

Report on the Fourth Annual Actuarial Valuation
Of Other Postemployment Benefits
Provided under the New York City Health Benefits Program

Prepared as of June 30, 2008 in Accordance with
Governmental Accounting Standards Board
Statements No. 43 and 45

For Fiscal Year Ended June 30, 2009

New York City Office of the Actuary

Robert C. North, Jr.
Chief Actuary

September 24, 2009



OFFICE OF THE ACTUARY

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ROBERT C. NORTH, JR.
CHIEF ACTUARY

September 24, 2009

Honorable William C. Thompson, Jr.
Comptroller
The City of New York
Municipal Building, Room 530
One Centre Street
New York, NY 10007

Re: GASB43/45 Actuarial Valuation Report

Dear Comptroller Thompson:

This Report presents the results of the June 30, 2008 actuarial valuation of the Other Postemployment Benefits ("OPEB") provided under the New York City Health Benefits Program (the "Program"). These results are intended to form the basis for accounting and financial reporting under Governmental Accounting Standards Board ("GASB") Statement No. 45 ("GASB45") for Fiscal Year 2009 (i.e., July 1, 2008 to June 30, 2009) for the City of New York (the "City") and certain non-City entities ("Component Units"). Beginning with this valuation these results are also intended to form the basis for financial reporting under GASB Statement No. 43 ("GASB43") for the New York City Other Postemployment Benefits Plan (the "OPEB Plan" or the "Plan"). Where these results are applicable under both GASB43 and GASB45 the term "GASB43/45" is used.

In prior actuarial valuations, GASB43 results were presented which formed the basis for financial reporting under the New York City Retiree Health Benefits Trust ("NYCRHBT").

The results shown herein are based upon:

- The Office of the Actuary's ("OA") interpretation of GASB43 and GASB45. In June 2009, the City became aware of information to be released by GASB that impacts the OA's understanding of the application of GASB43.
- The OA's understanding of the benefits provided to eligible retirees and beneficiaries.
- Census data used in the June 30, 2008 actuarial valuations of the New York City Retirement Systems ("NYCRS")¹ and supplemental data provided to the OA by the New York City Office of Labor Relations ("OLR") and by the Educational Construction Fund ("ECF"), and data provided to Buck Consultants, LLC ("Buck") by the City University of New York ("CUNY") for participants in the Teachers Insurance Annuity Association - College Retirement Equities Fund ("TIAA-CREF" or "CUNY TIAA").
- Health insurance premium rates and related financial information for Fiscal Year 2009 provided to the OA by OLR.
- Welfare Fund contribution rates as of June 30, 2008, June 30, 2007 and June 30, 2006 provided to the OA by OLR.
- Certain Actuarial Assumptions² used in the actuarial valuations of the NYCRS that were adopted by the Boards of Trustees during Fiscal Year 2006 and supplemental probabilities of retirement adopted by the Retirement Board of TRS and applicable to active participants in the optional 55/25 Plan established under Chapter 19 of the Laws of 2008.

¹ New York City Employees' Retirement System ("NYCERS")
New York City Teachers' Retirement System ("TRS")
New York City Board of Education Retirement System ("BERS")
New York City Police Pension Fund ("POLICE")
New York City Fire Pension Fund ("FIRE")

² Details provided in Appendix D - Details of Actuarial Assumptions and Certain Methods.

- Additional OPEB-specific Actuarial Assumptions as described in Section V and Appendix D of this Report. For this actuarial valuation, the assumptions have been updated to reflect more recent experience.
- An Actuarial Cost Method as described in Section V of this Report.
- Financial information provided by the Office of Management and Budget ("OMB") for City entities and by the administrative offices of the Component Units.
- Information on the Stabilization Fund provided by OLR and OMB.

This analysis is not meant for other purposes. In particular, the analysis in this Report is not to be relied upon by the employer, the retirees or any retiree representatives (such as unions) for any decisions regarding benefit design.

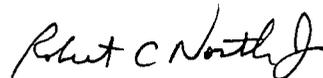
This Report is intended to present the OPEB obligations of the New York City Health Benefits Program as of the valuation date.

All costs, obligations and actuarial present values have been determined in accordance with generally accepted actuarial principles and procedures.

An Actuarial Certification is included in Section VIII.

The Table of Contents, which immediately follows, outlines in more detail the contents of this Report.

Respectfully submitted,



Robert C. North, Jr.
Chief Actuary

Honorable William C. Thompson, Jr.
September 24, 2009
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cc: OA

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SECTION I - EXECUTIVE SUMMARY

1. This actuarial report was prepared as of June 30, 2008 and presents the results of an actuarial valuation of the Other Postemployment Benefits ("OPEB") provided by the City of New York (the "City") and certain entities ("Component Units") to eligible retirees and beneficiaries through the New York City Health Benefits Program (the "Program").

The OPEB for which the City has financial responsibility are referred to as the OPEB Plan (the "Plan"). The Plan is distinguished from the Program based on which entity has financial responsibility for the OPEB.

The purpose of this actuarial valuation is to determine the Annual Required Contribution ("ARC") and measure the Annual OPEB Cost ("AOC") for the Plan and certain entities for Fiscal Year 2009 (i.e., July 1, 2008 to June 30, 2009) in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 45 ("GASB45"). This actuarial valuation also measures the funded status of the Plan and determines the ARC for Fiscal Year 2009 in accordance with GASB Statement No. 43 ("GASB43").

Beginning with the June 30, 2008 GASB43 actuarial valuation, the funded status is being measured and the ARC is being determined for the OPEB Plan. In prior GASB43 actuarial valuations, the funded status was measured and the ARC was determined for the New York City Retiree Health Benefits Trust ("NYCRHBT") in accordance with the Office of the Actuary's ("OA") then current interpretation and understanding of GASB43.

The current interpretation of GASB43 was made in consultation with the City and its auditors and is the result of information to be released by GASB regarding accounting for non-trust activity for sponsors of an OPEB trust.

Furthermore, the City has decided to include in the determination of employer pay-as-you-go ("PAYG") contributions an approximate value of certain non-trust activity. Finally, the City has elected to reflect in its Fiscal Year 2009 Comprehensive Annual Financial Report ("CAFR") the cumulative impact of this non-trust activity on the Net OPEB Obligation for all fiscal years retroactive to Fiscal Year 2006.

Consistent with the City's actions, the New York City Health and Hospitals Corporation ("HHC") has decided to include in the determination of PAYG contributions a nominal reallocation of costs between active employees and retirees, retroactive to Fiscal Year 2006, and to reflect the cumulative impact of this nominal reallocation in its Fiscal Year 2009 financial statements.

2. This actuarial valuation measures the total actuarial present value of projected benefits for the New York City Off-Track Betting Corporation ("OTB") and the New York City Housing Authority ("HSG" or "NYCHA") who present their financial results on fiscal years differing from that of the City.

3. Presented in the following Table I-1a are the principal GASB45 results of the June 30, 2008 and the June 30, 2007 OPEB actuarial valuations:

TABLE I-1a						
SUMMARY OF PRINCIPAL GASB45 RESULTS OF THE OPEB ACTUARIAL VALUATIONS*						
AS OF JUNE 30, 2008 AND JUNE 30, 2007						
(\$ Millions)						
Valuation Date	June 30, 2008			June 30, 2007		
Fiscal Year	2009			2008		
Entity	City	Component Units#	Total	City	Component Units#	Total
Total Actuarial Present Value of Projected Benefits (TPV)	\$101,064.0	\$8,976.7	\$110,040.7	\$104,271.9	\$8,933.5	\$113,205.4
Actuarial Asset Value (AAV)	\$ 3,186.1	\$ 0.0	\$ 3,186.1	\$ 2,594.5	\$ 0.0	\$ 2,594.5
Unfunded Actuarial Accrued Liability (UAAL)	\$ 61,958.8	\$3,030.2	\$ 64,989.0	\$ 59,522.5	\$2,921.9	\$ 62,444.4
Annual Required Contribution (ARC)	\$ 67,206.7	\$3,388.4	\$ 70,595.1	\$ 65,161.3	\$3,302.9	\$ 68,464.2
Net OPEB Obligation at End of Fiscal Year	\$ 65,523.6	\$3,284.8	\$ 68,808.4	\$ 63,270.3	\$3,222.6	\$ 66,492.9

* For GASB43 results, see Section VI.

Includes ECF, HHC, HSG (TPV Only), OTB (TPV Only for June 30, 2008 valuation), SCA and WFA.

4. Presented in the following Table I-1b is a comparison of the principal GASB45 results of the June 30, 2008 OPEB actuarial valuation before and after reflecting the cumulative impact of non-trust activity for the City and before and after reflecting a nominal reallocation of costs between active employees and retirees for HHC:

TABLE I-1b						
COMPARISON OF PRINCIPAL GASB45 RESULTS OF THE OPEB ACTUARIAL VALUATION AS OF						
JUNE 30, 2008 BEFORE AND AFTER REFLECTING NON-TRUST ACTIVITY / NOMINAL REALLOCATION						
(\$ Millions)						
	After Reflecting Non-Trust Activity / Nominal Reallocation			Before Reflecting Non-Trust Activity / Nominal Reallocation		
Fiscal Year	2009			2009		
Entity	City	Component Units#	Total	City	Component Units#	Total
Total Actuarial Present Value of Projected Benefits (TPV)	\$101,064.0	\$8,976.7	\$110,040.7	\$101,064.0	\$8,976.7	\$110,040.7
Actuarial Asset Value (AAV)	\$ 3,186.1	\$ 0.0	\$ 3,186.1	\$ 3,186.1	\$ 0.0	\$ 3,186.1
Unfunded Actuarial Accrued Liability (UAAL)	\$ 61,958.8	\$3,030.2	\$ 64,989.0	\$ 61,958.8	\$3,030.2	\$ 64,989.0
Annual Required Contribution (ARC)	\$ 67,206.7	\$3,388.4	\$ 70,595.1	\$ 67,206.7	\$3,388.4	\$ 70,595.1
Net OPEB Obligation at End of Fiscal Year	\$ 65,523.6	\$3,284.8	\$ 68,808.4	\$ 65,817.3	\$3,311.7	\$ 69,129.0

Includes ECF, HHC, HSG (TPV Only), OTB (TPV Only), SCA and WFA.

5. Section II of this Report provides a summary of the census data used to prepare the June 30, 2008 actuarial valuation.
6. Section III of this Report provides an overview of the assets and other financial information used to prepare the June 30, 2008 and the June 30, 2007 actuarial valuations and used in the determination of the Net OPEB Obligation ("NOO") under GASB45 as of June 30, 2009 and June 30, 2008.
7. Section IV of this Report summarizes the OPEB provisions used in the June 30, 2008 actuarial valuation. The OPEB provisions remain unchanged from the prior actuarial valuation.
8. Section V of this Report describes the actuarial assumptions and methods employed in the June 30, 2008 actuarial valuation and the changes in assumptions and methods where different.
9. Section VI of this Report presents the results of the June 30, 2008 actuarial valuation and the development of the Fiscal Year 2009 Annual Required Contribution ("ARC") in accordance with GASB43.

10. Section VII of this Report presents the results of the June 30, 2008 actuarial valuation and the development of the Fiscal Year 2009 ARC and the Annual OPEB Cost ("AOC") in accordance with GASB45 for the City and certain Component Units. Section VII also provides a comparison with Fiscal Year 2008 results.

11. Section VIII of this Report presents the Actuarial Certification. The Certification is signed by the Chief Actuary of the New York City Office of the Actuary (the "Actuary") who serves as the Actuary for the New York City Retirement Systems ("NYCRS")¹. The Actuarial Certification is also signed by (1) the Division Head of the OA Valuation Services Division ("VSD") and (2) the Chief Actuary, Health and Productivity Practice, for Buck Consultants, LLC ("Buck").

¹ New York City Employees' Retirement System ("NYCERS")
New York City Teachers' Retirement System ("TRS")
New York City Board of Education Retirement System ("BERS")
New York City Police Pension Fund ("POLICE")
New York City Fire Pension Fund ("FIRE")

This Report, and the information contained herein, was prepared by the staff of the VSD under the direction of its Division Head with assistance from and in coordination with the staff of Buck. Buck also served as consultant and advisor to the OA, developed the OPEB actuarial valuation programming and reviewed the results and the contents of this Report.

12. Appendix A of this Report presents a Statement of Net Assets and a Statement of Changes in Net Assets for the New York City Other Postemployment Benefits Plan for the Fiscal Years ended June 30, 2009 and June 30, 2008.
13. Appendix B of this Report presents detailed census data information.
14. Appendix C of this Report presents detailed results, including Required Supplementary Information ("RSI"), of the June 30, 2008 actuarial valuation under GASB45 for the City and certain Component Units. Appendix C also presents detailed GASB43 results for the OPEB Plan.

15. Appendix D of this Report provides details of the actuarial assumptions used in the June 30, 2008 actuarial valuation with comparisons to the actuarial assumptions used in the June 30, 2007 actuarial valuation, where different.

The June 30, 2008 actuarial assumptions and methods are unchanged from those used in the June 30, 2007 actuarial valuation with the following exceptions:

- Per capita claims costs have been updated to reflect more recent experience. In addition, the amount of additional cost assumed for the age adjustments to non-Medicare GHI premiums was reduced by 6% to reflect estimated margin amounts anticipated to be returned.
- The factor applied to HIP Medicare HMO costs in addition to medical trend, to reflect expected changes in Medicare Advantage reimbursements, was slightly modified due to recent legislative and regulatory changes.

- Welfare Fund contributions have been updated to reflect recent contribution rates. As with the previous actuarial valuation, a three-year trended average of reported annual contribution amounts for current retirees was used. The average trend assumed for the most recent year has been modified to reflect more recent experience. The Welfare Fund rates reported for the previous two actuarial valuations were trended to current levels based on a historic increase rate of 3.8% for Fiscal Year 2008 and 4.3% for Fiscal Year 2007 and earlier, approximating overall recent growth of Welfare Fund contributions.
- Medicare Part B premium reimbursement assumptions have been updated to reflect actual premium rates as announced for calendar years through 2009. In addition, for the June 30, 2008 actuarial valuation, the reimbursement amounts were revised and 90% of Medicare participants are assumed to claim reimbursement for Medicare Part B premiums from the Program. Previously, 100% of Medicare participants were assumed to claim reimbursement for Medicare Part B premiums. The assumed reimbursement amounts were adjusted to reflect information about the portion of retirees who have historically claimed reimbursement and the amount of reimbursement for the income-related surcharge actually claimed. For the June 30, 2007 actuarial valuation, the assumptions were based on overall national expectations about the income-related Part B premium surcharge.

- The cost of the Stabilization Fund has been updated to reflect more recent experience. The resulting assumption is unchanged from that used for purposes of measuring the City's GASB45 obligations as of June 30, 2007.
- For the June 30, 2007 OPEB actuarial valuation, assumptions were introduced to estimate the impact of the optional 55/25 Plan for certain members of TRS. While the election period to join this new plan under Chapter 19 of the Laws of 2008 ended on August 25, 2008, data was not available to identify who opted into this plan as of the publication of the Report on the Third Annual Actuarial Valuation of Other Postemployment Benefits Provided under the New York City Health Benefits Program dated September 25, 2008 (the "Third Annual GASB Report").

For the June 30, 2008 OPEB actuarial valuation, the data contained a code indicating the eligible TRS and BERS members who elected to participate in the optional 55/25 Plan. These members are assumed to retire under supplemental probabilities of retirement specific to the optional 55/25 Plan.

16. Appendix E of this Report presents information on the actuarial assumptions and methods used in the June 30, 2008 OPEB actuarial valuation for the New York City Educational Construction Fund ("ECF"), including references to an August 7, 2006 report entitled "Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45 Valuations - Participating Agency Version" that has been used as a basis for those actuarial assumptions. A comparison to the assumptions used in the June 30, 2007 actuarial valuation is shown where different.
17. Appendix F of this Report presents information on the actuarial assumptions and methods used in the June 30, 2008 OPEB actuarial valuation for CUNY TIAA employees. A comparison to the assumptions used in the June 30, 2007 actuarial valuation is shown where different.
18. Appendix G of this Report acknowledges those who assisted in the development of these results and the production of this Report.

SECTION II - CENSUS DATA

In general, the census data used in the June 30, 2008 OPEB actuarial valuation is based upon the census data used in the June 30, 2008 actuarial valuation of the NYCERS.

This census data was supplemented by information provided to the OA by the New York City Office of Labor Relations ("OLR") relating to eligible retirees and other eligible beneficiaries covered by the Program. The census data does not generally include employees who are not yet participants in the NYCERS.

The census data was also supplemented by information provided directly to Buck by the City University of New York ("CUNY") on individuals who elect to be covered under alternate retirement benefits provided through the Teachers Insurance Annuity Association - College Retirement Equities Fund ("TIAA-CREF" or "CUNY TIAA") rather than through the NYCERS.

In addition to the participants of NYCERS and CUNY TIAA, the actuarial valuation also includes 35 CUNY employees covered under the Cultural Institutions Retirement System ("CIRS"), who were also assumed to ultimately be eligible for certain OPEB outlined in this Report.

Effective with the June 30, 2007 actuarial valuation, the City is responsible for payment of Welfare Fund benefits to non-pedagogical CUNY Senior College retirees of the NYCERS. The data for current retirees identified which individuals were non-pedagogical retirees (Welfare Funds other than 275, 276 and 277). Since a Union Welfare Fund code is not available in the active, inactive and deferred vested data, it was not possible to directly segregate pedagogical and non-pedagogical CUNY Senior College staff in these populations. For the June 30, 2007 and the June 30, 2008 actuarial valuations an adjustment was made to estimate these populations' Welfare Fund liabilities for the City. For the three Systems (NYCERS, TRS and BERS) with CUNY Senior College non-retiree participants, the CUNY Senior College Welfare Fund liability was allocated between CUNY and the City based on the ratio of each System's actual non-pedagogical to total CUNY Senior College retiree headcounts.

The Office of the Actuary ("OA") and Buck performed tests on this census data for reasonability and on the basis of these tests the Actuary believes the data is sufficiently complete and appropriate for determining the OPEB obligations in total for the City and for the OPEB Plan.

It was discovered during the first (i.e., June 30, 2005) OPEB actuarial valuation that the NYCERS retiree data did not always accurately incorporate Component Unit codes. For certain Component Units, some retirees were identified and valued as City retirees. For the June 30, 2006 actuarial valuation, OLR provided more detailed information about which entity was responsible for payment of benefits of each covered retiree. The overall census counts were provided to each Component Unit with a request for verification by the administrative staff of each Component Unit.

For the June 30, 2007 and the June 30, 2008 actuarial valuations the OA continued to improve the allocation of retirees, active/inactives and deferred vesteds between the City and the Component Units.

Each Component Unit was provided with a reconciliation, by employee group, in addition to overall census counts. This was followed by a request for verification by the staff of each Component Unit.

For the June 30, 2007 actuarial valuation, HHC, OTB, the New York City School Construction Authority ("SCA") and the New York City Municipal Water Finance Authority ("WFA") confirmed that the number of participants used in the valuation was reasonable for purposes of measuring OPEB costs. HSG did not confirm the counts of participants provided by the OA.

For the June 30, 2008 actuarial valuation HHC, OTB, SCA and WFA confirmed the number of participants used in the valuation for the purposes of measuring OPEB costs. HSG confirmed that the overall number of participants was within 1% of the number of participants used in the valuation by which the Actuary concluded that the valuation data was reasonable for the purpose of measuring OPEB costs.

In preparing the June 30, 2008 OPEB actuarial valuation, it was further discovered that the issues of identifying location affected former employees who were part of NYCERS but who should not have been included in this valuation, either as a City participant or as a participant in one of the Component Units. For example, if the location code was missing for an individual who had last worked as a Transit employee but was now coded as active/inactive or deferred vested, the valuation includes the individual in measuring the obligation of the City. Since the OA has recently been capturing location information from the last payroll of formerly active employees, the number of individuals potentially impacted by this issue is de minimus and declining over time.

The Actuary believes the data as prepared for the June 30, 2008 GASB actuarial valuation is sufficient for determining the OPEB obligations presented in this Report for the Component Units.

The census data is broken into the following major classifications as used in the NYCERS valuations:

- Actives (in payroll status as of the valuation date).

- Actives/Inactives (generally not yet separated from service but off payroll as of the valuation date).
- Deferred Vesteds and Deferred Retirees (separated from service, eligible for a benefit but not yet in receipt).
- Retirees and other Eligible Beneficiaries (in receipt).

In addition, census data was provided for the following groups not part of the NYCERS:

- Active employees of CUNY who participate in TIAA-CREF or CIRS.
- Retired employees of CUNY who participate in TIAA-CREF and have been participating in the New York City Health Benefits Program.
- Line-of-Duty Survivors who are currently receiving continued lifetime medical coverage and Medicare Part B reimbursements.

Complete census data was not available for terminated CUNY employees who had participated in TIAA-CREF and who have a deferred vested right to receive Medicare Part B premium reimbursements (and medical and Welfare Fund benefits if employed by a Community College) when they retire under certain conditions. The number and obligation for this vested group was estimated based on census information for CUNY TIAA employees who terminated within the last six years. Effective with the June 30, 2007 actuarial valuation, the City is responsible for the payment of medical benefits and Welfare Fund contributions for CUNY TIAA Community College retirees. The data for current active employees identified which individuals were Senior versus Community College employees. Since a Senior versus Community College code is not available in the retiree data, it was not possible to directly segregate these populations. An adjustment was made allocating retiree and deferred vested liability between CUNY and the City based on the historic ratio of CUNY Senior College and Community College employees in TIAA. The most recent census indicates a greater proportion of Community College employees in TIAA. It was believed this change was a temporary result of the current economic environment that has resulted in an increase in community college enrollment nationwide.

Attached in Appendix B are the following tables that set forth the census data used in this Report:

- Tables 1a-1g Plan Participation.
- Tables 2a-2e Welfare Fund Contributions.

Except for the Educational Construction Fund ("ECF"), generally all of the census data for the Component Units is included in the NYCRS census data. The majority of those participants in the Component Units who are included in the NYCRS census data participate in NYCERS.

Census data for ECF was supplied separately and directly by staff at ECF.

Census data for CUNY TIAA participants was supplied separately and directly to Buck by CUNY.

The following Table II-1 presents a summary of the census data used in the June 30, 2008 and June 30, 2007 OPEB actuarial valuations:

TABLE II-1 SUMMARY OF CENSUS DATA USED IN THE JUNE 30, 2008 AND JUNE 30, 2007 OPEB ACTUARIAL VALUATIONS						
	June 30, 2008			June 30, 2007		
Group	City	Component Units#	Total	City	Component Units#	Total
Actives	276,384	43,780	320,164	271,011	43,172	314,183
Actives/Inactives	31,030	6,729	37,759	38,296	6,215	44,511
Deferred Vested	13,118	2,441	15,559	11,683	2,301	13,984
Retired	<u>199,126</u>	<u>26,667</u>	<u>225,793</u>	<u>196,467</u>	<u>26,315</u>	<u>222,782</u>
Total	519,658	79,617	599,275	517,457	78,003	595,460

Includes ECF, HHC, HSG, OTB, SCA and WFA.

SECTION III - ASSETS

The New York City Retiree Health Benefits Trust ("NYCRHBT") was legally established on June 12, 2006 and first funded as of June 21, 2006. The Trust was established to fund OPEB provided under the New York City Health Benefits Program for the exclusive benefit of retirees and their eligible beneficiaries for whom the City is directly obligated.

Wells Fargo Bank, N.A. is the Trustee and Custodian. The City represents the Grantor of the Trust.

Beginning with the June 30, 2008 OPEB actuarial valuation the Statement of Net Assets represents assets of the Plan instead of assets of the NYCRHBT. This reflects the interpretation by the OA, Buck and the City of DRAFT Question and Answer ("Q&A") 8.81.4 of the GASB Comprehensive Implementation Guide that GASB cleared for release in June 2009.

Appendix A includes two tables showing the detailed financial position of the Plan as of June 30, 2009 and June 30, 2008.

Appendix A - Table 1 sets forth the assets of the Plan. Plan assets equal NYCRHBT assets.

Appendix A - Table 2 sets forth the changes in net assets and includes non-trust activity for Fiscal Year 2009.

All amounts are assumed to be determined on an accrual basis.

Financial information was also supplied by the administrative staff of each Component Unit. None of the Component Units have separately identified OPEB assets as of June 30, 2009 or June 30, 2008.

A summary of the Net Assets Available for Benefits is set forth in the following Table III-1.

TABLE III-1				
NEW YORK CITY OTHER POSTEMPLOYMENT BENEFITS PLAN				
NET ASSETS AVAILABLE FOR BENEFITS*				
(\$ Millions)				
	June 30			
	2009 ¹	2008 ¹	2007 ²	2006 ³
Assets	\$3,482.0	\$3,565.3	\$2,905.3	\$1,001.4
Liabilities	<u>378.8</u>	<u>379.2</u>	<u>310.8</u>	<u>0.1</u>
Net Assets	\$3,103.2	\$3,186.1	\$2,594.5	\$1,001.3
<p>* For Fiscal Years 2006, 2007 and 2008, assets of the NYCRHBT. For Fiscal Year 2009, assets of the Plan.</p> <p>¹ Source - Wells Fargo Statements and information from OMB.</p> <p>² Revised from Net Assets of \$2,595.3 upon audit.</p> <p>³ Source - Draft NYCRHBT Financial Statements supplied by OMB.</p>				

SECTION IV - SUMMARY OF OPEB PLAN PROVISIONS

Following is a summary of the employer-provided Other Postemployment Benefits available to eligible retirees and other eligible beneficiaries covered under the Program. The OA believes these provisions form the "Substantive Plan" as defined in Paragraph 34.a(1) of GASB43 and 13.a(1) of GASB45 and that the Substantive Plan is derived from the Administrative Code of the City of New York ("ACNY"), the New York City Health Benefits Program Summary Plan Description, meetings with City officials and a review of historical information.

Note: The actuarial valuation results presented in this Report show the value of OPEB in effect during each fiscal year and do not represent an obligation of the City or the Component Units to continue, modify or eliminate OPEB in the future.

ACNY Section 12-126 defines OPEB payable to include:

- Health Insurance.
- Medicare Part B Reimbursement.

Welfare Fund benefits are provided through Welfare Fund arrangements agreed upon, in most cases, through collective bargaining.

Covered Benefits

The City and certain Component Units provide OPEB through the New York City Health Benefits Program (the "Program"). In addition, the City provides certain Program benefits through the Stabilization Fund. The City and certain Component Units contribute to various Welfare Funds, generally negotiated with and administered by various labor organizations. The City and certain Component Units also reimburse Medicare Part B premiums paid by eligible retirees and other eligible beneficiaries.

It is the understanding of the OA that no other OPEB, such as life insurance or long-term care benefits, are directly subsidized by the City. The City and the Component Units (except CUNY for certain retirees and ECF) generally provide most death and disability benefits through the NYCERS. Those benefits are measured as part of the obligations of the NYCERS and are not subject to GASB43 or GASB45.

Therefore, the OPEB actuarial valuation presented herein reflects projected benefit costs only for the retiree health insurance, Welfare Fund contributions and Medicare Part B premium reimbursements outlined in this Report.

Certain former New York State Court employees, who are covered under the New York State Health Insurance Plan ("NYSHIP"), are not included in the actuarial valuation. The cash cost for these benefits paid from the Plan during Fiscal Year 2009 was less than \$1 million.

Note: The OPEB provisions applicable to ECF and CUNY TIAA retirees were provided by ECF and CUNY staff, respectively.

Eligibility for OPEB

Retirees:

- At least 10 years of credited service as a member of NYCERS (five years of credited service if employed on or before December 27, 2001 and no service requirement for disability retirements), plus
- Receives a pension check from a NYCERS (or is eligible for certain Deferred Retirement benefits). Payability date varies by System and group.

Terminated Vested Members:

- Eligible for OPEB the same as retirees once in receipt of a pension benefit if the other eligibility rules for retirees are satisfied.

Members Eligible for Certain Deferred Retirement Benefits:

- Certain members of NYCERS, TRS and BERS who have at least 20 years of credited service are eligible for up to five years of OPEB coverage prior to commencement of pension benefits.

Members Terminated for Other than Immediate Retirement:

- Members who do not have retiree medical coverage under the retiree medical provisions are eligible to continue coverage under COBRA provisions. COBRA continuation coverage is generally limited to certain maximum periods (generally either to the end of 18 or 36 months).

Surviving Spouses and Other Dependents:

- Dependent coverage is terminated when a retiree dies, except in the following situations:
 - (i) Lifetime coverage is provided to the surviving spouse or domestic partner and to children (coverage to age 19 or 23 if full-time student) of uniformed members of the Police or Fire Departments who die in the Line of Duty.
 - (ii) Effective November 13, 2001, other surviving spouses of retired uniformed members of the Police and Fire Departments may elect to continue coverage for life by paying 102% of stated premium.

ECF and CUNY TIAA Benefit Provisions

The OPEB available to ECF and to CUNY TIAA retirees are described in Appendix E and Appendix F, respectively.

Basic Coverage

- The City and certain Component Units currently provide Basic Medical Coverage ("Basic Coverage") at no cost if a non-Medicare-eligible retiree participates in HIP HMO or GHI/EBCBS indemnity arrangement, or a Medicare-eligible retiree participates in HIP HMO or GHI/EBCBS Senior Care.

Basic Coverage includes hospital and physician coverage and excludes coverage for prescription drugs. GHI/EBCBS Senior Care coordinates with Medicare Part A and Medicare Part B. Under the HIP HMO, Medicare-eligible retirees generally participate in a Medicare Advantage Plan under Medicare Part C. Cost sharing provisions (e.g., deductibles, co-payments) are assumed to change over time to contain the overall cost of coverage.

- Basic Coverage under other plans may require additional retiree contributions.
- Other plans available to non-Medicare-eligible retirees for Fiscal Year 2009 include Aetna HMO, Aetna QPOS, Cigna HealthCare, DC 37 Med-Team, Empire EPO, Empire HMO, GHI HMO, MetroPlus Health Plan and Vytra Health Plans.

- Other plans available to Medicare-eligible retirees for Fiscal Year 2009 include Medicare supplemental plans, such as DC 37 Med-Team Senior Care, Empire Medicare-Related Coverage, as well as various Medicare Advantage and Medicare Cost HMOs.
- Retirees of the Component Units herein, except for ECF, have the same coverage as City retirees. It is the understanding of the OA that ECF retirees are covered by NYSHIP.
- Retirees may waive Basic Coverage. It is the understanding of the OA that most of those who waive Basic Coverage are dependents of other active or retired employees. The City and the Component Units do not provide both subscriber and dependent coverage for the same individual.

Other OPEB Coverage

- The OA understands that the City and certain Component Units currently provide a Mental Health/Substance Abuse ("MH/SA") rider for non-Medicare-eligible HIP HMO retirees, through the mechanism of the Stabilization Fund discussed later in this Section.

Otherwise, the OA understands that medical benefits not provided under the Basic Coverage, such as prescription drug coverage, may be provided through optional riders. These optional riders are either fully paid by the retirees or are provided through various Welfare Funds.

Health Care Benefits Cost Sharing Arrangement

Based on current practice (the Substantive Plan), the City and certain Component Units pay the full cost of coverage for retirees who elect Basic Coverage. The costs of Basic Coverage are reflected in the actuarial valuation herein by using age-adjusted premium amounts. The estimated age of the covered population was used with the premiums for the HIP HMO and the non-Medicare GHI/EBCBS arrangement. For the GHI/EBCBS Medicare arrangement, enrollment information from OLR was compared with census information included in the valuation. The comparison indicated that over 95% of the participants of this group are included in the census data for this valuation. For the age adjustment used in the June 30, 2008 and in the June 30, 2007 actuarial valuations, the actual age distribution of these participants was used rather than an estimated age as was used in the June 30, 2006 actuarial valuation.

Claims data were generally not available to the OA for the HIP coverage. OLR provided a copy of the claims component of the Fiscal Year 2009 GHI and Empire Blue Cross renewals. For the non-Medicare participants, retiree claims were not segregated from active claims. The claims information provided was compared to the premium rates provided. Based on examination of the renewals and discussions with employees of the New York City Office of Management and Budget ("OMB"), it is understood that the GHI premium applied to the active and non-Medicare retiree population has, in recent years, included a margin to provide amounts in excess of those expected to be needed to support the current level of coverage. These amounts are expected to ultimately be refunded.

Since complete information about the financial arrangement was not available, nor were claims data segregated for the group reflected in the valuation, the practice of using the age adjusted premium for valuation measurement was continued.

For the June 30, 2008 OPEB actuarial valuation, an estimate of the margin was removed from the GHI non-Medicare premium before age adjustment to better reflect the understanding about the cost of the underlying coverage.

GASB45 provides that costs for retirees should be segregated from costs for actives in developing per capita costs for valuation purposes, either via use of segregated claims experience or, as is done in this actuarial valuation, by approximation with age-adjusted premium rates. However, GASB45 provides an exception allowing community-rated plans to use unadjusted net premium rates charged for both active employees and retirees. An employer can use the community-rated exception if an actuary determines that the insurer/health program would offer the same premium to that employer if only the non-Medicare eligible retirees of that employer were covered (and not its active employees). The Actuary has determined that the New York City Health Benefits Program premiums for HIP and GHI/EBCBS members would not be the same if the premiums for those programs were determined based on a population that excluded the active employees included in the actuarial valuation.

This actuarial valuation includes liabilities for Component Units that are separate legal entities from the City. In particular, in accordance with Chapter 115 of the Laws of 2008 ("Chapter 115/08"), OTB is no longer technically a component unit of the City but is now a component unit of the State of New York (the "State"). In issuing this actuarial valuation report, the Actuary is not opining on whether each Component Unit, when looked at from its own perspective, would have the same premiums if only their non-Medicare-eligible retirees were covered. That is, the Actuary is not opining on whether the community-rated exception would be appropriate for GASB45 measurement for any Component Unit.

A retiree who elects other basic medical coverage is required to contribute any amount by which the selected arrangement's premium exceeds the Basic Coverage cost benchmarks. The actuarial valuation herein reflects the benchmark premiums without age adjustment for retirees who elect other options. Net employer premium contributions for the various options were provided to the OA by OLR, allowing the OA to confirm that employer premiums were consistent with the stated policy regarding other coverage. Detailed information on total premium rates, financial arrangements and retiree contribution rates were not provided for other options. It is the understanding of the OA that many of these options are subject to New York State insurance law community rating mandates.

It is the understanding of the OA that the City has filed for and is receiving the Medicare Part D Retiree Drug Subsidy ("RDS") for a small number of retirees who make certain elections that include drug coverage. The value of the RDS is not reflected in this actuarial valuation in accordance with GASB Technical Bulletin No. 2006-1 on this issue.

Welfare Funds

The City and certain Component Units pay annual per capita contributions to the various Welfare Funds that cover retirees for various health care benefits not provided through the Basic Coverage. Welfare Fund benefits may include (but are not limited to) prescription drug coverage, vision and dental coverage, sometimes with dollar limits. The Welfare Funds are generally separate legal entities, often administered by various labor organizations. The Welfare Funds' per capita contributions apply to retirees only without any additional funds for covered dependents. The contributions are generally made on behalf of individuals who retired since 1971.

The City and certain Component Units also sponsor a Welfare Fund for management employees, which, for purposes of this Report, is being treated the same as other Welfare Funds.

The per capita contribution amounts change periodically based on negotiated contract provisions. It is the understanding of the OA that the benefits provided from the Welfare Funds are adjusted from time to time so that costs to the Funds do not exceed available assets and income. For purposes of this Report this understanding was not verified at source but was confirmed in conversations with OLR.

It is the understanding of the OA that some of the Welfare Funds have applied for and receive the Retiree Drug Subsidy under Medicare Part D. The calculations in this Report reflect only the net employer Welfare Fund contributions and do not reflect this or any other underlying financial mechanisms of the Welfare Funds.

The OA is not aware of any actuarial valuations performed by the individual Welfare Funds for measurement under GASB43 or other purposes². Thus, the OA has not considered the impact of any such calculations on the analyses herein.

A review of the per capita contributions to the Welfare Funds showed that there were sometimes temporary supplemental contributions, resulting in an apparent decline in certain contribution rates reported from June 30, 2006 to June 30, 2007 for some groups. Beginning with the June 30, 2007 OPEB actuarial valuation, the actuarial assumptions for the starting Welfare Fund contributions were revised to reflect a three-year trended average of reported annual contribution amounts for current retirees. A trended average is used instead of a single reported Welfare Fund amount to smooth out negotiated variations. Appendix D addresses the assumptions in more detail.

² Paragraph 13 of GASB45 provides that the employer should reflect the same assumptions and methods used by a plan if the amounts calculated would comply with the requirements of GASB45. Thus, any such analyses might require the use of differing assumptions for results under GASB45.

Medicare Part B Premium Reimbursement

The City and certain Component Units reimburse the Medicare Part B premium for all Medicare-eligible retirees and eligible covered dependents who apply for reimbursement. Reimbursement is computed and paid on a calendar year basis. Due to administrative processing, payment is delayed until into the next fiscal year. For example, Calendar Year 2008 Medicare Part B premiums were generally reimbursed in August 2009.

The actuarial valuation herein projects Medicare Part B premium reimbursements for premiums to be paid starting July 1, 2008. The OA understands that the City's accounts for Fiscal Year 2009 reflect an estimate of the Medicare Part B premiums for the period from January 1, 2009 through June 30, 2009 as well as actual Calendar Year 2008 costs.

It should also be noted that the Medicare Part B premiums for retirees of certain Component Units and other entities are considered obligations of the City and have been included in the City results rather than as obligations of those particular Component Units.

The assumption for the amount of Medicare Part B premium reimbursement was updated to reflect actual 2009 Medicare Part B premium rates announced in Fall 2008. Actual 2010 Medicare Part B premium rates were not announced at the time these calculations were prepared. The calculations do not reflect any federal government prepared projections of the 2010 Medicare Part B premium, nor do they reflect projections indicating that 2010 Medicare Part B premiums will be frozen for most participants as a result of no expected cost-of-living increase in Social Security benefits.

Additionally, experience shows that not all eligible retirees/dependents apply for Medicare Part B reimbursement each year. This experience is reflected in the June 30, 2008 OPEB actuarial valuation as a reduction in the percentage of eligible retirees/dependents assumed to apply for Medicare Part B reimbursement.

Stabilization Fund

The City maintains and annually contributes to the Health Insurance Stabilization Reserve Fund (the "Stabilization Fund"). In addition, the Stabilization Fund receives dividends from participating insurance carriers including the GHI/EBCBS arrangement.

The Stabilization Fund has been used for various purposes in the past including paying short-term amounts due to GHI/EBCBS premium rates being greater than HIP HMO premium rates until such time as the benefits provided under those arrangements were adjusted to bring the financing into balance. The Stabilization Fund is currently being used to provide the following benefits, based on financial information on the Stabilization Fund provided to the OA by OLR:

- A Mental Health/Substance Abuse rider to non-Medicare-eligible HIP HMO participants.
- A GHI Home Care benefit for certain non-Medicare participants.
- Welfare Fund contributions for the Line-of-Duty Survivors.
- Additions to the annual Welfare Fund contribution amounts.

- Injectables and Chemotherapy Drug plan for certain non-Medicare participants (formerly referred to as "PICA" but psychotropic and asthma drugs are not currently covered).

The OA is not aware of any actuarial valuation performed by the Stabilization Fund for measurements under GASB43 or other purposes. Thus, the OA has not considered the impact of any such calculations on the analyses herein.

The City's current annual contribution of \$35 million to the Stabilization Fund provides benefits to both active and retired participants. This amount exceeds the amount that is estimated by the OA to be used to provide benefits to current retirees. The amount is a cap on employer contributions to the Stabilization Fund. Under Q&A 71 in the "Guide to Implementation of GASB Statements 43 and 45 on Other Postemployment Benefits" published by GASB in June 2005, such a cap is not considered part of the definition of benefits to be provided to retirees, and should not be considered in the projection of benefits until such a cap alters the established pattern of cost sharing as defined in the Substantive Plan. Thus, the calculations presented herein reflect an estimate of the current level of benefits provided by the Stabilization Fund to retirees. The calculations do not assume that any of the existing Stabilization Fund assets will be used for retiree benefits.

The amount reflected for the Stabilization Fund in the current actuarial valuation is based on an estimated allocation between active and retired participants of actual Fiscal Year 2009 Stabilization Fund benefits. This amount is used to develop a load that is only reflected in the OPEB actuarial valuation for the City, as the OA understands that only the City currently provides these amounts.

This load is unchanged from that used for purposes of measuring the City's GASB45 obligations in the previous actuarial valuation.

In the June 30, 2008 actuarial valuation the Stabilization Fund load is also added to the GASB43 results of the Plan.

OPEB Coverage Groupings

The City subsidizes only some of the OPEB described herein for various groups of NYCRS retirees.

Table IV-1 on the next page presents, by payroll agency, those benefits assumed provided by the City for purposes of the June 30, 2008 actuarial valuation.

The following Table IV-2 presents, by group within each NYCRS, those benefits assumed provided by the City as utilized in the June 30, 2007 actuarial valuation.

There is no change in coverage from the prior actuarial valuation.

For the Component Units included in the actuarial valuation the benefit categories not paid by the City are reflected in the results of the individual Component Units.

Table IV - 1
New York City Retirement Systems
Components of Post-Retirement Medical Benefits
Paid By New York City
Fiscal Year 2009

Payroll Agency	Health Insurance	Welfare Fund ¹	Medicare Part B
Charter Schools	Yes	Yes	Yes
Custodial Engineer	Yes	Yes	Yes
CUNY - Senior Colleges	No*	Yes ²	Yes
CUNY - Community Colleges	Yes	Yes	Yes
Correction Department	Yes	Yes	Yes
CP Engineers	No*	No	No
Courts (State)	Yes	Yes	Yes
DA Investigators	Yes	Yes	Yes
Department of Education	Yes	Yes	Yes
HSG Develop Corp	No	No	No
Health and Hospital Corp	No*	No	Yes
Housing Authority	No*	No	No*
Housing Police (Retirees Only)	Yes	Yes	No*
Off-Track Betting	No*	No	No ³
Regular	Yes	Yes	Yes
REMIC	NA	NA	NA
Sanitation	Yes	Yes	Yes
School Construction Authority	Yes	No	Yes
State Housing	No	No	No
Transit Authority	No*	No	No
Transit Police (Retirees Only)	Yes	Yes	Yes
Triboro Bridge	No	No	No
Water Finance Authority	No*	No	Yes
POLICE	Yes	Yes	Yes
FIRE	Yes	Yes	Yes
TIAA - Senior Colleges	No*	No	Yes
TIAA - Community Colleges	Yes	Yes	Yes
ECF	No	No	No
LOD Survivors	Yes	No	Yes

* The City pays these benefits upfront, not out of the NYCRHBT, and then is reimbursed.

¹ Welfare Fund coverage not available to pre-1/1/1971 retirees. LOD death beneficiary coverage provided through Stabilization Fund.

² The City pays the Welfare Fund for non-pedagogical CUNY Senior Colleges retirees.

³ Effective on June 18, 2008.

Table IV - 2
New York City Retirement Systems
Components of Post-Retirement Medical Benefits
Paid By New York City
Fiscal Year 2008

Payroll Agency	Health Insurance	Welfare Fund ¹	Medicare Part B
Charter Schools	Yes	Yes	Yes
Custodial Engineer	Yes	Yes	Yes
CUNY - Senior Colleges	No*	Yes ²	Yes
CUNY - Community Colleges	Yes	Yes	Yes
Correction Department	Yes	Yes	Yes
CP Engineers	No*	No	No
Courts (State)	Yes	Yes	Yes
DA Investigators	Yes	Yes	Yes
Department of Education	Yes	Yes	Yes
HSG Develop Corp	No	No	No
Health and Hospital Corp	No*	No	Yes
Housing Authority	No*	No	No*
Housing Police (Retirees Only)	Yes	Yes	No*
Off-Track Betting	No*	No	No ³
Regular	Yes	Yes	Yes
REMIC	NA	NA	NA
Sanitation	Yes	Yes	Yes
School Construction Authority	Yes	No	Yes
State Housing	No	No	No
Transit Authority	No*	No	No
Transit Police (Retirees Only)	Yes	Yes	Yes
Triboro Bridge	No	No	No
Water Finance Authority	No*	No	Yes
POLICE	Yes	Yes	Yes
FIRE	Yes	Yes	Yes
TIAA - Senior Colleges	No*	No	Yes
TIAA - Community Colleges	Yes	Yes	Yes
ECF	No	No	No
LOD Survivors	Yes	No	Yes

* The City pays these benefits upfront, not out of the NYCRIIBT, and then is reimbursed.

¹ Welfare Fund coverage not available to pre-1/1/1971 retirees. LOD death beneficiary coverage provided through Stabilization Fund.

² The City pays the Welfare Fund for non-pedagogical CUNY Senior Colleges retirees.

³ Effective on June 18, 2008.

SECTION V - ACTUARIAL ASSUMPTIONS AND METHODS

The actuarial assumptions and methods used in the June 30, 2008 actuarial valuation are generally the same as those used in the June 30, 2007 actuarial valuation except that:

- Per capita claims costs, Welfare Fund contributions, Medicare Part B premiums and the Stabilization Fund load have been reviewed and updated as necessary to reflect more recent experience. In addition, the amount of additional cost assumed for the age adjustments to the non-Medicare GHI premiums was reduced to reflect the estimated margin amounts expected to be returned.
- Assumptions for dependent coverage have been reviewed and updated as necessary to reflect more recent experience.
- The factor applied to HIP Medicare HMO costs in addition to medical trend, to reflect expected changes in Medicare Advantage reimbursements, was slightly modified due to recent legislative and regulatory changes.

- Welfare Fund contributions have been updated to reflect recent contribution rates. As with the previous actuarial valuation, a three-year trended average of reported annual contribution amounts for current retirees was used. The average trend assumed for the most recent year has been modified to reflect more recent experience. The Welfare Fund rates reported for the previous two valuations were trended to current levels based on a historic increase rate of 3.8% for Fiscal Year 2008 and 4.3% for Fiscal Year 2007 and earlier, approximating overall recent growth of Welfare Fund contributions.
- For the June 30, 2007 OPEB actuarial valuation, assumptions were introduced to estimate the impact of the optional 55/25 Plan for certain members of TRS. While the election period to join this new plan under Chapter 19 of the Laws of 2008 ended on August 25, 2008, data was not available to identify who opted into this Plan as of the publication of the Third Annual GASB Report. The assumptions used were consistent with those used by the Actuary in his Fiscal Note for the legislation.

For the June 30, 2008 OPEB actuarial valuation, the data contained a code indicating the eligible TRS and BERS members who elected to participate in the optional 55/25 Plan. TRS members are assumed to retire under supplemental probabilities of retirement specific to the optional 55/25 Plan. BERS members are assumed to retire under probabilities applicable to members of other optional retirement programs.

- Medicare Part B premium reimbursement assumptions have been updated to reflect actual premium rates as announced for calendar years through 2009. In addition, for the June 30, 2008 actuarial valuation, the reimbursement amounts were revised and 90% of Medicare participants are assumed to claim reimbursement for Medicare Part B premiums from the Program. Previously, 100% of Medicare participants were assumed to claim reimbursement for Medicare Part B premiums. The assumed reimbursement amounts were adjusted to reflect information about the portion of retirees who have been claiming reimbursement and the amount of reimbursement for the income-related surcharge actually claimed. For the June 30, 2007 actuarial valuation, the assumption had been based on overall national expectations about the income-related Medicare Part B premium surcharge.

Additional details regarding the actuarial assumptions and certain methods used in the June 30, 2008 actuarial valuation are set forth in Appendices D, E and F.

Actuarial Cost Method

The Frozen Entry Age Actuarial Cost Method (one of the Actuarial Cost Methods set forth in GASB43 Paragraph 34.d and GASB45 Paragraph 13.d) is used to determine the Annual Required Contribution ("ARC") and the Unfunded Actuarial Accrued Liability ("UAAL"). The method is unchanged from the previous actuarial valuation.

Under this method, in general, the excess of the Actuarial Present Value of Projected Benefits ("APVB") over the sum of (1) the Actuarial Value of Assets ("AAV") plus (2) the Unfunded Frozen Actuarial Accrued Liability is allocated on a level basis over the earnings of the covered active employees between the valuation date and assumed exit. This allocation is performed for the group as a whole. The Frozen Actuarial Accrued Liability is determined using the Entry Age Actuarial Cost Method. The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost. Under this method, actuarial gains/losses, as they occur, reduce/increase future Normal Costs.

The method as used for determining covered earnings is somewhat complicated by the fact that the same individual could be earning benefits under the City and under a Component Unit at the same time (e.g., an HHC retiree will receive Medicare Part B premium reimbursement from the City and Basic Medical and Welfare Fund benefits paid by HHC).

The actuarial valuation reflects the covered earnings of a participant only once, based on the participant's employer on the valuation date. This method is consistent with the method used in the previous valuation. For individuals who are not in one of the Component Units included in the Report but who have only partial City-provided benefits, their covered earnings are not included.

The Unfunded Frozen Actuarial Accrued Liability amounts were initially established using the Entry Age Accrued Liability as of Transition (i.e., as of June 30, 2005).

Unfunded Entry Age Accrued Liability amounts were established as of June 30, 2006 to reflect the following:

- Better allocation of costs between the City and the Component Units, including certain groups not previously reflected (e.g., Line-of-Duty Survivors and CUNY TIAA members).
- Changes in participation and dependent assumptions.
- Change to reflect Stabilization Fund on only City GASB45 amounts.
- Change in assumed income-related Medicare Part B premium reimbursement.

Unfunded Entry Age Accrued Liability amounts have been established as of June 30, 2007 to reflect the following:

- Change in payment responsibility (from CUNY to the City) for medical and Welfare Fund benefits for CUNY TIAA retirees who were employed by Community Colleges.
- Change in payment responsibility (from CUNY to the City) for "non-pedagogical" CUNY Senior Colleges retirees' Welfare Fund benefits.
- Change in payment responsibility (from the City to OTB) for Medicare Part B premiums, effective June 18, 2008.
- Change in assumptions to estimate impact of the optional 55/25 Plan for certain eligible members of TRS.

- Change in assumption for HIP Medicare HMO costs to reflect expected Medicare Advantage reimbursements.
- Change in assumption for dependent coverage for CUNY TIAA population.

Unfunded Entry Age Accrued Liability amounts have been established as of June 30, 2008 to reflect the following:

- Refinement in assumptions to reflect the impact of the optional 55/25 Plan for certain eligible members of TRS.
- Change in HIP Medicare Advantage HMO assumptions.
- Change in Income-related Medicare Part B Premium Increase assumptions.
- Change in Medicare Part B enrollment percentage assumptions.

Actuarial Asset Valuation Method

The Actuarial Value of Assets is equal to the Market Value of Assets. The method is unchanged from the previous actuarial valuation.

Amortization of Transition Liability

The Transition Liability was amortized over an open one-year period.

Amortization of Changes to UAAL

All changes in the Unfunded Actuarial Accrued Liability as of June 30, 2008 are being amortized over an open one-year period for purposes of calculating the ARC.

GASB45 requires the calculation of the Annual Required Contribution, but does not require that an employer actually contribute its "required" contribution. Amounts "required" but not actually set aside to pay for these benefits are accumulated on the employer's books as the Net OPEB Obligation ("NOO").

As noted earlier, the City and Component Units included in the actuarial valuation, in consultation with their auditors, have elected to amortize the initial UAAL and any subsequently established UAAL bases over an open one-year period. This is effectively equivalent to recognizing the entire UAAL into the ARC immediately.

The equivalent single-year period has been used to calculate the ARC Adjustment for purposes of the AOC. This approach is consistent with the language of GASB45 Paragraph 16 which states that the ARC Adjustment should be calculated using the same amortization period that was used in determining the ARC for the year. This approach was confirmed in GASB Technical Bulletin No. 2008-1 issued December 15, 2008.

The OA understands that there were no obligations for Other Postemployment Benefits on the books of the City or the Component Units as of Transition. Therefore, for Fiscal Year 2006, the initial Annual OPEB Cost was equal to the Annual Required Contribution.

SECTION VI - PRINCIPAL RESULTS UNDER GASB43

For the New York City OPEB Plan, the principal results of the June 30, 2008 OPEB actuarial valuation, prepared in accordance with the requirements of GASB43, are set forth in the following Table VI-1:

TABLE VI-1	
PRINCIPAL RESULTS OF THE GASB43 ACTUARIAL VALUATION FOR THE NEW YORK CITY OPEB PLAN AS OF JUNE 30, 2008	
(\$ Millions)	
Total Actuarial Value of Projected Benefits (TPV)	\$101,064.0
Actuarial Asset Value (AAV)	\$ 3,186.1
Unfunded Actuarial Accrued Liability (UAAL)	\$ 61,958.8
Annual Required Contribution (ARC)	
Normal Cost - BOY	\$ 2,663.0
UAAL Payment* - BOY	\$ 61,958.8
Interest to EOY	<u>\$ 2,584.9</u>
Total ARC	<u>\$ 67,206.7</u>
* Based on Open One-Year Amortization Period.	

Detailed results of the June 30, 2008 GASB43 actuarial valuation of the OPEB Plan are shown in Appendix C-8.

In prior fiscal years, financial statements under GASB43 were prepared for the NYCRHBT. Use of NYCRHBT accounting has been replaced by OPEB Plan accounting. As such, all GASB43 results are equal to the applicable GASB45 results shown in Table VII-1a and in Appendix C-7 of this Report.

GASB43 requires significant disclosures. One portion of this is the Required Supplementary Information including the Schedule of Funding Progress. These disclosures are also presented in Appendix C-8.

SECTION VII - PRINCIPAL RESULTS UNDER GASB45

For the City of New York (the "City") and certain of its Component Units, the principal results of the June 30, 2008 and the June 30, 2007 OPEB actuarial valuations, prepared in accordance with the requirements of GASB45, are set forth in the following Table VII-1a:

TABLE VII-1a						
PRINCIPAL RESULTS OF THE GASB45 ACTUARIAL VALUATIONS						
AS OF JUNE 30, 2008 AND JUNE 30, 2007						
(\$ Millions)						
Entity	June 30, 2008			June 30, 2007		
	City	Component Units*	Total	City	Component Units*	Total
Total Actuarial Value of Projected Benefits (TPV)	\$101,064.0	\$ 8,976.7	\$110,040.7	\$104,271.9	\$ 8,933.5	\$113,205.4
Actuarial Asset Value (AAV)	\$ 3,186.1	\$ 0.0	\$ 3,186.1	\$ 2,594.5	\$ 0.0	\$ 2,594.5
Unfunded Actuarial Accrued Liability (UAAL)	\$ 61,958.8	\$ 3,030.2	\$ 64,989.0	\$ 59,522.5	\$ 2,921.9	\$ 62,444.4
Normal Cost	\$ 2,663.0	\$ 227.9	\$ 2,890.9	\$ 3,132.6	\$ 254.0	\$ 3,386.6
Annual Required Contribution (ARC)						
Normal Cost - BOY	\$ 2,663.0	\$ 227.9	\$ 2,890.9	\$ 3,132.6	\$ 254.0	\$ 3,386.6
UAAL Payment# - BOY	61,958.8	3,030.2	64,989.0	59,522.5	2,921.9	62,444.4
Interest to EOY	2,584.9	130.3	2,715.2	2,506.2	127.0	2,633.2
Total ARC	\$ 67,206.7	\$ 3,388.4	\$ 70,595.1	\$ 65,161.3	\$ 3,302.9	\$ 68,464.2
Net OPEB Obligation at End of Fiscal Year	\$ 65,523.6	\$ 3,284.8	\$ 68,808.4	\$ 63,270.3	\$ 3,222.6	\$ 66,492.9

* ECF, HHC, HSG (TPV only), OTB (TPV only for June 30, 2008 actuarial valuation), SCA, WFA.

Based on Open One-Year Amortization Period.

For the City and certain Component Units, the principal results of the June 30, 2008 OPEB actuarial valuation before and after reflecting the cumulative impact of non-trust activity for the City and before and after reflecting a nominal reallocation of costs between active employees and retirees for HHC, are set forth in the following Table VII-1b:

TABLE VII-1b						
PRINCIPAL RESULTS OF THE GASB45 ACTUARIAL VALUATION AS OF JUNE 30, 2008 BEFORE AND AFTER REFLECTING NON-TRUST ACTIVITY AND NOMINAL REALLOCATION OF COSTS						
(\$ Millions)						
Entity	June 30, 2008 After Reflecting Non-Trust Activity and Nominal Reallocation			June 30, 2008 Before Reflecting Non-Trust Activity and Nominal Reallocation		
	City	Component Units*	Total	City	Component Units*	Total
Total Actuarial Value of Projected Benefits (TPV)	\$101,064.0	\$ 8,976.7	\$110,040.7	\$101,064.0	\$ 8,976.7	\$110,040.7
Actuarial Asset Value (AAV)	\$ 3,186.1	\$ 0.0	\$ 3,186.1	\$ 3,186.1	\$ 0.0	\$ 3,186.1
Unfunded Actuarial Accrued Liability (UAAL)	\$ 61,958.8	\$ 3,030.2	\$ 64,989.0	\$ 61,958.8	\$ 3,030.2	\$ 64,989.0
Normal Cost	\$ 2,663.0	\$ 227.9	\$ 2,890.9	\$ 2,663.0	\$ 227.9	\$ 2,890.9
Annual Required Contribution (ARC)						
Normal Cost - BOY	\$ 2,663.0	\$ 227.9	\$ 2,890.9	\$ 2,663.0	\$ 227.9	\$ 2,890.9
UAAL Payment# - BOY	61,958.8	3,030.2	64,989.0	61,958.8	3,030.2	64,989.0
Interest to EOY	2,584.9	130.3	2,715.2	2,584.9	130.3	2,715.2
Total ARC	\$ 67,206.7	\$ 3,388.4	\$ 70,595.1	\$ 67,206.7	\$ 3,388.4	\$ 70,595.1
Net OPEB Obligation at End of Fiscal Year	\$ 65,523.6	\$ 3,284.8	\$ 68,808.4	\$ 65,817.3	\$ 3,311.7	\$ 69,129.0
* ECF, HHC, HSG (TPV only), OTB (TPV only), SCA, WFA.						
# Based on Open One-Year Amortization Period.						

Detailed results of the June 30, 2008 GASB45 actuarial valuation for the City and certain Component Units are shown in Appendices C-1 through C-7.

GASB45 requires significant disclosures. One portion of this is the Required Supplementary Information including the Schedule of Funding Progress. These disclosures are also presented in Appendices C-1 through C-7.

SECTION VIII - ACTUARIAL CERTIFICATION

This Report presents the results of the June 30, 2008 actuarial valuation of the Other Postemployment Benefits ("OPEB") provided under the New York City Health Benefits Program (the "Program").

A comparison with the June 30, 2007 GASB45 actuarial valuation results is also provided. For information on the June 30, 2007 actuarial valuation see "Report on the Third Annual Actuarial Valuation of Other Postemployment Benefits Provided under the New York City Health Benefits Programs" dated September 25, 2008.

These actuarial valuation results are intended to form the basis for financial reporting under Governmental Accounting Standards Board ("GASB") Statement No. 43 ("GASB43") for the New York City OPEB Plan (the "Plan") and for accounting and financial reporting under GASB Statement No. 45 ("GASB45") for the City of New York (the "City") and certain non-City entities ("Component Units").

Beginning with the June 30, 2008 OPEB actuarial valuation, the determination of annual employer contributions includes certain non-trust activity for the City and certain expenditures that had previously been nominally allocated to active costs rather than retiree costs (i.e., an approximate value of the Implicit Rate Subsidy) for HHC. These determinations are retroactive to Fiscal Year 2006 and the cumulative impact is included in Fiscal Year 2009 pay-as-you-go employer contributions and in the June 30, 2009 Net OPEB Obligation.

The results contained in this Report are based upon census data and financial information provided by the City and certain Component Units.

The data used for the June 30, 2008 actuarial valuation is that of the New York City Retirement Systems ("NYCRS")³ with supplemental data provided by the New York City Office of Labor Relations ("OLR"), ECF and CUNY.

Effective with the June 30, 2007 actuarial valuation, the City is responsible for payment of Welfare Fund benefits to non-pedagogical CUNY Senior College retirees of the NYCRS. The data for current CUNY retirees identified which individuals were non-pedagogical retirees (Welfare Funds other than 275, 276 and 277). Since a Union Welfare Fund code is not available in the active, inactive and deferred vested data, it was not possible to directly segregate pedagogical and non-pedagogical CUNY Senior College staff in these populations. An adjustment was made to estimate these populations' Welfare Fund liabilities for the City. For the three systems (NYCERS, BERS and TRS) with CUNY Senior College non-retiree participants, the CUNY Senior College Welfare Fund liability was allocated between CUNY and the City based on the ratio of each System's actual non-pedagogical to total CUNY Senior College retirees headcounts.

³ New York City Employees' Retirement System ("NYCERS")
New York City Teachers' Retirement System ("TRS")
New York City Board of Education Retirement System ("BERS")
New York City Police Pension Fund ("POLICE")
New York City Fire Pension Fund ("FIRE")

Effective with the June 30, 2007 actuarial valuation, the City is responsible for payment of medical benefits and Welfare Fund contributions for CUNY TIAA Community College retirees. The data for current active employees identified which individuals were Senior versus Community College employees. Since a Senior versus Community College code is not available in the retiree data, it was not possible to directly segregate these populations. An adjustment was made allocating retiree and deferred vested liability between CUNY and the City based on the historic ratio of CUNY Senior College and Community College employees in TIAA.

The Office of the Actuary ("OA") and Buck performed tests on this census data for reasonability and on the basis of these tests the Actuary believes the data is sufficiently complete and appropriate for use in the June 30, 2008 actuarial valuation.

The following discusses the June 30, 2008 census data for certain Component Units:

- ECF provided separate data directly to the OA. The ECF employees and retirees are not members of the NYCERS.
- HHC, OTB, SCA and WFA confirmed that the number of participants used in the actuarial valuation was reasonable for purposes of measuring OPEB costs.
- HSG was provided counts for the census data used for its actuarial valuation. HSG essentially confirmed the number of participants used in the actuarial valuation was within 1% of those used for measuring OPEB costs. On this basis the Actuary concluded the data was reasonable for this purpose.
- The census data for CUNY TIAA participants lacked certain demographic details as set forth in Appendix F.

The determination of GASB43 and GASB45 costs and obligations have been made on the basis of the understanding of the OA regarding the Program (the "Substantive Plan") and on the interpretation by the OA of the requirements of GASB43 and GASB45. For the June 30, 2008 OPEB actuarial valuation, the requirements of GASB43 and GASB45 have been interpreted to take into account the DRAFT Question and Answer ("Q&A") 2009-8.81.4 of the GASB Comprehensive Implementation Guide that was cleared for release in June 2009.

This Report has been prepared in accordance with generally accepted actuarial principles and procedures. The actuarial assumptions used in the development of the GASB43 and GASB45 obligations include those used by the Chief Actuary of the New York City Office of the Actuary (the "Actuary") in his capacity as the Actuary for the NYCERS, to value the benefits payable by the NYCERS. These assumptions have been supplemented by additional, OPEB-related actuarial assumptions used to value the OPEB provided under the Program, as shown in Appendix D.

The assumed probabilities of retirement for certain members of TRS participating in the optional 55/25 Plan established by Chapter 19 of the Laws of 2008 were refined for this actuarial valuation to use the supplemental probabilities specific to the optional 55/25 Plan.

Note: Separate actuarial assumptions shown in Appendix E and Appendix F were used to value OPEB for ECF participants and for CUNY TIAA participants, respectively.

The Frozen Entry Age Actuarial Cost Method used to determine the Annual Required Contribution ("ARC"), the Annual OPEB Cost ("AOC") and the Net OPEB Obligation ("NOO") is one of the Actuarial Cost Methods permitted under GASB43 Paragraph 34.d and GASB45 Paragraph 13.d.

The Unfunded Actuarial Accrued Liability ("UAAL") is being amortized over an open one-year period. This period was chosen by the City and the Component Units included in this actuarial valuation in consultation with their respective auditors.

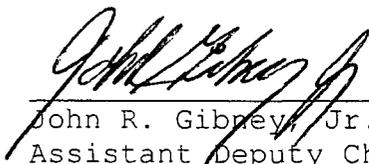
In preparing this Report, the staff of the OA has been assisted by and collaborated with the staff of Buck Consultants, LLC ("Buck").

The Actuary states that this Report and its attachments is a Statement of Actuarial Opinion ("SAO"). The Actuary takes overall responsibility for the results herein.

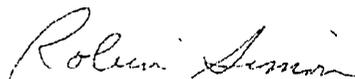
The actuaries whose signatures appear below are Members of the American Academy of Actuaries ("AAA") and together meet the Qualification Standards of the AAA to render this SAO. The actuaries certify that they believe that the assumptions used in this Report are reasonable for the purposes of measurement of the obligations under GASB43 and GASB45 contained herein.



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New York City Office of the Actuary



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Principal, Consulting Actuary and
Chief Actuary, Health and Productivity Practice
Buck Consultants, LLC

APPENDIX A

Appendix A - Table 1

NEW YORK CITY HEALTH BENEFITS PROGRAM

New York City Other Postemployment Benefits Plan

Statement of Net Assets

As of June 30, 2009 and June 30, 2008

	June 30, 2009 ¹	June 30, 2008 ²
ASSETS		
Cash		
Settled Cash	\$ 0	\$ 0
Receivables		
Trust	9,489,309	15,724,141
Dividends / Interest	0	17,542,628
Medicare Part B	0	0
DOE UWF PAYG	0	9,256,400
Medicare Part D	<u>205,685</u>	<u>275,191</u>
Net Cash	\$ 9,694,994	\$ 42,798,360
Cash Equivalents		
US Treasury Bills	\$ 49,259,139	\$ 0
Commercial Paper	1,480,167,284	1,380,540,627
Short Term Funds	3,554,910	4,401,064
Government Agency	<u>1,058,574,319</u>	<u>1,767,674,190</u>
Total Cash Equivalents	\$ 2,591,555,652	\$ 3,152,615,881
Fixed Income		
Corporate Bonds and Notes	\$ 45,117,960	\$ 0
Government and Agencies	<u>835,434,791</u>	<u>369,687,950</u>
Total Fixed Income	\$ 880,552,751	\$ 369,687,950
Prepaid Benefits / Expenses		
Total Prepaid	\$ <u>183,689</u>	\$ <u>187,055</u>
Total Assets	\$ 3,481,987,086	\$ 3,565,289,246
LIABILITIES		
Medicare Part B	\$ 94,900,000	\$ 101,000,000
Benefits Payable	283,858,109	278,107,458
Trustee Fees Payable	22,777	22,320
Audit Fees Payable	<u>20,000</u>	<u>20,000</u>
Total Liabilities	\$ 378,800,886	\$ 379,149,778
NET ASSETS		
Held in Trust for Benefit Payments	\$ 3,103,186,200	\$ 3,186,139,468

¹ Provided by OMB on September 24, 2009.

² Provided by OMB on September 24, 2008.

Appendix A - Table 2

NEW YORK CITY HEALTH BENEFITS PROGRAM

New York City Other Postemployment Benefits Plan

Statement of Changes in Net Assets

As of June 30, 2009 and June 30, 2008

	June 30, 2009 ¹	June 30, 2008 ²
ADDITIONS		
Employer Contributions		
Pay-As-You-Go		
Trust	\$ 1,038,038,563	\$ 1,213,242,356
Medicare Part B	0	202,000,000
Non-Trust	420,090,079	0
Other	<u>225,000,000</u>	<u>460,000,000</u>
Total Contributions	\$ 1,683,128,642	\$ 1,875,242,356
 Earned Income		
Interest Income	\$ 78,326,420	\$ 98,746,549
Net Accrued Income	(6,234,832)	6,181,619
Net Realized Gain / (Loss)	<u>1,138,000</u>	<u>151,598</u>
Total Investment Income	\$ 73,229,588	\$ 105,079,766
 Net Unrealized Gain / (Loss)	<u>3,594,122</u>	<u>965,795</u>
 TOTAL ADDITIONS	\$ 1,759,952,352	\$ 1,981,287,917
DEDUCTIONS		
Benefit Payments		
Trust	\$ 1,422,527,550	\$ 1,390,198,539
Non-Trust	<u>420,090,079</u>	<u>0</u>
Sub-Total	\$ 1,842,617,629	\$ 1,390,198,539
Expenses		
Administrative Expenses	\$ 20,000	\$ 40,000
Legal Fees	1,551	626
Trustee Fees	<u>266,440</u>	<u>241,313</u>
Sub-Total	\$ 287,991	\$ 281,939
 TOTAL DEDUCTIONS	\$ 1,842,905,620	\$ 1,390,480,478
 CHANGE IN NET ASSETS	\$ (82,953,268)	\$ 590,807,439
 NET ASSETS HELD IN TRUST FOR BENEFIT PAYMENTS		
 Beginning of Year	 \$ 3,186,139,468	 \$ 2,595,332,029
End of Year	\$ 3,103,186,200	\$ 3,186,139,468

¹ Provided by OMB on September 24, 2009.

² Provided by OMB on September 24, 2008.

APPENDIX B

Appendix B - Table 1a
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
PLAN PARTICIPATION - NYCERS

	Retiree Category					Total
	Individual Non-Medicare	Family Non-Medicare	Individual Medicare	Family Medicare	Split	
Head Counts ¹						
GHI Indemnity	7,139	10,071	26,034	14,169	5,673	63,086
HIP HMO	2,668	3,173	8,487	2,993	1,318	18,639
Blue Choice	227	162	756	294	140	1,579
Aetna USHC HMO/POS	534	739	579	250	189	2,291
Cigna	117	84	19	12	14	246
Other Medical Plans	80	111	291	205	43	730
Waivers	<u>705</u>	<u>291</u>	<u>3,241</u>	<u>559</u>	<u>239</u>	<u>5,035</u>
Total	11,470	14,631	39,407	18,482	7,616	91,606

¹ Data includes entire population provided by OLR and supplemented by the OA, including Component Units and other groups not attributable to the City for GASB45 purposes.

Appendix B - Table 1b
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
PLAN PARTICIPATION - TRS

	Retiree Category					Total
	Individual Non-Medicare	Family Non-Medicare	Individual Medicare	Family Medicare	Split	
Head Counts ¹						
GHI Indemnity	8,659	5,861	26,226	11,259	3,795	55,800
HIP HMO	652	335	2,785	752	225	4,749
Blue Choice	158	68	378	131	64	799
Aetna USHC HMO/POS	182	123	183	57	49	594
Cigna	30	21	15	3	1	70
Other Medical Plans	48	36	148	64	16	312
Waivers	<u>1,340</u>	<u>250</u>	<u>1,364</u>	<u>216</u>	<u>108</u>	<u>3,278</u>
Total	11,069	6,694	31,099	12,482	4,258	65,602

¹ Data includes entire population provided by OLR and supplemented by the OA, including Component Units and other groups not attributable to the City for GASB45 purposes.

Appendix B - Table 1c
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
PLAN PARTICIPATION - BERS

	Retiree Category					Total
	Individual Non-Medicare	Family Non-Medicare	Individual Medicare	Family Medicare	Split	
Head Counts ¹						
GHI Indemnity	665	517	5,057	2,589	622	9,450
HIP HMO	226	101	1,358	312	80	2,077
Blue Choice	14	3	52	19	5	93
Actna USHC HMO/POS	14	10	49	28	5	106
Cigna	5	3	3	3	0	14
Other Medical Plans	2	1	28	12	2	45
Waivers	<u>131</u>	<u>18</u>	<u>504</u>	<u>70</u>	<u>12</u>	<u>735</u>
Total	1,057	653	7,051	3,033	726	12,520

¹ Data includes entire population provided by OLR and supplemented by the OA, including Component Units and other groups not attributable to the City for GASB45 purposes.

Appendix B - Table 1d
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
PLAN PARTICIPATION - POLICE

	Retiree Category					Total
	Individual Non-Medicare	Family Non-Medicare	Individual Medicare	Family Medicare	Split	
Head Counts						
GHI Indemnity	3,489	15,905	3,693	7,207	3,532	33,826
HIP HMO	630	2,193	638	1,000	384	4,845
Blue Choice	124	302	159	174	102	861
Aetna USHC HMO/POS	263	1,172	57	57	62	1,611
Cigna	38	95	13	22	14	182
Other Medical Plans	57	289	57	81	33	517
Waivers	<u>628</u>	<u>341</u>	<u>259</u>	<u>129</u>	<u>85</u>	<u>1,442</u>
Total	5,229	20,297	4,876	8,670	4,212	43,284

Appendix B - Table 1e
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
PLAN PARTICIPATION - FIRE

	Retiree Category					Total
	Individual Non-Medicare	Family Non-Medicare	Individual Medicare	Family Medicare	Split	
Head Counts						
GHI Indemnity	820	4,066	1,907	4,099	1,495	12,387
HIP HMO	164	722	462	752	216	2,316
Blue Choice	36	89	63	94	44	326
Aetna USHC HMO/POS	93	464	41	60	45	703
Cigna	17	30	5	8	8	68
Other Medical Plans	26	136	42	67	19	290
Waivers	<u>49</u>	<u>65</u>	<u>114</u>	<u>66</u>	<u>11</u>	<u>305</u>
Total	1,205	5,572	2,634	5,146	1,838	16,395

Appendix B - Table 1f
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
PLAN PARTICIPATION - TIAA

	Retiree Category					Total
	Individual Non-Medicare	Family Non-Medicare	Individual Medicare	Family Medicare	Split	
Head Counts¹						
GHI Indemnity	85	74	841	601	187	1,788
HIP HMO	12	3	62	23	9	109
Blue Choice	5	1	27	9	6	48
Aetna USHC HMO/POS	8	5	8	7	3	31
Cigna	1	1	0	0	0	2
Other Medical Plans	3	1	6	6	1	17
Waivers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	114	85	944	646	206	1,995

¹ Data includes entire population provided by OLR and supplemented by the OA, including Component Units and other groups not attributable to the City for GASB45 purposes.

Appendix B - Table 1g
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
PLAN PARTICIPATION - LODW

	Retiree Category					Total
	Individual Non-Medicare	Family Non-Medicare	Individual Medicare	Family Medicare	Split	
Head Counts						
GHI Indemnity	51	9	563	5	1	629
HIP HMO	16	1	107	2	1	127
Blue Choice	1	0	12	0	0	13
Aetna USHC HMO/POS	2	0	5	0	0	7
Cigna	0	0	0	0	0	0
Other Medical Plans	0	0	7	0	0	7
Waivers	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	70	10	694	7	2	783

Appendix B - Table 2a
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - NYCERS

UWF	Description	Count ¹	2006 Rate	2007 Rate	2008 Rate
001	NYC MANAGEMENT WELFARE FUND	6,449	\$1,640	\$1,640	\$1,640
005	ALLIED BUILDNG INSPECTORS	411	1,640	1,640	1,640
010	ASST DEP WARDENS ASSC SBF	368	1,490	1,290	1,290
030	CORRECTION CAPTAINS ASSOC	1,507	1,490	1,390	1,390
035	CORRECT OFFICRS BEN ASSOC	6,027	1,640	1,540	1,540
040	NYS COURT OFFICERS ASSOC	3	830	830	830
045	CWA LOCAL 1182 RETIREE SBF	251	1,640	1,640	1,640
046	CWA L1181 SEC BEN FND RET	229	1,640	1,640	1,640
048	DETECT END ASSN RET FUND	7	1,623	1,523	1,523
049	DET END ASSN RET FUND (T)	201	1,623	1,523	1,523
050	DET END ASSN RET FUND (H)	141	1,623	1,523	1,523
055	DEA RET FND(PBA OF THE DA)	81	1,623	1,523	1,523
060	DISTRICT COUNCIL 37	33,233	1,640	1,640	1,640
061	DC 37 - (TAPD CIVILIANS)	19	1,640	1,640	1,640
065	DC 37 UNIF MARINE ENGR	1	1,640	1,540	1,540
066	DC 37 MEBA - FERRYBOATS	110	1,640	1,640	1,540
070	DOCTORS CNCL RET WELF FND	434	1,640	1,540	1,540
075	LCL 3 IBEW ELECTR INSPECT	47	1,640	1,640	1,540
080	FIRE ALARM DSP BEN ASSOC	156	1,640	1,540	1,540
100	LPN RETIREE WELFARE FUND	653	1,640	1,640	1,640
105	OSA SUPV.EMG.MED.SVC.SPEC	8	1,640	1,540	1,540
106	OSA WELF FND-SCHOOL SEC/T	14	1,640	1,640	1,540
107	OSA WELF FUND -SAN CHIEFS	23	1,640	1,540	1,540
108	ORG OF STAFF ANALYSTS	1,279	1,640	1,540	1,540
109	LCL 14 MUN W F-CRANE OPER	41	1,740	1,640	1,640
110	L144 DIV OF L1199 NHHSEU	458	1,590	1,590	1,590
115	LOCAL 306 RETIR HLTH WELF	4	1,640	1,640	1,540
120	LOCAL 333 DOCKHANDS	187	1,640	1,640	1,640
129	UNKNOWN	239	1,640	1,640	1,640
130	LOCAL 832 RETIREES	55	1,640	1,640	1,840
131	UNKNOWN	70	1,640	1,640	1,640
135	RET CWA L1183 DOE H&W FND	140	1,640	1,640	1,540
140	1199 NHHSEU	252	1,640	1,640	1,640
155	LCL 1180 CWA RET BENE FND	5,464	1,640	1,640	1,675
156	L1180 RET BEN FD-TAPD CIV	2	1,640	1,640	1,675
160	NYC DEPY SHER ASS RET SBF	36	1,465	1,365	1,365
162	UFT WELFARE FUND	3	1,685	1,585	1,585
163	UFT WELFARE FUND	50	1,640	1,585	1,585
164	COUNCIL OF SUPERVISORS AND ADMINISTRATORS	7	1,640	1,585	1,585
165	RET WELF FND AUTO SVC WKR	28	1,640	1,640	1,640
170	PBA (NYPD)	8	1,565	1,465	1,465
171	PBA (NYPD) (TA)	1,790	1,565	1,465	1,465
172	PBA (NYPD) (HA)	691	1,565	1,465	1,465
185	NYS NURSES ASSOCIATION	2,333	1,640	1,540	1,640
187	PAVERS & RDBULDERS INSPCT	43	1,640	1,540	1,540
190	UNITED PROBATION OFFICERS	367	1,740	1,640	1,640
200	SANITATION OFF RET WEL FN	2,488	1,490	1,390	1,390
205	RETIRED FIREFIGHTERS SBF	1	1,740	1,640	1,640
225	SOC NYPD LT BENEV ASSOCIA	2	1,565	1,465	1,465
226	SOC NYPD CAPT ENDOW ASSOC	8	1,565	1,465	1,465

Appendix B - Table 2a
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - NYCERS

UWF	Description	Count ¹	2006 Rate	2007 Rate	2008 Rate
228	SOC NYPD LT BENEV ASSO(T)	120	1,565	1,465	1,465
229	SOC NYPD CAPT END ASS (T)	42	1,565	1,465	1,465
230	SBA HLTH&WELF FUND/RET(T)	265	1,590	1,490	1,490
231	SOC NYPD LT BENEV ASSO(H)	97	1,565	1,465	1,465
232	SOC NYPD CAPT END ASSN(H)	52	1,565	1,465	1,465
233	SBA HLTH&WELF FUND/RET(H)	153	1,590	1,490	1,490
235	L237 RETIREE BENE FND-CW	5,854	1,640	1,840	1,840
240	UFOA LOCAL 854 RETIREES	1	1,575	1,475	1,535
250	USA RETIREES' WELFARE FND	7,100	1,573	1,773	1,773
251	UNKNOWN	294	1,640	1,640	1,640
260	LCL 300 RETIREE WELF FUND	367	1,640	1,640	1,640
261	UNKNOWN	2	0	0	1,540
275	PROFESSIONAL STAFF CONGRESS	264	1,715	1,765	1,815
276	PROFESSIONAL STAFF CONGRESS	15	1,715	1,765	1,815
277	PROFESSIONAL STAFF CONGRESS	1	1,590	1,490	1,490
555	CIVILIAN, TRANSIT POLICE DEPT. NYC TRANSIT	33	1,640	1,640	1,640
604	ASSCR WEL FND OF RETIREES	5	785	785	785
605	NYSCCA SEC BEN FND RETIRE	23	930	930	930
700	LCL 237 RWF(L621 SUP MEC)	188	1,740	1,640	1,640
701	LCL 237 RWF(L621 SUP I W)	8	1,740	1,640	1,640
702	LOCAL 237 RWF(L621 DDMEM)	6	1,640	1,640	1,640
703	L237 BRCKLYR RETIREES	107	1,640	1,540	1,540
704	L1969(L806 BRDG PAINTERS)	34	1,640	1,540	1,540
705	L.40 361&417 JT UN SEC FD	36	1,640	1,540	1,540
706	LCL 3 IBEW COMMUN ELEC ET	54	1,640	1,540	1,540
712	LCL 3 IBEW ELCTRCN SUP HL	338	1,640	1,540	1,540
713	UNKNOWN	25	1,640	1,640	1,640
714	LCL 237 ELEV MECH RETIREE	240	1,640	1,540	1,540
715	LCL237MASON'S HLPS RETIRE	19	1,640	1,540	1,540
717	LOCAL 1969, GLAZIERS	31	1,640	1,640	1,540
720	DC37 LOCKSMITH SUPV LKSMT	26	1,640	1,540	1,540
724	RET H&W FD L3 IBEW-SUP.ME	68	1,640	1,540	1,540
725	UNKNOWN	80	1,640	1,640	1,640
727	LCL 2 CIVIL SVC PLUMBERS	319	1,640	1,540	1,540
728	LCL 1969 NYC PAINTERS	266	1,640	1,640	1,640
730	PAVERS RDBLDR DC PAVERS	9	1,440	1,340	1,340
731	LCL 237 ROOF RETIREES	28	1,640	1,540	1,540
732	LCL237PLASTERERS RETIREES	94	1,640	1,540	1,540
736	RET.WF AUTO MECH-UPSTATE	1	1,640	1,640	1,640
737	LOCAL 3 IBEW ARMATURE WIN	1	1,140	1,040	1,040
738	RET WELF FND AUTO MECHNYC	731	1,640	1,640	1,640
739	RET WELF FUND-TRACT OPERS	6	1,740	1,640	1,640
740	RET WELF FND GEN MECHANIC	1	1,290	1,190	1,190
741	RET WELFARE FUND MOTOR GRA OPERATOR	20	1,740	1,640	1,640
742	LCL 14 PILE DRIVING ENGR	5	1,740	1,640	1,640
743	DC 37 HIGHWAY REPAIRERS	286	1,640	1,640	1,640
744	DC 37 FURNIT MAINTAINER	4	1,640	1,640	1,640
745	DC37 CYLD PRESS OPERATOR	17	1,640	1,640	1,640
746	LCL 300 HIGHWAY REPAIRERS	49	1,640	1,640	1,640
747	PAVERS RDBLDRS HW SP HW R	62	1,440	1,340	1,340

Appendix B - Table 2a
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - NYCERS

UWF	Description	Count ¹	2006 Rate	2007 Rate	2008 Rate
748	LCL 14-RETIR. GAS RLR ENG	12	1,740	1,640	1,640
749	DC37SUPERVISOR HIGHWAY RE	80	1,440	1,340	1,340
750	LCL300 SUPV.HWY REPAIRER	15	1,440	1,340	1,340
753	DC37 COMPOSITOR (JOB)	13	1,640	1,640	1,640
754	RET WEL FUND CARRGE UPHOL	6	1,740	1,640	1,640
756	LCL 237 CEMENT MAS RETIRE	54	1,640	1,540	1,540
777	UNKNOWN	4	0	0	0
782	LCL 237 HORSE/HARN RETIRE	3	1,640	1,540	1,540
786	DC37 CONSTRUCT LABORER	1,076	1,640	1,540	1,540
804	LCL 237 MAINT WKR RETIREE	813	1,640	1,540	1,540
808	LCL 30, OILER	135	1,740	1,640	1,640
812	DC37 RADIO REPAIR MECHANI	44	1,640	1,540	1,540
814	LCL 246 RWF RUBR TIRE REP	8	1,740	1,640	1,640
816	DC37 SEWAGE TRTMT WKRS	319	1,640	1,540	1,540
818	RET WEL FND SGN PTRS/LTRS	5	1,740	1,640	1,640
820	LCL 30 STAT ENG SR ST ENG	388	1,640	1,540	1,640
823	NYC DIST.COUNCIL OF CARPS	368	1,640	1,540	1,540
826	LCL 3 IBEW SR STAT ENGR E	68	1,290	1,190	1,190
827	RET WEL FND SHEET MTL WKR	42	1,640	1,640	1,640
828	LCL 3 IBEW STATN ENGR ELE	140	1,440	1,340	1,340
832	DC 37 HI-PRESS PLANT TEND	170	1,640	1,540	1,540
837	UNKNOWN	44	1,640	1,640	1,640
838	NYC DIST. COUNCIL OF CARP	42	1,640	1,540	1,540
839	UNKNOWN	17	1,640	1,640	1,706
842	LCL 638 STMFTRS HLPR SUPR	68	1,640	1,640	1,540
843	LOCAL 15-GASOLINE RLR ENG	22	1,740	1,640	1,640
844	LOCAL 15-BASIN MACH OPERS	2	1,215	1,115	1,115
845	LCL 15 WELDERS FD	58	1,740	1,640	1,640
847	LCL 15 HIPRESS OPER.	5	1,065	965	965
848	LCL 15 TRACTOR OPER(SANI)	124	1,740	1,640	1,640
888		675	0	0	0
948		1	0	0	0
949		1	0	0	0
950	Either not entitled to Welfare Fund Benefits or UWF	2	0	0	0
960	contribution is not funded by the City. Medicare Part B	1	0	0	0
971	reimbursement.	1	0	0	0
999		153	0	0	0
Blank		2,361	0	0	0
Total Count:		91,606			

¹ Data includes entire population provided by OLR and supplemented by the OA, including Component Units and other groups not attributable to the City for GASB45 purposes.

Appendix B - Table 2b
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - TRS

UWF	Description	Count ¹	2006 Rate	2007 Rate	2008 Rate
001	NYC MANAGEMENT WELFARE FUND	149	\$1,640	\$1,640	\$1,640
048	DETECT END ASSN RET FUND	2	1,623	1,523	1,523
055	DEA RET FUND (PBA OF THE DA)	1	1,623	1,523	1,523
060	DISTRICT COUNCIL 37	478	1,640	1,640	1,640
100	LPN RETIREE WELFARE FUND	1	1,640	1,640	1,640
108	ORG OF STAFF ANALYSTS	4	1,640	1,540	1,540
155	LCL 1180 CWA RET BENE FND	39	1,640	1,640	1,675
163	UFT	54,012	1,685	1,585	1,585
164	COUNCIL OF SUPERVISORS AND ADMINISTRATORS	6,556	1,685	1,585	1,585
185	NYS NURSES ASSOCIATION	2	1,640	1,540	1,640
190	UNITED PROBATION OFFICERS	1	1,740	1,640	1,640
200	SANITATION OFF RET WEL FN	2	1,490	1,390	1,390
225	SOC NYPD LT BENEV ASSOCIATION	1	1,565	1,465	1,465
235	L237 RETIREE BENE FND-CW	12	1,640	1,840	1,840
240	UFOA LOCAL 854 RETIREES	2	1,575	1,475	1,535
250	USA RETIREES' WELFARE FND	1	1,573	1,773	1,773
275	PROFESSIONAL STAFF CONGRESS	2,595	1,715	1,765	1,815
276	PROFESSIONAL STAFF CONGRESS	99	1,715	1,765	1,815
277	PROFESSIONAL STAFF CONGRESS	1	1,715	1,765	1,815
724	RET H&W Fd, L3, IBEW-SUP, ME	1	1,640	1,540	1,540
888	Either not entitled to Welfare Fund Benefits or UWF contribution is not funded by the City. Medicare Part B reimbursement.	146	0	0	0
941		1	0	0	0
948		1	0	0	0
999		118	0	0	0
Blank		1,377	0	0	0
Total Count:		65,602			

¹ Data includes entire population provided by OLR and supplemented by the OA, including Component Units and other groups not attributable to the City for GASB45 purposes.

Appendix B - Table 2c
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - BERS

UWF	Description	Count ¹	2006 Rate	2007 Rate	2008 Rate
001	NYC MANAGEMENT WELFARE FUND	412	\$1,640	\$1,640	\$1,640
005	ALLIED BUILDNG INSPECTORS	1	1,640	1,640	1,640
035	CORRECT OFFICRS BEN ASSOC	2	1,640	1,540	1,540
045	CWA LOCAL 1182 SEC BEN FUND	1	1,640	1,640	1,640
060	DISTRICT COUNCIL 37	8,990	1,640	1,640	1,640
061	DC 37 - (TAPD CIVILIANS)	1	1,640	1,640	1,640
075	LCL 3 IBEW ELECTR INSPECT	2	1,640	1,640	1,540
106	OSA WELF FND-SCHOOL SEC/T	4	1,640	1,640	1,540
108	ORG OF STAFF ANALYSTS	16	1,640	1,540	1,540
115	LOCAL 306 RETIR HLTH WELF	10	1,640	1,640	1,540
130	LOCAL 832 RETIREES	260	1,640	1,640	1,840
131	DISTRICT COUNCIL 37	493	1,640	1,640	1,640
135	RET CWA L1183 DOE H&W FND	1	1,640	1,640	1,540
155	LCL 1180 CWA RET BENE FND	504	1,640	1,640	1,675
162	UFT WELFARE FUND	12	1,685	1,585	1,585
163	UFT WELFARE FUND	521	1,685	1,585	1,585
164	COUNCIL OF SUPERVISORS AND ADMINISTRATION	10	1,685	1,585	1,585
165	RET WELF FND AUTO SVC WKR	6	1,640	1,640	1,640
235	L237 RETIREE BENE FND-CW	403	1,640	1,840	1,840
260	LCL 300 RETIREE WELF FUND	47	1,640	1,640	1,640
275	PROFESSIONAL STAFF CONGRESS	9	1,715	1,765	1,815
555	CIVILIAN, TRANSIT POLICE DEPT. NYC TRANSIT	1	1,640	1,640	1,640
700	LCL 237 RWF(L621 SUP MEC)	6	1,740	1,640	1,640
703	L237 BRCKLYR RETIREES	2	1,640	1,540	1,540
708	LOCAL 246, DEPT OF EDUCATION	1	1,640	1,585	1,585
712	LCL 3 IBEW ELCTRCN SUP HL	23	1,640	1,540	1,540
714	LCL 237 ELEV MECH RETIREE	3	1,640	1,540	1,540
717	LOCAL1969 GLAZIERS	9	1,640	1,640	1,540
720	DC37 LOCKSMITH SUPV LKSMT	2	1,640	1,540	1,540
724	RET H&W FD L3 IBEW-SUP.ME	18	1,640	1,540	1,540
727	LCL 2 CIVIL SVC PLUMBERS	34	1,640	1,540	1,540
728	LCL 1969 NYC PAINTERS	20	1,640	1,640	1,640
731	LCL 237 ROOF RETIREES	5	1,640	1,540	1,540
732	LCL237PLASTERERS RETIREES	5	1,640	1,540	1,540
738	RET WELF FND AUTO MECHNYC	22	1,640	1,640	1,640
740	RET WELF FND GEN MECHANIC	3	1,290	1,190	1,190
744	DC 37 FURNIT MAINTAINER	7	1,640	1,640	1,640
745	DC37 CYLD PRESS OPER	1	1,640	1,640	1,640
756	LCL 237 CEMENT MAS RETIRE	1	1,640	1,540	1,540
760	LOCAL 246, DEPT OF EDUCATION	9	1,685	1,585	1,585
786	DC37 CONSTRUCT LABORER	15	1,640	1,540	1,540
804	LCL 237 MAINT WKR RETIREE	14	1,640	1,540	1,540
812	DC37 RADIO REPAIR MECHANI	3	1,640	1,540	1,540
820	LCL 30 STAT ENG SR ST ENG	1	1,640	1,540	1,640
823	NYC DIST.COUNCIL OF CARPS	77	1,640	1,540	1,540
826	LCL 3 IBEW SR SSTAT ENGR E	1	1,290	1,190	1,190
827	RET WEL FND SHEET MTL WKR	8	1,640	1,640	1,640
838	NYC DIST. COUNCIL OF CARP	37	1,640	1,540	1,540
839	LOCAL LODGE 5	1	1,640	1,640	1,640
842	LCL 638 STMFTRS HLPR SUPR	18	1,640	1,640	1,540

Appendix B - Table 2c
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - BERS

UWF	Description	Count ¹	2006 Rate	2007 Rate	2008 Rate
845	LCL 15 WELDERS FD	1	1,740	1,640	1,640
888	Either not entitled to Welfare Fund Benefits or UWF	20	0	0	0
999	contribution is not funded by the City. Medicare Part B	119	0	0	0
Blank	reimbursement.	328	0	0	0
Total Count:		12,520			

¹ Data includes entire population provided by OLR and supplemented by the OA, including Component Units and other groups not attributable to the City for GASB45 purposes.

Appendix B - Table 2d
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - POLICE

UWF	Description	Count	2006 Rate	2007 Rate	2008 Rate
001	NYC MANAGEMENT WELFARE FUND	95	\$1,640	\$1,640	\$1,640
048	DETECT END ASSN RET FUND	10,037	1,623	1,523	1,523
170	PBA (NYPD)	20,799	1,565	1,465	1,465
225	SOC NYPD LT BENEV ASSOCIATION	3,109	1,565	1,465	1,465
226	SOC NYPD CAPT ENDOW ASSOCIATION	1,321	1,565	1,465	1,465
227	SBA HLTH & WELF FND/RETIR	6,292	1,590	1,490	1,490
777	PATROLEMEN'S BENEVOLENT ASSOCIATION (LINE- OF-DUTY SURVIVORS)	154	0	0	0
888		1,275	0	0	0
925		6	0	0	0
926		5	0	0	0
927		15	0	0	0
928	Either not entitled to Welfare Fund benefits or UWF	8	0	0	0
930	contribution is not funded by the City. Medicare Part B	6	0	0	0
931	reimbursement.	4	0	0	0
948		39	0	0	0
949		11	0	0	0
971		2	0	0	0
Blank		106	0	0	0
Total Count:		43,284			

Appendix B - Table 2e
New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
ANNUAL WELFARE FUND CONTRIBUTIONS - FIRE

UWF	Description	Count	2006 Rate	2007 Rate	2008 Rate
001	NYC MANAGEMENT WELFARE FUND	70	\$1,640	\$1,640	\$1,640
060	DISTRICT COUNCIL 37	1	1,640	1,640	1,640
065	DC 37 UNIF MARINE ENGR	127	1,640	1,540	1,540
121	LCL 333 UNIFORMED WIPER	5	1,590	1,490	1,490
163	UFT	1	1,685	1,585	1,585
164	COUNCIL OF SUPERVISORS AND ADMINISTRATORS	1	1,640	1,585	1,585
205	RETIRED FIREFIGHTERS SBF	10,157	1,740	1,640	1,640
206	RET FIREFIGHTRS SBF-WIPER	6	1,590	1,490	1,490
240	UFOA LOCAL 854 RETIREES	4,757	1,575	1,475	1,535
888		750	0	0	0
889		1	0	0	0
905		239	0	0	0
906	Either not entitled to Welfare Fund Benefits or UWF	45	0	0	0
940	contribution is not funded by the City. Medicare Part B	125	0	0	0
941	reimbursement.	39	0	0	0
999		2	0	0	0
Blank		69	0	0	0
Total Count:		16,395			

APPENDIX C

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Summary of Data

	TOTAL
1. Actives	
a. Number	3
b. Salary	\$332,908
c. Average Age	48.66
d. Average Service	10.55
e. Average Salary	\$110,969
f. Present Value of Future Salary	\$4,576,218
2. Inactives	
a. Number	0
b. Average Age	NA
c. Average Service	NA
3. Deferreds (Includes Deferred Retirees, if any)	
a. Number	0
b. Average Age	NA
4. Retirees	
a. Total*	
i. Number	5
ii. Average Age	78.60
b. By Benefit	<u>Participant / Spouse</u>
i. Pre-Medicare**	0 / 0
ii. Medicare Eligible**	5 / 2
iii. Welfare Fund**	NA / NA
iv. Medicare Part B [#]	5 / 2

- * Retirees eligible for at least one benefit from ECF.
- ** Retirees currently eligible for benefit from ECF.
- # Retirees eligible for benefit from ECF now or in the future.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Development of Normal Cost

1. Total Present Value of Projected Benefits	Total
a. Active ¹	\$856,581
b. Deferred ²	0
c. Retired	<u>492,270</u>
d. TOTAL	\$1,348,851
2. Actuarial Value of Assets	\$0
3. Unfunded Frozen Entry Age Actuarial Accrued Liability	\$1,199,232
4. Present Value of Future Normal Costs [1d. - 2. - 3.]	\$149,619
5. Present Value of Future Salary	\$4,576,218
6. Normal Cost Percentage [4. / 5.]	3.269%
7. Salary of Active Participants	\$332,908
8. Frozen Entry Age Normal Cost [6. * 7.]	\$10,883

¹ Includes Inactives, if any.

² Includes Deferred Retirees, if any.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Development of the Annual Required Contribution (ARC)
For the Fiscal Year Ending June 30, 2009

1. Normal Cost at June 30, 2008	\$10,883
2. Amortization of Unfunded Actuarial Accrued Liability - BOY	<u>1,199,232</u>
3. Subtotal	\$1,210,115
4. Interest to June 30, 2009 at 4.0%	<u>48,405</u>
5. Annual Required Contribution (ARC)	\$1,258,520

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Development of the Annual OPEB Cost (AOC)
and Development of the Net OPEB Obligation (NOO)

For the Fiscal Year Ending June 30, 2009

1. Annual OPEB Cost (AOC)

a. Net OPEB Obligation at June 30, 2008	\$1,201,354
b. Annual Required Contribution (ARC)	
i. Normal Cost	\$10,883
ii. UAAL Amortization Payment	1,199,232
iii. Interest to End of Year	<u>48,405</u>
iv. Total	\$1,258,520
c. ARC Adjustment	\$1,249,408
d. Interest on Net OPEB Obligation	\$48,054
e. Fiscal Year 2009 Annual OPEB Cost (AOC) (1b.iv.-1c.+1d.)	\$57,166

2. Net OPEB Obligation (NOO)

a. Net OPEB Obligation at June 30, 2008	\$1,201,354
b. Fiscal Year 2009 Annual OPEB Cost (AOC)	\$57,166
c. Fiscal Year 2009 Employer Contributions	\$37,665 *
d. Net OPEB Obligation (NOO) at June 30, 2009 (2a.+ 2b.-2c.)	\$1,220,855

* Employer Contributions provided by ECF.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Required Supplementary Information (RSI)
and Additional Note Disclosure
For the Fiscal Year Ending June 30, 2009

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Frozen Entry Age 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)
June 30, 2008	\$0	\$1,199,232	\$1,199,232	0.0%	\$332,908	360.2%
June 30, 2007	\$0	\$1,174,692	\$1,174,692	0.0%	\$158,408	741.6%
June 30, 2006	\$0	\$1,111,366	\$1,111,366	0.0%	\$158,408	701.6%
June 30, 2005	\$0	\$954,749	\$954,749	0.0%	\$148,770	641.8%

Additional Note Disclosure Annual OPEB Cost and Net OPEB Obligation

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$57,166	65.9%	\$1,220,855
June 30, 2008*	\$66,593	44.8%	\$1,201,354
June 30, 2007	\$147,549	0.0%	\$1,164,573
June 30, 2006**	\$1,017,024	0.0%	\$1,017,024

* AOC and Percentage Contributed are corrected amounts.

** As published.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Employer Contributions

For the Fiscal Year Ending June 30, 2008

1. Total	\$37,665 *
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* Employer Contributions provided by ECF (not verified; to be supplied by accountant).

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Derivation of Unfunded Actuarial Accrued Liability

1. Unfunded Actuarial Accrued Liability at June 30, 2007	\$1,174,692
2. Frozen Entry Age Normal Cost at June 30, 2007	9,121
3. Interest on 1. and 2. @ 4.00%	47,353
4. Adjustments, if any	0
5. Employer Contributions	29,812 ¹
6. Preliminary Unfunded Actuarial Accrued Liability at June 30, 2008 (1.+2.+3.+4.-5.)	1,201,354
7. TRS 55/25 Refinement ²	0
8. Change in Assumptions ³	(2,122)
9. Unfunded Actuarial Accrued Liability at June 30, 2008 (6.+7.+8.)	\$1,199,232

¹ Per ECF Financial Statement.

² TRS Optional 55/25 Plan (NA).

³ HIP Medicare Advantage HMO (NA).

Income Related Part B Premium.

Part B Enrollment (NA).

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Educational Construction Fund (ECF)

Schedule of Unfunded Actuarial Accrued Liability Bases

Base	Date Established	Original Amount	Amortization Period	Balance
1. Transition Liability	June 30, 2005	\$ 954,749	1-Year	\$ 1,089,902
2. Refinements	June 30, 2006	\$ 94,342	1-Year	\$ 101,103
3. Change in Medicare Part B Assumption	June 30, 2006	\$ 0	1-Year	\$ 0
4. Plan Amendment	June 30, 2007	\$ 10,119	1-Year	\$ 10,349
5. TRS 55/25 Refinement	June 30, 2008	\$ 0	1-Year	\$ 0
6. Change in Assumptions	June 30, 2008	\$ (2,122)	1-Year	\$ (2,122)
TOTAL		\$ 1,057,088		\$ 1,199,232

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

Summary of Data

	NYCERS	TRS	BERS	TOTAL
I. Actives				
a. Number	30,887	1	3	30,891
b. Salary	\$1,830,613,583	\$124,882	\$219,377	\$1,830,957,842
c. Average Age	48.75	64.00	53.67	48.75
d. Average Service	9.72	38.00	23.33	9.72
e. Average Salary	\$59,268	\$124,882	\$73,126	\$59,272
f. Present Value of Future Salary	\$20,689,266,372	\$387,653	\$1,983,549	\$20,691,637,574
2. Inactives				
a. Number	5,010	0	0	5,010
b. Average Age	45.17	NA	NA	45.17
c. Average Service	5.41	NA	NA	5.41
3. Deferreds (Includes Deferred Retirees, if any)				
a. Number	1,703	0	0	1,703
b. Average Age	51.31	NA	NA	51.31
4. Retirees				
a. Total*				
i. Number	17,456	4	8	17,468
ii. Average Age	72.66	71.75	75.12	72.66
b. By Benefit				<u>Participant / Spouse</u>
i. Pre-Medicare**				3,469 / 1,900
ii. Medicare Eligible**				13,999 / 3,206
iii. Welfare Fund**				16,624 / NA
iv. Medicare Part B [#]				NR / NR

- * Retirees eligible for at least one benefit from HHC.
- ** Retirees currently eligible for benefit from HHC.
- # Retirees eligible for benefit from HHC now or in the future.
- NR Benefit not the responsibility of HHC.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

Development of Normal Cost

1. Total Present Value of Projected Benefits	Pre-Medicare	Medicare	Welfare Funds	Part B Premium	Total
a. Active ¹	\$1,474,873,929	\$1,412,188,746	\$1,343,250,011	\$0	\$4,230,312,686
b. Deferred ²	62,626,289	74,853,857	70,186,616	0	207,666,762
c. Retired	<u>209,531,397</u>	<u>509,851,320</u>	<u>419,793,228</u>	<u>0</u>	<u>1,139,175,945</u>
d. TOTAL	\$1,747,031,615	\$1,996,893,923	\$1,833,229,855	\$0	\$5,577,155,393
2. Actuarial Value of Assets					\$0
3. Unfunded Frozen Entry Age Actuarial Accrued Liability					\$3,010,302,429
4. Present Value of Future Normal Costs [1d. - 2. - 3.]					\$2,566,852,964
5. Present Value of Future Salary					\$20,691,637,574
6. Normal Cost Percentage [4. / 5.]					12.405%
7. Salary of Active Participants					\$1,830,957,842
8. Frozen Entry Age Normal Cost [6. * 7.]					\$227,130,320

¹ Includes Inactives, if any.

² Includes Deferred Retirees, if any.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

Development of the Annual Required Contribution (ARC)
For the Fiscal Year Ending June 30, 2009

1. Normal Cost at June 30, 2008	\$227,130,320
2. Amortization of Unfunded Actuarial Accrued Liability - BOY	<u>3,010,302,429</u>
3. Subtotal	\$3,237,432,749
4. Interest to June 30, 2009 at 4.0%	<u>129,497,310</u>
5. Annual Required Contribution (ARC)	\$3,366,930,059

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

Development of the Annual OPEB Cost (AOC)
and Development of the Net OPEB Obligation (NOO)

For the Fiscal Year Ending June 30, 2009

1. Annual OPEB Cost (AOC)

a. Net OPEB Obligation at June 30, 2008	\$3,007,038,589
b. Annual Required Contribution (ARC)	
i. Normal Cost	\$227,130,320
ii. UAAL Amortization Payment	3,010,302,429
iii. Interest to End of Year	<u>129,497,310</u>
iv. Total	\$3,366,930,059
c. ARC Adjustment	\$3,127,320,133
d. Interest on Net OPEB Obligation	\$120,281,544
e. Fiscal Year 2009 Annual OPEB Cost (AOC) (1b.iv.-1c.+1d.)	\$359,891,470

2. Net OPEB Obligation (NOO)

a. Net OPEB Obligation at June 30, 2008	\$3,007,038,589
b. Fiscal Year 2009 Annual OPEB Cost (AOC)	\$359,891,470
c. Fiscal Year 2009 Employer Contributions	\$103,356,585 *
d. Net OPEB Obligation (NOO) at June 30, 2009 (2a.+ 2b.-2c.)	\$3,263,573,474

* Employer Contributions include amounts provided by HHC and the cumulative effect of the Implicit Rate Subsidy for Fiscal Years 2006 through 2009.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

**Required Supplementary Information (RSI)
and Additional Note Disclosure
For the Fiscal Year Ending June 30, 2009**

**Required Supplementary Information
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Frozen Entry Age 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)
June 30, 2008	\$0	\$3,010,302,429	\$3,010,302,429	0.0%	\$1,830,957,842	164.4%
June 30, 2007	\$0	\$2,722,879,773	\$2,722,879,773	0.0%	\$1,741,623,721	156.3%
June 30, 2006	\$0	\$2,418,075,620	\$2,418,075,620	0.0%	\$1,610,130,192	150.2%
June 30, 2005	\$0	\$2,019,525,531	\$2,019,525,531	0.0%	\$1,521,870,266	132.7%

**Additional Note Disclosure
Annual OPEB Cost and Net OPEB Obligation**

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$359,891,470	28.7%*	\$3,263,573,474
June 30, 2008	\$428,212,562	17.5%	\$3,007,038,589
June 30, 2007	\$396,996,705	18.8%	\$2,653,902,496
June 30, 2006	\$2,398,590,675	2.8%	\$2,331,404,675

* Includes cumulative adjustment for approximate Implicit Rate Subsidy amounts for Fiscal Years ending 6/30/06, 6/30/07 and 6/30/08.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

Employer Contributions

For the Fiscal Year Ending June 30, 2009

1. Retiree Health Benefits	\$74,606,089
2. Welfare Funds	<u>\$28,750,496</u>
3. Total	\$103,356,585 *

* Employer Contributions include amounts provided by HHC (not verified; to be supplied by accountant) including the cumulative effect of the Implicit Rate Subsidy for Fiscal Years 2006 through 2009.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

Derivation of Unfunded Actuarial Accrued Liability

1. Unfunded Actuarial Accrued Liability at June 30, 2007	\$2,722,879,773
2. Frozen Entry Age Normal Cost at June 30, 2007	240,692,398
3. Interest on 1. and 2. @ 4.00%	118,542,887
4. Adjustments, if any	0
5. Employer Contributions	75,076,469
6. Preliminary Unfunded Actuarial Accrued Liability at June 30, 2008 (1.+2.+3.+4.-5.)	3,007,038,589
7. TRS 55/25 Refinement ¹	0
8. Change in Assumptions ²	3,263,840
9. Unfunded Actuarial Accrued Liability at June 30, 2008 (6.+7.+8.)	\$3,010,302,429

¹ TRS Optional 55/25 Plan (NA).

² HIP Medicare Advantage HMO.
Income Related Part B Premium (NA).
Part B Enrollment (NA).

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Health and Hospitals Corporation (HHC)

Schedule of Unfunded Actuarial Accrued Liability Bases

Base	Date Established	Original Amount	Amortization Period	Balance
1. Transition Liability	June 30, 2005	\$ 2,019,525,531	1-Year	\$ 2,825,812,118
2. Refinements	June 30, 2006	\$ 86,670,945	1-Year	\$ 105,050,749
3. Change in Medicare Part B Assumption	June 30, 2006	\$ 0	1-Year	\$ 0
4. Change in Assumptions	June 30, 2007	\$ 68,977,277	1-Year	\$ 76,175,722
5. TRS 55/25 Refinement	June 30, 2008	\$ 0	1-Year	\$ 0
6. Change in Assumptions	June 30, 2008	\$ 3,263,840	1-Year	\$ 3,263,840
TOTAL		\$ 2,178,437,593		\$ 3,010,302,429

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Housing Authority (HSG)

Summary of Data

	NYCERS	TRS	BERS	TOTAL
1. Actives				
a. Number	11,175	1	16	11,192
b. Salary	\$598,936,057	\$112,665	\$1,044,508	\$600,093,230
c. Average Age	47.11	45.00	47.44	47.11
d. Average Service	13.61	19.00	13.38	13.61
e. Average Salary	\$53,596	\$112,665	\$65,282	\$53,618
f. Present Value of Future Salary	\$7,274,242,991	\$1,973,629	\$13,547,446	\$7,289,764,066
2. Inactives				
a. Number	1,381	0	4	1,385
b. Average Age	42.28	NA	53.25	42.31
c. Average Service	7.71	NA	8.75	7.71
3. Deferreds (Includes Deferred Retirees, if any)				
a. Number	700	0	0	700
b. Average Age	50.58	NA	NA	50.58
4. Retirees				
a. Total*				
i. Number	8,031	3	12	8,046
ii. Average Age	70.00	74.67	68.17	70.00
b. By Benefit				<u>Participant / Spouse</u>
i. Pre-Medicare**				1,940 / 1,575
ii. Medicare Eligible**				4,959 / 1,754
iii. Welfare Fund**				6,679 / NA
iv. Medicare Part B [#]				8,046 / 4,061

* Retirees eligible for at least one benefit from HSG.

** Retirees currently eligible for benefit from HSG.

Retirees eligible for benefit from HSG now or in the future.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Housing Authority (HSG)

Summary of Total Present Value of Projected Benefits

1. Total Present Value of Projected Benefits	Pre-Medicare	Medicare	Welfare Funds	Part B Premium	Total
a. Active ¹	\$821,704,468	\$530,666,609	\$505,871,154	\$378,586,223	\$2,236,828,454
b. Deferred ²	33,561,094	29,243,013	26,012,488	21,014,267	109,830,862
c. Retired	<u>174,746,219</u>	<u>195,103,701</u>	<u>173,097,553</u>	<u>165,769,804</u>	<u>708,717,277</u>
d. TOTAL	\$1,030,011,781	\$755,013,323	\$704,981,195	\$565,370,294	\$3,055,376,593

¹ Includes Inactives, if any.

² Includes Deferred Retirees, if any.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Off-Track Betting Corporation (OTB)

Summary of Data

	TOTAL
1. Actives	
a. Number	1,143
b. Salary	\$45,834,802
c. Average Age	47.52
d. Average Service	11.52
e. Average Salary	\$40,100
f. Present Value of Future Salary	\$532,119,447
2. Inactives	
a. Number	231
b. Average Age	38.72
c. Average Service	4.47
3. Deferreds (Includes Deferred Retirees, if any)	
a. Number	28
b. Average Age	50.00
4. Retirees	
a. Total*	
i. Number	1,011
ii. Average Age	71.22
b. By Benefit	
i. Pre-Medicare**	<u>Participant / Spouse</u> 268 / 175
ii. Medicare Eligible**	743 / 209
iii. Welfare Fund**	991 / NA
iv. Medicare Part B#	1,011 / 384

- * Retirees eligible for at least one benefit from OTB.
- ** Retirees currently eligible for benefit from OTB.
- # Retirees eligible for benefit from OTB now or in the future.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Off-Track Betting Corporation (OTB)

Summary of Total Present Value of Projected Benefits

1. Total Present Value of Projected Benefits	Pre-Medicare	Medicare	Welfare Funds	Part B Premium	Total
a. Active ¹	\$70,372,663	\$55,373,925	\$51,924,550	\$39,287,023	\$216,958,161
b. Deferred ²	1,206,449	1,206,372	1,103,991	861,752	4,378,564
c. Retired	<u>17,568,753</u>	<u>31,048,623</u>	<u>25,473,433</u>	<u>20,455,556</u>	<u>94,546,365</u>
d. TOTAL	\$89,147,865	\$87,628,920	\$78,501,974	\$60,604,331	\$315,883,090

¹ Includes Inactives, if any.

² Includes Deferred Retirees, if any.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Summary of Data

	NYCERS	BERS	TOTAL
1. Actives			
a. Number	70	473	543
b. Salary	\$6,496,845	\$42,632,425	\$49,129,270
c. Average Age	50.73	50.76	50.75
d. Average Service	14.56	9.67	10.30
e. Average Salary	\$92,812	\$90,132	\$90,477
f. Present Value of Future Salary	\$71,010,598	\$441,886,338	\$512,896,936
2. Inactives			
a. Number	8	94	102
b. Average Age	48.75	50.57	50.43
c. Average Service	11.87	7.06	7.44
3. Deferreds (Includes Deferred Retirees, if any)			
a. Number	2	8	10
b. Average Age	49.50	56.25	54.90
4. Retirees			
a. Total*			
i. Number	25	110	135
ii. Average Age	66.44	68.85	68.40
b. By Benefit			<u>Participant / Spouse</u>
i. Pre-Medicare**			NR / NR
ii. Medicare Eligible**			NR / NR
iii. Welfare Fund**			135 / NA
iv. Medicare Part B*			NR / NR

- * Retirees eligible for at least one benefit from SCA.
- ** Retirees currently eligible for benefit from SCA.
- # Retirees eligible for benefit from SCA now or in the future.
- NR Benefit not the responsibility of SCA.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Development of Normal Cost

1. Total Present Value of Projected Benefits	Pre-Medicare	Medicare	Welfare Funds	Part B Premium	Total
a. Active ¹	\$0	\$0	\$21,655,342	\$0	\$21,655,342
b. Deferred ²	0	0	364,752	0	364,752
c. Retired	<u>0</u>	<u>0</u>	<u>3,762,769</u>	<u>0</u>	<u>3,762,769</u>
d. TOTAL	\$0	\$0	\$25,782,863	\$0	\$25,782,863
2. Actuarial Value of Assets					\$0
3. Unfunded Frozen Entry Age Actuarial Accrued Liability					\$18,369,464
4. Present Value of Future Normal Costs [1d. - 2. - 3.]					\$7,413,399
5. Present Value of Future Salary					\$512,896,936
6. Normal Cost Percentage [4. / 5.]					1.445%
7. Salary of Active Participants					\$49,129,270
8. Frozen Entry Age Normal Cost [6. * 7.]					\$709,918

¹ Includes Inactives, if any.

² Includes Deferred Retirees, if any.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Development of the Annual Required Contribution (ARC)
For the Fiscal Year Ending June 30, 2009

1. Normal Cost at June 30, 2008	\$709,918
2. Amortization of Unfunded Actuarial Accrued Liability - BOY	<u>18,369,464</u>
3. Subtotal	\$19,079,382
4. Interest to June 30, 2009 at 4.0%	<u>763,175</u>
5. Annual Required Contribution (ARC)	\$19,842,557

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Development of the Annual OPEB Cost (AOC)
and Development of the Net OPEB Obligation (NOO)

For the Fiscal Year Ending June 30, 2009

1. Annual OPEB Cost (AOC)

a. Net OPEB Obligation at June 30, 2008	\$18,369,464
b. Annual Required Contribution (ARC)	
i. Normal Cost	\$709,918
ii. UAAL Amortization Payment	18,369,464
iii. Interest to End of Year	<u>763,175</u>
iv. Total	\$19,842,557
c. ARC Adjustment	\$19,104,243
d. Interest on Net OPEB Obligation	\$734,779
e. Fiscal Year 2009 Annual OPEB Cost (AOC) (1b.iv.-1c.+1d.)	\$1,473,093

2. Net OPEB Obligation (NOO)

a. Net OPEB Obligation at June 30, 2008	\$18,369,464
b. Fiscal Year 2009 Annual OPEB Cost (AOC)	\$1,473,093
c. Fiscal Year 2009 Employer Contributions	\$272,790 *
d. Net OPEB Obligation (NOO) at June 30, 2009 (2a.+ 2b.-2c.)	\$19,569,767

* Employer Contributions provided by SCA.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Required Supplementary Information (RSI)
and Additional Note Disclosure
For the Fiscal Year Ending June 30, 2009

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Frozen Entry Age 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)
June 30, 2008	\$0	\$18,369,464	\$18,369,464	0.0%	\$49,129,270	37.4%
June 30, 2007	\$0	\$17,352,451	\$17,352,451	0.0%	\$40,937,457	42.4%
June 30, 2006	\$0	\$16,039,618	\$16,039,618	0.0%	\$36,506,304	43.9%
June 30, 2005 ¹	\$0	\$9,936,653	\$9,936,653	0.0%	\$33,827,738	29.4%

¹ Provided by SCA on July 24, 2007.

Additional Note Disclosure Annual OPEB Cost and Net OPEB Obligation

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$1,473,093	18.5%	\$19,569,767
June 30, 2008	\$1,292,276	21.3%	\$18,369,464
June 30, 2007	\$6,270,529	0.0%	\$17,352,451
June 30, 2006	\$11,081,922	0.0%	\$11,081,922

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Employer Contributions

For the Fiscal Year Ending June 30, 2009

1. Retiree Health Benefits	\$0
2. Welfare Funds	<u>\$272,790</u>
3. Total	\$272,790 *

* Employer Contributions provided by SCA (not verified; to be supplied by accountant).

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Derivation of Unfunded Actuarial Accrued Liability

1. Unfunded Actuarial Accrued Liability at June 30, 2007	\$17,352,451
2. Frozen Entry Age Normal Cost at June 30, 2007	575,171
3. Interest on 1. and 2. @ 4.00%	717,105
4. Adjustments, if any	0
5. Employer Contributions	275,263
6. Preliminary Unfunded Actuarial Accrued Liability at June 30, 2008 (1.+2.+3.+4.-5.)	18,369,464
7. TRS 55/25 Refinement ¹	0
8. Change in Assumptions ²	0
9. Unfunded Actuarial Accrued Liability at June 30, 2008 (6.+7.+8.)	\$18,369,464

¹ TRS Optional 55/25 Plan. (NA).

² HIP Medicare Advantage HMO (NA).
Income Related Part B Premium (NA).
Part B Enrollment (NA).

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City School Construction Authority (SCA)

Schedule of Unfunded Actuarial Accrued Liability Bases

Base	Date Established	Original Amount	Amortization Period	Balance
1. Transition Liability	June 30, 2005	\$ 9,936,653	1-Year	\$ 12,691,636
2. Refinements	June 30, 2006	\$ 4,957,695	1-Year	\$ 5,677,828
3. Change in Medicare Part B Assumption	June 30, 2006	\$ 0	1-Year	\$ 0
4. Change in Assumptions	June 30, 2007	\$ 0	1-Year	\$ 0
5. TRS 55/25 Refinement	June 30, 2008	\$ 0	1-Year	\$ 0
6. Change in Assumptions	June 30, 2008	\$ 0	1-Year	\$ 0
TOTAL		\$ 14,894,348		\$ 18,369,464

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Summary of Data

	NYCERS	BERS	TOTAL
1. Actives			
a. Number	8	0	8
b. Salary	\$728,732	NA	\$728,732
c. Average Age	47.00	NA	47.00
d. Average Service	6.62	NA	6.62
e. Average Salary	\$91,092	NA	\$91,092
f. Present Value of Future Salary	\$8,260,158	NA	\$8,260,158
2. Inactives			
a. Number	1	0	1
b. Average Age	48.00	NA	48.00
c. Average Service	3.00	NA	3.00
3. Deferreds (Includes Deferred Retirees, if any)			
a. Number	0	0	0
b. Average Age	NA	NA	NA
4. Retirees			
a. Total*			
i. Number	1	1	2
ii. Average Age	72.00	65.00	68.50
b. By Benefit			<u>Participant / Spouse</u>
i. Pre-Medicare**			1 / 0
ii. Medicare Eligible**			1 / 1
iii. Welfare Fund**			2 / NA
iv. Medicare Part B [#]			NR / NR

* Retirees eligible for at least one benefit from WFA.

** Retirees currently eligible for benefit from WFA.

Retirees eligible for benefit from WFA now or in the future.

NR Benefit not the responsibility of WFA.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Development of Normal Cost

1. Total Present Value of Projected Benefits	Pre-Medicare	Medicare	Welfare Funds	Part B Premium	Total
a. Active ¹	\$337,741	\$325,235	\$312,667	\$0	\$975,643
b. Deferred ²	0	0	0	0	0
c. Retired	<u>0</u>	<u>77,314</u>	<u>56,935</u>	<u>0</u>	<u>134,249</u>
d. TOTAL	\$337,741	\$402,549	\$369,602	\$0	\$1,109,892
2. Actuarial Value of Assets					\$0
3. Unfunded Frozen Entry Age Actuarial Accrued Liability					\$317,005
4. Present Value of Future Normal Costs [1d. - 2. - 3.]					\$792,887
5. Present Value of Future Salary					\$8,260,158
6. Normal Cost Percentage [4. / 5.]					9.599%
7. Salary of Active Participants					\$728,732
8. Frozen Entry Age Normal Cost [6. * 7.]					\$69,951

¹ Includes Inactives, if any.

² Includes Deferred Retirees, if any.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Development of the Annual Required Contribution (ARC)
For the Fiscal Year Ending June 30, 2009

1. Normal Cost at June 30, 2008	\$69,951
2. Amortization of Unfunded Actuarial Accrued Liability - BOY	<u>317,005</u>
3. Subtotal	\$386,956
4. Interest to June 30, 2009 at 4.0%	<u>15,478</u>
5. Annual Required Contribution (ARC)	\$402,434

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Development of the Annual OPEB Cost (AOC)
and Development of the Net OPEB Obligation (NOO)

For the Fiscal Year Ending June 30, 2009

1. Annual OPEB Cost (AOC)

a. Net OPEB Obligation at June 30, 2008	\$316,060
b. Annual Required Contribution (ARC)	
i. Normal Cost	\$69,951
ii. UAAL Amortization Payment	317,005
iii. Interest to End of Year	<u>15,478</u>
iv. Total	\$402,434
c. ARC Adjustment	\$328,702
d. Interest on Net OPEB Obligation	\$12,642
e. Fiscal Year 2009 Annual OPEB Cost (AOC) (1b.iv.-1c.+1d.)	\$86,374

2. Net OPEB Obligation (NOO)

a. Net OPEB Obligation at June 30, 2008	\$316,060
b. Fiscal Year 2009 Annual OPEB Cost (AOC)	\$86,374
c. Fiscal Year 2009 Employer Contributions	\$7,408 *
d. Net OPEB Obligation (NOO) at June 30, 2009 (2a.+ 2b.-2c.)	\$395,026

* Employer Contributions provided by WFA.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Required Supplementary Information (RSI)
and Additional Note Disclosure
For the Fiscal Year Ending June 30, 2009

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Frozen Entry Age 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)
June 30, 2008	\$0	\$317,005	\$317,005	0.0%	\$728,732	43.5%
June 30, 2007	\$0	\$242,193	\$242,193	0.0%	\$486,052	49.8%
June 30, 2006	\$0	\$172,974	\$172,974	0.0%	\$306,155	56.5%
June 30, 2005	\$0	\$308,348	\$308,348	0.0%	\$1,041,223	29.6%

Additional Note Disclosure Annual OPEB Cost and Net OPEB Obligation

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$86,374	8.6%	\$395,026
June 30, 2008	\$87,656	1.1%	\$316,060
June 30, 2007	(\$168,612)	0.0%	\$229,398
June 30, 2006*	\$398,010	0.0%	\$398,010

* As published.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Employer Contributions

For the Fiscal Year Ending June 30, 2009

1. Retiree Health Benefits	\$4,128
2. Welfare Funds	<u>\$3,280</u>
3. Total	\$7,408 *

* Employer Contributions provided by WFA (not verified; to be supplied by accountant).

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Derivation of Unfunded Actuarial Accrued Liability

1. Unfunded Actuarial Accrued Liability at June 30, 2007	\$242,193
2. Frozen Entry Age Normal Cost at June 30, 2007	62,667
3. Interest on 1. and 2. @ 4.00%	12,194
4. Adjustments, if any	0
5. Employer Contributions	994
6. Preliminary Unfunded Actuarial Accrued Liability at June 30, 2008 (1.+2.+3.+4.-5.)	316,060
7. TRS 55/25 Refinement ¹	0
8. Change in Assumptions ²	945
9. Unfunded Actuarial Accrued Liability at June 30, 2008 (6.+7.+8.)	\$317,005

¹ TRS Optional 55/25 Plan (NA).

² HIP Medicare Advantage HMO.
Income Related Part B Premium (NA).
Part B Enrollment (NA).

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation

New York City Municipal Water Finance Authority (WFA)

Schedule of Unfunded Actuarial Accrued Liability Bases

Base	Date Established	Original Amount	Amortization Period	Balance
1. Transition Liability	June 30, 2005	\$ 308,348	1-Year	\$ 688,829
2. Refinements	June 30, 2006	\$ (225,036)	1-Year	\$ (389,466)
3. Change in Medicare Part B Assumption	June 30, 2006	\$ 0	1-Year	\$ 0
4. Change in Assumptions	June 30, 2007	\$ 12,795	1-Year	\$ 16,697
5. TRS 55/25 Refinement	June 30, 2008	\$ 0	1-Year	\$ 0
6. Change in Assumptions	June 30, 2008	\$ 945	1-Year	\$ 945
TOTAL		\$ 97,052		\$ 317,005

New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
GASB45 Results for the City of New York (Excluding Component Units)
Summary of Data
By System Not Including Component Units¹

	NYCERS	TRS	BERS	POLICE	FIRE	NYCRS TOTAL
1. Actives						
a. Number	94,125	111,112	22,228	35,337	11,574	274,376
b. Salary	\$5,731,444,534	\$7,841,304,784	\$803,484,289	\$3,095,644,258	\$1,051,402,082	\$18,523,279,947
c. Average Age	46.51	43.89	50.69	36.25	38.40	44.12
d. Average Service	12.06	10.39	9.26	10.45	11.64	10.93
e. Average Salary	\$60,892	\$70,571	\$36,147	\$87,603	\$90,842	\$67,510
f. Present Value of Future Salary	\$66,260,481,377	\$126,747,211,152	\$9,438,398,075	\$33,227,062,593	\$14,135,396,852	\$249,808,550,049
2. Inactives						
a. Number	14,255	10,655	3,899	2,168	53	31,030
b. Average Age	43.46	38.02	47.94	33.53	38.00	41.45
c. Average Service	6.48	5.07	6.79	3.24	8.38	5.81
3. Deferreds (Includes Deferred Retirees, if any)						
a. Number	5,071	6,878	274	793	31	13,047
b. Average Age	51.11	48.73	55.19	39.01	40.10	49.18
4. Retirees						
a. Total ³						
i. Number	62,540	63,371	12,354	43,284	16,395	197,944
ii. Average Age	68.76	70.61	73.25	59.71	64.96	67.34
b. By Benefit*	<u>Participant / Spouse</u>					
i. Pre-Medicare**	20,927 / 15,176	19,164 / 8,569	1,979 / 1,019	25,812 / 22,104	6,816 / 7,027	74,698 / 53,895
ii. Medicare Eligible**	41,638 / 13,321	44,207 / 13,261	10,485 / 3,302	17,472 / 8,956	9,579 / 5,185	123,381 / 44,025
iii. Welfare Fund**	62,649 / NA	61,751 / NA	11,914 / NA	41,653 / NA	15,125 / NA	193,092 / NA
iv. Medicare Part B [#]	81,253 / 33,679	65,598 / 22,898	12,505 / 4,328	43,284 / 31,060	16,395 / 12,212	219,035 / 104,177
	TIAA	LODW				GRAND TOTAL
1. Actives						
a. Number	2,008	0				276,384
b. Salary	\$148,939,342	0				\$18,672,219,289
c. Average Age	50.94	NA				44.17
d. Average Service	16.08	NA				10.97
e. Average Salary	\$74,173	NA				\$67,558
f. Present Value of Future Salary	\$2,048,435,125	0				\$251,856,985,174
2. Inactives						
a. Number	0	0				31,030
b. Average Age	NA	NA				41.45
c. Average Service	NA	NA				5.81
3. Deferreds (Includes Deferred Retirees, if any)						
a. Number	71 ²	0				13,118
b. Average Age	54.59	NA				49.21
4. Retirees						
a. Total						
i. Number	399 ²	783				199,126
ii. Average Age	72.54	74.82				67.38
b. By Benefit*	<u>Participant / Spouse</u>	<u>Participant / Spouse</u>				<u>Participant / Spouse</u>
i. Pre-Medicare**	44 / 52	80 / 0				74,822 / 53,947
ii. Medicare Eligible**	355 / 133	703 / 7				124,439 / 44,165
iii. Welfare Fund**	399 / NA	NA / NA				193,491 / NA
iv. Medicare Part B [#]	1,995 / 925	783 / 7				221,813 / 105,109

1 City results also include Medicare Part B coverage for 43,055 actives, 6,281 inactives, 23,834 retirees and 2,099 deferred participants in HHC, SCA, WFA and CUNY Senior Colleges and Health Insurance coverage for 343 actives, 102 inactives, 1,282 retirees and 10 deferred participants in HSG (Housing Police retirees only) and SCA and Welfare Fund coverage for 3,656 actives, 606 inactives, 3,364 retirees and 55 deferred participants in HSG (Housing Police retirees only) and non-pedagogical CUNY Senior Colleges.

2 Estimate due to lack of data.

3 Retirees eligible for receipt of Health Insurance, excluding Component Units.

* Includes Component Unit participants with City-provided benefits.

** Retirees currently eligible for benefit.

Retirees eligible for benefit now or in the future.

New York City Health Benefits Program

**June 30, 2008 OPEB Actuarial Valuation
GASB45 Results for the City of New York (Excluding Component Units)
Development of Normal Cost**

1. Total Present Value of Projected Benefits ¹	Pre-Medicare	Medicare	Welfare Funds	Part B Premium	Total
a. Active ²	\$25,858,049,190	\$15,718,510,549	\$14,810,459,055	\$12,064,005,039	\$68,451,023,833
b. Deferred ³	1,158,270,834	720,466,452	705,667,473	558,656,619	3,143,061,378
c. Retired	<u>9,614,861,769</u>	<u>7,837,884,679</u>	<u>6,418,953,002</u>	<u>5,598,245,593</u>	<u>29,469,945,043</u>
d. TOTAL	\$36,631,181,793	\$24,276,861,680	\$21,935,079,530	\$18,220,907,251	\$101,064,030,254
2. Actuarial Value of Assets					\$3,186,139,468
3. Unfunded Frozen Entry Age Actuarial Accrued Liability					\$61,958,795,280
4. Present Value of Future Normal Costs {1d. - 2. - 3.}					\$35,919,095,506
5. Present Value of Future Salary					\$251,856,985,174
6. Normal Cost Percentage {4. / 5.}					14.262%
7. Salary of Active Participants					\$18,672,219,289
8. Frozen Entry Age Normal Cost {6. * 7.}					\$2,663,031,915

¹ City results also include Medicare Part B coverage for 43,055 actives, 6,281 inactive, 23,834 retirees and 2,099 deferred participants in HHC, SCA, WFA and CUNY Senior Colleges and Health Insurance coverage for 543 actives, 102 inactive, 1,282 retirees and 10 deferred participants in HSG (Housing Police retirees only) and SCA and Welfare Fund coverage for 3,656 actives, 606 inactive, 3,364 retirees and 55 deferred participants in HSG (Housing Police retirees only) and non-pedagogical CUNY Senior Colleges.

² Includes Inactives, if any.

³ Includes Deferred Retirees, if any.

New York City Health Benefits Program

**June 30, 2008 OPEB Actuarial Valuation
GASB45 Results for the City of New York (Excluding Component Units)
Development of the Annual Required Contribution (ARC)
For the Fiscal Year Ending June 30, 2009**

1. Normal Cost at June 30, 2008	\$2,663,031,915
2. Amortization of Unfunded Actuarial Accrued Liability - BOY	<u>61,958,795,280</u>
3. Subtotal	\$64,621,827,195
4. Interest to June 30, 2009 at 4.0%	<u>2,584,873,088</u>
5. Annual Required Contribution (ARC)	\$67,206,700,283

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB45 Results for the City of New York (Excluding Component Units) Development of the Annual OPEB Cost (AOC) and Development of the Net OPEB Obligation (NOO)

For the Fiscal Year Ending June 30, 2009

1. Annual OPEB Cost (AOC)

a. Net OPEB Obligation at June 30, 2008	\$63,270,342,056
b. Annual Required Contribution (ARC)	
i. Normal Cost	\$2,663,031,915
ii. UAAL Amortization Payment	61,958,795,280
iii. Interest to End of Year	<u>2,584,873,088</u>
iv. Total	\$67,206,700,283
c. ARC Adjustment	\$65,801,155,738
d. Interest on Net OPEB Obligation	\$2,530,813,682
e. Fiscal Year 2009 Annual OPEB Cost (AOC) (1b.iv.-1c.+1d.)	\$3,936,358,227

2. Net OPEB Obligation (NOO)

a. Net OPEB Obligation at June 30, 2008	\$63,270,342,056
b. Fiscal Year 2009 Annual OPEB Cost (AOC)	\$3,936,358,227
c. Fiscal Year 2009 Employer Contributions	\$1,683,128,642 *
d. Net OPEB Obligation (NOO) at June 30, 2009 (2a.+ 2b.-2c.)	\$65,523,571,641

* Employer Contributions include amounts provided by OMB including the cumulative effect of non-trust activity for Fiscal Years 2006 through 2009.

New York City Health Benefits Program

**June 30, 2008 OPEB Actuarial Valuation
GASB45 Results for the City of New York (Excluding Component Units)**

**Required Supplementary Information (RSI)
and Additional Note Disclosure
For the Fiscal Year Ending June 30, 2009**

**Required Supplementary Information
Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Frozen Entry Age 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)
June 30, 2008	\$3,186,139,468	\$65,144,934,748	\$61,958,795,280	4.9%	\$18,672,219,289	331.8%
June 30, 2007	\$2,594,451,907	\$62,116,926,083	\$59,522,474,176	4.2%	\$17,314,779,336	343.8%
June 30, 2006	\$1,001,331,648	\$56,060,000,324	\$55,058,668,676	1.8%	\$16,510,165,373	333.5%
June 30, 2005	\$0	\$50,523,014,097	\$50,523,014,097	0.0%	\$15,703,554,657	321.7%

**Additional Note Disclosure
Annual OPEB Cost and Net OPEB Obligation ¹**

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$3,937,888,486	42.7% ²	\$65,544,362,263
June 30, 2008	\$7,419,205,000	25.5%	\$63,290,218,000 ³
June 30, 2007	\$7,164,986,000	40.6%	\$57,761,938,000
June 30, 2006	\$55,690,322,000	3.9%	\$53,507,451,000

¹ Amount shown for Fiscal Years prior to Fiscal Year 2009 are as published in the City CAFR. Includes amounts for ECF and SCA.

² Includes cumulative adjustment for approximate non-trust activity for Fiscal Years ending 6/30/06, 6/30/07 and 6/30/08.

³ As published. Correct amount should be \$63,289,913,000.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB45 Results for the City of New York (Excluding Component Units)

Employer Contributions *

For the Fiscal Year Ending June 30, 2009

1. Employer Pay-As-You-Go	
a. Trust	\$1,038,038,563
b. Non-Trust	\$420,090,079
2. Employer Additional (Pre-Fund)	<u>\$225,000,000</u>
3. Total	\$1,683,128,642

* Amounts provided by OMB on September 24, 2009 in Draft Plan Financial Statements.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB45 Results for the City of New York (Excluding Component Units) Derivation of Unfunded Actuarial Accrued Liability

1. Unfunded Actuarial Accrued Liability at June 30, 2007	\$59,522,474,176
2. Frozen Entry Age Normal Cost at June 30, 2007	3,132,589,877
3. Interest on 1. and 2. @ 4.00%	2,506,202,562
4. Adjustments if any	0
5. Employer Contributions	1,890,924,559
6. Preliminary Unfunded Actuarial Accrued Liability at June 30, 2008 (1.+2.+3.+4.-5.)	63,270,342,056
7. TRS 55/25 Refinement ¹	55,019,043
8. Changes in Assumptions ²	(1,366,565,819)
9. Unfunded Actuarial Accrued Liability at June 30, 2008 (6.+7.+8.)	\$61,958,795,280

¹ TRS Optional 55/25 Plan. Only Applicable to TRS and BERS.

² HIP Medicare Advantage HMO.
Income Related Part B Premium.
Part B Enrollment.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB45 Results for the City of New York (Excluding Component Units) Schedule of Unfunded Actuarial Accrued Liability Bases

Base	Date Established	Original Amount	Amortization Period	Balance
1. Transition Liability	June 30, 2005	\$ 50,523,014,097	1-Year	\$ 59,622,752,651
2. Refinements	June 30, 2006	\$ 852,676,937	1-Year	\$ 950,562,168
3. Change in Medicare Part B Assumption	June 30, 2006	\$ 722,960,505	1-Year	\$ 805,954,606
4. Changes in Assumptions	June 30, 2007	\$ 1,598,413,784	1-Year	\$ 1,699,058,856
5. Plan Amendments	June 30, 2007	\$ 180,639,690	1-Year	\$ 192,013,775
6. TRS 55/25 Refinement	June 30, 2008	\$ 55,019,043	1-Year	\$ 55,019,043
7. Changes in Assumptions	June 30, 2008	<u>\$ (1,366,565,819)</u>	1-Year	<u>\$ (1,366,565,819)</u>
TOTAL		\$ 52,566,158,237		\$ 61,958,795,280

New York City Health Benefits Program
June 30, 2008 OPEB Actuarial Valuation
GASB43 Results for the New York City Other Postemployment Benefits Plan
Summary of Data
By System Not Including Component Units ¹

	NYCERS	TRS	BERS	POLICE	FIRE	NYCRS TOTAL
1. Actives						
a. Number	94,125	111,112	22,228	35,337	11,574	274,376
b. Salary	\$5,731,444,534	\$7,841,304,784	\$803,484,289	\$3,095,644,258	\$1,051,402,082	\$18,523,279,947
c. Average Age	46.51	43.89	50.69	36.25	38.40	44.12
d. Average Service	12.06	10.39	9.26	10.45	11.64	10.93
e. Average Salary	\$60,892	\$70,571	\$36,147	\$87,603	\$90,842	\$67,510
f. Present Value of Future Salary	\$66,260,481,377	\$126,747,211,152	\$9,438,398,075	\$33,227,062,593	\$14,135,396,852	\$249,808,550,049
2. Inactives						
a. Number	14,255	10,655	3,899	2,168	53	31,030
b. Average Age	43.46	38.02	47.94	33.53	38.00	41.45
c. Average Service	6.48	5.07	6.79	3.24	8.38	5.81
3. Deferreds (Includes Deferred Retirees, if any)						
a. Number	5,071	6,878	274	793	31	13,047
b. Average Age	51.11	48.73	55.19	39.01	40.10	49.18
4. Retirees						
a. Total ³						
i. Number	62,540	63,371	12,354	43,284	16,395	197,944
ii. Average Age	68.76	70.61	73.25	59.71	64.96	67.34
b. By Benefit*	<u>Participant / Spouse</u>					
i. Pre-Medicare**	20,927 / 15,176	19,164 / 8,569	1,979 / 1,019	25,812 / 22,104	6,816 / 7,027	74,698 / 53,895
ii. Medicare Eligible**	41,638 / 13,321	44,207 / 13,261	10,485 / 3,302	17,472 / 8,956	9,579 / 5,185	123,381 / 44,025
iii. Welfare Fund**	62,649 / NA	61,751 / NA	11,914 / NA	41,653 / NA	15,125 / NA	193,092 / NA
iv. Medicare Part B [#]	81,253 / 33,679	65,598 / 22,898	12,505 / 4,328	43,284 / 31,060	16,395 / 12,212	219,035 / 104,177
	TIAA	LODW				GRAND TOTAL
1. Actives						
a. Number	2,008	0				276,384
b. Salary	\$148,939,342	0				\$18,672,219,289
c. Average Age	50.94	NA				44.17
d. Average Service	16.08	NA				10.97
e. Average Salary	\$74,173	NA				\$67,558
f. Present Value of Future Salary	\$2,048,435,125	0				\$251,856,985,174
2. Inactives						
a. Number	0	0				31,030
b. Average Age	NA	NA				41.45
c. Average Service	NA	NA				5.81
3. Deferreds (Includes Deferred Retirees, if any)						
a. Number	71 ²	0				13,118
b. Average Age	54.59	NA				49.21
4. Retirees						
a. Total						
i. Number	399 ²	783				199,126
ii. Average Age	72.54	74.82				67.38
b. By Benefit*	<u>Participant / Spouse</u>	<u>Participant / Spouse</u>				<u>Participant / Spouse</u>
i. Pre-Medicare**	44 / 52	80 / 0				74,822 / 53,947
ii. Medicare Eligible**	355 / 133	703 / 7				124,439 / 44,165
iii. Welfare Fund**	399 / NA	NA / NA				193,491 / NA
iv. Medicare Part B [#]	1,995 / 925	783 / 7				221,813 / 105,109

1 City results also include Medicare Part B coverage for 43,055 actives, 6,281 inactives, 23,834 retirees and 2,099 deferred participants in HHC, SCA, WFA and CUNY Senior Colleges and Health Insurance coverage for 543 actives, 102 inactives, 1,282 retirees and 10 deferred participants in HSG (Housing Police retirees only) and SCA and Welfare Fund coverage for 3,656 actives, 606 inactives, 3,364 retirees and 55 deferred participants in HSG (Housing Police retirees only) and non-pedagogical CUNY Senior Colleges.

2 Estimate due to lack of data.

3 Retirees eligible for receipt of Health Insurance, excluding Component Units.

* Includes Component Unit participants with City-provided benefits.

** Retirees currently eligible for benefit.

Retirees eligible for benefit now or in the future.

New York City Health Benefits Program

**June 30, 2008 OPEB Actuarial Valuation
GASB43 Results for the New York City Other Postemployment Benefits Plan
Development of Normal Cost**

1. Total Present Value of Projected Benefits ¹	Pre-Medicare	Medicare	Welfare Funds	Part B Premium	Total
a. Active ²	\$25,858,049,190	\$15,718,510,549	\$14,810,459,055	\$12,064,005,039	\$68,451,023,833
b. Deferred ³	1,158,270,834	720,466,452	705,667,473	558,656,619	3,143,061,378
c. Retired	<u>9,614,861,769</u>	<u>7,837,884,679</u>	<u>6,418,953,002</u>	<u>5,598,245,593</u>	<u>29,469,945,043</u>
d. TOTAL	\$36,631,181,793	\$24,276,861,680	\$21,935,079,530	\$18,220,907,251	\$101,064,030,254
2. Actuarial Value of Assets					\$3,186,139,468
3. Unfunded Frozen Entry Age Actuarial Accrued Liability					\$61,958,795,280
4. Present Value of Future Normal Costs [1d. - 2. - 3.]					\$35,919,095,506
5. Present Value of Future Salary					\$251,856,985,174
6. Normal Cost Percentage [4. / 5.]					14.262%
7. Salary of Active Participants					\$18,672,219,289
8. Frozen Entry Age Normal Cost [6. * 7.]					\$2,663,031,915

¹ City results also include Medicare Part B coverage for 43,055 actives, 6,281 inactive, 23,834 retirees and 2,099 deferred participants in HHC, SCA, WFA and CUNY Senior Colleges and Health Insurance coverage for 543 actives, 102 inactive, 1,282 retirees and 10 deferred participants in HSG (Housing Police retirees only) and SCA and Welfare Fund coverage for 3,656 actives, 606 inactive, 3,364 retirees and 55 deferred participants in HSG (Housing Police retirees only) and non-pedagogical CUNY Senior Colleges.

² Includes Inactives, if any.

³ Includes Deferred Retirees, if any.

New York City Health Benefits Program

**June 30, 2008 OPEB Actuarial Valuation
GASB43 Results for the New York City Other Postemployment Benefits Plan
Development of the Annual Required Contribution (ARC)
For the Fiscal Year Ending June 30, 2009**

1. Normal Cost at June 30, 2008	\$2,663,031,915
2. Amortization of Unfunded Actuarial Accrued Liability - BOY	<u>61,958,795,280</u>
3. Subtotal	\$64,621,827,195
4. Interest to June 30, 2009 at 4.0%	<u>2,584,873,088</u>
5. Annual Required Contribution (ARC)	\$67,206,700,283

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB43 Results for the New York City Other Postemployment Benefits Plan

Required Supplementary Information (RSI)
and Additional Note Disclosure
For the Fiscal Year Ending June 30, 2009

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Frozen Entry Age 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)
June 30, 2008	\$3,186,139,468	\$65,144,934,748	\$61,958,795,280	4.9%	\$18,672,219,289	331.8%
June 30, 2007	\$2,594,451,907	\$62,116,926,083	\$59,522,474,176	4.2%	\$17,314,779,336	343.8%
June 30, 2006	\$1,001,331,648	\$56,060,000,324	\$55,058,668,676	1.8%	\$16,510,165,373	333.5%
June 30, 2005	\$0	\$50,523,014,097	\$50,523,014,097	0.0%	\$15,703,554,657	321.7%

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
June 30, 2009	\$67,206,700,283	2.5%*
June 30, 2008	\$65,161,266,615	2.9%
June 30, 2007	\$60,653,920,448	4.8%
June 30, 2006	\$55,665,901,829	3.9%

* Includes cumulative adjustment for approximate non-trust activity for Fiscal Years ending 6/30/06, 6/30/07 and 6/30/08.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB43 Results for the New York City Other Postemployment Benefits Plan

Employer Contributions *

For the Fiscal Year Ending June 30, 2009

1. Employer Pay-As-You-Go	
a. Trust	\$1,038,038,563
b. Non-Trust	\$420,090,079
2. Employer Additional (Pre-Fund)	<u>\$225,000,000</u>
3. Total	\$1,683,128,642

* Amounts provided by OMB on September 24, 2009 in Draft Plan Financial Statements.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB43 Results for the New York City Other Postemployment Benefits Plan Derivation of Unfunded Actuarial Accrued Liability

1. Unfunded Actuarial Accrued Liability at June 30, 2007	\$59,522,474,176
2. Frozen Entry Age Normal Cost at June 30, 2007	3,132,589,877
3. Interest on 1. and 2. @ 4.00%	2,506,202,562
4. Adjustments if any	0
5. Employer Contributions	1,890,924,559
6. Preliminary Unfunded Actuarial Accrued Liability at June 30, 2008 (1.+2.+3.+4.-5.)	63,270,342,056
7. TRS 55/25 Refinement ¹	55,019,043
8. Changes in Assumptions ²	(1,366,565,819)
9. Unfunded Actuarial Accrued Liability at June 30, 2008 (6.+7.+8.)	\$61,958,795,280

¹ TRS Optional 55/25 Plan. Only Applicable to TRS and BERS.

² HIP Medicare Advantage HMO.
Income Related Part B Premium.
Part B Enrollment.

New York City Health Benefits Program

June 30, 2008 OPEB Actuarial Valuation GASB43 Results for the New York City Other Postemployment Benefits Plan Schedule of Unfunded Actuarial Accrued Liability Bases

Base	Date Established	Original Amount	Amortization Period	Balance
1. Transition Liability	June 30, 2005	\$ 50,523,014,097	1-Year	\$ 59,622,752,651
2. Refinements	June 30, 2006	\$ 852,676,937	1-Year	\$ 950,562,168
3. Change in Medicare Part B Assumption	June 30, 2006	\$ 722,960,505	1-Year	\$ 805,954,606
4. Changes in Assumptions	June 30, 2007	\$ 1,598,413,784	1-Year	\$ 1,699,058,856
5. Plan Amendments	June 30, 2007	\$ 180,639,690	1-Year	\$ 192,013,775
6. TRS 55/25 Refinement	June 30, 2008	\$ 55,019,043	1-Year	\$ 55,019,043
7. Changes in Assumptions	June 30, 2008	<u>\$ (1,366,565,819)</u>	1-Year	<u>\$ (1,366,565,819)</u>
TOTAL		\$ 52,566,158,237		\$ 61,958,795,280

APPENDIX D

APPENDIX D - NEW YORK CITY HEALTH BENEFITS PROGRAM

DETAILS OF ACTUARIAL ASSUMPTIONS AND CERTAIN METHODS

Actuarial Assumptions

The actuarial assumptions used in the June 30, 2008 and the June 30, 2007 OPEB actuarial valuations are classified as those used in the NYCRS valuations and those specific to the OPEB actuarial valuations.

NYCRS Valuations

The actuarial assumptions used to value the NYCRS are provided in the following five reports (the "GOLD BOOKS"):

- Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and after July 1, 2005 for the New York City Employees' Retirement System dated August 29, 2005.
- Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and after July 1, 2005 for the New York City Teachers' Retirement System dated August 31, 2005.

- Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and after July 1, 2005 for the New York City Board of Education Retirement System dated August 31, 2005.
- Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and after July 1, 2005 for the New York City Police Pension Fund dated August 24, 2005.
- Proposed Changes in Actuarial Assumptions and Methods for Determining Employer Contributions for Fiscal Years Beginning on and after July 1, 2005 for the New York City Fire Pension Fund dated August 31, 2005.

The demographic assumptions requiring Board approval were adopted by each NYCERS Board of Trustees during Fiscal Year 2006. Those actuarial assumptions and methods that required New York State legislation were enacted, effective for Fiscal Year 2006 and later, as Chapter 152 of the Laws of 2006 ("Chapter 152/06").

These demographic assumptions are unchanged from the June 30, 2007 OPEB actuarial valuation except as noted below.

Note: The OPEB actuarial valuation herein incorporates only the use of the demographic and salary increase assumptions set forth in the GOLD BOOKS. In the case of TRS members, the demographic assumptions were modified as discussed below. The other actuarial assumptions and methods used in the OPEB actuarial valuation are set forth in this Report.

For the June 30, 2007 OPEB actuarial valuation, assumptions were introduced to estimate the impact of the optional 55/25 Plan for certain members of TRS. While the election period to join this new plan under Chapter 19 of the Laws of 2008 ended on August 25, 2008, data was not available to identify who opted into this plan as of the publication of the Third Annual GASB Report.

A complete description of these additional assumptions is contained in the Third Annual GASB Report.

For the June 30, 2008 OPEB actuarial valuation, the data contained a code indicating the eligible TRS and BERS members who elected to participate in the optional 55/25 Plan. TRS members are assumed to retire under supplemental probabilities of retirement specific to the optional 55/25 Plan adopted by the Retirement Board of TRS on December 18, 2008. BERS members are assumed to retire under probabilities applicable to other optional retirement programs shown in the BERS Gold Book.

Also Note: The actuarial assumptions used in the actuarial valuation of ECF and CUNY TIAA members are set forth in Appendices E and F, respectively.

OPEB Assumptions

The OPEB-specific actuarial assumptions used in the June 30, 2008 OPEB actuarial valuation of the Program are as follows:

Valuation Date..... June 30, 2008.

Discount Rate..... 4.0% per annum.¹

Per-Capita Claims Costs..... HIP HMO and GHI/EBCBS benefit costs reflect age adjusted premiums. Age adjustments from assumed average age of covered population for non-Medicare retirees and HIP HMO Medicare retirees.
Age adjustment based on actual age distribution of the GHI/EBCBS Medicare covered population.
Insured premiums without age adjustment for other coverage. Premiums assumed to include administrative costs.

Employer premium contribution schedules by month were reported by OLR. In most cases the premium contributions remained the same throughout the year. HIP HMO Medicare rates varied by month and by specific Plan option. These variations are the result of differing Medicare Advantage reimbursements. The various monthly rates were blended by proportion of enrollment.

¹ 2.5% CPI, 1.5% real rate of return on short-term investments.

Initial monthly premium rates used in valuations are shown in the following tables:

Plan	MONTHLY RATES	
	FY09 ¹	FY08 ²
HIP HMO		
Non-Medicare Single	\$372.99	\$340.84
Non-Medicare Family	\$913.83	\$835.05
Medicare	\$ 44.98	\$ 50.94
GHI/EBCBS		
Non-Medicare Single	\$347.59	\$327.31
Non-Medicare Family	\$902.09	\$849.37
Medicare	\$153.28	\$152.35
Others		
Non-Medicare Single	\$372.99	\$340.84
Non-Medicare Family	\$913.83	\$835.05
Medicare	\$153.28	\$152.35

¹ Used in June 30, 2008 actuarial valuation.

² Used in June 30, 2007 actuarial valuation.

Welfare Funds.....

Welfare Fund contributions have been updated to reflect a three-year trended average of reported annual contribution amounts for current retirees. A trended average is used instead of a single reported Welfare Fund amount to smooth out negotiated variations. The Welfare Fund rates reported for the previous two valuations were trended to current levels based on a historic increase rate of 3.8% for Fiscal Year 2008 and 4.3% for Fiscal Year 2007 and earlier, approximating overall recent growth of Welfare Fund contributions.

Reported annual contribution amounts for the last three years shown in Appendix B, Tables 2a to 2e, for Fiscal Year 2009 used for current retirees.

Weighted average annual contribution rates used for future retirees:

	Annual Rate	
	FY09	FY08
NYCERS	\$1,695	\$1,677
TRS	1,687	1,661
BERS	1,709	1,689
POLICE	1,583	1,599
FIRE	1,696	1,679

Contributions were assumed to increase by Medicare Plans trend rates.

For Welfare Fund contribution amounts reflected in the June 30, 2007 actuarial valuation for current retirees, see "Report on the Third Annual Actuarial Valuation of Other Postemployment Benefits Provided under the New York City Health Benefits Program" dated September 25, 2008.

Medicare Part B Premiums.....

<u>Calendar Year</u>	<u>Monthly Premium</u>
2007	\$93.50
2008	\$96.40
2009	\$96.40*

* Reflected only in June 30, 2008 actuarial valuation.

2009 Medicare Part B premium assumed to increase by Medicare Part B trend rates.

The actual 2010 Medicare Part B premium was not announced at the time these calculations were prepared and, thus, was not reflected in the valuation.

Overall Medicare Part B premium amounts assumed to increase by the following percentages to reflect the income-related increases in Medicare Part B premiums effective 2007 and later.

Fiscal Year	Income-related Part B Increase	
	June 30, 2008 Valuation	June 30, 2007 Valuation
2008	1.5%	2.2%
2009	2.6%	3.7%
2010	3.3%	4.5%
2011	3.4%	4.6%
2012 and later	Increasing by .1% per year to a maximum of 5.0%	Increasing by .1% per year thereafter, no maximum

Medicare Part B Reimbursement

Assumption..... For the June 30, 2008 actuarial valuation, 90% of Medicare participants are assumed to claim reimbursement. For the June 30, 2007 actuarial valuation, 100%.

Health Care Cost Trend Rate

("HCCTR")..... Covered medical expenses are assumed to increase by the following percentages:

HCCTR ASSUMPTIONS			
Year Ending*	Pre-Medicare Plans	Medicare Plans	Part B Premium
2009#	9.0%	6.0%	9.0%
2010	8.5%	5.0%	8.5%
2011	8.0%	5.0%	8.0%
2012	7.5%	5.0%	7.5%
2013	7.0%	5.0%	7.0%
2014	6.5%	5.0%	6.5%
2015	6.0%	5.0%	6.0%
2016	5.5%	5.0%	5.5%
2017 and later	5.0%	5.0%	5.0%

* Fiscal Year for Pre-Medicare Plans and Medicare Plans and Calendar Year for Medicare Part B Premiums.

For the June 30, 2008 actuarial valuation, rates shown for 2009 were not reflected since actual values for the Fiscal Year 2009 per capita costs, Fiscal Year 2009 Welfare Fund contributions and Calendar Year 2009 Medicare Part B premium amounts were used.

Age-Related Morbidity.....

Assumed increases in premiums per year of age for HIP HMO and GHI/EBCBS consistent with those set forth in a July 2005 article in North American Actuarial Journal by Jeffrey R. Petertil.

<u>Age</u>	<u>Annual Increase</u>
Under 40	0.0%
40 - 49	3.0%
50 - 54	3.3%
55 - 59	3.6%
60 - 64	4.2%
65 - 69	3.0%
70 - 74	2.5%
75 - 79	2.0%
80 - 84	1.0%
85 - 89	0.5%
90 and over	0.0%

The premiums are age adjusted for HIP HMO and GHI/EBCBS participants. The age adjustments were based on assumed age 40 for non-Medicare-eligible retirees and assumed age 73 for HIP HMO Medicare-eligible retirees. An actual age distribution based on reported census information was used for Medicare-eligible GHI/EBCBS retirees and dependents.

For the June 30, 2008 actuarial valuation, the age adjustment for the non-Medicare GHI/EBCBS premium reflects a 6% reduction in the GHI portion of the premium for the estimated margin anticipated to be returned. GHI represents \$171.40 of the \$347.59 single non-Medicare GHI/EBCBS monthly rate.

In addition to age adjustment, the premiums for HIP HMO Medicare-eligible retirees were multiplied by the following factors to reflect anticipated changes in Medicare Advantage reimbursement rates. The adjustment factors used as of June 30, 2007 are shown for comparative purposes:

Fiscal Year	Factor	
	6/30/08 Valuation	6/30/07 Valuation
2008	NA	1.0000
2009	1.0000	0.8333
2010	1.1800	0.8333
2011	1.3700	0.9167
2012	1.5600	1.0833
2013	1.7500	1.2500
2014	1.9300	1.4167
2015	2.1200	1.5833
2016	2.3000	1.7500
2017	2.4000	1.9167
Thereafter	2.4000	2.0000

Medicare.....

Medicare is assumed to be the primary payer over age 65 and for retirees currently on Medicare. For future disability retirements, Medicare is assumed to start 2.5 years after retirement in the June 30 actuarial valuations for the following portion of retirees:

	Valuation as of June 30	
	2008	2007
NYCERS	35%	35%
TRS	45%	45%
BERS	45%	45%
POLICE	15%	15%
FIRE	20%	20%

Participation.....

Active participation assumptions based on current retiree elections. Actual elections for current retirees. Portions of current retirees not eligible for Medicare are assumed to change elections upon attaining age 65 based on patterns of elections of Medicare-eligible retirees. Detailed assumptions appear in the following tables (while two tables are shown, the participation assumptions were the same in both years):

PLAN PARTICIPATION ASSUMPTIONS					
Benefits	June 30, 2008 Valuation				
	NYCERS	TRS	BERS	POLICE	FIRE
Pre-Medicare					
-GHI/EBCBS	65%	83%	73%	76%	71%
-HIP HMO	22%	6%	16%	13%	16%
-Other HMO	8%	4%	3%	9%	12%
-Waiver	5%	7%	8%	2%	1%
Medicare					
-GHI	72%	87%	78%	82%	77%
-HIP HMO	21%	9%	16%	12%	16%
-Other HMO	4%	2%	2%	4%	6%
-Waiver	3%	2%	4%	2%	1%
Post-Medicare Migration					
-Other HMO to GHI	50%	0%	33%	50%	50%
-HIP HMO to GHI	0%	0%	0%	0%	0%
-Pre-Med. Waiver					
** to GHI @ 65	13%	35%	50%	0%	0%
** to HIP @ 65	13%	35%	0%	0%	0%

PLAN PARTICIPATION ASSUMPTIONS					
Benefits	June 30, 2007 Valuation				
	NYCERS	TRS	BERS	POLICE	FIRE
Pre-Medicare					
-GHI/EBCBS	65%	83%	73%	76%	71%
-HIP HMO	22%	6%	16%	13%	16%
-Other HMO	8%	4%	3%	9%	12%
-Waiver	5%	7%	8%	2%	1%
Medicare					
-GHI	72%	87%	78%	82%	77%
-HIP HMO	21%	9%	16%	12%	16%
-Other HMO	4%	2%	2%	4%	6%
-Waiver	3%	2%	4%	2%	1%
Post-Medicare Migration					
-Other HMO to GHI	50%	0%	33%	50%	50%
-HIP HMO to GHI	0%	0%	0%	0%	0%
-Pre-Med. Waiver					
** to GHI @ 65	13%	35%	50%	0%	0%
** to HIP @ 65	13%	35%	0%	0%	0%

Dependent Coverage.....

Dependent coverage is assumed to terminate when a retiree dies, except as noted in Section IV. For survivors of POLICE and FIRE who die other than in the Line of Duty (assumed to be all who terminate with Accidental Death Benefits), the valuation assumes that 30% of spouses eligible for survivor continuation will elect the benefit, with costs equal to 30% greater than the age-adjusted premiums for surviving spouses for HIP HMO and GHI/EBCBS participants. The valuation includes the entire cost of additional surviving spouse benefits, although the OA understands that some of this amount may be reimbursed through Welfare Funds. This assumption is unchanged from last year.

Dependents.....

Dependent assumptions based on distribution of coverage of recent retirees which are shown in the following tables. (While two tables are shown, the dependent assumptions were the same in both years.) Wives assumed to be three years younger than husbands. Actual spouse data for current retirees. Child dependents of current retirees assumed to receive coverage until age 23. Child dependents of future retirees assumed to receive coverage for five years after retirement.

DEPENDENT COVERAGE ASSUMPTIONS					
Group	June 30, 2008 Valuation				
	NYCERS	TRS	BERS	POLICE	FIRE
Male					
-Single Coverage	30%	45%	35%	15%	10%
-Spouse	40%	35%	55%	15%	20%
-Child/No Spouse	5%	5%	2%	5%	5%
-Spouse and Child	25%	15%	8%	65%	65%
Total	100%	100%	100%	100%	100%
Female					
-Single Coverage	70%	60%	60%	45%	10%
-Spouse	20%	32%	35%	10%	20%
-Child/No Spouse	5%	3%	2%	25%	5%
-Spouse and Child	5%	5%	3%	20%	65%
Total	100%	100%	100%	100%	100%

For accidental death, 80% of POLICE and FIRE members are assumed to have family coverage.

DEPENDENT COVERAGE ASSUMPTIONS					
Group	June 30, 2007 Valuation				
	NYCERS	TRS	BERS	POLICE	FIRE
Male					
-Single Coverage	30%	45%	35%	15%	10%
-Spouse	40%	35%	55%	15%	20%
-Child/No Spouse	5%	5%	2%	5%	5%
-Spouse and Child	25%	15%	8%	65%	65%
Total	100%	100%	100%	100%	100%
Female					
-Single Coverage	70%	60%	60%	45%	10%
-Spouse	20%	32%	35%	10%	20%
-Child/No Spouse	5%	3%	2%	25%	5%
-Spouse and Child	5%	5%	3%	20%	65%
Total	100%	100%	100%	100%	100%

For accidental death, 80% of POLICE and FIRE members are assumed to have family coverage.

Demographic Assumptions..... The same assumptions that were used to value the pension benefits of the NYCERS for determining employer contributions for Fiscal Years beginning 2006 adopted by the Boards of Trustees (see the GOLD BOOKS), with the addition of supplemental assumptions adopted by TRS to value the optional TRS 55/25 Plan.

COBRA Benefits..... Although COBRA beneficiaries pay 102% of "premiums," typical claim costs for COBRA participants run about 50% greater than other participants. There is no cost to the City for COBRA beneficiaries in community-rated HMO's, including HIP, since these individuals pay their full community rate. However, the City's costs under the experience-rated GHI/EBCBS coverage are affected by the claims for COBRA-covered individuals.

In order to reflect the cost of COBRA coverage, the cost of excess claims for GHI covered individuals and families is estimated assuming 15% of employees not eligible for other benefits included in the valuation elect COBRA coverage for 15 months. These assumptions are based on experience of other large employers. This percentage is applied to the overall enrollment in the active plan and reflects a load for individuals not yet members of the retirement systems who are still eligible for COBRA benefits. This results in an assumption in the June 30, 2008 actuarial valuation of a lump sum COBRA cost of \$575 for terminations during Fiscal Year 2009 (\$550 lump sum cost during Fiscal Year 2008 was assumed in the June 30, 2007 actuarial valuation). The \$575 (\$550) lump sum amount is increased by the HCCTR for future years but is not adjusted for age-related morbidity.

Stabilization Fund.....	A 1.6% load is applied on all City obligations (1.6% on all City GASB45 obligations last valuation). The load is not applicable to Component Units.
Educational Construction Fund.....	The actuarial assumptions used for determining GASB45 obligations for ECF are shown in Appendix E.
CUNY TIAA.....	The actuarial assumptions used for determining obligations for CUNY TIAA are shown in Appendix F.

APPENDIX E

APPENDIX E - EDUCATIONAL CONSTRUCTION FUND

ACTUARIAL ASSUMPTIONS AND METHODS AND PLAN PROVISIONS

The assumptions used for the Educational Construction Fund ("ECF") OPEB actuarial valuation presented in this Report are based on a report on the "Development of Recommended Actuarial Assumptions for New York State/SUNY GASB45 Valuation - Participating Agency Version," dated August 7, 2006, prepared by Buck Consultants, LLC ("State Report"). The OA understands that a more recent version of that report has been prepared, but that there have been no recommended changes in the demographic assumptions adopted for ECF.

Since ECF employees and retirees participate in the New York State and Local Employees' Retirement System ("NYSLERS") and the New York State Health Insurance Plan ("NYSHIP"), the Actuary adopted assumptions based on the recommendations of the State Report.

Following is an overview of the key elements of the plan provisions and actuarial assumptions and methods used for the ECF OPEB actuarial valuation:

- Eligibility for Benefits: ECF employees are eligible for retirement and OPEB at age 55 with 10 years of service. Termination after 10 years of service entitles employees to deferred pension benefits and OPEB. Disability retirement with OPEB is available after 10 years of service. Unlike the New York City Health Benefits Program, ECF is assumed to offer retiree health coverage that continues for dependents after the death of the retiree. ECF employees who retire after 1995 are also eligible for dental insurance.
- NYSHIP health benefits consist of a first dollar hospital program, a medical program covering 100% after copayment at participating providers, a managed mental health and substance abuse program, and a card-based prescription drug program. NYSHIP requires retirees to enroll in Medicare Part A and Medicare Part B and mandates that participants be reimbursed for Medicare Part B premiums.

- Per Capita Plan Costs: As suggested as an alternative in the State Report, the ECF OPEB actuarial valuation uses premium amounts unadjusted for age. The premiums reported to the OA by ECF for health coverage are consistent with the 2009 and 2008 Participating Agency rates for the Empire Plan "Core Plus Enhancements" offering, as follows:
 - o Plan Prime (Pre-Medicare)
 - Individual - \$598.58 monthly (\$592.38 last year).
 - Family - \$1,282.17 monthly (\$1,258.78 last year).
 - o Med Prime (Medicare)
 - Individual - \$359.22 monthly (\$360.41 last year).
 - Family - One Medicare - \$1,042.81 monthly (\$1,026.86 last year).
 - Family - Two Medicares - \$803.45 monthly (\$794.94 last year).
- ECF also provided information for dental premiums of \$52.05 per quarter for single coverage and \$170.94 per quarter for family coverage. These amounts are unchanged from last year. Calculations reflect actual coverage for current retirees, except that individuals now under age 65 are assumed to qualify for Medicare and receive Medicare Part B premium reimbursement when they reach age 65.
- Dependents: 80% of employees are assumed to cover a spouse at retirement with husbands 3 years older than their wives.

- Elections: Future retirees are assumed to continue in the health and dental insurance programs.
- Cost Sharing: No retiree contributions are assumed.
- Interest Rate: For the June 30, 2008 and the June 30, 2007 actuarial valuations, 4.0% per annum.
- Trend: Covered medical, dental and Medicare Part B premiums are assumed to increase by the following percentages.

ECF HCCTR ASSUMPTIONS	
Year Ending*	Valuation June 30, 2008
2009#	9.0%
2010	8.5%
2011	8.0%
2012	7.5%
2013	7.0%
2014	6.5%
2015	6.0%
2016	5.5%
2017 and later	5.0%

* Fiscal Year for medical and dental premiums and Calendar Year for Medicare Part B premiums.

For the June 30, 2008 actuarial valuation, rates shown for 2009 were not reflected since actual values for Fiscal Year 2009 medical and dental premiums and Calendar Year 2009 Medicare Part B premium amounts were used.

- Medicare Part B Premiums: Beginning with the June 30, 2007 actuarial valuation, overall Medicare Part B premium amounts assumed to increase as outlined in Appendix D to reflect the income-related increases in Medicare Part B premiums. The June 30, 2008 actuarial valuation reflected the change in the assumed income-related increases in Medicare Part B as outlined in Appendix D. 100% of ECF participants are assumed to receive reimbursements of Medicare Part B premiums, since there is no obligation on the part of eligible participants to claim such reimbursement.
- Demographic Assumptions: The NYSLERS actuarial valuation assumptions, as modified in the State Report, are used.
- Salary Scale: The NYSLERS salary scale, as described in the State Report, is used.
- Medicare Part D Subsidy: As described in the State Report, the value of the Retiree Drug Subsidy is not reflected in the actuarial valuation, in accordance with GASB Technical Bulletin No. 2006-1 on this issue. It is the understanding of the OA that NYSHIP has applied for the subsidy for participating agencies such as ECF.

APPENDIX F

APPENDIX F - CUNY TIAA

ACTUARIAL ASSUMPTIONS AND METHODS AND PLAN PROVISIONS

Employees and retirees of The City University of New York ("CUNY") are eligible for the same health benefits (both in active service and in retirement, if eligible) as employees and retirees of the City. The health benefits are administered by OLR. The City is responsible for the cost of all OPEB for Community College retirees who retired under one of the NYCERS, for Medicare Part B premiums for Senior College retirees who retired under one of the NYCERS and for all CUNY TIAA retirees. Effective with the June 30, 2007 actuarial valuation, it is understood that the City is also responsible for all OPEB for Community College retirees who retired under TIAA and for Welfare Fund contributions for non-pedagogical Senior College retirees.

The actuarial assumptions used for CUNY members of the NYCERS are the same as those used for City members of the applicable retirement system, except that the assumption for members of TRS electing the optional 55/25 Plan does not apply to CUNY because its employees were not eligible to opt into that plan. According to the data used in the actuarial valuation, there are CUNY employees covered by NYCERS, TRS and BERS.

For the June 30, 2006 actuarial valuation, CUNY provided Buck with snapshot data of active City (Community College) and State (Senior College) employees as of June 30, 2002, 2003, 2004, 2005 and 2006 and provided a file of all terminations during the period July 1, 2001 through June 30, 2006. Based on the data provided, assumptions were developed for probabilities of termination (withdrawal) and retirement for TIAA members of CUNY. These probabilities of termination and retirement continued to be used for the June 30, 2007 and the June 30, 2008 actuarial valuations. The assumptions used for mortality, disability and salary increase are the same as those used for TRS. The table on the following page outlines these demographic assumptions.

Except as noted below, all other assumptions (e.g., discount rate, per capita claims costs, health care cost trend rates, Medicare Part B premiums, age-related morbidity) are the same as those used for members of TRS.

Dependent Coverage For the June 30, 2008 and June 30, 2007 actuarial valuations, 50% of future retirees assumed to be married with spousal coverage. Dependent coverage is assumed to terminate when a retiree dies.

Demographic Assumptions Same as those used for TRS, except:

Withdrawal		Retirement	
Years of Service	Probability	Age	Probability
0	15.0%	55	2.0%
1	12.0%	56	2.0%
2	11.0%	57	2.0%
3	10.0%	58	2.0%
4	9.0%	59	2.0%
5	7.0%	60	3.0%
6	6.0%	61	3.0%
7	6.0%	62	4.0%
8	6.0%	63	5.0%
9	4.0%	64	6.0%
10	4.0%	65	10.0%
11	3.0%	66	5.0%
12	3.0%	67	5.0%
13	2.0%	68	5.0%
14-19	2.0%	69	10.0%
20+	1.0%	70	100.0%

The following is an outline of the eligibility provisions for OPEB for CUNY TIAA participants:

Retirement with Immediate OPEB Eligibility:

- Hired before July 1, 1976: Age 55 with 10 years of service.
- Hired between July 1, 1976 and August 31, 1985: Age 62 with 15 years service.
- Hired on or after September 1, 1985: Age 62 with 15 years of service.

Exception for Executive Compensation Plan ("ECP") employees: Age 55 with 10 years of service.

Termination with Deferred OPEB Eligibility:

- Hired before July 1, 1976: Terminate with 15 years of service, payable at age 55.
- Hired between July 1, 1976 and August 31, 1985: Terminate with 10 years of service, payable at 62 with no subsequent full-time employment at another college, university or institution of post-secondary education.
- Hired on or after September 1, 1985: Terminate with 15 years of service, payable at 62 with no subsequent full-time employment at another college, university or institution of post-secondary education.

Exception for ECP Employees: Terminate with 10 years of service, payable at 55 with no subsequent full-time employment at another institution of post-secondary education.

Disability Retirement: A CUNY TIAA member who is disabled with at least 10 years of service and receiving a benefit from the Optional Retirement Program (TIAA) is entitled to retiree health.

Note: The actuarial valuation also assumes:

- Terminated employees with the required number of years of service have no subsequent full-time employment at another college, university or institution of post-secondary education.
- CUNY TIAA participants maintain any required TIAA account balances and/or annuity benefits.

Data Used and Assumptions Made:

- Data for CUNY TIAA retirees were provided by OLR. Gender was not provided on the data. Retirees were assumed to be female.
- Data for active CUNY TIAA members as of June 30, 2008 were provided by CUNY. The 35 active employees who were identified as covered by the Cultural Institutions Retirement System ("CIRS") were valued using the CUNY TIAA provisions.

- CUNY does not maintain a database of terminated employees who will be entitled to OPEB in the future. Based on the data provided for the experience study to develop assumptions and updated with data reported for the June 30, 2007 and June 30, 2008 actuarial valuations, Buck identified 178 employees who terminated in the last six years and will be eligible for OPEB. Based on this information, Buck estimated the number, demographic distribution and liability of possible terminated members entitled to future OPEB.

CUNY TIAA Community College Retirees - Payment Responsibility:

- The June 30, 2008 and June 30, 2007 actuarial valuations for CUNY reflect a change in the payment responsibility for basic medical and Welfare Fund contribution costs for CUNY TIAA Community College retirees. The June 30, 2006 actuarial valuation was based on the understanding that all medical costs for TIAA retirees were being billed to CUNY along with the Senior College retirees rather than being paid by the City, with no distinction being made between Senior and Community Colleges. However, administrative staff at CUNY expressed their belief that basic medical and Welfare Fund contribution costs for CUNY Community College TIAA retirees should be paid by the City rather than charged to the Senior Colleges, and were unaware that this distinction had not previously been made. After further discussions, the City is now in agreement with the administrative staff at CUNY. Thus, the June 30, 2008 and June 30, 2007 actuarial valuations for the City include the cost of basic medical and Welfare Fund benefits for CUNY Community College TIAA retirees.
- It should be noted that the current data that OLR uses to bill CUNY for its responsibilities for OPEB does not contain information identifying TIAA retirees as either Senior or Community College, thus this reallocation of responsibilities may not have been immediately implemented.

APPENDIX G

APPENDIX G - ACKNOWLEDGEMENTS

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- The staff of the Office of the Comptroller for their insights, cooperation and support.

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