	0.87	18,984
Stockbridge Real Estate Fd	13.10	135,561
Taconic NY Inv Fd	5.89	58,813
The City Investment Fd	15.75	172,619
Thor Urban Property Fd II	4.21	47,774
UBS Trumbull Property Fd	32.58	204,829
Walton St RE Fd VI	5.04	55,068
Westbrook RE Fd VIII	4.69	68,220
Total PRIVATE REAL ESTATE	**340.94**	**3,801,540**
Fixed Income Advisors		
Structured Program		
Government Treas/Agency Sector		
Fischer Francis	57.55	54,115
Pimco	97.66	117,197
State Street	56.11	36,804
Total Fixed Income Advisors	**211.32**	**208,115**
Mortgage Sector		
Blackrock	220.62	104,910
Goldman Sachs	87.24	27,041
Neuberger Berman	110.02	62,168
Pimco	225.90	151,994
Total Mortgage Sector	**643.78**	**346,113**

(Continued)

Additional Supplementary Information

Schedule of Investment Expenses

For Fiscal year ended June 30,2013

Schedule 4

	Average assets under management ($MMS)	Total Fees
Investment Grade Credit Sector		
Blackrock	129.80	59,548
Prudential	127.68	95,048
Prudential Privest	39.57	9,268
Taplin Canida	218.99	186,891
T. Rowe Price	201.84	270,992
Total Investment Grade Credit Sector	**717.88**	**621,747**
Global Fixed Income		
LM CAPITAL -MTA	10.46	39,680
	10.46	**39,680**
Progress Fixed Emerging Managers		
Ambassador -Core Plus	6.52	22,926
GIA	5.32	18,706
Hillswick	2.60	9,277
New Century Advisors -Core Plus	6.58	23,204
Pugh Capital Mgmt -Core	5.22	18,442
Total Progress Fixed Emerging Managers	**26.24**	**92,555**
Active TIPS Managers		
Blackrock	87.25	48,729
Pimco	87.32	44,657
Total Active TIPS Managers	**174.57**	**93,386**
Passive TIPS Managers		
State Street	57.89	2,452
Total Passive TIPS Managers	**57.89**	**2,452**
Opportunisitc Fixed Income Strategies		
Distressed		
Ave Euro Special Situations Fd	0.46	-
Ave Special Situations Fd V	0.13	-
Ave Special Situations Fd VI	16.95	170,076
Torchlight Investors	12.11	188,804
Angelo Gordon Ptnrs LP	24.72	119,911
Apollo Prtnrshp LP	19.74	75,387
Fortress Ptnrs LP	8.52	94,696
Goldentree OD MTA	27.90	189,483
Marathon OD MTA	36.25	220,626
Oak Hill Ptnrs LP	18.13	50,940
Oaktree Opp Fd IX LP	2.96	9,551
Total Opport. Fixed Inc. Strategies Dist.	**167.87**	**1,119,474**
Enhanced Yield		
Penn	112.70	452,934
Loomis Sayles	108.82	399,888
T. Rowe MTA	175.81	627,635
Total Enhanced Yield	**397.33**	**1,480,457**
Bank Loans		
Babson BL MTA	67.96	186,749
Guggenheim BL MTA	67.65	276,092
Total Bank Loans	**135.61**	**462,841**
Convertible Bonds		
Advent	47.42	230,607
Lord Abbett	-	71,191
Total Convertible Bonds	**47.42**	**301,798**

(Continued)

Additional Supplementary Information

Schedule of Investment Expenses

For Fiscal year ended June 30,2013

Schedule 4

	Average assets under management ($MMS)	Total Fees
Internal Management		
Access RBC	8.16	22,438
AFL-CIO Housing Inv Trust	39.77	154,337
CFSB-PPAR	0.39	-
CCD-PPAR	0.97	-
LIIF-PPAR	0.52	-
NCBCI-PPAR	0.25	-
GNMA	0.01	-
CPC-Term Loan	1.97	-
Total Internal Management	**52.04**	**176,775**
Consultants		
Abel Noser		106,051
Capital Analytics		2,025
Courtlandt Partners		25,059
Ernst & Young (SR Batliboi & Co)		2,881
Nat'l Instit on Retirement Sec		525
New England Pension Con		346,796
Rodriguez Velazquez		48
Stepstone Group		511,000
Townsend Group		57,486
Total Consultats Fees		**1,051,871**
Legal Fees		
Cox, Castle & Nicholson		4,524
Davis Polk & Wardwell		1,285
Foster Pepper		3,773
Kirkland & Ellis		1,862
Morgan Lewis & Backius		29,418
Pillsbury Winthrop Shaw Pittman		18,164
Nixon Peabody		14,120
Reinhart Boerner VanDeuren		4,845
Schute Roth & Zabel		1,580
Weil Gotshal & Manges		651
Total Legal Fees		**80,222**
Investment Expenses Mutual funds-Fixed		19,255
Investment Expenses Real Estate		939,600
Misc. Expenses International Equity		360,770
Misc. Expenses Bonds		116,924
Misc. Expenses Hedge Fund		5,442
Operating Enpense Private equity		3,016,605
Misce. Charges Private Equities		105,118
Misc. charges Bony		320,535
Total Other Misc. expenses paid-BNY		**4,884,249**
Total Investment Expenses F/Y 2013	**9,053.69**	**38,481,716**

New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

Investment Section

Part III

Fiscal Year Ended June 30, 2013

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INVESTMENT REPORT

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

Investment Policy

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

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

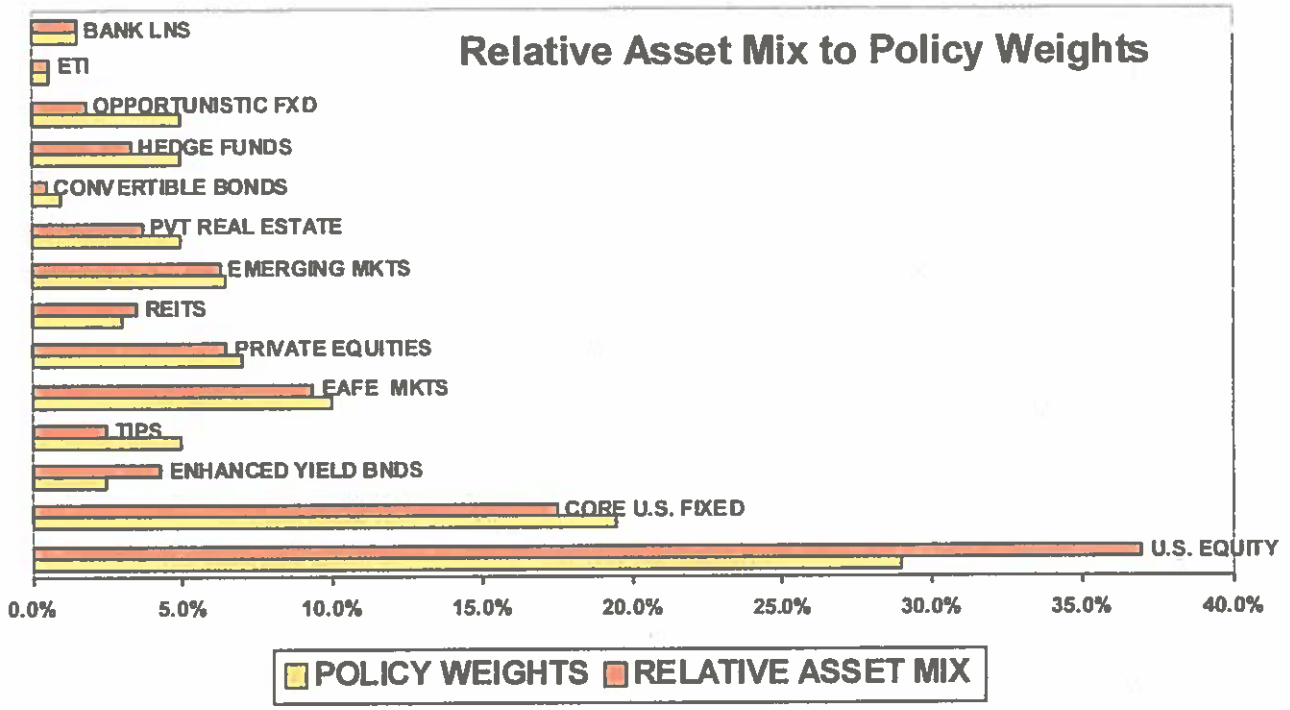
The overall policy adopted is therefore one that minimizes credit and market risks while maintaining a competitive yield on the investment portfolio. The Fund utilizes several investment managers to manage the long term debt and equity portfolios. In addition, the Fund employs an independent investment consultant as an investment advisor. Fund managers are periodically reviewed for ongoing performance and adherence to investment guidelines.

Investment Criteria and Asset Allocation

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

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

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



The current policy mix implemented is comprised of items in the following major categories: U.S equity, Core U.S. fixed income, Enhanced yield bonds, Treasury inflation protected securities (TIPS), International equity(EAFE Markets), Private equity, Real estate investments trusts (REITS), Emerging markets, Private Real Estate investments, Convertible Bonds, Hedge Funds, Opportunistic Fixed, Economically Targeted Investments(ETI) and Bank Loans. The chart above shows a comparison of relative asset mix to policy weights as at June 30, 2013.

Although the Fund's assets are periodically re-balanced to keep in line with long term asset allocation objectives, actual allocation may vary from policy weights as market values shift and investments are added or terminated. As indicated in the chart, the Fund exceeded targeted allocations of U.S. equity, Enhanced Yield bonds and Real Estate Investments Trusts by 8.0, 1.8 and .5 percentage points respectively. While Core U.S Fixed, TIPS, EAFE Markets, Private Equity, Emerging Markets, Private Equity Real Estate, Convertible bonds, Hedge Funds and Opportunistic fixed investments fell below the current targeted allocations by approximately 2.0, 2.5, .6, .5, .2, 1.3, .5,1.7 and 3.2 percentage points respectively. Investments in Bank loans and ETI closely matched targeted allocations. Actual asset allocation in effect on 6/30/2013 is presented in the chart titled "Asset Allocation" (Exhibit 1). Changes in actual asset allocation over a period of ten years covering June 2004 through June 2013 are presented in an area graph showing the major categories and amount of assets held at the end of each fiscal period (also Exhibit 1).

Summary of Investment Results for fiscal year 2013

The Fund's investment portfolio posted an overall return of 11.9 %[1] during fiscal year ended June 2013, ranking in the third quartile of the BNY Mellon Public Master Trust Universe. This return far exceeded the actuarial assumed rate of return at 7.0% and was modestly ahead of the 11.8% gain posted by the Fund's policy benchmark for the period. The Fund closed fiscal year 2013 with net position held in trust for pension benefits totaling $9.1 billion, due to the strong return posted by the portfolio.

The portfolio's gain for fiscal year ended June 30, 2013 was boosted by strong performances in the equity markets during the period. U.S. equities, the largest segment in the portfolio, were among the top performers, posting overall gains of 23.2%. This result was well above the Russell 3000 index, a broad measure of the U.S stock market, which posted gains of 21.5%. For the quarter ended June 30, 2013, returns posted across asset classes were mostly negative except for U.S equity securities, which posted 2.9% overall gains.

International equities as a group were also among the better performers, all categories posted gains for the fiscal period. Investments from the developed international markets in the portfolio grew by 15.8%, underperforming the benchmark, the MSCI Europe, Australia and Far East (EAFE) Index which grew by 18.6%. While active emerging markets equities, among the lowest performers in the group grew by 4.1%. This result was well ahead of its benchmark, the MSCI Emerging Markets Free index which grew by 3.2% over the same period. However, for the quarter ended June 30, 2013, the group declined by 4.1%.

Overall, the domestic fixed income composite portfolio was among the worst performers of the asset classes, closing fiscal year 2013 with modest gains of 2.3%. The largest segment within this category, the structured or core investment grade fixed income group was among the lowest performers, posting gains of .3%. This return was just ahead of the 1% decline posted by its benchmark the New York City core plus 5 index. Treasury Inflation Protected securities, the worst performer in this category declined by 4.6%, slightly ahead of its benchmark the Barclays Capital US TIPS index which declined by 4.8% for the period. The Opportunistic Fixed Income group were the best performers in this category, posting gains of 15.1%, outperforming its benchmark the JP Morgan Global High Yield plus 3%, which posted gains of 12 5%.

For the five-year period ended June 30, 2013, the Fund's annualized returns stood at 5.4 %, compared to the portfolio policy benchmark return at 6.7%.

Schedule 1A presents our Consolidated Performance Report, displaying the percentage of portfolio market value and returns for each major investment asset class along with the returns for corresponding benchmarks through June 30, 2013.

Total investments including Collateral from securities lending rose from $9,122.4 million to $10,449.4 million, during fiscal year 2013. This change is depicted in **Exhibit 2**, a chart showing changes in total investment at market value over the ten fiscal periods between 2004 and 2013. Listings of the Fund's largest bonds, stocks and Alternative Investment holdings are presented in **Schedule 2A, 3A & 4A** respectively.

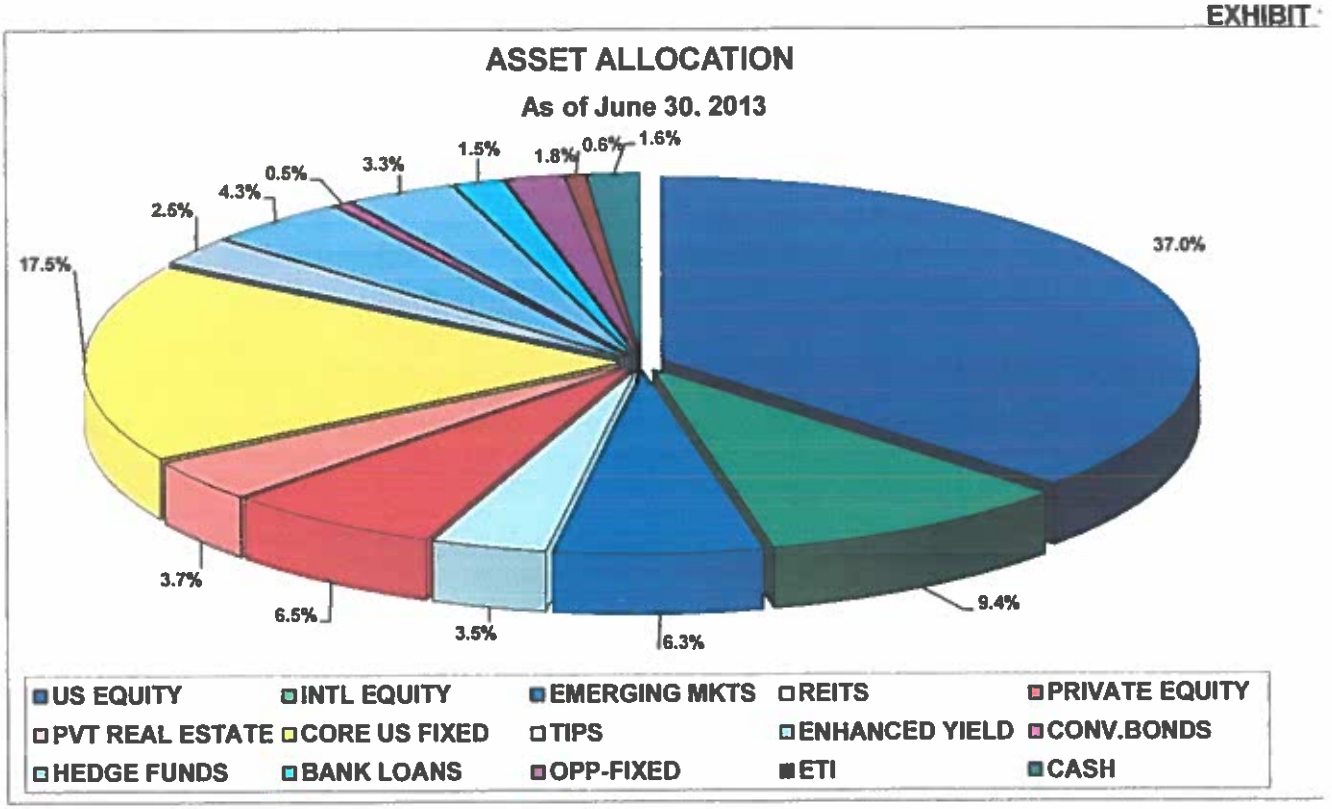
Portfolio assets invested during fiscal year 2013 returned net gains of $961.2 million. The overall gain was due mainly to the net appreciation in fair value of investments. **Exhibit 3** shows a summary of the changes in investment income over the ten-year period 2004 through 2013.

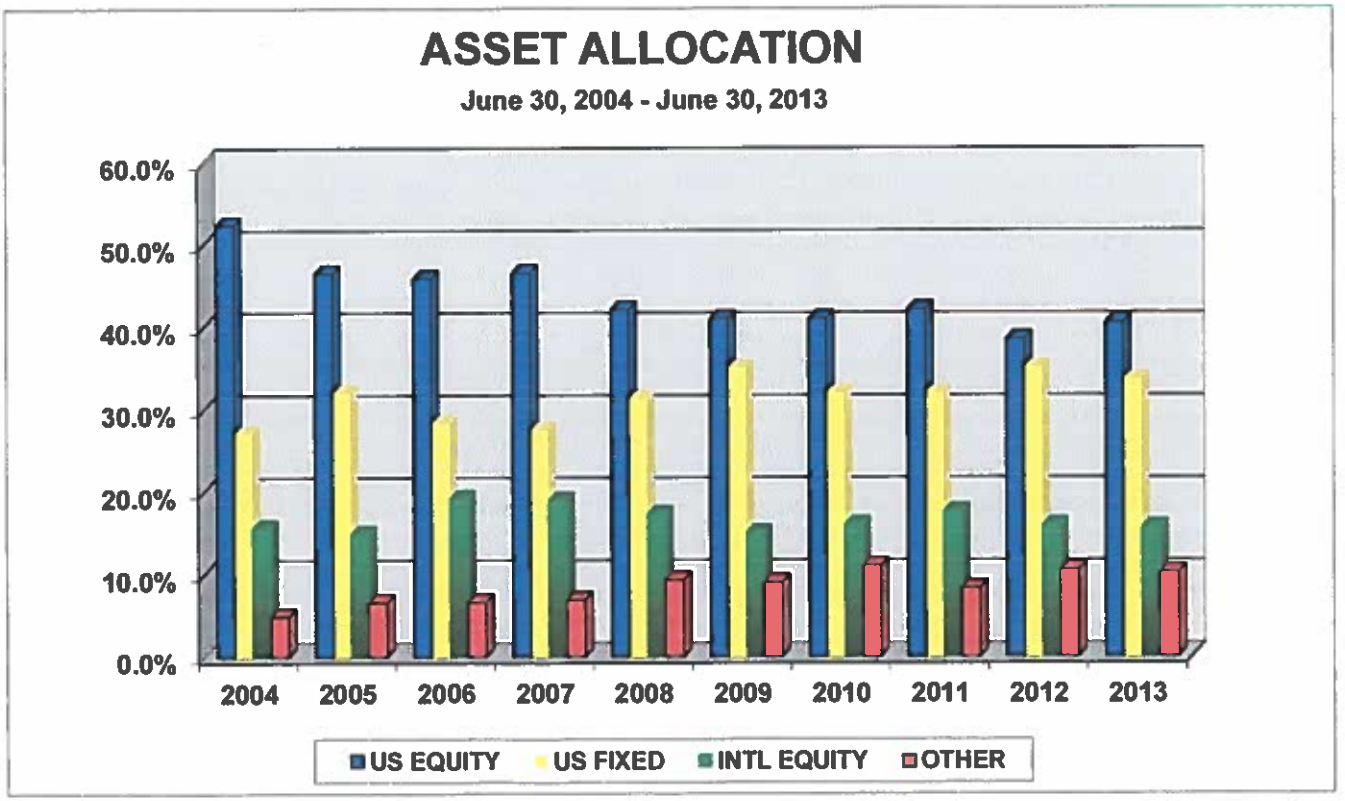
Fees and Brokers' commissions are calculated based on total assets under management for the period. Summaries of Brokers' commissions for investments traded are presented in schedule **5A.**

The Summary of investments presented in **Schedule 6A** shows the overall market values of each major investment asset class in the portfolio, including short-term holdings and collateral from securities lending. The schedule also shows the percentage value of each category in relation to total investments for fiscal year 2013.

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

EXHIBIT

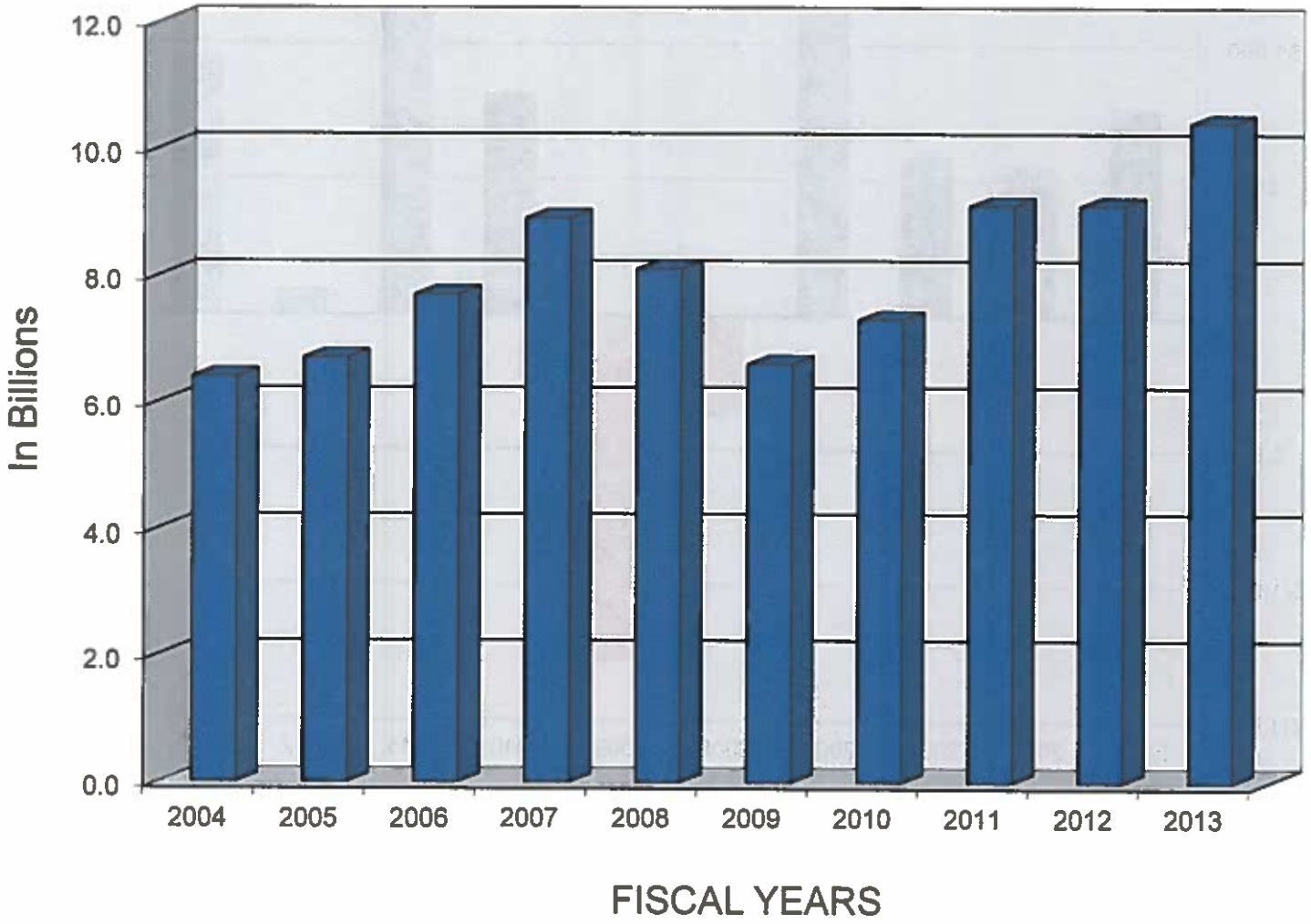

ASSET ALLOCATION
As of June 30, 2013
37.0%
9.4%
6.3%
3.5%
6.5%
3.7%
17.5%
2.6%
4.3%
0.5%
3.3%
1.5%
1.8%
0.6%
1.6%
US EQUITY
INTL EQUITY
EMERGING MKTS
REITS
PRIVATE EQUITY
PVT REAL ESTATE
CORE US FIXED
TIPS
ENHANCED YIELD
CONV.BONDS
HEDGE FUNDS
BANK LOANS
OPP-FIXED
ETI
CASH


ASSET ALLOCATION
June 30, 2004 - June 30, 2013
60.0%
50.0%
40.0%
30.0%
20.0%
10.0%
0.0%
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
US EQUITY
US FIXED
INTL EQUITY
OTHER

TOTAL INVESTMENTS

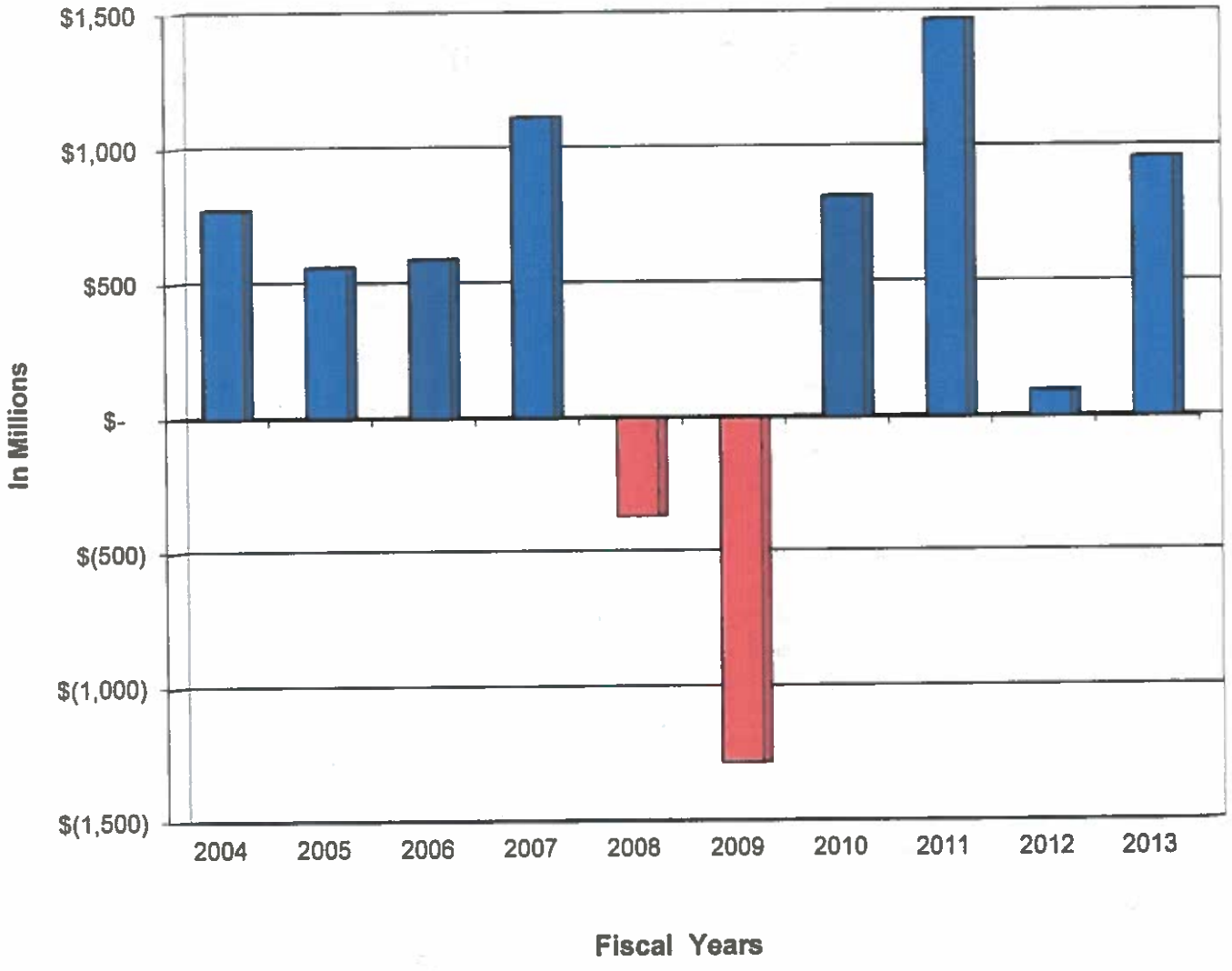
(At Market - Value)

Exhibit 2



INVESTMENT INCOME

Exhibit 3



Schedule of Portfolio Returns*
June 30, 2013

Schedule 1A

Assets ($MM)	% Total	Asset Class	3 Mos Apr-13 Jun-13	YTD Jan-13 Jun-13	1 YR Jul-12 Jun-13	3 YRS Jul-10 Jun-13	5 YRS Jul-08 Jun-13	10 YRS Jul-03 Jun-13
3,405.97	**37.03**	**U.S. Equities**	**2.85**	**14.84**	**23.16**	**18.47**	**7.16**	**7.73**
131.11	1.42	Total Small Cap	1.31	13.54	22.79	16.94	6.60	7.18
		Russell 2000	3.08	15.86	24.21	18.67	8.77	9.53
65.95	0.72	Total Small/Mid Cap	0.54	15.75	29.19	n/a	n/a	n/a
		Russell 2500 Value	1.54	15.10	26.88	n/a	n/a	n/a
511.90	5.57	Total Mid Cap	1.86	15.64	27.05	19.09	7.91	8.67
		Russell Mid Cap	2.21	15.45	25.41	19.53	8.28	10.65
241.36	2.62	Total Large Cap	7.86	20.03	27.25	18.04	6.69	7.41
		Russell 1000	2.65	13.91	21.24	18.63	7.12	7.67
133.44	1.45	Total Emerging Managers	3.55	16.29	25.90	18.83	6.99	8.32
		Russell 2000	3.08	15.86	24.21	18.67	8.77	9.53
2,322.21	25.25	Total Russell 3000	2.69	14.05	21.47	18.62	7.34	7.87
		Russell 3000	2.69	14.06	21.46	18.63	7.25	7.81
1,443.46	**15.69**	**Total International Equity**	**-4.13**	**-1.97**	**10.93**	**7.44**	**-0.95**	**8.95**
841.94	9.15	Total Developed Markets	-1.64	2.20	15.84	9.76	-0.02	8.06
		MSCI EAFE(Net dividend) Benchmark	-0.98	4.10	18.62	10.04	-0.63	7.67
		International Equity Median Benchmark	-0.79	3.70	18.04	10.72	0.85	9.13
21.30	0.23	Non US Activist	2.54	6.74	27.47	11.83	n/a	n/a
		MSCI Europe SMID Cap	1.10	5.49	25.26	12.96	n/a	n/a
413.21	4.49	Total Active Emerging Markets	-7.77	-7.22	4.13	3.86	-0.91	n/a
		MSCI Emerging Markets Free-Benchmark	-7.95	-9.40	3.23	3.72	-0.11	n/a
167.01	1.82	Total Passive Emerging Markets	-7.84	-9.31	3.21	n/a	n/a	n/a
		MSCI Emerging Markets Free-Benchmark	-7.95	-9.40	3.23	n/a	n/a	n/a
302.99	**3.28**	**Total Hedge Funds**	**-1.66**	**1.73**	**8.58**	**n/a**	**n/a**	**n/a**
		1 Year Treasury Bill Yield + 4%	1.03	2.09	4.32	n/a	n/a	n/a
324.80	**3.53**	**Total Real Estate Equity Sec.(REITS)**	**-1.24**	**3.39**	**8.71**	**18.09**	**7.12**	**n/a**
		DJ US Select Real Estate Securities Index	-1.28	5.68	7.67	17.97	6.82	n/a
595.08	**6.45**	**Private Equity**	n/a	n/a	n/a	n/a	n/a	n/a
340.95	**3.70**	**Private Real Estate**	n/a	n/a	n/a	n/a	n/a	n/a
2,776.72	**30.17**	**Total Fixed Income**	**-2.29**	**-1.36**	**2.34**	**5.58**	**6.61**	**5.69**
1,572.98	17.10	Total Structured Program	-2.85	-2.79	0.32	4.85	6.54	5.39
		NYC Core Plus Five Index	-2.91	-3.21	-0.95	4.10	6.01	5.09
397.33	4.32	Enhanced Yield	-1.68	1.03	8.30	9.99	9.55	8.13
		Citigroup BB & B	-1.53	0.34	7.61	10.17	8.09	7.28
10.46	0.11	Total Core plus Fixed income	-2.83	-2.38	0.57	4.68	n/a	n/a
		Barclays Capital Aggregate bond index	-2.32	-2.44	-0.69	3.51	n/a	n/a
26.23	0.29	Total Progress Fixed income	-2.42	-2.29	n/a	n/a	n/a	n/a
		Barclays Capital Aggregate	-2.32	-2.44	-0.69	n/a	n/a	n/a
232.46	2.53	Total Tips Managers	-7.03	-7.28	-4.56	4.65	4.59	n/a
		Barclays Capital US Tips index	-7.05	-7.39	-4.78	4.63	4.42	n/a
135.61	1.47	Total Bank Loans	0.39	2.75	n/a	n/a	n/a	n/a
		Credit Suisse Leveraged Loan index	0.43	2.81	n/a	n/a	n/a	n/a
47.42	0.52	Total Convertible Bonds	0.87	6.63	13.39	10.18	6.77	n/a
		BofA ML All Conv. Ex mandatory index	1.76	9.78	17.48	12.35	7.55	n/a
167.87	1.80	Total Opportunistic Fixed	4.48	9.53	15.10	9.91	12.54	n/a
		NYC 10% Annual return	2.41	4.88	10.00	10.00	10.00	n/a
52.05	0.57	Total Targeted- ETI (with cash)	-2.13	-2.12	-0.48	3.43	5.07	4.45
		Barclays Capital Aggregate	-2.32	-2.44	-0.69	3.51	5.19	4.52
134.31	1.46	State Street Short Term	0.06	0.12	0.29	0.34	0.93	2.22
13.32	**0.14**	**Securities Lending**	n/a	n/a	n/a	n/a	n/a	n/a
0.69	**0.01**	**Bank of New York -CD**	n/a	n/a	n/a	n/a	n/a	n/a
9,203.98	**100.00**	**Total Portfolio**	**-0.07**	**5.00**	**11.90**	**11.68**	**5.36**	**7.62**
		Policy Benchmark	0.07	4.97	11.77	13.17	6.73	8.08

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

List of 50 Largest Bond Holdings as of June 30, 2013

Schedule 2A

Cusip number	Security description	Interest rate	Maturity date	Par/Face value	Market value
S86826400	MORGAN STANLEY ONE LINE	-		100	161,534,018
S99993000	NYC CUSTOM STIF	-		136,710,608	136,720,982
S86253430	TIPS POSITION HELD AT PIMCO	-		1	87,324,362
S86253410	TIPS POSITION HELD AT BLACKROCK	-		1	87,253,125
01F032674	FNMA TBA 30YR SFM 03.50% JUL	3.5%	01-Jul-42	71,320,000	72,429,799
S86882070	BL MTA NIB BABSON	-		100	67,957,527
S86881940	BL MTA NIB GUGGENHEIM	-		100	67,650,678
S86924920	AFL-CIO HOUSING INV TRUST	-		35,431	39,773,058
S86881270	PRIVEST	-		1,570	39,570,159
01F022477	FNMA TBA 15YRS SFM 02.50% JULY	2.5%	01-Jul-27	29,445,000	29,622,312
912796AZ2	UNITED STATES TREAS BILLS	-	05-Sep-13	24,000,000	23,999,112
912796AX7	U S TREASURY BILLS	-	15-Aug-13	23,000,000	22,999,310
01F030678	FNMA TBA 30YRS SFM 03.0% JULY	3.0%	01-Jul-42	16,990,000	16,601,044
01F030686	FNMA TBA 30YRS SFM 03.0% AUGUST	3.0%	01-Aug-42	16,000,000	15,590,000
21H032670	GNMA II TBA JUMBO 3.5% 30YR JUL	3.5%	01-Jul-42	14,995,000	15,398,623
36179MK82	GOV'T NATL MTG ASSN II POOL# MA0319	4.0%	20-Aug-42	17,535,500	15,337,612
36179NDP0	GOV'T NATL MTG ASSN II POOL# MA1010	2.5%	20-Apr-43	15,020,087	14,038,780
313385LG9	FEDERAL HOME LOAN BANK DISCOUNT	-	04-Sep-13	13,100,000	13,099,083
912828LJ7	UNITED STATES TREAS NTS	3.6%	15-Aug-19	10,860,000	12,244,094
912810QZ4	UNITED STATES TREAS BDS	3.1%	15-Feb-43	12,852,000	12,147,425
S86885060	VANGUARD TOTAL BOND MKT INDEX FUND	-		1,132,610	12,084,953
21H030674	GNMA II TBA 30YRS JUMBO 03.0% JULY	3.0%	01-Jul-43	11,735,000	11,611,815
01F040677	FNMA TBA 30YRS SFM 04.0% JULY	4.0%	01-Jul-42	10,600,000	11,045,456
912828VE7	UNITED STATES TREAS NTS	1.0%	31-May-18	11,120,000	10,938,242
01N040678	GNMA I TBA SFM 4.00% 30YR JULY	4.0%	01-Jul-42	10,000,000	10,494,083
912810EL8	U S TREASURY BONDS	8.0%	15-Nov-21	7,100,000	10,365,910
36295CHE4	GOV'T NAT'L MTGE ASSN POOL # 666329	2.5%	15-Mar-43	11,066,176	10,308,458
912828SW1	UNITED STATES TREAS NTS	0.3%	31-May-14	10,000,000	10,008,017
36297DE37	GOV'T NAT'L MTGE ASSN POOL # 708554	5.0%	15-Apr-39	30,160,438	9,601,008
912810FE3	U S TREASURY BOND	5.5%	15-Aug-28	7,220,000	9,544,212
313589WS8	FEDERAL NATL MTGE ASSN DISCOUNT NT	-	12-May-14	9,000,000	8,989,020
01N032675	GNMA I TBA SFM 3.50% 30YR JULY	3.5%	01-Jul-42	8,540,000	8,766,705
02R032679	FHLMC TBA 30YRS GOLD SFM 03.50% JULY	3.5%	01-Jul-42	8,585,000	8,700,984
01F030488	FNMA TBA 15YR SFM 03.00% AUG	3.0%	01-Aug-26	8,400,000	8,625,496
02R030673	FHLMC TBA 30YRS GOLD SFM 03.0% JULY	3.0%	01-Jul-42	7,915,000	7,714,652
36179MX21	GOV'T NATL MTG ASSN II POOL# MA0697	2.5%	20-Jan-43	8,256,090	7,642,188
912828KQ2	UNITED STATES TREAS NTS	3.1%	15-May-19	6,985,000	7,608,210
912828UN8	UNITED STATES TREAS NTS	2.0%	15-Feb-23	7,800,000	7,565,484
3137EADB2	FEDERAL HOME LN MTG CORP	2.4%	13-Jan-22	7,330,000	7,204,388
36179NF52	GOV'T NATL MTG ASSN II POOL# MA1088	2.5%	20-Jun-43	7,578,075	7,097,196
912828LY4	UNITED STATES TREAS NTS	3.4%	15-Nov-19	6,180,000	6,826,570
01N042674	GNMA I TBA 30YRS SFM 04.50% JULY	4.5%	01-Jul-43	6,200,000	6,584,285
S86842280	PIM FI MTA NIB NC	-		1	6,576,771
36178WF61	GOV'T NAT'L MTGE ASSN POOL # AB9189	2.5%	15-Nov-42	7,147,735	6,561,468
S86842350	PIM FI MTA NIB AC	-		1	6,516,728
01F052680	FNMA TBA 30YR SFM 05.50% AUG	5.5%	01-Aug-42	6,000,000	6,512,813
3128M73B0	FED'L HOME LN MTGE CORP GRP # G05894	4.5%	01-Apr-40	15,770,808	6,334,533
02R040680	FHLMC TBA 30YR GOLD SFM 4.00%	4.0%	15-Aug-39	6,000,000	6,226,200
912828NT3	UNITED STATES TREAS NTS	2.6%	15-Aug-20	5,100,000	5,379,796
S86837570	PIM FI MTA NIB	-		1	5,317,829
912810EE4	U S TREASURY BONDS	8.5%	15-Feb-20	3,645,000	5,302,249

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

List of 50 Largest Stock Holdings as of June 30, 2013

Schedule 3A

Cusip number	Security description	Number of shares	Market value
S86749770	GRP TR EAFE SSGA	1,000	74,518,053.81
30231G102	EXXON MOBIL CORP	575,424	51,989,558.40
037833100	APPLE INC COM	125,362	49,653,380.96
594918104	MICROSOFT CORP COM	1,115,012	38,501,364.36
478160104	JOHNSON & JOHNSON COM	379,185	32,556,824.10
38259P508	GOOGLE INC CL A	35,843	31,555,101.91
369604103	GENERAL ELECTRIC CO	1,338,408	31,301,427.17
166764100	CHEVRON CORPORATION	261,400	30,934,076.00
084670702	BERKSHIRE HATHAWAY INC DEL	246,581	27,597,345.52
742718109	PROCTER & GAMBLE CO COM	354,747	27,311,971.53
46625H100	JPMORGAN CHASE & CO	517,121	27,298,817.59
S99993000	NYC CUSTOM STIF	26,739,240	26,742,201.30
717081103	PFIZER INC COM	921,554	25,812,727.54
949746101	WELLS FARGO & CO NEW	624,920	25,790,448.40
459200101	INTL BUSINESS MACHINES CORP	134,694	25,741,370.34
00206R102	AT&T INC	696,312	24,649,444.80
172967424	CITIGROUP INC	419,548	20,125,717.56
92343V104	VERIZON COMMUNICATIONS INC	399,693	20,120,545.62
191216100	COCA-COLA CO	495,079	19,999,799.05
58933Y105	MERCK & CO INC NEW	412,318	19,329,499.23
060505104	BANK OF AMER CORP	1,487,182	19,125,160.52
S86968860	COINVESTMENTSLLC	2	18,957,017.01
718172109	PHILIP MORRIS INTL INC	211,724	18,529,450.93
17275R102	CISCO SYS INC	747,748	18,177,753.88
S86849230	CASPIAN SELECT CREDIT FUND, LP	1	17,884,046.63
458140100	INTEL CORPORATION	703,375	17,035,742.50
713448108	PEPSICO INC COM	200,214	16,375,503.06
931142103	WAL MART STORES INC	216,285	16,111,069.65
254687106	DISNEY (WALT) COMPANY .	233,565	14,749,629.75
68389X105	ORACLE CORPORATION	478,112	14,687,600.64
437076102	HOME DEPOT INC USD 0.05	189,061	14,646,555.67
20030N101	COMCAST CORP NEW CL A	339,589	14,221,987.32
747525103	QUALCOMM INC	223,868	13,673,857.44
023135106	AMAZON COM INC	47,481	13,184,998.89
580135101	MC DONALDS CORPORATION COMMON	129,780	12,848,220.00
674599105	COMMON	142,721	12,828,210.83
828806109	SIMON PPTY GROUP INC NEW	79,609	12,571,853.28
806857108	SCHLUMBERGER LIMITED COM	173,077	12,457,205.95
92826C839	VISA INC	67,918	12,412,014.50
913017109	UNITED TECHNOLOGIES CORP	119,257	11,083,745.58
S86927510	FUNDIII,LLC	1	11,039,582.00
031162100	AMGEN INC	111,588	11,009,272.08
375558103	GILEAD SCIENCES INC	214,930	11,006,565.30
S86911560	GR TR EAFE POS HELD AT LM	1	10,459,400.03
097023105	BOEING COMPANY	98,258	10,065,549.52
126650100	CVS CAREMARK CORP	175,817	10,053,216.06
02209S103	ALTRIA GROUP INC	280,303	9,933,836.89
88579Y101	3M CO	89,898	9,830,346.30
20825C104	CONOCOPHILLIPS	158,278	9,575,819.00
110122108	BRISTOL MYERS SQUIBB CO COM	212,629	9,502,390.01
907818108	UNION PACIFIC CORP	60,410	9,362,752.69

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

List of 50 Largest International Investment Holdings as of June 30, 2013

Schedule 4A

Cusip number	Security Description	Number of shares	Market value
X9USDCUST	NYC CUSTOM STIF	17,642,299	17,644,170
H5820Q150	NOVARTIS AG CHF 0.5	189,343	13,597,366
K7314N152	NOVO NORDISK A/S DKK 1.0	57,309	8,949,606
H57312466	NESTLE SA CHF 0.1	129,498	8,579,349
D0065L101	ADIDAS AG NPV	74,802	8,133,167
G84228157	STANDARD CHARTERED PLC USD 0.5	375,041	8,118,192
H84140112	SYNGENTA AG CHF 0.1	19,774	7,795,799
F58149133	L'OREAL SA EUR 0.2	47,243	7,753,700
E6282J109	INDITEX SA EUR 0.15	60,975	7,517,716
Y002A1105	AIA GROUP LTD	1,732,624	7,338,313
G76225104	ROLLS-ROYCE HOLDINGS PLC 20P	415,965	7,155,289
E19790109	BANCO SANTANDER SA EUR 0.5	1,105,442	7,044,537
FCB432897	FORWARD USD/JPY	6,476,085	6,476,085
H69293217	ROCHE HOLDING AG NPV	24,918	6,233,331
40428K980	HSBC HOLDINGS HONGKONG REG	582,584	6,161,189
056752108	BAIDU COM INC USD 0.00005 ADR	64,636	6,110,018
FCB432903	FORWARD JPY/USD	602,356,094	6,064,997
J22302111	HONDA MOTOR CO LTD NPV	161,710	6,032,390
G1510J102	BRITISH AMERICAN TOBACCO P GBP 0.25	116,189	5,935,113
G72899100	PRUDENTIAL PLC ORD GBP 0.05	363,701	5,930,760
G87621101	TESCO PLC	1,146,517	5,928,051
D66992104	SAP AG NPV	80,744	5,926,464
J53032116	DENSO CORP NPV	125,565	5,897,733
H25662158	CIE FINANCIERE RICHEMONT SA CHF 1.0	65,420	5,790,758
F01764103	AIR LIQUIDE SA EUR 5.5	46,204	5,698,362
J75963108	SOFTBANK CORP NPV	96,268	5,611,954
G4634U169	HSBC HOLDINGS PLC USD 0.5	530,801	5,611,556
W10020118	ATLAS COPCO AB NPV RFD	233,157	5,597,844
J92676113	TOYOTA MOTOR CORP NPV	89,663	5,407,587
G0483X122	ARM HOLDINGS PLC 0P	445,803	5,376,099
Y14965100	CHINA MOBILE LTD HKD 0.1	502,902	5,252,005
G7690A118	ROYAL DUTCH SHELL PLC-B SHS	158,549	5,233,359
J64264104	RAKUTEN INC	442,482	5,225,846
F92124100	TOTAL SA EUR 2.5	103,117	5,027,615
F31668100	ESSILOR INTL SA CIE GEN D'OPTIQUE	46,511	4,942,329
G19081101	CARNIVAL PLC USD 1	141,913	4,929,652
J72810120	SHIN-ETSU CHEMICAL CO LTD NPV	74,240	4,918,411
G74079107	RECKITT BENCKISER GROUP PLC 10P	68,596	4,836,431
J75734103	SMC CORP/JAPAN NPV	23,729	4,759,154
J32491102	KEYENCE CORP	14,115	4,498,116
F7269R105	PPR EUR 4.0	20,587	4,179,056
G87572148	TENCENT HOLDINGS LTD HKD 0.0001	102,920	4,036,614
J35759125	KOMATSU LTD NPV	172,983	3,993,652
Q09504137	AUSTRALIA AND NZ BANKING GROUP	148,081	3,973,648
G1245Z108	BG GROUP PLC 10P	233,014	3,953,443
Y1660Q104	CLP HOLDINGS LTD HKD 5.0	488,299	3,950,539
796050888	SAMSUNG ELECTERS	6,768	3,945,569
D12096109	BAYERISCHE MOTOREN WERKE AG EUR 1.0	43,750	3,861,774
J44497105	MITSUBISHI UFJ FINANCIAL GROUP NPV	619,657	3,818,266
FCB430671	FORWARD USD/EUR	3,775,058	3,775,058
N0026A102	ASML HOLDING NV EUR 0.09	47,709	3,759,734

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

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
AQUA SECURITIES L.P.	Equity	7,100	142	0.02
AVIAN SECURITIES INC	Equity	200	4	0.02
AVONDALE PARTNERS, LLC	Equity	13,300	512	0.04
B.RILEY AND CO,LLC	Equity	19,910	871	0.04
BAIRD ROBERT W & CO INC	Equity	273,099	10,513	0.04
BARCLAYS CAPITAL INC/LE	Equity	40,542	1,239	0.03
BARCLAYS CAPITAL LE	Equity	859,146	18,956	0.02
BAYPOINT TRADING LLC	Equity	257,115	11,475	0.04
BB&T SECURITIES LLC	Equity	17,869	855	0.05
BLAIR WILLIAM & COMPANY LLC	Equity	404,468	13,507	0.03
BLAYLOCK & CO INC	Equity	7,705	231	0.03
BLOOMBERG TRADEBOOK	Equity	40,902	626	0.02
BMO NESBITT BURNS CORP	Equity	21,715	1,066	0.05
ABEL NOSER CORPORATION	Equity	52,147	423	0.01
ACADEMY SECURITIES INC	Equity	4,640	179	0.04
ADJUSTMENT REORGANIZATION	Equity	4,171	0	0.00
AMERICAN PORTFOLIOS FINANCIAL	Equity	418	17	0.04
BNP PARIBAS SECURITIES CORP	Equity	7,840	314	0.04
BNY BROKERAGE INC	Equity	58,942	1,854	0.03
BNY/MELLON TR OF NEW ENGLAND	Equity	8,800	0	0.00
BOE SECS INC/BROADCORT CAP	Equity	744	27	0.04
BREAN MURRAY CARRET& CO. LLC	Equity	9,520	469	0.05
BROWN BROTHERS HARRIMAN & CO.	Equity	1,600	0	0.00
BUCKINGHAM RESEARCH GROUP INC	Equity	68,260	3,139	0.05
BURKE & QUICK PARTNERS LLC	Equity	820	33	0.04
CABRERA CAPITAL MARKETS	Equity	963,646	21,094	0.02
CANACCORD GENUITY INC	Equity	6,935	306	0.04
CANACCORO ADAMS INC	Equity	500	25	0.05
CANTOR FITZGERALD & CO	Equity	64,969	2,613	0.04
CANTOR FITZGERALD/CASTLEOAK	Equity	17,862	536	0.03
CANTOR FITZGERALD/CLEARING SVC	Equity	86,200	1,161	0.01
CAP INSTL SVCS INC-EQUITIES	Equity	41,200	809	0.02
CARIS AND COMPANY INC.	Equity	10,700	535	0.05
CASH ELECTION	Equity	3,335	0	0.00
CASH MERGER	Equity	453,045	0	0.00
CHEEVERS & CO INC	Equity	811,597	23,378	0.03
CITATION GROUP/BCC CLRG	Equity	293,687	10,975	0.04
CITIGROUP GLOBAL MARKETS INC	Equity	1,529,618	13,497	0.01
CJS SECURITIES INC.	Equity	23,000	826	0.04
DAVIDSON D.A & CO INC NSCC	Equity	75,071	3,442	0.05
DEUTSCHE BANC SECURITIES INC.	Equity	1,287,690	21,481	0.02
DIRECT ACCESS PARTNERS LLC	Equity	15,034	752	0.05
DIVIDEND REINVESTMENT	Equity	8,788	0	0.00
DOUGHERTY COMPANY	Equity	135,935	5,820	0.04
DOWLING & PARTNERS	Equity	36,250	1,812	0.05
DREXEL HAMILTON LLC	Equity	1,480	52	0.04
EVERCORE GROUP LLC	Equity	2,480	97	0.04
EXERCISING WARRANTS	Equity	2,219	0	0.00
FIDELITY CAPITAL MARKETS	Equity	66,200	1,193	0.02
FIG PARTNERS LLC	Equity	1,660	70	0.04
FIRST ANALYSIS SECURITIES CORP	Equity	17,859	893	0.05
FRED, ALBERT & CO LLC	Equity	8,675	298	0.03
FRIEDMAN, BILLINGS & RAMSEY	Equity	50,100	2,056	0.04

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013 Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
GLOBAL HUNTER SECURITIES	Equity	46,128	2,149	0.05
GLOBAL HUNTER SECURITIES, LLC	Equity	3,400	153	0.05
GOLDMAN SACHS AND CO	Equity	3,274,468	15,226	0.00
GOLDMAN SACHS EXECUTION & CL	Equity	101,510	843	0.01
GREEN STREET ADVISORS	Equity	157,511	5,756	0.04
GREENTREE BROKERAGE SERVICES	Equity	2,499	75	0.03
CONVERGEX EXECUTION SOLUTIONS	Equity	801,222	30,146	0.04
COWEN & CO LLC	Equity	86,650	2,848	0.03
CRAIG - HALLUM	Equity	54,089	1,633	0.03
CREDIT AGRICOLE SEC USA	Equity	42,010	1,643	0.04
CREDIT RESEARCH TRADING L.L.C	Equity	24,330	714	0.03
CREDIT SUISSE SECS (USA) LLC	Equity	1,097,734	8,085	0.01
CROWELL WEEDON & CO	Equity	2,790	112	0.04
CUTTONE & CO. INC	Equity	3,700	44	0.01
DAHLMAN ROSE & COMPANY, LLC	Equity	27,660	1,349	0.05
DAVENPORT AND COMPANY LLC	Equity	23,066	1,001	0.04
GUGGENHEIM CAPITAL MARKETS LLC	Equity	68,670	2,579	0.04
GUZMAN & COMPANY	Equity	148,000	2,960	0.02
HEIGHT SECURITIES, LLC	Equity	1,430	50	0.04
HIBERNIA SOUTHCOAST CAPITAL	Equity	95,597	4,425	0.05
HNGTN NATL BK/FBO SC EMP RE SY	Equity	5,000	0	0.00
HOWARD WEIL INCORPORATED	Equity	165	7	0.04
INSTINET CLEARING SER, INC.	Equity	373,476	5,044	0.01
INSTINET, LLC	Equity	118,847	298	0.00
INVESTMENT TECHNOLOGY GROUP	Equity	2,968,407	37,783	0.01
ISI GROUP, INC.	Equity	301,266	12,179	0.04
ISLAND TRADER SECURITIES INC	Equity	309,767	11,404	0.04
ITG INC	Equity	3,800	96	0.03
IVY SECURITIES, INC	Equity	589,339	21,990	0.04
J.P MORGAN SECURITIES INC.	Equity	685,847	21,636	0.03
J.P. MORGAN CLEARING CORP.	Equity	132,371	379	0.00
JANNEY MONTGOMERY SCOTT INC.	Equity	18,880	853	0.05
JEFFERIES LLC	Equity	654,931	25,007	0.04
JMP SECURITIES	Equity	70,135	3,333	0.05
JNK SECURITIES INC	Equity	19,051	953	0.05
JOHNSON RICE & CO	Equity	50,672	2,385	0.05
JONESTRADING INST SVCS LLC	Equity	129,663	4,189	0.03
JPMORGAN CHASE BANK	Equity	1,900	0	0.00
KEEFE BRUYETTE & WOODS INC.	Equity	73,776	3,201	0.04
KEYBANC CAPITAL MARKETS INC.	Equity	153,117	6,507	0.04
KING, CL, & ASSOCIATES	Equity	186,140	8,304	0.04
KNIGHT CLEARING SERVICES LLC	Equity	7,566	71	0.01
KNIGHT EQITY MARKETS L.P.	Equity	268,571	12,238	0.05
LAZARD FRERES & COMPANY	Equity	61,266	2,766	0.05
LEERINK SWANN AND COMPANY	Equity	57,280	2,453	0.04
LIQUIDNET INC	Equity	1,147,361	35,389	0.03
LONGBOW SECURITIES LLC	Equity	35,010	1,579	0.05
LOOP CAPITAL MARKETS	Equity	438,786	14,033	0.03
LYNCH JONES & RYAN INC	Equity	2,808,238	18,772	0.01
M. RAMSEY KING SECURITIES	Equity	30,250	908	0.03
MACQUARIE SECS USA INC	Equity	29,360	1,404	0.05
MERGER	Equity	232,511	0	0.00
MERRILL LYNCH BROADCOURT CAP	Equity	8,740	350	0.04

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
MERRILL LYNCH PIERCE FENNER	Equity	4,813,951	12,717	0.00
MERRILL LYNCH PROFESSIONAL	Equity	137,020	5,397	0.04
MIDWOOD SECURITIES	Equity	3,526	141	0.04
MILLER,TABAK, HIRSCH & CO	Equity	2,360	94	0.04
MISCHLER FINANCIAL GROUP, INC	Equity	32,407	1,198	0.04
MIZUHO SECURITIES USA INC	Equity	18,445	692	0.04
MKM PARTNERS LLC	Equity	188,570	7,018	0.04
MOGAVERO LEE & CO.,INC	Equity	11,030	441	0.04
MONNESS CRESPI HARDT & CO INC	Equity	76,163	3,808	0.05
MONTROSE SECURITIES EQUITIES	Equity	1,390,424	39,561	0.03
MORGAN KEEGAN AND COMPANY INC	Equity	7,850	393	0.05
MORGAN STANLEY & CO LLC	Equity	594,369	16,297	0.03
MR BEAL & COMPANY	Equity	387,216	8,752	0.02
NATL FINANCIAL SERVICES LLC	Equity	659,179	14,905	0.02
NEEDHAM & CO	Equity	98,176	4,064	0.04
NOMURA SECURITIES INTL INC	Equity	1,100	44	0.04
NORTHERN TRUST BROKERAGE INSTN	Equity	9,308	93	0.01
NORTHERN TRUST CO-TRUST	Equity	47,600	0	0.00
NORTHLAND SECURITIES INC.	Equity	67,672	2,127	0.03
OPPENHEIMER AND CO INC	Equity	225,252	9,967	0.04
PACIFIC CREST SECURITIES	Equity	199,470	9,416	0.05
PENSERRA SECURITIES	Equity	274,756	11,163	0.04
PENSON FINANCIL SER INC./RIDGE	Equity	1,000	0	0.00
PERCIVAL FINANCIAL PARTNERS	Equity	22,140	664	0.03
PERSHING LLC	Equity	881,213	3,425	0.00
PICKERING ENERGY PARTNERS INC	Equity	12,180	476	0.04
PIPER JAFFRAY & CO	Equity	282,493	7,939	0.03
PULSE TRADING LLC	Equity	65,982	1,235	0.02
PURCHASE OFFER	Equity	201,557	0	0.00
RAYMOND, JAMES & ASSOC., INC.	Equity	329,883	13,213	0.04
RBC CAPITAL MARKETS LLC	Equity	619,387	17,541	0.03
RIGHTS SUBSCRIPTION	Equity	1,113	0	0.00
ROSENBLATT SECURITIES LLC	Equity	59,560	1,195	0.02
ROTH CAPITAL PARTNERS, LLC	Equity	9,078	363	0.04
SANDLER O'NEILL & PARTNERS LP	Equity	21,240	1,053	0.05
SANFORD C BERNSTEIN & CO.,LLC	Equity	76,049	3,047	0.04
SCOTIA CAITAL (USA) INC.	Equity	247	10	0.04
SG AMERICAS SECURITIES LLC	Equity	469,700	4,651	0.01
SIDOTI & COMPANY, LLC	Equity	70,466	3,051	0.04
SIMMONS & CO	Equity	32,220	1,289	0.04
STATE ST BK AND TR CO	Equity	600	0	0.00
STATE ST GLOBAL MARKETS LLC	Equity	14,430	545	0.04
STATE STREET BANK & TRUST CO.	Equity	375,300	0	0.00
STEPHEN M. FERRETTI INC.	Equity	25,025	751	0.03
STEPHENS, INC.	Equity	107,134	4,409	0.04
STERNE AGEE & LEACH INC	Equity	81,108	3,588	0.04
STIFEL NICHOLAUS & CO, INC	Equity	313,416	12,485	0.04
STOCK ELECTION	Equity	5,062	0	0.00
STRATEGAS SECURITIES LLC	Equity	5,620	281	0.05
STURDIVANT AND CO., INC.	Equity	38,250	1,913	0.05
SUNTRUST CAPITAL MARKETS, INC	Equity	34,646	1,671	0.05
THE BANK OF NEW YORK	Equity	3,000	0	0.00
THE BENCHMARK CO LLC	Equity	2,810	120	0.04

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013 Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
THE WILLIAMS CAPITAL GROUP LP	Equity	346,314	6,634	0.02
TOPEKA CAPITAL MARKETS INC.	Equity	68,679	1,636	0.02
U S BANK N A	Equity	1,400	0	0.00
UBS SECURITIES LLC	Equity	1,044,193	15,237	0.01
WEDBUSH SECURITIES INC	Equity	87,653	4,132	0.05
WEEDEN & CO	Equity	796,675	27,266	0.03
WELLS FARGO SECS LLC	Equity	172,793	6,325	0.04
WESTMINSTER RESEARCH	Equity	31,909	957	0.03
WUNDERLICH SECURITIES INC.	Equity	14,241	712	0.05
ABG SECURITIES, OSLO	International	378	193	0.51
BANCO PACTUAL SA, RIO DE JANEIRO	International	19	2	0.11
BANCO SANTANDER CENTRAL HISP.	International	1,520	45	0.03
BANK VONTOBEL AG, ZURICH	International	14,667	2,119	0.14
BARCLAYS CAPITAL INC LE	International	108,199	1,897	0.02
BARCLAYS CAPITAL SECS LONDON	International	707,239	16,910	0.02
BERENBERG BANK, HAMBURG	International	5,461	480	0.09
BLAIR WILLIAM and COMPANY LLC	International	1,965	57	0.03
BLOOMBERG TRADEBOOK LLC	International	4,883	61	0.01
BNP PARIBAS PEREGRINE SECS HK	International	10,744	1,216	0.11
BNP PARIBAS SECS SERVICES, LDN	International	445,335	3,745	0.01
BNP PARIBAS SECURITIES SVCS	International	532	29	0.05
BNY CONVERGEX EXEC SOLUTION	International	763	6	0.01
BROCKHOUSE AND COOPER MONT.	International	29,022	520	0.02
BTIG LLC	International	15,067	566	0.04
CABRERA CAPITAL MARKETS LLC	International	39,552	333	0.01
CANADIAN DEPOSITORY FOR SEC T.	International	4,325	173	0.04
CANTOR FITZGERALD MIS BROKERS	International	35	1	0.02
CIBC WORLD MARKETS - TORONTO	International	12,647	506	0.04
CIBC WORLD MARKETS INC	International	6,081	243	0.04
CICC US SECURITIES INC	International	16,053	1,381	0.09
CITIBANK NA, LONDON	International	1,725	186	0.11
CITIC CAPITAL SECURITIES LTD HK	International	2,763	304	0.11
CITIGROUP GLOBAL MARKETS INC	International	285,527	12,582	0.04
CITIGROUP GLOBAL MARKETS KO.	International	1	551	918.87
CITIGROUP GLOBAL MARKETS LTD,	International	901,370	10,604	0.01
CITIGROUP GLOBAL MARKETS UK EQ	International	1,089,814	4,396	0.00
CLEARSTREAM BANKING SA, LUXE	International	547,960	351	0.00
CLSA AUSTRALIA PTY LTD	International	158,163	1,352	0.01
CLSA LTD, HONG KONG	International	44,455	706	0.02
CLSA SECURITIES KOREA	International	1	650	560.00
CLSA SECURITIES MALAYSIA SDN.	International	105,359	2,228	0.02
CLSA SINGAPORE PTE LTD	International	2,455	3,572	1.45
CONCORDIA SA CVMCC	International	55	5	0.09
CREDIT AGRICOLE	International	118	1	0.01
CREDIT AGRICOLE CHEUVREUX	International	369,938	5,920	0.02
CREDIT AGRICOLE INDOSUEZ LN	International	31,832	184	0.01
CREDIT AGRICOLE INDOSUEZ, MADRID	International	47	2	0.05
CREDIT AGRICOLE SEC USA INC	International	89,082	1,847	0.02
CREDIT AGRICOLE SECURITIES USA	International	1,066,162	10,740	0.01
CREDIT SUIS FST BOSTON (EUR), SEOUL	International	4	2,847	642.58
CREDIT SUISSE 1ST BOSTON CORP,NY	International	216,178	3,843	0.02

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
CREDIT SUISSE FIRST BOSTON	International	933,035	12,830	0.01
CREDIT SUISSE FIRST BOSTON HK	International	4,240	1,370	0.32
CREDIT SUISSE FIRST BOSTON, LDN	International	262,201	6,765	0.03
CS FIRST BOSTON INDIA SEC PTE LTD	International	900	156	0.17
CSFB (EUROPE) LTD, LONDON	International	7	128	18.71
DAIWA SECURITIES AMERICA	International	3,895	3,466	0.89
DAIWA SECURITIES SMBC HK LTD	International	55,884	1,783	0.03
DANSKE BANK AS COPENHAGEN	International	2,732	307	0.11
DAVY STOCKBROKERS, DUBLIN	International	70,377	690	0.01
DBS VICKERS (HONG KONG) LIMITED	International	67,659	2,551	0.04
DBS VICKERS SECURITIES (S) PTE LTD	International	61,574	2,335	0.04
DEUTSCHE BANC SECURITIES INC	International	11,312	452	0.04
DEUTSCHE BANK AG	International	111	14	0.12
DEUTSCHE BANK AG, LONDON	International	508,625	4,937	0.01
DEUTSCHE BANK SECURITIES INC	International	469,510	8,144	0.02
DEUTSCHE EQUITIES INDIA PRIVATE LIM	International	568	462	0.81
DSP MERRILL LYNCH LTD	International	63	58	0.93
EXANE PARIS	International	461,436	6,487	0.01
EXECUTION (HONG KONG) LIMITED	International	61,956	788	0.01
EXECUTION LIMITED	International	104,045	1,334	0.01
GOLDMAN SACHS (ASIA) L.L.C. SEOUL	International	0	809	3519.26
GOLDMAN SACHS AND CO	International	71,128	2,453	0.03
GOLDMAN SACHS CO CUST ISCC PO, NY	International	78,497	2,713	0.03
GOLDMAN SACHS CO, NY	International	771,604	16,462	0.02
GOLDMAN SACHS EXECUTION AND CL	International	19,541	293	0.02
GOLDMAN SACHS INTL LONDON	International	361,062	3,435	0.01
GOODBODY STOCKBROKERS DUBLIN	International	58,951	479	0.01
GOODMORNING SHINHAN SECS SEOUL	International	0	87	665.69
G-TRADE SERVICES LTD	International	362,870	4,631	0.01
HSBC BANK PLC (JC HIB SETTLEMENT)	International	43,897	1,311	0.03
HSBC BROKERAGE USA	International	4,802	192	0.04
HSBC SEC INC NY USA	International	19	2	0.12
HSBC SECS BROKERS(ASIA) LTD	International	18,137	457	0.03
HSBC SECURITIES USA INC	International	13,383	144	0.01
INSTINET AUSTRALIA CLEARING SERV	International	9,363	54	0.01
INSTINET CLEARING SERVICES INC	International	16,776	336	0.02
INSTINTET CLEARING LIMITED LONDON	International	110,471	6,031	0.05
INSTINET PACIFIC LTD	International	56,732	906	0.02
INSTINET SINGAPORE SERVICES PTE.	International	197,965	1,574	0.01
INSTINET US EUROPE	International	442	89	0.20
INVESTEC SECURITIES, LONDON (331)	International	161,666	1,531	0.01
INVESTMENT TECHN GROUP, DUBLIN	International	360,364	2,942	0.01
ITG AUSTRALIA LIMITED	International	9,567	16	0.00
ITG CANADA CORP, TORONTO	International	42,374	530	0.01
ITG HOENIG LIMITED, HONG KONG	International	1,656	9	0.01
ITG INC	International	33,973	340	0.01
IXIS SECURITIES	International	1,987	358	0.18
J.P. MORGAN CLEARING CORP.	International	383,080	3,454	0.01
J.P.MORGAN SECURITIES (FAR EAST) LT	International	4	2,586	675.10
JEFFERIES AND COMPANIES INC JERSEY	International	34,273	4,552	0.13

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For Fiscal Year Ended June 30, 2013 Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
JEFFERIES LLC	International	16,423	657	0.04
JEFFRIES INTERNATIONAL LTD LONDON	International	188,201	1,674	0.01
JP MORGAN INDIA PRIVATE LTD, MUMBAI	International	3,074	1,650	0.54
JP MORGAN SECS AUST LTD PID 2972	International	41,433	542	0.01
JP MORGAN SECS INC NEW YORK	International	53,094	222	0.00
JP MORGAN SECS LTD LONDON	International	720,852	12,583	0.02
JP MORGAN SECURITIES (TAIWAN) LTD	International	128	27	0.21
JP Morgan Securities Inc	International	70,027	1,665	0.02
JPMORGAN SECURIT (ASIA PACIFIC), HK	International	256,447	11,399	0.04
KEMPEN AND CO NV AMSTERDAM	International	6,164	547	0.09
KEPLER EQUITIES, PARIS	International	68,862	2,368	0.03
KEYBANC CAPITAL MARKETS INC	International	225	9	0.04
KNIGHT CLEARING SERVICES LLC	International	4,484	84	0.02
KOTAK SECURITIES MUMBAI	International	331	300	0.90
LIQUIDNET ASIA LIMITED	International	4,835	202	0.04
LOOP CAPITAL MARKETS LLC	International	59,632	435	0.01
M RAMSEY KING SECURITIES, INC	International	75,608	2,912	0.04
MACQUARIE BANK LIMITED	International	433,575	12,026	0.03
MACQUARIE CAPITAL USA INC	International	141,599	1,950	0.01
MACQUARIE CAPITAL USA INC	International	71	2	0.03
MACQUARIE EQUITIES LTD SYDNEY	International	184,318	2,845	0.02
MACQUARIE SECURITIES LTD, HK	International	54,622	1,622	0.03
MACQUARIE SECURITIES NEW ZEALAND	International	98,977	385	0.00
MACQUARIE SECURITIES, MUMBAI	International	1,221	992	0.81
MAINFIRST BANK AG	International	22,773	1,763	0.08
MERRILL LYNCH AND CO INC NEW YORK	International	187	22	0.12
MERRILL LYNCH INTERNATIONAL	International	47,824	2,050	0.04
MERRILL LYNCH INTERNATIONAL LTD,	International	802	158	0.20
MERRILL LYNCH INTERNATIONAL LTD,	International	1,445	414	0.29
MERRILL LYNCH INTL LTD EQUIT SETTL	International	1,702,798	17,308	0.01
MERRILL LYNCH PIERCE FENNER Smith I	International	35,034	1,022	0.03
MERRILL LYNCH,PIERCE, FENNER, SMITH	International	46,040	3,801	0.08
MITSUBISHI UFJ SECURITIES (USA) IN	International	322	726	2.26
MIZUHO SECURITIES USA INC, NY	International	9,064	9,332	1.03
MORGAN STANLEY	International	102,738	2,074	0.02
MORGAN STANLEY AND CO LLC	International	60,900	2,274	0.04
MORGAN STANLEY CO INC NEW YORK	International	1,239,362	22,026	0.02
MORGAN STANLEY SECURITIES, LONDON	International	56,145	553	0.01
National Financial Services LLC	International	10,740	430	0.04
NMAS1 EQUITIES SV SA	International	1,760	34	0.02
NOMURA FINANCIAL ADVISORY AND SEC.	International	284	255	0.90
NOMURA INTERNATIONAL PLC LONDON	International	31,355	743	0.02
NOMURA SECURITIES INTL INC NY	International	75,314	8,237	0.11
ODDO ET CIE, PARIS	International	2,988	259	0.09
OPPENHEIMER AND CO INC	International	3,004	120	0.04
PERSHING LLC	International	885,322	8,722	0.01
PERSHING SECURITIES LONDON	International	82,967	5,905	0.07
RABO SECURITIES NV, AMSTERDAM, NL	International	2,129	49	0.02
RAYMOND JAMES and ASSOC INC	International	2,549	102	0.04

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
RBC CAPITAL MARKETS CORP	International	13,356	534	0.04
RBC DOMINION SECURITIES TORONTO	International	20,072	622	0.03
REDBURN PARTNERS LLP	International	77,805	1,034	0.01
ROYAL BANK OF CANADA EUROPE LTD	International	67,285	1,379	0.02
SANFORD C BERNSTEIN AND CO INC	International	2,990	108	0.04
SANFORD C. BERNSTEIN LONDON	International	792,370	9,383	0.01
SANTANDER CENTRAL HISPANO BOLSA	International	2,210,035	1,472	0.00
SG ASIA SECURITIES (INDIA) PVT LTD	International	4,802	1,194	0.25
SG SECURITIES (HK) LIMITED	International	261	347	1.33
SKANDINAVISKA ENSKILDA BANKEN	International	3,217	570	0.18
SMBC NIKKO SECURITIES HONG KONG LI	International	108	124	1.15
SOCIETE GENERALE LONDON BRANCH,	International	141,369	1,734	0.01
SOCIETE GENERALE PARIS, ZURICH	International	2,452	384	0.16
STIFEL NICHOLAUS + CO, INC	International	1,645	66	0.04
SVENSKA HANDELSBANKEN NEW YORK	International	114,760	1,897	0.02
SVENSKA HANDELSBANKEN, ST	International	763	670	0.88
THE BANK OF NEW YORK	International	2,624	-	0.00
TORONTO DOMINION SECURITIES	International	26,109	1,044	0.04
U S BANCORP PIPER JAFFRAY INC	International	842	34	0.04
U S CLEARING CORPORATION	International	689	28	0.04
UBS (APOLLO NOMINEES)	International	4,822	86	0.02
UBS AG	International	901	10	0.01
UBS AG LONDON EQUITIES	International	533,306	8,813	0.02
UBS SECURITIES ASIA LTD	International	553,314	12,959	0.02
UBS SECURITIES AUSTRALIA LTD	International	12,480	28	0.00
UBS SECURITIES LLC	International	10,224	371	0.04
UBS SECURITIES LTD, SEOUL BRANCH	International	0	30	168.39
UBS SECURITIES SINGAPORE PTE.	International	26	5	0.18
WEEDEN AND CO NEW YORK	International	24,805	337	0.01
WOORI INVESTMENT+SECURITIES CO	International	1	1,592	3120.82
XP INVESTIMENTOS CCTVM SA	International	186	7	0.04
AGORA COR DE TITUL E VAL MOB	EAFE	15,459	315	n/a
BARCLAYS CAPITAL SECS Ln	EAFE	151,969	356	0.02
BERENBERG BANK, HAMBURG	EAFE	25,072	182	0.00
BNP PARIBAS EQUITIES	EAFE	5,603	20	0.01
BNP PARIBAS PEREGRINE SECS H	EAFE	2,385	337	0.00
BNY CONVERGEX EXEC SOLUTION	EAFE	18,160	91	0.14
CANTOR FITZGERALD EUROPE	EAFE	33,894	53	0.00
CARNEGIE AS OSLO	EAFE	4,079	53	0.00
CARNEGIE BANK A S COPENHAGEN	EAFE	162	6	0.01
CIMB SECURITIES HK LTD	EAFE	10,834	84	0.04
CITIGROUP GLOBAL MARKETS INC	EAFE	253,062	801	0.01
CITIGROUP GLOBAL MARKETS K	EAFE	11	216	0.00
CITIGROUP GLOBAL MARKETS	EAFE	392,345	1,728	19.08
CITIGROUP GLOBAL MARKETS UK	EAFE	35,798	81	0.00
CLSA AUSTRALIA PTY LTD	EAFE	19,540	102	0.00
CLSA LTD, HONG KONG	EAFE	28,460	212	0.01
CLSA SINGAPORE PTE LTD	EAFE	36,913	47	0.01
CREDIT AGRICOLE CHEUVREUX	EAFE	19,697	80	0.00
CREDIT SUIS FST BOSTON (EUR),	EAFE	0	46	0.00
				307.13

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013 Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
CREDIT SUISSE 1ST BOSTON CORP,	EAFE	129,603	992	0.01
CREDIT SUISSE FIRST BOSTON	EAFE	34,211	209	0.01
CREDIT SUISSE FIRST BOSTON, LDN	EAFE	92	105	1.14
CSFB AUSTRALIA SECURITIES LTD,	EAFE	39,612	308	0.01
D. CARNEGIE AB FINLAND BR,H	EAFE	18,964	236	0.01
DAEWOO SECURITIES CO., LTD.	EAFE	1	60	53.22
DAIWA SECURITIES AMERICA	EAFE	1,352	54	0.04
DAIWA SECURITIES SMBC HK LTD	EAFE	15,503	1,242	0.08
DANSKE BANK AS COPENHAGEN	EAFE	85	9	0.11
DAVY STOCKBROKERS, DUBLIN	EAFE	24,970	146	0.01
DEUTSCHE BANK AG, LONDON	EAFE	6,457	805	0.12
DEUTSCHE BANK SECURITIES INC	EAFE	305,730	3,080	0.01
DEUTSCHE SECURITIES ASIA LTD,	EAFE	14,889	165	0.01
DEUTSCHE SECURITIES AUST LTD,	EAFE	296,555	687	0.00
DEUTSCHE SECURITIES KOREA CO,	EAFE	13	348	26.52
DNB NOR BANK ASA, OSLO	EAFE	122	7	0.06
EUROZ SECURITIES LIMITED, AUST	EAFE	27,106	125	0.00
EXANE PARIS	EAFE	63,949	461	0.01
FOKUS BK A S, TRONDHEIM	EAFE	1,652	28	0.02
GOLDMAN SACHS AND CO	EAFE	17,593	150	0.01
GOLDMAN SACHS CO, NY	EAFE	422,818	1,351	0.00
GOLDMAN SACHS INTL LONDON	EAFE	162,652	945	0.01
Goldman Sachs Securities (Nomine)	EAFE	7,096	55	0.01
HSBC BANK PLC (ALL U.K. OFFICES)	EAFE	3,281	24	0.01
HSBC BANK PLC (JC HIB SETTLEMENT)	EAFE	2,246	94	0.04
HSBC LTD SEOUL SECURITIES BR	EAFE	0	7	18.94
ICHIYOSHI SECURITIES CO LTD TOKYO	EAFE	3	73	28.08
INSTINET CLEARING SERVICES INC	EAFE	14,457	105	0.01
Instinet Europe Limited Londo	EAFE	3,787	276	0.07
INSTINET US EUROPE	EAFE	50	20	0.40
INVESTEC SECURITIES, LONDON (331)	EAFE	18,009	175	0.01
INVESTMENT TECHN GROUP, DUBLIN	EAFE	12,215	82	0.01
ITG HOENIG LIMITED, HONG KONG	EAFE	87,377	196	0.00
IXIS SECURITIES	EAFE	16,158	102	0.01
J.P. MORGAN CLEARING CORP.	EAFE	1,831	20	0.01
J.P.MORGAN SECURITIES (FAR EAST)	EAFE	26	164	6.41
JP MORGAN SECS AUST LTD PID 2972	EAFE	45,925	163	0.00
JP MORGAN SECS INC NEW YORK	EAFE	42,327	628	0.01
JP MORGAN SECS LTD LONDON	EAFE	590,131	1,733	0.00
JP MORGAN SECURITIES (TAIWAN)	EAFE	4,991	52	0.01
JP Morgan Securities Inc	EAFE	24,995	101	0.00
JPMORGAN SECURIT (ASIA PACIFIC),	EAFE	2,281	510	0.22
KAS ASSOCIATIE AMSTERDAM	EAFE	328	37	0.11
LIQUIDNET ASIA LIMITED	EAFE	5,454	20	0.00
MACQUARIE BANK LIMITED	EAFE	71,224	206	0.00
MACQUARIE BANK LIMITED SYDNEY	EAFE	18,218	62	0.00
MACQUARIE EQUITIES LTD SYDNEY	EAFE	32,571	212	0.01
MACQUARIE SECURITIES LTD - SEOUL	EAFE	9	176	18.72
MERRILL LYNCH CO INC (AGS), NY	EAFE	15,838	118	0.01
MERRILL LYNCH INTL LTD EQUIT	EAFE	25,654	189	0.01
MERRILL LYNCH PIERCE FENNER Smith	EAFE	2,384	26	0.01

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
MERRILL LYNCH,PIERCE, FENNER, SMI	EAFE	1,906	105	0.06
MITSUBISHI UFJ SECURITIES (USA) IN	EAFE	56	116	2.06
MIZUHO SECURITIES USA INC, NY	EAFE	501	1,189	2.37
MORGAN STANLEY	EAFE	59,147	507	0.01
MORGAN STANLEY AND CO INTL, SEO	EAFE	0	22	145.33
MORGAN STANLEY AND CO LLC	EAFE	7,991	20	0.00
MORGAN STANLEY CO INC NEW YORK	EAFE	659,297	1,469	0.00
MORGAN STANLEY CO INTL LTD TAIP	EAFE	3,472	37	0.01
MORGAN STANLEY SECURITIES, LON	EAFE	85,530	73	0.00
NOMURA FINANCIAL AND INVEST.	EAFE	4	121	31.53
NOMURA SECURITIES INTL INC NY	EAFE	14	44	3.13
NORDEA BANK DENMARK A S	EAFE	6,593	49	0.01
PANMURE GORDON AND CO. LIMITED	EAFE	3,235	57	0.02
PERSHING SECURITIES LONDON	EAFE	103,445	253	0.00
SAMSUNG SECURITIES CO LTD	EAFE	3	73	22.72
SG AMERICAS SECURITIES LLC	EAFE	4,695	12	0.00
SG COWEN SECURITIES CORP, NY	EAFE	27,126	159	0.01
SG SECURITIES (HK) LIMITED	EAFE	80,541	1,110	0.01
SOCIETE GENERALE LONDON BRANCH,	EAFE	25,351	792	0.03
STANDARD BANK LONDON LTD	EAFE	3,621	246	0.07
SVENSKA HANDELSBANKEN LONDON	EAFE	8,575	251	0.03
UBS AG LONDON EQUITIES	EAFE	289,045	1,066	0.00
UBS SECURITIES ASIA LTD	EAFE	160	116	0.72
UBS SECURITIES AUSTRALIA LTD	EAFE	508	3	0.01
YUANTA SECURITIES (HONG KONG)	EAFE	6,779	12	0.00
ADP COSI/SANTANDER	Emerging Mkts	16,916	677	0.04
AGORA COR DE TITUL E VAL MOB	Emerging Mkts	280,951	6,210	0.02
AS LHV PANK	Emerging Mkts	20,423	87	0.00
BANCO PACTUAL SA, RIO DE JANEIRO	Emerging Mkts	46,076	2,082	0.05
BANCO SANTANDER CENTRAL HISPANO.	Emerging Mkts	169,840	3,733	0.02
BARCLAYS BANK PLC, NY	Emerging Mkts	318,811	7,223	0.02
BARCLAYS CAPITAL SECS LONDON	Emerging Mkts	191,676	668	0.00
BNP PAR SECURITIES SERV, FKFT	Emerging Mkts	4,587	4	0.00
BNP PARIBAS PEREGRINE SECS HK	Emerging Mkts	156,406	8,611	0.06
BNY CONVERGEX EXEC SOLUTION	Emerging Mkts	84,102	421	0.01
BROCKHOUSE AND COOPER MONTREAL C.	Emerging Mkts	2,405	1,409	0.59
CANTOR FITZGERALD EUROPE	Emerging Mkts	42,239	60	0.00
CAPITAL MARKETS BROKERS LIMITED	Emerging Mkts	699	148	0.21
CASABLANCA FINANCE MARKETS	Emerging Mkts	1,195	573	0.48
CELFIN S.A., SANTIAGO	Emerging Mkts	2	29	12.05
CHINA INTL CAP CORP HK SEC LTD	Emerging Mkts	592,557	10,922	0.02
CHINA INTL CAP CORP LIMITED	Emerging Mkts	2,899	18	0.01
CITIBANK N.A. NAIROBI	Emerging Mkts	32	190	5.89
CITIGROUP GLOBAL MARKETS INC	Emerging Mkts	376,719	2,666	0.01
CITIGROUP GLOBAL MARKETS INDIA PRV	Emerging Mkts	3,237	325	0.10
CITIGROUP GLOBAL MARKETS LTD, LDN	Emerging Mkts	71,205	649	0.01
CLSA LTD, HONG KONG	Emerging Mkts	26,004	208	0.01
CLSA SECURITIES KOREA	Emerging Mkts	2	847	553.61
CLSA SINGAPORE PTE LTD	Emerging Mkts	11,269	9,174	0.81

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
CREDIT AGRICOLE CHEUVREUX	Emerging Mkts	18,192	283	0.02
CREDIT AGRICOLE SEC USA INC	Emerging Mkts	11,314	453	0.04
CREDIT LYON SECS ASIA LTD, TAIPEI	Emerging Mkts	51,675	3,868	0.07
CREDIT LYONNAIS SECURITIES INDIA	Emerging Mkts	2,806	5,801	2.07
CREDIT SUIS FST BOSTON (EUR), SEOUL	Emerging Mkts	3	22	7.65
CREDIT SUISSE 1ST BOSTON CORP,NY	Emerging Mkts	610,755	5,626	0.01
CREDIT SUISSE FIRST BOSTON	Emerging Mkts	30,523	3,318	0.11
CREDIT SUISSE FIRST BOSTON HK	Emerging Mkts	102,198	733	0.01
CREDIT SUISSE FIRST BOSTON, LDN	Emerging Mkts	60,344	1,170	0.02
CREDIT SUISSE FIRST BOSTON, TAIPEI	Emerging Mkts	27,064	1,236	0.05
CREDIT SUISSE SECS (MALAYSIA)	Emerging Mkts	71,216	136	0.00
CS FIRST BOSTON INDIA SEC PTE LTD	Emerging Mkts	5,795	1,492	0.26
CSFB (EUROPE) LTD, LONDON	Emerging Mkts	153	1,378	9.04
DAIWA SECURITIES SMBC HK LTD	Emerging Mkts	3,639	417	0.11
DAVY STOCKBROKERS, DUBLIN	Emerging Mkts	123,306	769	0.01
DBTC AMERICAS DEUTSCHE BANK AG LDN	Emerging Mkts	48,769	1,703	0.03
DEUTSCHE BANC SECURITIES INC	Emerging Mkts	26,212	368	0.01
DEUTSCHE BANK AG, LONDON	Emerging Mkts	23,815	2,655	0.11
DEUTSCHE BANK SECURITIES INC	Emerging Mkts	320,657	4,189	0.01
DEUTSCHE EQUITIES INDIA PRIVATE LIM	Emerging Mkts	3,614	10,094	2.79
DEUTSCHE SECURITIES ASIA LTD, HK	Emerging Mkts	146,983	1,169	0.01
DEUTSCHE SECURITIES KOREA CO, SEOUL	Emerging Mkts	8	1,978	254.19
DSP MERRILL LYNCH LTD	Emerging Mkts	11,229	3,494	0.31
GOLDMAN SACHS AND CO	Emerging Mkts	166,621	1,107	0.01
GOLDMAN SACHS CO CUST ISCC PO, NY	Emerging Mkts	155,191	3,163	0.02
GOLDMAN SACHS CO, NY	Emerging Mkts	454,558	4,780	0.01
GOLDMAN SACHS EXECUTION AND CLEAR	Emerging Mkts	59,880	251	0.00
GOLDMAN SACHS INTL LONDON	Emerging Mkts	3,954	342	0.09
G-TRADE SERVICES LTD	Emerging Mkts	316,347	6,891	0.02
HSBC BANK BRASIL, SAO PAULO	Emerging Mkts	64,184	1,226	0.02
HSBC BANK PLC (JC HIB SETTLEMENT)	Emerging Mkts	5,651,975	37,467	0.01
HSBC BROKERAGE USA	Emerging Mkts	51,771	340	0.01
HSBC LTD SEOUL SECURITIES BRANCH	Emerging Mkts	62	1,398	22.68
HSBC LTD,HGKH (ALL HK OFFICES + HO)	Emerging Mkts	20,000	53	0.00
HSBC MEXICO S A INSTITUCION	Emerging Mkts	1,889	121	0.06
HSBC SEC INC NY USA	Emerging Mkts	108,422	2,652	0.02
HSBC SECS BROKERS(ASIA) LTD	Emerging Mkts	835,101	2,760	0.00
HSBC SECURITIES ASIA LTD, TAIPEI	Emerging Mkts	14,839	741	0.05
HSBC SECURITIES INDIA HLDGS, MUMBAI	Emerging Mkts	1,067	641	0.60
HSBC SECURITIES USA INC	Emerging Mkts	54,820	4,342	0.08
ING BANK NV LONDON	Emerging Mkts	3,601	55	0.02
INSTINET CLEARING SERVICES INC	Emerging Mkts	318,804	4,342	0.01
Instinet Europe Limited Londo	Emerging Mkts	138,801	1,549	0.01
INSTINET EUROPE LIMITED LONDON	Emerging Mkts	1,270	14	0.01
INSTINET EUROPE LTD	Emerging Mkts	17,741	84	0.00
INSTINET PACIFIC LTD	Emerging Mkts	475,227	1,573	0.00
INTERACCIONES CASA DE BOLSA MEXICO	Emerging Mkts	2,595	98	0.04
INVESTMENT TECHN GROUP, DUBLIN	Emerging Mkts	185,031	2,237	0.01
ITG CANADA CORP, TORONTO	Emerging Mkts	482	2	0.00
ITG HOENIG LIMITED, HONG KONG	Emerging Mkts	526,370	3,263	0.01

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Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
ITG INC	Emerging Mkts	52,558	325	0.01
J.P. MORGAN CLEARING CORP.	Emerging Mkts	210,570	506	0.00
J.P. MORGAN SECURITES SINGAP PV LTD	Emerging Mkts	12,696	172	0.01
J.P.MORGAN SECURITIES (FAR EAST) LT	Emerging Mkts	38	82	2.15
JEFFERIES AND COMPANIES INC JERSEY	Emerging Mkts	45,478	749	0.02
JEFFERIES LLC	Emerging Mkts	224,349	1,560	0.01
JEFFRIES INTERNATIONAL LTD LONDON	Emerging Mkts	156,888	2,559	0.02
JP MORGAN CHASE BANK	Emerging Mkts	116,330	3,789	0.03
JP MORGAN SECS INC NEW YORK	Emerging Mkts	43,179	2,433	0.06
JP MORGAN SECS LTD LONDON	Emerging Mkts	8,571	106	0.01
JP MORGAN SECURITIES (TAIWAN) LTD	Emerging Mkts	35,185	395	0.01
JP Morgan Securities Inc	Emerging Mkts	278,311	2,444	0.01
JPMORGAN CHASE BANK NA	Emerging Mkts	1,773	318	0.18
JPMORGAN SECURIT (ASIA PACIFIC), HK	Emerging Mkts	196,583	374	0.00
KB SECURITIES N.V. ANTWERPEN	Emerging Mkts	478	52	0.11
KESTREL CAPITAL LTD NAIROBI	Emerging Mkts	18,946	2,843	0.15
KIM ENG SECS PTE LTD SINGAPORE	Emerging Mkts	24,640	478	0.02
KINGSWAY FINANCIAL SERVICES GP LTD	Emerging Mkts	34,040	120	0.00
KOTAK SECURITIES MUMBAI	Emerging Mkts	1,945	3,414	1.76
LARRAIN VIAL, SANTIAGO	Emerging Mkts	268	553	2.07
LIQUIDNET ASIA LIMITED	Emerging Mkts	38,158	229	0.01
MACQUARIE BANK LIMITED	Emerging Mkts	259,746	3,034	0.01
MACQUARIE CAPITAL USA INC	Emerging Mkts	33,975	124	0.00
MACQUARIE SECS (SINGAPORE) PTE LTD	Emerging Mkts	782	121	0.15
MACQUARIE SECURITIES LTD - SEOUL	Emerging Mkts	25	1,417	56.86
MACQUARIE SECURITIES LTD, HONG KONG	Emerging Mkts	614,926	4,547	0.01
MACQUARIE SECURITIES, MUMBAI	Emerging Mkts	5,471	9,418	1.72
MERRILL LYNCH AND CO INC NEW YORK	Emerging Mkts	68,358	1,003	0.01
MERRILL LYNCH CO INC (AGS), NY	Emerging Mkts	86,448	2,586	0.03
MERRILL LYNCH INTERNATIONAL	Emerging Mkts	6	29	5.15
MERRILL LYNCH INTL LTD EQUIT SETTL	Emerging Mkts	1,801,706	9,226	0.01
MERRILL LYNCH PIERCE FENNER Smith I	Emerging Mkts	146,865	2,165	0.01
MERRILL LYNCH,PIERCE, FENNER, SMITH	Emerging Mkts	141,042	2,387	0.02
MIRAE ASSET SECURITIES	Emerging Mkts	10	1,469	146.85
MORGAN STANLEY	Emerging Mkts	44,154	4,125	0.09
MORGAN STANLEY AND CO INTL LTD,LDN	Emerging Mkts	10,719	762	0.07
MORGAN STANLEY AND CO INTL, SEOUL	Emerging Mkts	27	3,767	141.61
MORGAN STANLEY AND CO LLC	Emerging Mkts	412,381	2,575	0.01
MORGAN STANLEY CO INC NEW YORK	Emerging Mkts	2,329,467	25,517	0.01
MORGAN STANLEY CO INTL LTD TAIPEI	Emerging Mkts	70,468	4,592	0.07
MORGAN STANLEY INDIA COMPANY PVT	Emerging Mkts	50	59	1.18
MORGAN STANLEY SECURITIES, LONDON	Emerging Mkts	1,252	2	0.00
NESBITT BURNS INC TORONTO	Emerging Mkts	103,638	1,852	0.02
NOMURA FINANCIAL ADVISORY AND S.	Emerging Mkts	10,601	2,543	0.24
NOMURA FINANCIAL AND INVESTMENT K.	Emerging Mkts	27	890	32.55
NOMURA INTERNATIONAL LTD TAIPEI	Emerging Mkts	84,487	479	0.01
NOMURA INTERNATIONAL PLC LONDON	Emerging Mkts	30,805	124	0.00
NOMURA SECURITIES INTL INC	Emerging Mkts	225,572	1,302	0.01

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
NOMURA SECURITIES INTL INC NY	Emerging Mkts	111,444	1,600	0.01
PERSHING LLC	Emerging Mkts	67,598	742	0.01
RBC DOMINION SECURITIES TORONTO	Emerging Mkts	73,263	2,512	0.03
RESULT OF RIGHTS SALE	Emerging Mkts	58,078	108	0.00
ROYAL BANK OF CANADA EUROPE LTD,	Emerging Mkts	466,356	155	0.00
SAMSUNG SECURITIES CO LTD SEOUL	Emerging Mkts	64	3,497	54.32
SANFORD C BERNSTEIN AND CO LLC	Emerging Mkts	286,494	549	0.00
SG AMERICAS SECURITIES LLC	Emerging Mkts	30,152	401	0.01
SG ASIA SECURITIES (INDIA) PVT LTD	Emerging Mkts	3,129	540	0.17
SG COWEN SECURITIES CORP, NEW YORK	Emerging Mkts	82,367	1,373	0.02
SG SECURITIES (HK) LIMITED	Emerging Mkts	352,519	5,005	0.01
SG SECURITIES (LONDON) LTD, TAIPEI	Emerging Mkts	21,611	301	0.01
SHENYIN AND WANGUO SECS CO LTD	Emerging Mkts	3,141	65	0.02
SOCIETE GENERALE LONDON BRANCH,	Emerging Mkts	128,153	1,497	0.01
STOCKBROKERS BOTSWANA LTD, GAB.	Emerging Mkts	14,131	710	0.05
TAIWAN DEPOSITORY AND CLEARING C.	Emerging Mkts	31,819	3,311	0.10
TERA MENKUL DEGERLER A.S.	Emerging Mkts	112,052	553	0.00
TROIKA DIALOG (UK) LIMITED	Emerging Mkts	702	126	0.18
TUNISIE VALEURS, TUNIS	Emerging Mkts	39,570	1,765	0.04
UBS AG	Emerging Mkts	116,642	981	0.01
UBS AG LONDON EQUITIES	Emerging Mkts	1,214,517	15,520	0.01
UBS SECURITIES ASIA LTD	Emerging Mkts	302,526	3,371	0.01
UBS SECURITIES CANADA INC	Emerging Mkts	63,475	194	0.00
UBS SECURITIES INDIA PVT	Emerging Mkts	1,457	767	0.53
UBS SECURITIES LLC	Emerging Mkts	204,901	1,604	0.01
UBS SECURITIES LTD, SEOUL BRANCH	Emerging Mkts	0	51	195.42
UBS SECURITIES SINGAPORE PTE. LTD	Emerging Mkts	16,508	701	0.04
WINTERFLOOD SECURITIES LTD	Emerging Mkts	35,164	58	0.00
BARCLAYS CAPITAL INC FIXED	Fixed Income	4,700,000	-	0.00
BARCLAYS CAPITAL INC/LE	Fixed Income	3,623,735	485	0.00
BARCLAYS CAPITAL LE	Fixed Income	8,932,113	-	0.00
BLAIR WILLIAM & COMPANY LLC	Fixed Income	37,000	-	0.00
BMOCM/BONDS	Fixed Income	225,000	-	0.00
BNP PARIBAS SEC CORP/BOND	Fixed Income	75,000	-	0.00
BNP PARIBAS SEC CORP/BONDS	Fixed Income	170,000	-	0.00
BNP PARIBAS SECURITIES CORP	Fixed Income	1,081,450	-	0.00
BNP SECURITIES (U.S.A.) INC	Fixed Income	1,522,000	-	0.00
BNY/SUNTRUST CAPITAL MARKETS	Fixed Income	1,755,000	-	0.00
BTIG LLC	Fixed Income	66,000	-	0.00
CANTOR FITZGERALD & CO.	Fixed Income	752,000	-	0.00
CIBC WORLD MARKETS CORP	Fixed Income	75,000	-	0.00
CITIGROUP GLOBAL MARKETS INC	Fixed Income	18,083,253	376	0.00
CITIGROUP GLOBAL MKTS/SALOMON	Fixed Income	4,830,000	-	0.00
CONVERSION	Fixed Income	100,000	-	0.00
CREDIT SUISSE SECS (USA) LLC	Fixed Income	13,462,830	11	0.00
CRT CAPITAL GROUP LLC	Fixed Income	100,000	-	0.00
DAIWA CAP MKTS AMERICA INC	Fixed Income	4,634,000	-	0.00
DEUTSCHE BANC SECURITIES INC.	Fixed Income	14,903,138	190	0.00

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013

Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
FRIEDMAN, BILLINGS & RAMSEY	Fixed Income	18,000	-	0.00
GOLDMAN SACHS AND CO	Fixed Income	19,091,867	59	0.00
GREENWICH CAPITAL MARKETS INC	Fixed Income	325,000	-	0.00
J.P MORGAN SECURITIES INC.	Fixed Income	7,176,054	-	0.00
J.P. MORGAN CLEARING CORP.	Fixed Income	6,071,595	132	0.00
J.P. MORGAN SECURITIES LLC	Fixed Income	11,100,000	-	0.00
JEFFERIES LLC	Fixed Income	4,414,996	15	0.00
LAZARD FRERES & COMPANY	Fixed Income	929,381	1,006	0.00
MERRILL LYNCH PIERCE FENNER	Fixed Income	34,417,475	461	0.00
MILLER TABAK ROBERTS SEC LLC	Fixed Income	113	-	0.00
MITSUBISHI UFJ SECS (USA) INC	Fixed Income	645,000	-	0.00
MIZUHO SECURITIES USA INC	Fixed Income	313,000	-	0.00
MORGAN STANLEY & CO LLC	Fixed Income	5,096,362	51	0.00
NATL FINANCIAL SERVICES LLC	Fixed Income	75,000	-	0.00
NOMURA SECURITIES INTL INC	Fixed Income	3,629,859	-	0.00
NOMURA SECURITIES/FIX INCOME	Fixed Income	570,000	-	0.00
OPPENHEIMER AND CO INC	Fixed Income	1,497,000	-	0.00
PERSHING LLC	Fixed Income	1,938,000	-	0.00
PURCHASE OFFER	Fixed Income	4,018,000	-	0.00
RAYMOND, JAMES & ASSOC., INC.	Fixed Income	103,000	-	0.00
RBC CAPITAL MARKETS LLC	Fixed Income	395,000	-	0.00
RBS SECURITIES IMC	Fixed Income	33,000	-	0.00
RECEIPTS FROM FISCAL AGENTS	Fixed Income	1,374,000	-	0.00
SEAPORT GROUP SECURITIES, LLC	Fixed Income	57,000	-	0.00
SEAPORT SECURITIES CORPORATION	Fixed Income	125,000	-	0.00
STERNE AGEE & LEACH INC	Fixed Income	5,690,000	-	0.00
STIFEL NICHOLAUS & CO, INC	Fixed Income	408,000	650	0.00
THE PRINCERIDGE GROUOP LLC	Fixed Income	75,000	-	0.00
UBS SECURITIES LLC	Fixed Income	2,521,050	11	0.00
WELLS FARGO SECS LLC	Fixed Income	5,334,695	127	0.00
ABN AMRO CLEARING BANK N V	REITS	896	356	0.40
BAIRD ROBERT W AND CO INC	REITS	4,417	195	0.04
BARCLAYS CAPITAL LE	REITS	127,974	3,860	0.03
BARCLAYS CAPITAL SECS LONDON	REITS	691	2,135	3.09
BNP PARIBAS PEREGRINE SECS HK	REITS	1,429	1,567	1.10
BNY CONVERGEX EXEC SOLUTION	REITS	3,378	68	0.02
CANTOR FITZGERALD AND CO INC	REITS	84,507	1,750	0.02
CITATION GROUP BCC CLRG NY	REITS	94,937	3,312	0.03
CITIGROUP GLOBAL MARKETS INC	REITS	176,615	3,721	0.02
CITIGROUP GLOBAL MARKETS LTD,	REITS	16,309	123	0.01
COWEN AND CO LLC	REITS	30,693	987	0.03
CREDIT SUISSE FIRST BOSTON	REITS	244,348	7,241	0.03
CREDIT SUISSE FIRST BOSTON HK	REITS	24,814	1,149	0.05
D CARNEGIE AB, STOCKHOLM	REITS	392	142	0.36
DAIWA SECURITIES SMBC HK LTD	REITS	26,166	350	0.01
DEUTSCHE BANC SECURITIES INC	REITS	112,025	3,384	0.03
DEUTSCHE BANK SECURITIES INC	REITS	2	10	4.21
EVERCORE GROUP LLC	REITS	32,991	1,397	0.04
FIDELITY CAPITAL MARKETS	REITS	62,706	1,254	0.02
FORTIS BK (NEDERLAND) NV	REITS	2,797	492	0.18
FRED, ALBERT + CO LLC	REITS	58,139	2,751	0.05
GOLDMAN SACHS AND CO	REITS	265,302	5,803	0.02

Schedule of Broker's Commissions

For Fiscal Year Ended June 30, 2013 Schedule 5A

Brokerage Firm	Investment Type	Number of shares traded	Commissions paid	Average cost per share
GOLDMAN SACHS EXECUTION AND CL	REITS	10,654	71	0.01
GOLDMAN SACHS INTL LONDON	REITS	33,186	715	0.02
G-TRADE SERVICES LTD	REITS	11,349	362	0.03
HSBC SECS BROKERS(ASIA) LTD	REITS	1,495	339	0.23
INSTINET SINGAPORE SERVICES PTE	REITS	222,358	2,175	0.01
INVESTMENT TECHNOLOGY GRP NY	REITS	12,112	242	0.02
ISI GROUP INC	REITS	67,301	3,031	0.05
ITG AUSTRALIA LIMITED	REITS	168	262	1.56
IXIS SECURITIES	REITS	3,751	365	0.10
J P Morgan Clearing Corp	REITS	11,778	353	0.03
J.P MORGAN SECURITIES INC.	REITS	55,769	1,968	0.04
J.P. MORGAN CLEARING CORP.	REITS	636	19	0.03
JEFFERIES AND COMPANIES INC J	REITS	2,170	479	0.22
JEFFERIES LLC	REITS	77,602	1,793	0.02
JEFFRIES INTERNATIONAL LTD Ln	REITS	137,700	2,214	0.02
JONESTRADING INST SVCS LLC	REITS	3,350	67	0.02
JP MORGAN SECS LTD LONDON	REITS	18,219	443	0.02
JP Morgan Securities Inc	REITS	29,060	1,130	0.04
JPMORGAN SECURIT (ASIA PACIFIC)	REITS	26,382	1,422	0.05
KEEFE BRUYETTE + WOODS INC	REITS	10,952	548	0.05
KEYBANC CAPITAL MARKETS INC	REITS	133,257	4,087	0.03
LIQUIDNET INC	REITS	23,761	475	0.02
MACQUARIE BANK LIMITED	REITS	1,441	20	0.01
MACQUARIE CAPITAL USA INC	REITS	52,227	1,072	0.02
MACQUARIE SECS USA INC	REITS	23,992	576	0.02
MERRILL LYNCH INTL LTD EQUIT S	REITS	153,076	2,429	0.02
MERRILL LYNCH PIERCE FENNER	REITS	164,579	5,758	0.03
MERRILL LYNCH,PIERCE, FENNER Smt	REITS	61	414	6.75
MOGAVERO LEE AND CO INC	REITS	32,644	1,632	0.05
MORGAN STANLEY AND CO LLC	REITS	19,164	910	0.05
OPPENHEIMER AND CO INC	REITS	16,056	311	0.02
PAREL, PARIS	REITS	17,607	93	0.01
PERSHING LLC	REITS	1,113,442	34,054	0.03
PERSHING SECURITIES LONDON	REITS	140,724	1,653	0.01
RAYMOND JAMES and ASSOC INC	REITS	9,003	330	0.04
RAYMOND JAMES AND ASSOCIATES	REITS	11,124	445	0.04
RBC CAPITAL MARKETS CORP	REITS	225,643	7,978	0.04
RBC DOMINION SECURITIES TORONTO	REITS	6,907	276	0.04
SCOTIA CAPITAL MKTS, TORONTO	REITS	1,836	55	0.03
STANDARD CHARTERED BANK (Hk)	REITS	21,134	335	0.02
STIFEL NICHOLAUS + CO, INC	REITS	189,640	6,552	0.03
TORONTO DOMINION SECURITIES	REITS	10,281	308	0.03
UBS SECURITIES ASIA LTD	REITS	210,612	4,231	0.02
UBS SECURITIES LLC	REITS	978,231	21,843	0.02
WEEDEN+ CO	REITS	37,356	1,052	0.03
WELLS FARGO SECURITIES, LLC	REITS	132,980	4,914	0.04
GRAND TOTAL		299,416,194	1,756,809	0.01

Schedule 6A

Investment Summary

Year Ended June 30, 2013

(Dollar amount in thousands)

	Market Value	Percent of Total Market Value
Type of Investment:		
Short Term Investments:		
Short Term Investments	$ 184,694	1.77%
Commercial paper	208,161	1.99%
Total Short-Term	**392,855**	**3.76%**
Fixed Income:		
U.S. Govt Securities	984,390	8.70%
Corporate Bonds	909,186	9.42%
Yankee Bonds	8,918	0.10%
Total Fixed Income	**1,902,494**	**18.22%**
Domestic Equities:	**3,440,857**	**32.93%**
Private Equity and Hedge Fund	**1,119,593**	**10.71%**
Private Equity-real estate	**336,060**	**3.22%**
Mutual Funds:		
International Equity	1,698,801	16.26%
Fixed Investment	337,426	
Domestic Equity	-	0.22%
Mortgage Debt	50,067	0.48%
Treasury Inflation -protected securities	232,465	2.61%
Total Mutual Funds	**2,318,759**	**22.19%**
Promissory Notes	**1,788**	**0.02%**
Collateral from Securities Lending	**936,985**	**8.96%**
Total Market Value	**$ 10,449,391**	**100.00%**

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New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

Actuarial Section

Part IV

Fiscal Year Ended June 30, 2013

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OFFICE OF THE ACTUARY

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

ROBERT C. NORTH, JR.
CHIEF ACTUARY

November 8, 2013

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

Re: Actuarial Information for the Comprehensive Annual Financial Report ("CAFR") for the Fiscal Year Ended June 30, 2013

Dear Members:

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

An actuarial valuation of the Plan is performed annually as of the second June 30 preceding each fiscal year to determine the Employer Contributions to be paid for that fiscal year (i.e., June 30, 2011 (Lag) actuarial valuation to determine Fiscal Year 2013 Employer Contributions).

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

For Fiscal Year 2013, the Employer Contributions to FIRE, based on the June 30, 2011 (Lag) actuarial valuation, are equal to those recommended by the Actuary for the New York City Retirement Systems (the "Actuary") and represent the Statutory Contributions.

Employer Contributions for Fiscal Year 2013 were also equal to the Annual Required Contributions as defined under Governmental Accounting Standards Board ("GASB") Statement Number 25 ("GASB 25") as amended by GASB Statement No. 50 ("GASB 50").

The Annual Required Contributions, computed in accordance with GASB 25 as amended by GASB 50, are consistent with generally accepted actuarial principles.

Actuarial Assumptions and Methods

Provided in this Actuarial Section of the CAFR is a "Summary of Actuarial Assumptions and Methods in Effect for the June 30, 2011 (Lag) Actuarial Valuation." These actuarial assumptions and methods were first employed in the June 30, 2010 (Lag) actuarial valuation that was used to determine Fiscal Year 2012 Employer Contributions to the Plan (the "2012 A&M").

These actuarial assumptions and methods are generally unchanged from those employed in the June 30, 2010 (Lag) actuarial valuation that was used to determine Fiscal Year 2012 Employer Contributions to the Plan.

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

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

Benefits and Census Data

A summary of the benefits applicable to Plan members included in the June 30, 2011 (Lag) actuarial valuation is shown earlier in the Introductory Section of the CAFR.

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

A summary of the census data used in the June 30, 2011 (Lag) actuarial valuation is included in this CAFR. A summary of the census data used in the June 30, 2010 (Lag) actuarial valuation of the Plan is available in the June 30, 2012 CAFR.

Funded Status

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

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

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

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

Presentation Style and Sources of Information

The actuarial information herein is being presented in a manner believed to be consistent with the requirements of the GFOA and, where applicable, with GASB 25 which was adopted for financial reporting purposes beginning Fiscal Year 1995 and with GASB 50 which was adopted for financial reporting purposes beginning Fiscal Year 2008.

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

As prescribed by GASB 25, as amended by GASB 50, included in the Financial Section of the CAFR are the following schedules prepared by the OA:

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

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

- Summary of Actuarial Assumptions and Methods in Effect for the June 30, 2011 (Lag) Actuarial Valuation.
- Active Member Valuation Data.
- Summary of Plan Membership.
- Retirants and Beneficiaries Added to and Removed from Rolls.
- Statutory vs. Annual Required Contributions.
- Funded Status Based on Entry Age Actuarial Cost Method.
- Comparative Summary of Actuarial Values and Percentages Covered by Actuarial Value of Assets – Solvency Test.
- Additional Discussion of Plan Funding and Other Measures of Funded Status.

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

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

Acknowledgement of Qualification

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

Respectfully submitted,

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

RCN/bs

Att.

cc: Ms. M.E. Basso
Mr. A.G. Garcia
Mr. J.R. Gibney
Mr. E. Hue
Mr. S.H. Rumley
Ms. L. Tian

8506L&R:bs

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION

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

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

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

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

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

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

(2) The investment rate of return assumption is 7.0% per annum, net of expenses.

(3) The mortality tables for service and disability pensioners were developed from an experience study of the Plan's and the predecessor Plan's pensioners. Sample probabilities are shown in Table 1a. The mortality tables for beneficiaries were developed from experience review. Sample probabilities are shown in Table 1b.

(4) Active Service tables are used to estimate various withdrawals from Active Service. Sample probabilities are shown in Tables 2a, 2b and 2c for members withdrawing from active service due to Death or Disability, in Table 3 for members withdrawing from Active Service without employer-provided benefits or with Vested Benefits and in Tables 4a and 4b for members withdrawing from Active Service for Service Retirement.

(5) A Salary Scale is used to estimate salaries at termination, retirement or death. Sample percentage increases are shown in Table 5. The Salary Scale includes a General Wage Increase ("GWI") assumption of 3.0% per annum.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION
(Cont'd)

(6) Overtime earnings are also used to estimate salaries at termination, retirement or death. A Dual Overtime assumption (i.e., a Baseline Overtime assumption for most years and a separate overtime assumption for the years included in the calculation of Final Salary or Final Average Salary) was introduced as of the June 30, 1995 actuarial valuation. Sample percentage increases in the Baseline Overtime assumptions and the Dual Overtime assumptions effective beginning with the June 30, 2010 (Lag) actuarial valuation are shown in Table 6.

(7) The economic assumptions (i.e., the assumed investment return rate, GWI rate and Cost-of-Living Adjustments ("COLA")) were developed assuming a long-term Consumer Price Inflation ("CPI") assumption of 2.5% per annum. The COLA assumption is 1.5% per annum for Tier I and Tier II members and 2.5% per annum for Tier III members.

(8) The valuation assumes a closed group of members. Salaries of members on the valuation date are assumed to increase in accordance with the Salary Scale.

(9) Beginning with the June 30, 2010 (Lag) actuarial valuation, the Entry Age Actuarial Cost Method ("EAACM") of funding is utilized by the Plan's Actuary to calculate the contribution required of the Employer.

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

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

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

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

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

(10) One-Year Lag Methodology ("Lag" or "OYLM") uses a June 30, 2011 valuation date to determine Fiscal Year 2013 Employer Contributions.

This methodology requires technical adjustments to certain components used to determine Fiscal Year 2013 Employer Contributions as follows:

- Present Value of Future Salary ("PVFS")

  The PVFS at June 30, 2011 is reduced by the value of salary projected to be paid during Fiscal Year 2012.

- Salary for Determining Employer Contributions

  Salary used to determine the employer normal contribution is the salary projected to be paid during Fiscal Year 2013 to members on payroll at June 30, 2011.

- UAAL Payments

  For determining the UAAL payments for Fiscal Year 2013, and to be consistent with the OYLM, the UAAL as of June 30, 2011 is adjusted by the discounted value of employer normal contributions paid during Fiscal Year 2012.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

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

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

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

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

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

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

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

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

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

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

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

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

(13) Distinct male and female probabilities for mortality are used effective June 30, 1995.

(14) The Actuarial Present Value of Future Benefits ("APVB") as of June 30, 2011, used to determine the Fiscal Year 2013 Employer Contributions, includes estimates of liabilities for:

- World Trade Center Post-Retirement Reclassifications.

(15) As discussed herein, the actuarial assumptions and methods are generally unchanged from those of the June 30, 2010 (Lag) actuarial valuation.

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 1a

Deaths among Service and Disability Pensioners

Percentage of Pensioners Dying within Next Year

	Service Pensioners		Disability Pensioners	
Age	Males	Females	Males	Females
40	.1167%	.0532%	.1997%	.0595%
45	.1555	.0747	.2427	.1101
50	.1851	.1112	.2907	.1945
55	.3410	.1815	.4170	.3832
60	.5096	.4081	.6538	.5537
65	.8721	.6640	1.0885	.9165
70	1.2401	.9654	1.6834	1.5179
75	2.1980	1.4017	2.5814	2.5123
80	4.0910	2.5675	4.6502	4.4692
85	8.2212	4.4439	8.9563	7.8883
90	13.6044	8.3918	13.7694	13.5234
95	25.0224	15.9320	25.7915	20.1960
100	33.6045	23.1601	33.6045	23.4195
105	39.7886	29.3116	39.7886	29.3116
110	100.0000	100.0000	100.0000	100.0000

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 1b

Deaths among Beneficiaries

Percentage of Beneficiaries Dying within Next Year

Age	Males	Females
20	.0214%	.0124%
25	.0292	.0146
30	.0392	.0205
35	.0719	.0411
40	.1021	.0591
45	.2684	.1014
50	.3401	.1846
55	.5880	.3893
60	.8400	.7716
65	1.3072	1.1533
70	1.8086	1.5676
75	2.7100	2.2479
80	5.3016	3.7819
85	8.4627	6.3549
90	15.2335	11.5224
95	24.6664	19.5152
100	33.6045	23.1881
105	39.7886	29.3116
110	100.0000	100.0000

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 2a

Withdrawals from Active Service (Due to Death or Disability)

Tier I and Tier II Members Not Eligible for WTC Benefits

Percentage of Active Members Separating within Next Year

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

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 2b

Withdrawals from Active Service (Due to Death or Disability)

Tier I and Tier II Members Eligible for WTC Benefits

Percentage of Active Members Separating within Next Year

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

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 2c

Withdrawals from Active Service (Due to Death or Disability)

Tier III Members

Percentage of Active Members Separating within Next Year

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

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 3

Withdrawals from Active Service

Percentage of Active Members Withdrawing within Next Year

		Tier III Early Service Retirement	
Years of Service	**All Tiers Withdrawal**	**Reduced Retirement**	**Unreduced Before Full COLA**
0	2.00%	NA	NA
5	0.40	NA	NA
10	0.20	NA	NA
15	0.10	NA	NA
20	NA	5.00%	NA
21	NA	2.00	NA
22	NA	NA	5.00%
23	NA	NA	2.00
24	NA	NA	2.00

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS
IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION
(Cont'd)

Table 4a

Withdrawals from Active Service (for Service Retirement)

Tier I and Tier II Members

Percentage of Eligible Active Members Retiring within Next Year

	Years of Service Since First Eligible		
Age	**0-1**	**1-2**	**2+**
40	10.00%	2.00%	2.00%
45	10.00	2.00	2.00
50	15.00	2.00	2.00
55	20.00	6.00	6.00
60	20.00	12.00	12.00
63	100.00	100.00	100.00

Table 4b

Withdrawals from Active Service (for Service Retirement)

Tier III Members - Unreduced with Full COLA

Percentage of Eligible Active Members Retiring within Next Year

	Years of Service Since First Eligible		
Age	**0-1**	**1-2**	**2+**
40	10.00%	2.00%	2.00%
45	10.00	2.00	2.00
50	15.00	2.00	2.00
55	20.00	6.00	6.00
60	20.00	12.00	12.00
63	100.00	100.00	100.00

NEW YORK FIRE DEPARTMENT PENSION FUND

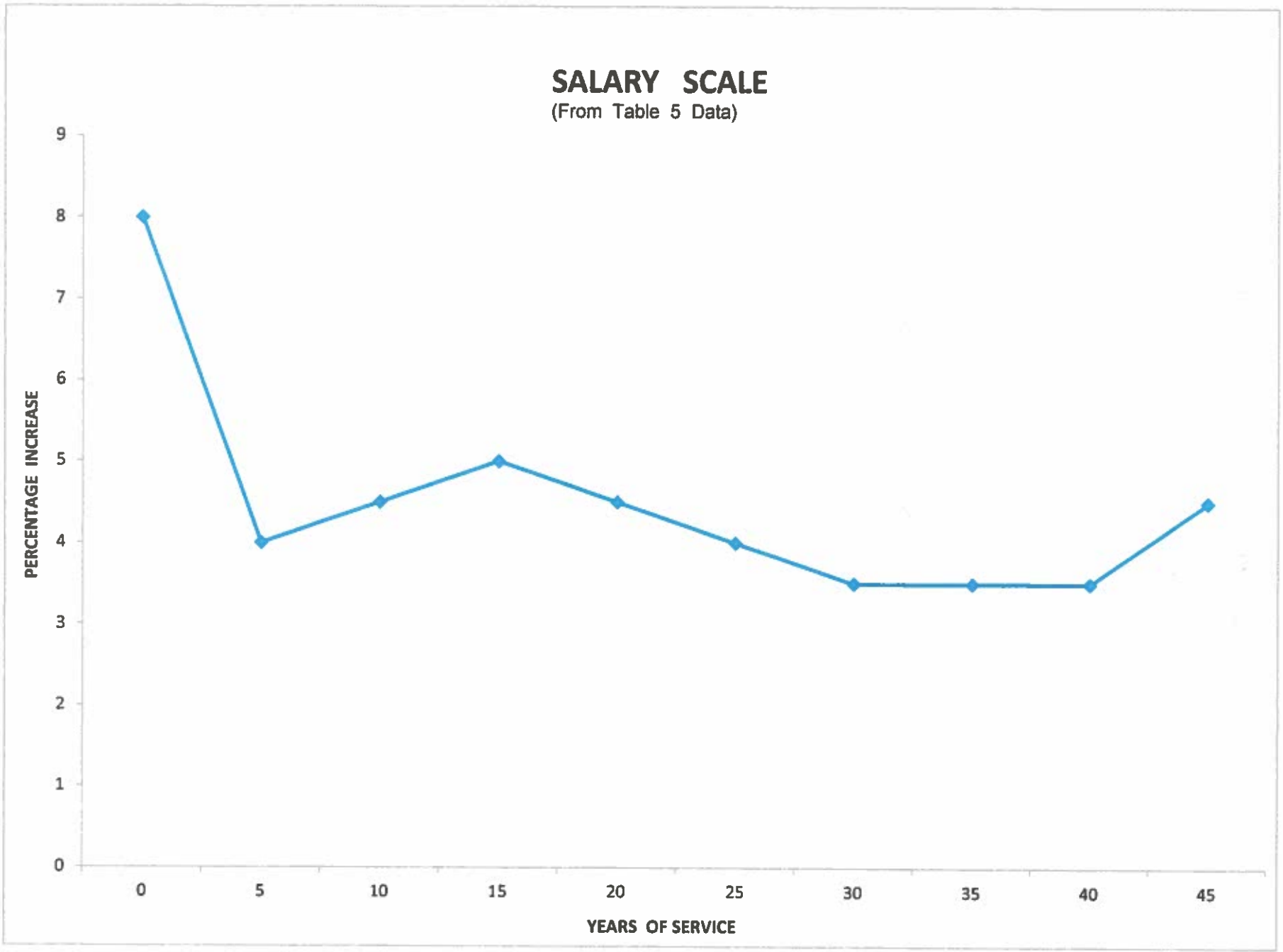
SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 5

Salary Scale

Years of Service	Assumed Annual Percentage Increases Within Next Year*
0	8.00%
5	4.00
10	4.50
15	5.00
20	4.50
25	4.00
30	3.50
35	3.50
40	3.50
45	3.50

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


SALARY SCALE
(From Table 5 Data)
PERCENTAGE INCREASE
0
1
2
3
4
5
6
7
8
9
0
5
10
15
20
25
30
35
40
45
YEARS OF SERVICE

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS IN EFFECT FOR THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION (Cont'd)

Table 6

Overtime

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

NEW YORK FIRE DEPARTMENT PENSION FUND

ACTIVE MEMBER VALUATION DATA

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

---

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

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

(3) Increase from June 30, 2003.

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

(5) Preliminary.

NEW YORK FIRE DEPARTMENT PENSION FUND

SUMMARY OF PLAN MEMBERSHIP

As of the June 30, 2011 (Lag) and June 30, 2010 (Lag) actuarial valuations, the Plan's Membership consisted of:

Group	2011 (Lag)	2010 (Lag)
Retirees and beneficiaries currently receiving benefits	17,017	17,140
Terminated vested members not yet receiving benefits	30	33
Other Inactives*	16	23
Active members	10,650	11,080
Total	27,713	28,276

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

NEW YORK FIRE DEPARTMENT PENSION FUND

RETIRANTS AND BENEFICIARIES ADDED TO AND REMOVED FROM ROLLS

(Dollar Amounts in Thousands)

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

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

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

NEW YORK FIRE DEPARTMENT PENSION FUND

STATUTORY VS. ANNUAL REQUIRED CONTRIBUTIONS

(Dollar Amounts in Thousands)

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

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

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

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

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

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

(2) The Employer Rate of Contribution equals the Statutory Contributions as a percentage of the salaries of members who were on payroll or projected to be on payroll (under One-Year Lag Methodology) as of the preceding June 30 increased to reflect overtime earnings and adjusted, where applicable, to be consistent with collective bargaining agreements estimated to be achieved.

NEW YORK FIRE DEPARTMENT PENSION FUND

FUNDED STATUS BASED ON ENTRY AGE ACTUARIAL COST METHOD
(Dollar Amounts in Thousands)

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

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

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

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)[1] – Entry Age (b)	Unfunded AAL (UAAL) – Entry Age (b-a)	Funded Ratio (a/b)	Covered Payroll	UAAL as a Percentage of Covered Payroll ((b-a)/c)
June 30, 2012 (Lag)[2],[3]	$8,520,769	$16,280,003	$7,759,234	52.3%	$1,106,113	701.5%
June 30, 2011 (Lag)[2]	7,955,668	15,808,930	7,853,262	50.3	1,125,460	697.8
June 30, 2010 (Lag)[2]	7,392,656	15,349,598	7,956,942	48.2	1,138,188	699.1
June 30, 2009 (Lag)	7,304,758	12,864,974	5,560.216	56.8	1,079,682	515.0
June 30, 2008 (Lag)	6,942,992	12,313,206	5,370,214	56.4	1,051,592	510.7
June 30, 2007 (Lag)	6,459,130	11,731,140	5,272,010	55.1	1,000,383	527.0
June 30, 2006 (Lag)	6,174,111	11,061,482	4,887,371	55.8	932,730	524.0

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

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

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

(3) Preliminary.

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

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

Also, see following "SOLVENCY TEST – NOTES."

NEW YORK FIRE DEPARTMENT PENSION FUND

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

SOLVENCY TEST - NOTES

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

(A) Accumulated Member Contributions;
(B) Current Retirants and Beneficiaries; and
(C) Active Members' Employer Financed Portion.

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

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

The values in the table are dependent upon census data, benefit levels (which have changed on occasion over the past years), and the actuarial assumptions and methods employed at each valuation date. The two most recent changes in assumptions and methods occurred in the June 30, 2004 (Lag) valuation used to compute the Employer Contributions for Fiscal Year 2006 and in the June 30, 2010 (Lag) valuation used to compute the Employer Contributions for Fiscal Year 2012. These underlying bases can be found within the Comprehensive Annual Financial Report for each respective year.

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

NEW YORK FIRE DEPARTMENT PENSION FUND

ADDITIONAL DISCUSSION OF PLAN FUNDING AND OTHER MEASURES OF FUNDED STATUS

On-Going Funding of the Plan

Under the basic equation of pension funding, Contributions plus Investment Earnings pay for Benefits plus Expenses.

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

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

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

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

This actuarial methodology includes demographic and certain tabular assumptions proposed by the Actuary and adopted by the Board of Trustees, and certain economic assumptions and financing methods proposed by the Actuary, supported by the Board of Trustees and, where required, enacted into law by the New York State Legislature and Governor.

Employer Contributions are particularly responsive to Investment Earnings and increase (decrease) on a smoothed basis whenever Investment Earnings are less (more) than expected.

For example, during Fiscal Years 2001 to 2003, the Assets of the Plan decreased because they earned less than expected. Consequently, over the following several years, the actuarial methodology responded by increasing Employer Contributions in order to bring the overall financial status of the Plan back into balance.

The New York City Charter requires an independent actuary to conduct an experience review of the Plan every two years. The Actuary utilizes this information and regularly proposes changes in actuarial assumptions and methods, most recently during Fiscal Year 2012.

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

The ongoing process of actuarial rebalancing and periodic reviews of actuarial assumptions and methods by the Actuary and the Board of Trustees, coupled with a financially responsible, long-duration employer like the City of New York (the "City") that can afford some variability of Employer Contributions, help provide financial security for the Plan and its participants and reasonable intergenerational budget equity for taxpayers.

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

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

Other Measures of Funded Status

Measures of Funded Status of the Plan are determined at specific points in time and are usually expressed in various relationships of Assets to Obligations. Assets as percentages of Obligations are referred to as Funded Ratios.

Comparisons of Funded Status over time provide insight into the evolving financial condition of the Plan.

The Other Measures of Funded Status presented herein provide different perspectives of the financial condition of the Plan and comparisons amongst these Other Measures of Funded Status can prove insightful.

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

Definition of and Comments on Assets

With respect to Assets, both the Market Value of Assets ("MVA") and the Actuarial Value of Assets (or Actuarial Asset Value ("AAV")) are used to determine Funded Ratios.

In the case of the Plan, the AAVM currently in use provides for smoothing of the MVA by phasing any Unexpected Investment Returns (i.e., Investment Earnings greater or less than those expected under the actuarial interest rate assumption used each year) into the AAV over a period of six years.

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

The advantage of using AAV is that it is smoothed to remove the volatility of MVA. The disadvantage of AAV is that it is not the fair value of Assets in the marketplace and, therefore, does not show the volatility of the Assets.

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

Definition of and Comments on Obligations

With respect to Obligations, the Actuarial Accrued Liability ("AAL") under any particular Actuarial Cost Method ("ACM") is that portion of the APV of projected benefits which is not provided by future normal costs (employer and employee).

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

With respect to the ongoing funding of the Plan, the use of the FIL ACM provided for amortizing actuarial gains and losses over the future working lifetimes of active employees. As used by the Plan, the FIL ACM generally resulted in funding that was more conservative (i.e., greater Employer Contributions) than that of most other Public Pension Plans.

The Entry Age Accrued Liability ("EAAL") is defined as the APV of projected benefits less the sum of the APV of future employee contributions and the APV of future employer Entry Age Normal Costs.

The EAAL is a required disclosure in accordance with Governmental Accounting Standards Board ("GASB") Statement Number 43 ("GASB 43") and GASB Statement Number 45 ("GASB 45") for Other Post-Employment Benefits ("OPEB") under the Aggregate ACM.

In accordance with GASB Statement Number 50 ("GASB 50"), beginning with Fiscal Year 2009, the EAAL is a required disclosure for Public Pension Plans that determine employer contributions using the Aggregate ACM.

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

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

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

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

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

The Market Value Accumulated Benefit Obligation ("MVABO") is determined in the same manner as an ABO using the same actuarial assumptions except that projected benefit payments are discounted using annual yields on U.S. Treasury securities of like duration. The MVABO is sometimes described as a Mark-to-Market measure of Obligations or a Market Value of Liabilities ("MVL").

NEW YORK FIRE DEPARTMENT PENSION FUND

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

Table of Asset and Obligation Values

The following table presents the values of Assets and Obligations used to calculate alternative Funded Ratios.

Component Measures of Funded Status

(Dollar Amounts in Millions)

Valuation Date June 30,	Market Value of Assets (MVA)	Actuarial Asset Value (AAV)[1]	Actuarial Accrued Liability (AAL)[2]	Entry Age Accrued Liability (EAAL)[2]	Projected Benefit Obligation (PBO)[3]	Accumulated Benefit Obligation (ABO)[3]	Market Value Accumulated Benefit Obligation (MVABO)[4]	MVABO Equiv. Discount Yield Per Annum	MVABO Weighted Average Duration (Years)
1999	$6,179.8	$6,179.8	$6,328.7	$6,321.5	$6,492.5	$5,938.1	$7,248.6	6.0%	10.6
2000	6,419.6	6,388.1	6,530.6	7,284.3	7,437.4	6,961.3	8,482.9	6.0	11.0
2001	5,690.8	6,525.7	6,660.8	7,707.3	7,854.1	7,213.2	9,111.2	5.7	10.8
2002	4,878.4	6,612.3	6,738.7	8,218.5	8,311.8	7,791.7	9,821.4	5.7	10.3
2003	4,859.6	6,441.5	6,558.0	8,697.9	8,723.3	8,306.4	11,902.2	4.6	11.2
2004	5,351.2	6,185.8	6,290.9	9,200.4	9,172.8	8,687.5	11,180.4	5.5	10.6
2004 (Lag)[5]	5,351.2	6,277.3	6,382.5	9,817.1	9,784.3	9,109.5	11,660.7	5.5	10.6
2005 (Lag)	5,661.6	6,169.2	6,261.6	10,236.4	10,154.9	9,480.5	14,156.3	4.2	12.4
2006 (Lag)	6,165.3	6,174.1	6,252.0	11,061.5	10,896.7	10,381.4	13,477.5	5.4	11.5
2007 (Lag)	7,202.7	6,459.1	6,520.7	11,731.1	11,542.2	10,900.9	14,429.6	5.2	11.6
2008 (Lag)	6,817.3	6,943.0	6,986.2	12,313.2	12,098.8	11,493.4	16,649.7	4.5	11.9
2009 (Lag)	5,576.8	7,304.8	7,327.6	12,865.0	12,578.6	12,011.9	18,140.4	4.1	12.1
2010 (Lag)[6]	6,438.8	7,392.7	15,349.6	15,349.6	15,475.8	14,576.3	22,243.5	3.7	13.2
2011 (Lag)	7,955.7	7,955.7	15,808.9	15,808.9	15,859.4	15,164.9	21,910.6	4.1	12.5
2012 (Lag)[7]	8,124.7	8,520.8	16,280.0	16,280.0	16,271.2	15,636.7	28,751.4	2.4	14.6

See footnotes on next page.

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

(1) The AAV used for the June 30, 1999 to June 30, 2009 actuarial valuations assumes the AAV was reset to MVA as of June 30, 1999. As of each June 30 thereafter, the AAV recognizes Investment Returns greater or less than expected over a period of five years (six years beginning with the June 30, 2004 (Lag) actuarial valuation). The AAV used for June 30, 2010 and after assumes the AAV was reset to MVA as of June 30, 2011 with the June 30, 2010 AAV defined to recognize Fiscal Year 2011 investment performance and the June 30, 2012 and after AAV recognizing Investment Returns greater or less than expected over a period of six years.

(2) Calculated in accordance with the Actuarial Cost Method and actuarial assumptions used for determining Employer Contributions.

(3) Calculated based on actuarial assumptions used for determining Employer Contributions. Prior to the June 30, 2010 (Lag) actuarial valuation, the ABO and PBO do not include accrued liabilities attributable to the Variable Supplements Funds, net of the AAV, if any.

(4) Calculated based on actuarial assumptions used for determining Employer Contributions except that projected benefit payments are discounted using annual yields derived from U.S. Treasury Spot Rates as published by the U.S. Department of the Treasury Office of Thrift Supervision ("OTS") in its Selected Asset and Liability Price Tables. For June 30, 2012 and after, these Spot Yields are based on OTS methodology as provided by the U.S. Department of Treasury. Also shown are the related MVABO Equivalent Discount Yield and the MVABO Weighted Average Duration. Prior to the June 30, 2010 (Lag) actuarial valuation, the MVABO does not include accrued liabilities attributable to the Variable Supplements Funds, net of their AAV, if any.

(5) Beginning with the June 30, 2004 (Lag) actuarial valuation, figures are based on the revised actuarial assumptions and methods used to develop Fiscal Year 2006 employer contributions.

(6) Beginning with the June 30, 2010 (Lag) actuarial valuation, figures are based on the revised actuarial assumptions and methods used to develop Fiscal Year 2012 employer contributions, including the EAACM and an AIR assumption of 7.0% per annum, net of expenses.

(7) Preliminary.

NEW YORK FIRE DEPARTMENT PENSION FUND

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

Table of Funded Ratios

The following table presents alternative Funded Ratios comparing Assets to Obligations, including: (1) AAV divided by AAL, (2) AAV divided by EAAL, (3) MVA divided by EAAL, (4) AAV divided by PBO, (5) MVA divided by PBO, (6) AAV divided by ABO, (7) MVA divided by ABO and (8) MVA divided by MVABO.

Funded Ratios								
Valuation Date	AAV/AAL	AAV/EAAL	MVA/EAAL	AAV/PBO	MVA/PBO	AAV/ABO	MVA/ABO	MVA/MVABO
6/30/99	98%	98%	98%	95%	95%	104%	104%	85%
6/30/00	98	88	88	86	86	92	92	76
6/30/01	98	85	74	83	72	90	79	62
6/30/02	98	80	59	80	59	85	63	50
6/30/03	98	74	56	74	56	78	59	41
6/30/04	98	67	58	67	58	71	62	48
6/30/04 (Lag)	98	64	55	64	55	69	59	46
6/30/05 (Lag)	99	60	55	61	56	65	60	40
6/30/06 (Lag)	99	56	56	57	57	59	59	46
6/30/07 (Lag)	99	55	61	56	62	59	66	50
6/30/08 (Lag)	99	56	55	57	56	60	59	41
6/30/09 (Lag)	100	57	43	58	44	61	46	31
6/30/10 (Lag)	48	48	42	48	42	51	44	29
6/30/11 (Lag)	50	50	50	50	50	52	52	36
6/30/12 (Lag)	52	52	50	52	50	54	52	28

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

Comments on Funded Ratios and Funding Methodology

With respect to the different Funded Ratios shown in the preceding table, the ratio of AAV/AAL is from the Schedule of Funding Progress (Schedule 1) presented in the Financial Section of this CAFR.

Due to the mathematics of the FIL ACM where AAL equals AAV plus UAAL, the AAV/AAL Funded Ratios prior to Fiscal Year 2012 tended to remain relatively constant from year to year and provided limited insight into the ongoing financial performance of the Plan.

The Other Measures of Funded Status shown in the preceding table provide different relationships between the Assets and Obligations of the Plan and are designed to offer additional insight into the Funded Status of the Plan that the Actuary believes useful to some users.

The ratios of AAV/EAAL reflect information that is now a required disclosure for certain Public Pension Plans that utilize the Aggregate ACM. This requirement also exists for certain OPEB plans under GASB 43 and GASB 45.

The ratios of AAV/PBO present information that was previously required under GASB 5 and is a comparable but somewhat different representation of the information shown in the Solvency Test presented earlier in this Section of the CAFR.

The ratios of MVA/MVABO provide information on Funded Status that is (1) independent of the asset allocation of the Plan, (2) exclusive of any advance recognition of expected asset risk premia (e.g., equity risk premium) and (3) absent any smoothing of asset values.

Inherent in its design, the MVA/MVABO Funded Ratio is expected to be volatile due to the impact of asset gains and losses without smoothing and the impact of changes in interest rates in the economy. Such volatility is a reflection of markets and can provide useful disclosure information. However, such volatility is not consistent with the needs of budgeting. Those budgeting needs are met by the actuarial assumptions and ACM in use to determine Employer Contributions.

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

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

Comparing Funded Ratios based on the same Assets (i.e., MVA or AAV) but different definitions of Obligations (e.g., EAAL versus PBO versus ABO) provides an opportunity to evaluate the differences in those different definitions of Obligations.

Comparing AAV/PBO with AAV/ABO provides insight into the impact of expected salary growth on the value of benefits earned to date.

Comparing MVA/ABO with MVA/MVABO provides an opportunity to compare the impact of alternative interest rates on discounting the ABO.

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

It should also be noted that Measures of Funded Status are best examined with more consideration of their trends over time than their values at any given point in time.

Finally, over time, it should be noted that as the City pays into the Plan the actuarially-determined Employer Contributions, all Funded Ratios can be expected to increase from their current levels.

NEW YORK FIRE DEPARTMENT PENSION FUND
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2013

ACKNOWLEDGEMENT OF QUALIFICATION

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

Robert C. North, Jr., FSA, FSPA, FCA, MAAA, EA
Chief Actuary
New York City Retirement Systems
November 8, 2013

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New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

Appendix A

Census Data for Active Members

As of June 30, 2013

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NEW YORK CITY FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2013 EMPLOYER CONTRIBUTIONS

MALES

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
NUMBER:										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	14	0	0	0	0	0	0	0	0	14
25 TO 29	525	551	3	0	0	0	0	0	0	1,079
30 TO 34	394	1,655	269	4	0	0	0	0	0	2,322
35 TO 39	115	1,127	731	228	2	0	0	0	0	2,203
40 TO 44	6	253	754	647	231	1	0	0	0	1,892
45 TO 49	0	4	293	534	564	241	0	0	0	1,636
50 TO 54	0	0	7	122	308	432	115	2	0	986
55 TO 59	0	0	3	2	55	180	149	18	0	407
60 TO 64	0	1	0	1	2	11	23	16	11	65
65 TO 69	0	0	0	1	0	1	0	0	1	3
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	1,054	3,591	2,060	1,539	1,162	866	287	36	12	10,607
SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	774	0	0	0	0	0	0	0	0	774
25 TO 29	32,444	52,337	272	0	0	0	0	0	0	85,053
30 TO 34	24,488	164,364	27,623	406	0	0	0	0	0	216,881
35 TO 39	7,342	114,050	78,455	25,712	239	0	0	0	0	225,798
40 TO 44	494	25,794	80,665	76,030	29,422	128	0	0	0	212,534
45 TO 49	0	447	31,170	61,742	70,701	31,398	0	0	0	195,459
50 TO 54	0	0	791	14,085	36,847	54,394	16,868	190	0	123,175
55 TO 59	0	0	392	274	6,227	22,050	20,503	2,569	0	52,014
60 TO 64	0	144	0	147	294	1,336	3,094	2,365	1,486	8,867
65 TO 69	0	0	0	147	0	148	0	0	205	499
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL *	65,542	357,137	219,368	178,542	143,730	109,454	40,465	5,124	1,691	1,121,054
AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	55,277	0	0	0	0	0	0	0	0	55,277
25 TO 29	61,799	94,986	90,520	0	0	0	0	0	0	78,826
30 TO 34	62,153	99,313	102,688	101,418	0	0	0	0	0	93,402
35 TO 39	63,841	101,198	107,325	112,772	119,686	0	0	0	0	102,495
40 TO 44	82,409	101,954	106,983	117,512	127,366	128,124	0	0	0	112,333
45 TO 49	0	111,863	106,384	115,621	125,357	130,283	0	0	0	119,474
50 TO 54	0	0	112,961	115,454	119,632	125,913	146,675	95,157	0	124,924
55 TO 59	0	0	130,570	137,000	113,225	122,498	137,603	142,699	0	127,799
60 TO 64	0	144,484	0	146,577	147,100	121,494	134,533	147,820	135,078	136,414
65 TO 69	0	0	0	146,577	0	147,622	0	0	205,180	166,460
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	62,184	99,453	106,489	116,012	123,692	126,391	140,992	142,334	140,920	105,690

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

* Total may not add up due to rounding.

** Average based on unrounded salary.

NEW YORK CITY FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2013 EMPLOYER CONTRIBUTIONS

FEMALES

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
NUMBER:										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	0	0	0	0	0	0	0	0	0	0
25 TO 29	0	3	0	0	0	0	0	0	0	3
30 TO 34	4	6	5	0	0	0	0	0	0	15
35 TO 39	4	6	2	0	0	0	0	0	0	12
40 TO 44	0	1	5	0	0	0	0	0	0	6
45 TO 49	0	0	1	0	0	0	0	0	0	1
50 TO 54	1	0	0	0	1	0	1	0	0	3
55 TO 59	0	0	0	0	0	0	1	0	0	1
60 TO 64	0	0	1	0	0	0	1	0	0	2
65 TO 69	0	0	0	0	0	0	0	0	0	0
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	9	16	14	0	1	0	3	0	0	43
SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	0	0	0	0	0	0	0	0	0	0
25 TO 29	0	256	0	0	0	0	0	0	0	256
30 TO 34	242	558	515	0	0	0	0	0	0	1,315
35 TO 39	242	604	203	0	0	0	0	0	0	1,049
40 TO 44	0	101	639	0	0	0	0	0	0	740
45 TO 49	0	0	130	0	0	0	0	0	0	130
50 TO 54	115	0	0	0	161	0	168	0	0	445
55 TO 59	0	0	0	0	0	0	191	0	0	191
60 TO 64	0	0	146	0	0	0	134	0	0	280
65 TO 69	0	0	0	0	0	0	0	0	0	0
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL *	600	1,518	1,633	0	161	0	494	0	0	4,406
AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	0	0	0	0	0	0	0	0	0	0
25 TO 29	0	85,377	0	0	0	0	0	0	0	85,377
30 TO 34	60,595	92,963	102,925	0	0	0	0	0	0	87,652
35 TO 39	60,595	100,601	101,358	0	0	0	0	0	0	87,391
40 TO 44	0	100,737	127,884	0	0	0	0	0	0	123,359
45 TO 49	0	0	130,392	0	0	0	0	0	0	130,392
50 TO 54	114,865	0	0	0	161,236	0	168,478	0	0	148,193
55 TO 59	0	0	0	0	0	0	191,180	0	0	191,180
60 TO 64	0	0	145,529	0	0	0	134,287	0	0	139,908
65 TO 69	0	0	0	0	0	0	0	0	0	0
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	66,625	94,891	116,620	0	161,236	0	164,648	0	0	102,459

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

NEW YORK CITY FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2013 EMPLOYER CONTRIBUTIONS

MALES AND FEMALES

AGE \ SVC	UNDER 5	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & UP	ALL YEARS
NUMBER:										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	14	0	0	0	0	0	0	0	0	14
25 TO 29	525	554	3	0	0	0	0	0	0	1,082
30 TO 34	398	1,661	274	4	0	0	0	0	0	2,337
35 TO 39	119	1,133	733	228	2	0	0	0	0	2,215
40 TO 44	6	254	759	647	231	1	0	0	0	1,898
45 TO 49	0	4	294	534	564	241	0	0	0	1,637
50 TO 54	1	0	7	122	309	432	116	2	0	989
55 TO 59	0	0	3	2	55	180	150	18	0	408
60 TO 64	0	1	1	1	2	11	24	16	11	67
65 TO 69	0	0	0	1	0	1	0	0	1	3
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	1,063	3,607	2,074	1,539	1,163	866	290	36	12	10,650
SALARIES (IN THOUSANDS):										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	774	0	0	0	0	0	0	0	0	774
25 TO 29	32,444	52,594	272	0	0	0	0	0	0	85,310
30 TO 34	24,730	164,921	28,138	406	0	0	0	0	0	218,195
35 TO 39	7,584	114,653	78,658	25,712	239	0	0	0	0	226,846
40 TO 44	494	25,895	81,305	76,030	29,422	128	0	0	0	213,274
45 TO 49	0	447	31,301	61,742	70,701	31,398	0	0	0	195,590
50 TO 54	115	0	791	14,085	37,008	54,394	17,036	190	0	123,620
55 TO 59	0	0	392	274	6,227	22,050	20,694	2,569	0	52,205
60 TO 64	0	144	146	147	294	1,336	3,229	2,365	1,486	9,147
65 TO 69	0	0	0	147	0	148	0	0	205	499
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL *	66,142	358,655	221,000	178,542	143,892	109,454	40,959	5,124	1,691	1,125,460
AVERAGE SALARIES: **										
UNDER 20	0	0	0	0	0	0	0	0	0	0
20 TO 24	55,277	0	0	0	0	0	0	0	0	55,277
25 TO 29	61,799	94,934	90,520	0	0	0	0	0	0	78,844
30 TO 34	62,137	99,290	102,693	101,418	0	0	0	0	0	93,366
35 TO 39	63,731	101,194	107,309	112,772	119,686	0	0	0	0	102,414
40 TO 44	82,409	101,949	107,121	117,512	127,366	128,124	0	0	0	112,368
45 TO 49	0	111,863	106,465	115,621	125,357	130,283	0	0	0	119,480
50 TO 54	114,865	0	112,961	115,454	119,767	125,913	146,863	95,157	0	124,995
55 TO 59	0	0	130,570	137,000	113,225	122,498	137,960	142,699	0	127,954
60 TO 64	0	144,484	145,529	146,577	147,100	121,494	134,523	147,820	135,078	136,519
65 TO 69	0	0	0	146,577	0	147,622	0	0	205,180	166,460
70 & UP	0	0	0	0	0	0	0	0	0	0
TOTAL	62,222	99,433	106,558	116,012	123,725	126,391	141,237	142,334	140,920	105,677

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

* Total may not add up due to rounding.

** Average based on unrounded salary.

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New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

Appendix B

Census Data for Pensioners

As of June 30, 2013

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NEW YORK CITY FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2013 EMPLOYER CONTRIBUTIONS
SUMMARY OF PENSIONERS BY CAUSE AND GENDER

	MALE			FEMALE			BOTH MALE & FEMALE		
AGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
ACCIDENTAL DISABILITY:									
UNDER 30	1	68,422	68,422	1	70,247	70,247	2	138,669	69,335
30 TO 34	21	1,485,647	70,745	0	0	0	21	1,485,647	70,745
35 TO 39	124	8,743,776	70,514	1	78,205	78,205	125	8,821,981	70,576
40 TO 44	412	30,307,142	73,561	1	72,322	72,322	413	30,379,464	73,558
45 TO 49	903	70,554,168	78,133	1	102,708	102,708	904	70,656,876	78,160
50 TO 54	1,523	123,091,130	80,821	6	395,936	65,989	1,529	123,487,066	80,763
55 TO 59	1,370	111,103,314	81,097	4	390,149	97,537	1,374	111,493,463	81,145
60 TO 64	902	66,506,081	73,732	5	285,623	57,125	907	66,791,704	73,640
65 TO 69	907	58,220,946	64,191	0	0	0	907	58,220,946	64,191
70 TO 74	1,014	54,108,453	53,361	0	0	0	1,014	54,108,453	53,361
75 TO 79	847	39,084,870	46,145	1	65,470	65,470	848	39,150,340	46,168
80 TO 84	403	18,239,272	45,259	0	0	0	403	18,239,272	45,259
85 TO 89	208	8,913,826	42,855	0	0	0	208	8,913,826	42,855
90 & UP	85	3,347,483	39,382	0	0	0	85	3,347,483	39,382
TOTAL	8,720	593,774,530	68,093	20	1,460,660	73,033	8,740	595,235,190	68,105
ORDINARY DISABILITY:									
UNDER 30	0	0	0	0	0	0	0	0	0
30 TO 34	1	23,479	23,479	0	0	0	1	23,479	23,479
35 TO 39	1	20,443	20,443	0	0	0	1	20,443	20,443
40 TO 44	7	229,103	32,729	0	0	0	7	229,103	32,729
45 TO 49	15	428,516	28,568	0	0	0	15	428,516	28,568
50 TO 54	43	1,128,677	26,248	1	27,924	27,924	44	1,156,601	26,286
55 TO 59	43	1,040,265	24,192	0	0	0	43	1,040,265	24,192
60 TO 64	59	2,668,737	45,233	0	0	0	59	2,668,737	45,233
65 TO 69	90	5,915,416	65,727	0	0	0	90	5,915,416	65,727
70 TO 74	240	14,025,917	58,441	0	0	0	240	14,025,917	58,441
75 TO 79	251	12,932,454	51,524	0	0	0	251	12,932,454	51,524
80 TO 84	202	9,398,298	46,526	0	0	0	202	9,398,298	46,526
85 TO 89	98	4,036,662	41,190	0	0	0	98	4,036,662	41,190
90 & UP	59	2,255,424	38,228	0	0	0	59	2,255,424	38,228
TOTAL	1,109	54,103,391	48,786	1	27,924	27,924	1,110	54,131,315	48,767
SERVICE RETIREMENT:									
UNDER 30	0	0	0	0	0	0	0	0	0
30 TO 34	0	0	0	0	0	0	0	0	0
35 TO 39	0	0	0	0	0	0	0	0	0
40 TO 44	19	993,192	52,273	0	0	0	19	993,192	52,273
45 TO 49	105	5,652,394	53,832	0	0	0	105	5,652,394	53,832
50 TO 54	489	25,271,823	51,681	2	102,241	51,121	491	25,374,064	51,678
55 TO 59	633	32,382,676	51,157	4	198,073	49,518	637	32,580,749	51,147
60 TO 64	623	29,807,829	47,846	3	98,051	32,684	626	29,905,880	47,773
65 TO 69	821	36,788,357	44,809	0	0	0	821	36,788,357	44,809
70 TO 74	1,102	42,694,865	38,743	1	33,716	33,716	1,103	42,728,581	38,739
75 TO 79	959	33,495,158	34,927	0	0	0	959	33,495,158	34,927
80 TO 84	551	18,007,546	32,682	0	0	0	551	18,007,546	32,682
85 TO 89	326	10,291,708	31,570	0	0	0	326	10,291,708	31,570
90 & UP	192	5,484,373	28,564	0	0	0	192	5,484,373	28,564
TOTAL	5,820	240,869,921	41,387	10	432,081	43,208	5,830	241,302,002	41,390

NEW YORK CITY FIRE DEPARTMENT PENSION FUND
DATA USED IN THE JUNE 30, 2011 (LAG) ACTUARIAL VALUATION
FOR DETERMINING FINAL FISCAL YEAR 2013 EMPLOYER CONTRIBUTIONS
SUMMARY OF PENSIONERS BY CAUSE AND GENDER

	MALE			FEMALE			BOTH MALE & FEMALE		
AGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE	NUMBER	BENEFITS	AVERAGE
ACCIDENTAL DEATH:									
UNDER 30	2	58,030	29,015	3	108,795	36,265	5	166,825	33,365
30 TO 34	0	0	0	5	185,343	37,069	5	185,343	37,069
35 TO 39	0	0	0	45	1,560,279	34,673	45	1,560,279	34,673
40 TO 44	0	0	0	70	2,618,638	37,409	70	2,618,638	37,409
45 TO 49	0	0	0	107	4,087,300	38,199	107	4,087,300	38,199
50 TO 54	0	0	0	96	3,831,559	39,912	96	3,831,559	39,912
55 TO 59	0	0	0	61	2,521,193	41,331	61	2,521,193	41,331
60 TO 64	0	0	0	47	1,775,601	37,779	47	1,775,601	37,779
65 TO 69	0	0	0	44	1,434,121	32,594	44	1,434,121	32,594
70 TO 74	0	0	0	48	1,353,001	28,188	48	1,353,001	28,188
75 TO 79	0	0	0	45	1,204,496	26,767	45	1,204,496	26,767
80 TO 84	0	0	0	19	474,775	24,988	19	474,775	24,988
85 TO 89	0	0	0	18	451,861	25,103	18	451,861	25,103
90 & UP	0	0	0	22	526,429	23,929	22	526,429	23,929
TOTAL	2	58,030	29,015	630	22,133,391	35,132	632	22,191,421	35,113
OTHER BENEFICIARIES:									
UNDER 30	0	0	0	4	206,632	51,658	4	206,632	51,658
30 TO 34	1	58,517	58,517	0	0	0	1	58,517	58,517
35 TO 39	0	0	0	0	0	0	0	0	0
40 TO 44	0	0	0	1	33,681	33,681	1	33,681	33,681
45 TO 49	1	62,516	62,516	5	276,335	55,267	6	338,851	56,475
50 TO 54	0	0	0	12	495,375	41,281	12	495,375	41,281
55 TO 59	0	0	0	13	420,063	32,313	13	420,063	32,313
60 TO 64	0	0	0	19	730,695	38,458	19	730,695	38,458
65 TO 69	0	0	0	32	984,483	30,765	32	984,483	30,765
70 TO 74	0	0	0	37	1,116,701	30,181	37	1,116,701	30,181
75 TO 79	0	0	0	45	684,993	15,222	45	684,993	15,222
80 TO 84	0	0	0	71	772,803	10,885	71	772,803	10,885
85 TO 89	0	0	0	119	1,012,875	8,512	119	1,012,875	8,512
90 & UP	0	0	0	345	1,494,785	4,333	345	1,494,785	4,333
TOTAL	2	121,033	60,517	703	8,229,421	11,706	705	8,350,454	11,845
ALL PENSIONERS AND BENEFICIARIES:									
UNDER 30	3	126,452	42,151	8	385,674	48,209	11	512,126	46,557
30 TO 34	23	1,567,643	68,158	5	185,343	37,069	28	1,752,986	62,607
35 TO 39	125	8,764,219	70,114	46	1,638,484	35,619	171	10,402,703	60,835
40 TO 44	438	31,529,437	71,985	72	2,724,641	37,842	510	34,254,078	67,165
45 TO 49	1,024	76,697,594	74,900	113	4,466,343	39,525	1,137	81,163,937	71,384
50 TO 54	2,055	149,491,630	72,745	117	4,853,035	41,479	2,172	154,344,665	71,061
55 TO 59	2,046	144,526,255	70,638	82	3,529,478	43,042	2,128	148,055,733	69,575
60 TO 64	1,584	98,982,647	62,489	74	2,889,970	39,054	1,658	101,872,617	61,443
65 TO 69	1,818	100,924,719	55,514	76	2,418,604	31,824	1,894	103,343,323	54,564
70 TO 74	2,356	110,829,235	47,041	86	2,503,418	29,110	2,442	113,332,653	46,410
75 TO 79	2,057	85,512,482	41,571	91	1,954,959	21,483	2,148	87,467,441	40,720
80 TO 84	1,156	45,645,116	39,485	90	1,247,578	13,862	1,246	46,892,694	37,635
85 TO 89	632	23,242,196	36,776	137	1,464,736	10,692	769	24,706,932	32,129
90 & UP	336	11,087,280	32,998	367	2,021,214	5,507	703	13,108,494	18,647
TOTAL	15,653	888,926,905	56,790	1,364	32,283,477	23,668	17,017	921,210,382	54,135

New York City Fire Pension Fund

Comprehensive Annual Financial Report

A Pension Trust Fund of the City of New York

Statistical Section

Part V

Fiscal Year Ended June 30, 2013

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The Statistical Section Narrative

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

Operating information

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

Demographic and economic information

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

Financial Trends

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

Revenue Capacity

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

TABLE OF BENEFIT EXPENSES BY TYPE

(In thousands)

FISCAL YEAR	Service Retirement Payments	Ordinary Disability Payments	Accidental Disability Payments	Payments for Death in Duty	Payments of Deceased Service and Disability	Death Benefits Lump Sum Payments	Other Benefits *	Total
2004	$ 256,676	$ 63,868	$ 338,051	$ 20,267	$ 8,578	$ 4,672	$ 58,847	$ 750,959
2005	253,706	63,615	369,126	20,374	8,635	3,138	123,634	842,228
2006	254,777	62,603	402,335	20,639	8,707	4,944	46,970	800,975
2007	253,902	61,397	449,918	20,727	8,563	3,539	73,431	871,477
2008	248,262	59,685	495,662	21,174	8,564	2,339	79,539	915,225
2009	249,084	58,392	524,425	51,974	14,353	4,219	26,006	928,453
2010	244,502	56,905	552,814	54,069	14,426	3,454	28,603	954,773
2011	240,312	55,019	587,885	55,488	13,723	1,279	29,768	983,474
2012	239,786	53,002	621,698	57,614	13,923	1,353	50,213	1,037,589
2013	237,294	51,273	659,243	59,888	14,646	1,371	40,916	1,064,631

* This represents City Supplements and other payments.

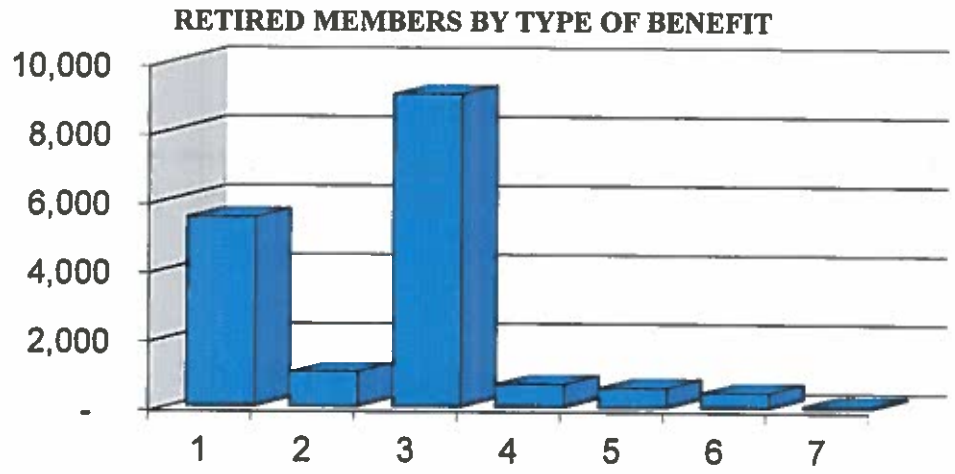
TABLE OF RETIRED MEMBERS AND BENEFICIARIES BY TYPE OF BENEFIT

FISCAL YEAR 2013

TOTAL NUMBERS RETIREES AND BENEFICIARIES	SERVICE RETIREES (1)	ORDINARY DISABILITY RETIREES (1)	ACCIDENTAL DISABILITY RETIREES (1)	LINE OF DUTY BENEFITS	SERVICE BENEFICIARIES	ACCIDENTAL BENEFICIARIES	ORDINARY BENEFICIARIES	OTHER BENEFITS (2)
17,264	5,487	1,010	9,064	654	556	427	66	-

ANNUAL PAYROLL AMOUNT
(In thousands)

1,064,631	$ 237,294	$ 51,273	$ 659,243	$ 59,888	$ 5,776	$ 8,870	$ 1,371	$ 40,916



Type of Retirement

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

(1) Includes Maximum Allowance and Options.

(2) Includes City Supplements and Return of Contributions Vouchers.

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

FISCAL YEAR 2013

TOTAL NUMBER OF RETIREES AND BENEFICIARIES	MAXIMUM ALLOWANCE (1)	OPTION ONE	OPTION TWO	OPTION THREE	OPTION FOUR	POP - UP OPTION	LINE OF DUTY BENEFICIARIES (1)	BENEFICIARIES	OTHER BENEFITS (2)
17,264	14,546	11	250	326	656	11	654	810	-

ANNUAL PAYROLL AMOUNT

$ 1,064,631	$ 878,985	$ 485	$ 12,666	$ 16,867	$ 45,024	$ 709	$ 59,888	$ 9,091	$ 40,916

(1) Includes Subchapter I and II.

(2) Includes City Supplements and Return of Contributions Vouchers.

Note: Option figures include Retirees and Beneficiaries.

New York City Fire Pension Fund
Retired Members by Type of Benefit
As of June 30, 2013

Exhibit 4

Amount of Monthly Benefits	Number of Retired Members	Type of Retirement						Option Selected				
		1	2	3	4	5	Unmodified	1	2	3	4	POP - UPS
$ 42,677	17	-	-	4	5	8	17	-	-	-	-	-
146,082	50	-	1	26	5	18	47	-	-	-	3	-
866,892	187	-	1	133	45	8	165	-	5	-	17	-
2,854,507	522	14	5	415	77	11	312	3	76	114	13	4
6,763,661	1,291	110	12	1,029	109	31	1,174	5	3	43	63	3
12,862,055	2,167	496	41	1,523	98	9	2,115	2	2	7	41	-
12,337,978	2,074	512	39	1,410	61	52	1,963	1	41	18	47	4
8,489,385	1,750	623	53	972	49	53	1,622	-	15	26	87	-
8,611,944	1,908	812	83	927	47	39	1,690		8	70	140	-
9,444,388	2,361	989	219	1,038	48	67	2,252	-	64	37	8	-
7,288,963	2,085	856	236	860	45	88	2,036	-	24	7	18	-
3,907,725	1,369	557	168	452	25	167	1,282	-	11	3	73	-
2,058,911	763	323	93	166	18	143	627	-	1	1	134	-
1,092,375	720	195	59	89	22	355	708	-	-	-	12	-
Total	17,284	6,487	1,010	9,064	664	1,049	16,010	11	250	326	656	11

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

Option selected:
The following options reduce the retired member's monthly benefits

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

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

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

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

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

New York City Fire Pension Fund
Average Benefit Payments
Last Ten Years

Exhibit 5

Retirement Effective Dates	Age Credited Service												
	Under 30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80-84	85-89	90 & Up
Period 7/1/03 to 6/30/04														
Average monthly benefit	$ 2,500	$ 2,936	$ 3,582	$ 3,885	$ 3,961	$ 4,040	$ 4,186	$ 3,900	$ 3,502	$ 3,138	$ 2,830	$ 2,320	$ 1,493	$ 1,207
Average final salary	$ 29,994	$ 35,228	$ 42,982	$ 46,617	$ 47,537	$ 48,479	$ 50,233	$ 46,799	$ 42,028	$ 37,654	$ 33,965	$ 27,842	$ 17,919	$ 14,484
Number of retired members	12	71	185	478	1,571	1,402	1,650	2,181	2,871	2,227	1,598	1,299	1,181	733
Period 7/1/04 to 6/30/05														
Average monthly benefit	$ 2,897	$ 3,213	$ 3,822	$ 4,157	$ 4,201	$ 4,282	$ 4,285	$ 4,066	$ 3,627	$ 3,191	$ 2,928	$ 2,476	$ 1,625	$ 1,274
Average final salary	34,760	38,561	45,858	49,886	50,409	51,385	51,425	48,787	43,522	38,289	35,130	29,709	19,497	15,286
Number of retired members	6	63	187	537	1,504	1,570	1,593	2,019	2,774	2,393	1,618	1,256	1,101	822
Period 7/1/05 to 6/30/06														
Average monthly benefit	3,421	3,264	3,995	4,394	4,423	4,505	4,414	4,266	3,762	3,270	3,052	2,604	1,827	1,260
Average final salary	41,054	39,165	47,945	52,733	53,081	54,059	52,973	51,187	45,143	39,244	36,619	31,250	21,920	15,120
Number of retired members	7	59	208	584	1,401	1,814	1,524	1,959	2,612	2,515	1,649	1,290	998	865
Period 7/1/06 to 6/30/07														
Average monthly benefit	3,375	3,611	4,284	4,716	4,862	4,895	4,715	4,424	3,879	3,341	3,117	2,689	1,971	1,210
Average final salary	40,499	43,327	51,409	56,588	58,345	58,735	56,579	53,083	46,553	40,093	37,402	32,267	23,651	14,524
Number of retired members	8	59	229	638	1,420	1,981	1,570	1,900	2,570	2,482	1,643	1,283	902	794
Period 7/1/07 to 6/30/08														
Average monthly benefit	3,843	3,606	4,527	5,144	5,257	5,232	4,987	4,633	4,005	3,500	3,179	2,786	2,166	1,276
Average final salary	46,116	43,273	54,323	61,725	63,079	62,786	59,844	55,591	48,061	42,002	38,143	33,432	25,993	15,308
Number of retired members	7	45	232	618	1,304	2,154	1,639	1,749	2,388	2,590	1,745	1,290	854	789
Period 7/1/08 to 6/30/09														
Average monthly benefit	3,881	3,642	4,572	5,195	5,309	5,284	5,037	4,679	4,045	3,535	3,210	2,814	2,188	1,288
Average final salary	46,577	43,706	54,866	62,342	63,710	63,414	60,442	56,147	48,542	42,422	38,524	33,766	26,253	15,461
Number of retired members	7	43	234	629	1,306	2,230	1,734	1,823	2,270	2,585	1,739	1,266	816	764
Period 7/1/09 to 6/30/10														
Average monthly benefit	3,843	3,606	4,527	5,144	5,257	5,231	4,985	4,633	4,005	3,500	3,179	2,786	2,166	1,272
Average final salary	46,116	43,273	54,323	61,725	63,079	62,774	59,823	55,591	48,061	42,002	38,143	33,432	25,993	15,262
Number of retired members	7	45	232	618	1,304	2,155	1,640	1,749	2,268	2,466	1,745	1,290	854	787
Period 7/1/10 to 6/30/11														
Average monthly benefit	3,570	4,613	4,923	5,415	5,764	5,663	5,576	4,958	4,355	3,754	3,316	3,003	2,562	1,424
Average final salary	42,838	55,350	59,071	64,974	69,172	67,956	66,907	59,497	52,262	45,042	39,791	36,036	30,744	17,090
Number of retired members	11	32	197	517	1,162	2,254	1,916	1,674	2,014	2,602	1,994	1,220	799	748
Period 7/1/11 to 6/30/12														
Average monthly benefit	3,570	4,613	4,923	5,415	5,764	5,663	5,576	4,958	4,355	3,754	3,316	3,003	2,562	1,424
Average final salary	42,838	55,350	59,071	64,974	69,172	67,956	66,907	59,497	52,262	45,042	39,791	36,036	30,744	17,090
Number of retired members	11	52	206	527	1,180	2,002	2,315	1,694	2,033	2,448	2,001	1,364	854	717
Period 7/1/12 to 6/30/13														
Average monthly benefit	3,880	5,217	5,070	5,597	5,949	5,922	5,798	5,120	4,547	3,868	3,393	3,136	2,677	1,554
Average final salary	46,557	62,607	60,835	67,165	71,384	71,061	69,575	61,443	54,564	46,410	40,720	37,635	32,129	18,647
Number of retired members	17	50	187	522	1,291	2,167	2,074	1,750	1,908	2,361	2,085	1,369	763	720

Source: Office of the Actuary City of New York.

New York City Fire Pension Fund
Benefit and Refund Deductions from Net Assets by Type
Last Ten Fiscal Years
(In thousands)

Exhibit 6

Type of Benefit:	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Age and service benefits:										
Retirees	256,676	253,706	254,777	253,902	248,262	249,084	244,502	240,312	239,786	237,294
Survivors	5,720	5,363	5,290	4,926	4,666	10,212	10,040	5,990	5,847	5,776
Death in service benefits	20,267	20,374	20,639	20,727	21,174	51,974	54,069	55,488	57,614	59,888
Disability benefits:										
Retirees - duty	338,051	369,126	402,335	449,918	495,662	524,425	552,814	587,885	621,698	659,243
Retirees - nonduty	63,868	63,615	62,603	61,397	59,685	58,392	56,905	55,019	53,002	51,273
Survivors	2,858	3,272	3,417	3,637	3,898	4,141	4,386	1,279	1,353	1,371
Total benefits	$ 687,440	$ 715,456	$ 749,061	$ 794,507	$ 833,347	$ 898,228	$ 922,716	$ 945,973	$ 979,300	$ 1,014,845
Type of Refunds										
Death	4,672	3,138	4,944	3,539	2,339	4,219	3,454	7,733	8,076	8,870
Other benefits	58,847	123,634	46,970	73,431	79,539	26,006	28,603	29,768	50,213	40,916
Total refunds	$ 63,519	$ 126,772	$ 51,914	$ 76,970	$ 81,878	$ 30,225	$ 32,057	$ 37,501	$ 58,289	$ 49,786
Total Benefits and Refunds	**$ 750,959**	**$ 842,228**	**$ 800,975**	**$ 871,477**	**$ 915,225**	**$ 928,453**	**$ 954,773**	**$ 983,474**	**$ 1,037,589**	**$ 1,064,631**

Source Fire Department New York.

SCHEDULE OF AVERAGE ANNUAL BENEFIT PAYMENT AMOUNTS

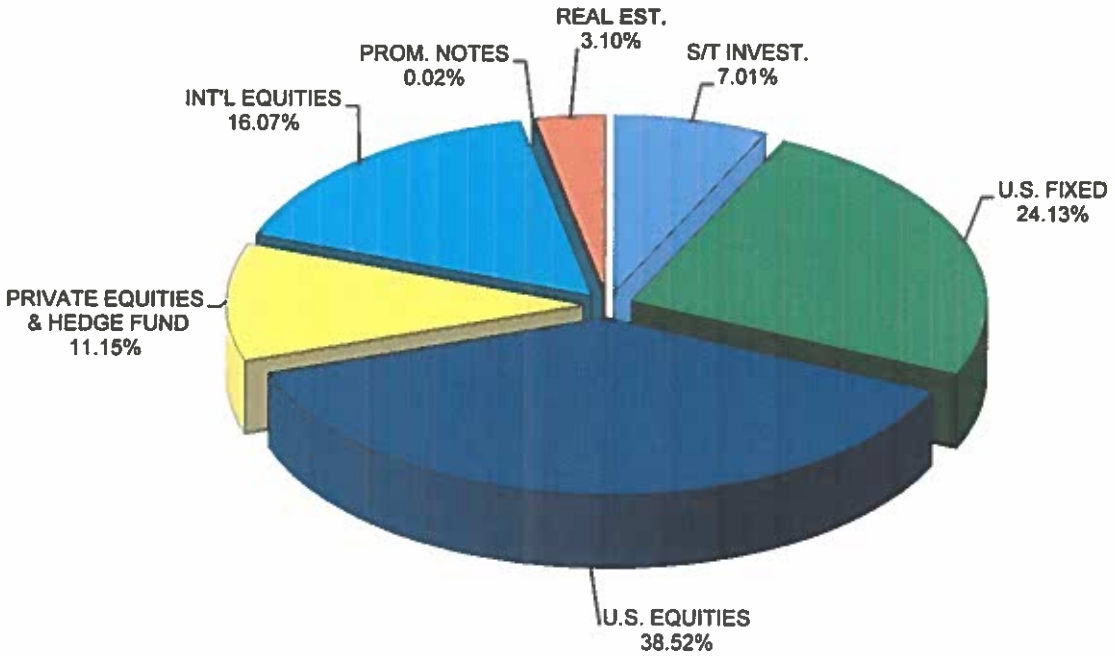
	Service Retirement Benefits		Accidental (Duty) Disability Benefits		Ordinary (Non Duty) Disability Benefits		Survivor's Benefits *	
Fiscal Year	Numbers	Average Annual Allowance	Number	Average Annual Allowance	Number	Average Annual Allowance	Number	Average Annual Allowance
2004 (Lag)	7,148	$ 35,909	6,780	$ 49,860	1,488	$ 42,922	2,043	$ 14,119
2005 (Lag)	6,965	36,426	7,103	51,968	1,448	43,933	1,927	19,316
2006 (Lag)	6,839	37,254	7,420	54,223	1,398	44,780	1,828	19,767
2007 (Lag)	6,606	38,435	7,816	57,564	1,339	45,853	1,718	17,208
2008 (Lag)	6,353	39,078	8,149	60,825	1,284	46,484	1,618	20,942
2009 (Lag)	6,194	39,908	8,331	63,286	1,217	47,398	1,521	19,782
2010 (Lag)	5,957	40,447	8,593	65,741	1,167	48,219	1,423	21,354
2011	5,837	41,170	8,712	67,480	1,110	49,557	1,414	49,144
2012	5,667	41,080	8,912	69,760	1,058	50,096	1,767	41,251
2013	5,487	43,247	9,064	72,723	1,010	50,765	1,703	44,571

* Includes World Trade Center Benefits

Exhibit 7

TOTAL INVESTMENTS FISCAL YEAR 2013

(At Market Value)



NEW YOK CITY FIRE PENSION FUND

Schedule of Changes in Net Positions

(In thousands)

	Additions to Plan Net Position					Deductions from Plan Net Position					
Year Ended	Member Contributions	Employer Contributions	Net Investment Income/(Loss)	Other Income	Total Additions	Benefit Payments	Refunds	Administrative Expenses	Other	Total Deductions	Change in Net Position
2004	42,529	392,693	774,109	33,257	1,242,588	750,742	217	-	-	750,959	491,629
2005	52,680	489,508	560,821	49,662	1,152,671	841,648	319	-	261	842,228	310,443
2006	76,548	608,771	590,395	28,971	1,304,685	800,552	-	413	10	800,975	503,710
2007	71,614	683,193	1,117,227	36,770	1,908,804	870,841	444	172	20	871,477	1,037,327
2008	75,974	780,202	(366,390)	40,103	529,889	914,569	418	200	38	915,225	(385,336)
2009	84,357	843,751	(1,282,917)	42,729	(312,080)	927,819	325	248	61	928,453	(1,240,533)
2010	89,223	874,331	818,201	34,990	1,816,745	953,990	510	237	36	954,773	861,972
2011	94,893	890,706	1,472,892	41,887	2,500,378	982,962	276	236	-	983,474	1,516,904
2012	98,494	976,895	93,548	37,661	1,206,598	1,036,806	443	340	-	1,037,589	169,009
2013	104,816	962,173	961,192	38,965	2,067,146	1,063,349	816	445	21 *	1,064,631	1,002,515

Other * Operating expense

NEW YORK CITY FIRE PENSION FUND

SCHEDULE OF REVENUES BY SOURCE

(in thousands)

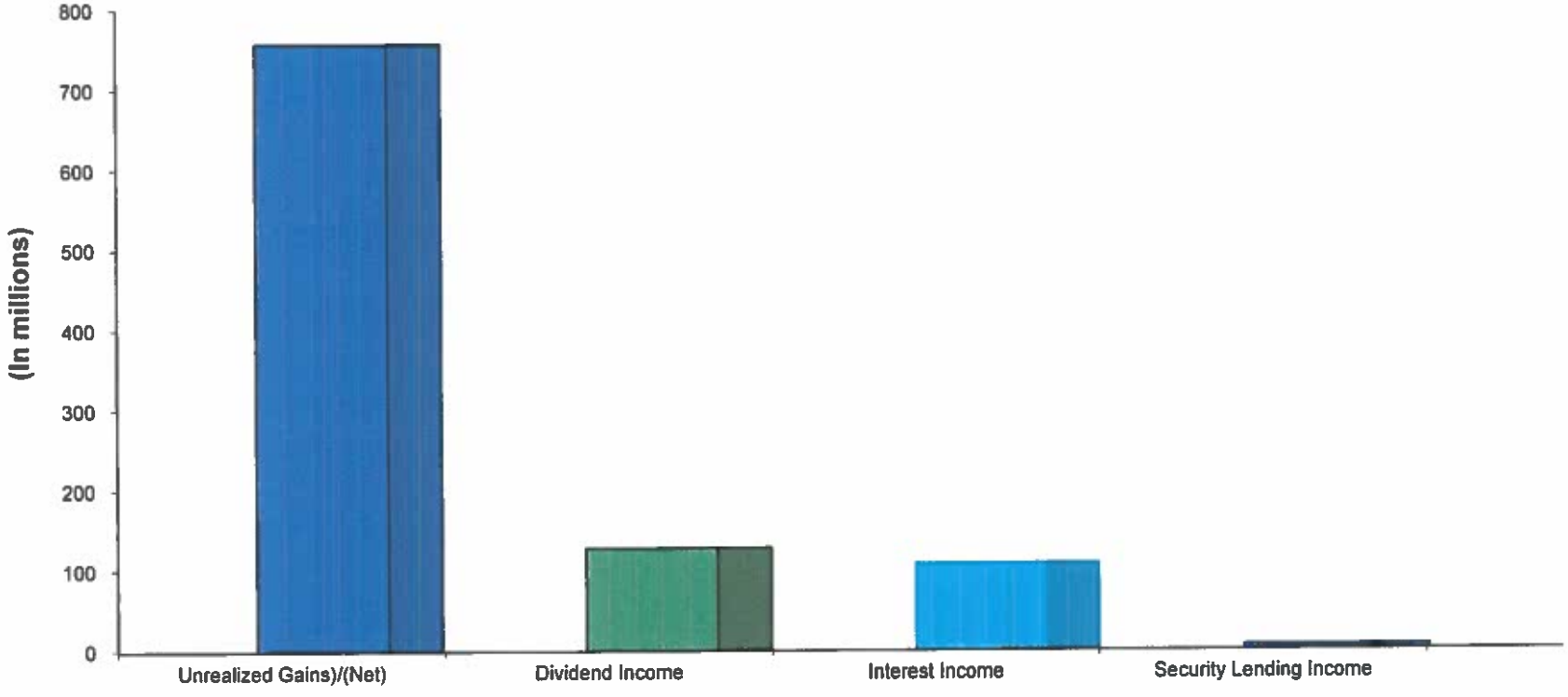
Fiscal Year Ended June 30	Member Contributions	Employer Contributions	Other Income	Interest and Dividends	Appreciation (Depreciation) In fair value of investments	Total	% of Annual Covered Payroll
2004	$ 42,529	$ 392,693	$ 22,673	$ 124,437	$ 660,256	$ 1,242,588	N/A
2005	52,680	489,508	40,443	147,184	422,856	1,152,671	N/A
2006	76,548	608,771	17,450	164,325	437,591	1,304,685	N/A
2007	71,614	683,193	21,868	185,836	946,293	1,908,804	N/A
2008	75,974	780,202	28,393	210,151	(564,831)	529,889	N/A
2009	84,357	843,751	30,545	187,040	(1,457,773)	(312,080)	N/A
2010	89,223	874,331	10,319	176,097	666,775	1,816,745	N/A
2011	94,893	890,706	17,668	192,667	1,304,444	2,500,378	N/A
2012	98,494	976,895	9,756	220,373	(98,920)	1,206,598	N/A
2013	104,816	962,173	5,990	237,031	757,136	2,067,146	N/A

Source: Statement of Changes in Plan Net Position

Exhibit 8

INVESTMENT INCOME

Fiscal Year 2013



NEW YORK CITY FIRE PENSION FUND

SCHEDULE OF EXPENSES BY TYPE

(in thousands)

Fiscal Year Ended June 30	Benefit Payments	Refunds	Administrative Expenses	Other Payments	Total
2004	$ 750,742	$ 217	$ -	$ -	$ 750,959
2005	841,648	319	-	261	842,228
2006	800,552	-	413	10	800,975
2007	870,841	444	172	20	871,477
2008	914,569	418	200	38	915,225
2009	927,819	325	248	61	928,453
2010	953,990	510	237	36	954,773
2011	982,962	276	236	-	983,474
2012	1,036,806	443	340	-	1,037,589
2013	1,063,349	816	445	21	1,064,631

Table of Compensation to Administrative Officials and Commissions & Payments To Brokers and Consultants Fiscal Year Ended June 30, 2013

Official Plan Position	*Salary or Allowance Paid*	
Pension Fund Administrative Personnel	$ 2,009,686	
Comptroller's Office Executive Management Costs	12,447	
First Deputy Personal Service Cost	94,938	
Financial Information Service Agency (FISA)	283,081	
Office of Payroll Administration (OPA)	168,571	
Deputy Comptroller Asset Management (Personal Service Cost)	727,918	
Deputy Comptroller Asset Management (Outside Service Costs)	601,996	
Administrative Support Cost	1,694	
Office of Management and Budget	113,992	
Legal Advisor	113,414	
Investments Advisor	38,481,716	*
Securities Lending Fees	790,837	*
Total	$ 43,400,290	

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