

The 2008 Shareholder Proposal Programs Of the New York City Pension Funds & Retirement Systems

Executive Summary

Program Development Process

The New York City Comptroller is the chief investment adviser to the five New York City pension funds and retirement systems. As the chief investment adviser, the Comptroller is responsible for developing and implementing the funds' and systems' shareholder-proposal programs, and proxy voting policies and guidelines.

The Pension Policy Division of the New York City Comptroller's Office develops and implements the shareholder proposal programs of the five funds and systems. Consistent with the fiduciary obligations of the funds' and systems' trustees, the programs are aimed at advancing corporate governance, and corporate social and environmental responsibility reforms at selected companies in which the funds and systems are shareowners. These efforts serve to enhance shareholder value and reduce risks to the funds' investment holdings. The programs are first approved by the New York City Comptroller and subsequently presented by the Pension Policy Division to the Proxy Committee of each fund and system for review and approval. Each Proxy Committee acts on behalf of its respective Board of Trustees.

The New York City pension funds and retirement systems are:

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

The 2008 Programs

In 2008, New York City Comptroller William C. Thompson, Jr., on behalf of the Boards of Trustees of the New York City pension funds, submitted shareholder proposals on corporate governance issues to 38 companies requesting their boards of directors adopt one or more of eight reforms. Shareholder proposals were also submitted to 80 companies regarding 15 specific corporate social and environmental responsibility concerns and requested boards of directors to adopt appropriate policies or issue reports disclosing actions they have taken, or are taking, to address reported problems and to mitigate related risks.

Corporate Governance Proposals

The proposed corporate governance reforms included:

- adoption of stronger criteria of director independence for members of board audit and compensation committees;

- adoption of a board protocol to effectively and fairly address shareholder proposals that win majority votes;
- adoption of a resolution to repeal the classified structure of the board of directors and establish annual elections of all directors;
- adoption of a policy requiring that a significant portion of future stock options granted to senior executives be performance-based;
- adoption of a pay-for-superior performance standard in company executive compensation plans for senior executives;
- adoption of a by-law amendment to establish a majority vote standard in director elections; and
- adoption of a policy to allow shareholders an advisory vote to ratify the compensation of named executive officers.

Summary of Results

Proposals were adopted by the board of directors at 13 companies and won majority votes at 12.

The proposal that sought the repeal of the classified structure of the board of directors and called for the annual election of all directors was adopted by the Board of Directors at Cumulus Media, Inc.; Human Genome Sciences; O'Charley's Inc.; and Stone Energy Corporation. It won majority votes at the following eight companies: BEA Systems (71 percent); Christopher & Banks Corp. (84 percent); Invacare Corp. (59.51 percent); Lattice Semiconductor Corp. (94.74 percent); Neurocrine Biosciences (68.09 percent); Newport Corp. (52.62 percent); Ultratech, Inc. (86.74 percent) , and at 3Com (final vote was not disclosed as of the date of this report).

The proposal that called for the adoption of a pay-for-superior performance standard in company executive compensation plans for senior executives was supported by a 91.34 percent majority vote at Credence Systems.

The proposal that sought the adoption of stronger criteria of director independence for directors who serve on board compensation committees was substantively adopted by the Board of Directors of La-Z-Boy, Inc.; and won a 34.84 percent favorable vote at Southwest Airlines Co.

Shareholder support for the proposal that sought board adoption of a by-law amendment to establish a majority vote standard in director election continued on an upward trend. It was submitted to eight companies and adopted by the Board of Directors at five: CV Therapeutics, Inc.; KEMET Corp.; MGIC Investment Corp.; UTStarcom, Inc.; and BearingPoint, Inc.

Finally, the proposal that sought the adoption of a policy to allow shareholders an advisory vote to ratify the compensation of named executive officers was adopted by the Board of Directors of Blockbuster Inc. It was withdrawn at Par Pharmaceuticals based on the Board of Directors' commitment to establish the policy in 2009.

Corporate Social and Environmental Responsibility Proposals

Proposals on corporate social and environmental responsibility issues were submitted to 80 companies, requesting either board adoption of a specific policy or issuance of reports disclosing board policy or actions on 15 specific issues.

The corporate social and environmental responsibility program included proposals asking companies to take one or more of the following actions:

- implement the International Labor Organization (ILO) and UN Human Rights Norms in their international operations, and allow for independent monitoring of compliance;
- issue a sustainability report, i.e. disclosing social, environmental, and economic performance;
- implement the MacBride Principles in Northern Ireland and allow for independent monitoring of compliance;
- adopt an explicit prohibition of workplace discrimination based on sexual orientation and gender identity;
- report on company policy to prevent negative racial and ethnic stereotyping in products;
- report on efforts to reduce carbon dioxide and other emissions from operations and from the use of coal;
- disclose political contributions;
- report on company policy and procedures regarding company assessment of the adequacy of host countries' standards to protect human health, the environment, and company reputation;
- institute policies to help protect freedom of access to the Internet;
- report on policies and procedures for minimizing customer exposure to toxic substances and hazardous components in marketed products;
- report on the company's code of conduct and compliance mechanism for its vendors, subcontractors and buying-agents in countries where the company sources;
- publicly adopt quantitative goals, based on current and emerging technologies, for reducing total greenhouse gas emissions from company operations, and issue a report to shareholders on plans to achieve these goals;
- review and report on progress towards implementation of the 2001 Cocoa Protocol against forced child labor;
- report on company policies, procedures, and practices for obtaining consent of indigenous peoples affected by company activities, whether as operator or minority partner, through recognized and official governance structures, and company policies to avoid contact with indigenous peoples living in voluntary isolation; and
- report on company actions to work with policymakers to design new incentives that will provide financial returns for companies to reduce greenhouse gas emissions by improving the efficiency with which customers use energy.

Summary of Results

Proposals were adopted by the board of directors at 31 companies; and one proposal received a majority vote of 52.8 percent.

The proposal that asked companies to issue a sustainability report was adopted by six companies: Allegheny Technologies; Capital One Financial Corp.; CIGNA Corp.; Hartford Financial Services Group, Inc.; Dillard's Inc.; and Regions Financial Corp.

One company—Borland Software Corp.—agreed to implement the MacBride Principles and allow independent monitoring of its compliance with the Principles.

Twelve companies—AK Steel Holding Co.; BorgWarner, Inc.; Brinks Company; Erie Insurance; Fidelity National Financial; Kelly Services, Inc.; Liberty Global, Inc.; Marshall & Ilsley Corp.; SPX Corp.; Synovus Financial Corp.; Huntsman Corp.; and Tesoro Corp.—agreed to adopt an explicit prohibition against workplace discrimination based on sexual orientation and gender identity. The proposal won a majority vote of 52.8 percent at HCC Insurance—a 0.6 percent increase over the 52.2 percent vote it received in 2007. A similar version of the proposal, which addressed discrimination based on sexual orientation but did not include gender identity, was resubmitted to ExxonMobil. Shareholder support for the proposal continued on an upward trend, with the proposal garnering 39.6 percent of the shares voted—an increase of 1.9 percent over the 2007 vote of 37.7 percent.

The proposal that asked selected companies in the coal and electric power industries to report on their efforts to reduce carbon dioxide and other emissions from their existing operations and use of coal was adopted by El Paso Corp. Overall, shareholder support for climate change-related proposals continued to increase, as evidenced by a 39.6 percent favorable vote at Consol Energy—a 32.8 percent increase over the 2007 vote in support of a similar proposal; and a 30.8 percent vote at Massey Energy Company—an 11.8 percent increase over the 19.0 percent vote received in 2007.

The proposal that called for board adoption of, and a report on, quantitative goals for reducing total greenhouse gas emissions from company operations, based on current emerging technologies, was adopted by Williams Companies, Inc.

The proposal that asked selected companies to report on their policies and procedures for minimizing customer exposure to toxic substances and hazardous components in marketed products was adopted by five companies: Best Buy Company; Mattel, Inc.; Pier 1 Imports; Target Corp.; and J.C. Penney Company.

Finally, the proposal that asked companies to disclose their political contributions was adopted by four companies: Computer Sciences Corp.; Devon Energy Corp.; Duke Energy Corp.; and United Technologies. Shareholder support for the proposal trended upward at Charles Schwab Corp., from 25.0 percent in 2007 to 28.0 percent in 2008; at Halliburton Company, from 24.4 percent to 32.1 percent; and at Union Pacific Corp., from 29.0 percent to 35.4 percent.

2008 PROPOSAL RESULTS
(As of December 16, 2008)

I. SOCIAL ISSUE-PROPOSALS

Proposal #1: Sexual Orientation—Request that management implement equal employment opportunity policies based on principles prohibiting discrimination regarding sexual orientation and gender identity.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	AK Steel Holding Co.	All NYC Funds ¹	n/a ²	Adopted
2.	American Financial Group	All NYC Funds	n/a	36.6 % vote
3.	Anadarko Petroleum Corp.	All NYC Funds	n/a	9.7% vote
4.	Apache Corp.	All NYC Funds	n/a	Omitted (Company filed “no-action” letter with SEC; SEC concurred) ³
5.	BorgWarner, Inc	All NYC Funds	n/a	Adopted
6.	Brinks Company	All NYC Funds	n/a	Adopted
7.	Dish Network Corp. (formerly EchoStar Communication)	All NYC Funds	n/a	2.3% vote
8.	Eastman Chemical Co.	All NYC Funds	n/a	10.1% vote
9.	Erie Insurance	All NYC Funds	n/a	Adopted
10.	ExxonMobil Corp.	All NYC Funds	37.7% vote	39.6 % vote
11.	Fidelity National Financial	All NYC Funds	n/a	Adopted

¹ There are five NYC funds: New York City Board of Education Retirement System (BERS); New York City Employees’ Retirement System (NYCERS); New York City Fire Department Pension Fund (Fire); New York City Police Pension Fund (Police); New York City Teachers’ Retirement System (TRS).

² New “focus” company—proposal was not submitted to company in 2007.

³ Company subsequently added prohibition against discrimination based on sexual orientation and gender identity to its employee policy statement

12.	Frontier Oil Corp.	All NYC Funds	n/a	Filed--was not included in proxy statement; explanation requested
13.	HCC Insurance Holdings	NYCERS, TRS, Police, BERS	52.2% vote	52.8% majority vote
14.	Huntsman Corp.	All NYC Funds	n/a	Adopted
15.	Kelly Services, Inc.	All NYC Funds	n/a	Adopted
16.	Leggett & Pratt, Inc.	NYCERS	n/a	30.7% vote
17.	Liberty Global, Inc.	All NYC Funds	n/a	Adopted
18.	Lyondell Chemical Co.	All NYC Funds	n/a	Merged with Basell AF, a subsidiary of Access Industries
19.	Marshall & Ilsley Corp.	All NYC Funds	n/a	Adopted
20.	Murphy Oil Corp.	All NYC Funds	n/a	8.9 % vote
21.	SPX Corporation	All NYC Funds	n/a	Adopted
22.	Synovus Financial Corp.	All NYC Funds	n/a	Adopted
23.	Tesoro Corporation	All NYC Funds	n/a	Adopted
24.	Timken Company	All NYC Funds	35.1% vote	30.0 % vote
25.	Worthington Industries	All NYC Funds	28% vote	24.3% vote

Proposal #2: Sustainability Report—Request that boards of directors issue reports to shareholders, by December 31, 2008, at reasonable cost and omitting proprietary information, regarding company sustainability policies and performance, including multiple, objective statistical indicators.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Allegheny Technologies	All NYC Funds	33.1% vote	Adopted
2.	Campbell Soup	All NYC Funds	withdrawn	Withdrawn (company had issued a report)
3.	Capital One Financial Corp.	All NYC Funds	n/a	Adopted
4.	CIGNA Corp.	All NYC Funds	n/a	Adopted
5.	Dillard's Inc.	All NYC Funds (Christian Brothers- primary sponsor)	46.4% vote	Adopted (withdrawn by primary sponsor)
6.	Hartford Financial Services Group, Inc.	All NYC Funds	n/a	Adopted
7.	Norfolk Southern Corp.	All NYC funds	n/a	Withdrawn- based on the company's commitments.
8.	Raytheon Company	All NYC Funds	n/a	Withdrawn- company filed a no-action request with the SEC
9.	Regions Financial Corp.	All NYC Funds	n/a	Adopted
10.	Safeway, Inc.	All NYC Funds	40.0% vote	Withdrawn- company filed a "no-action" request with the SEC-office decided to

				withdraw the proposal
11.	Tyco International Ltd.	NYCERS, Fire, BERS	n/a	Withdrawn- (based on company's progress and commitment)

Proposal #3: ILO Human Rights Standards—Request that companies commit to the implementation of a code of conduct based on the ILO Human Rights Standards and the United Nations' Norms on the Responsibilities of Transnational Corporations with Regard to Human Rights, by their international suppliers and their own international production facilities, and commit to a program of outside, independent monitoring of compliance with these standards.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Apple, Inc.	All NYC Funds	n/a	Withdrawn (based on on-going, good-faith efforts by the company)
2.	Archer Daniels Midland	All NYC Funds	21.7% vote	22.9% vote
3.	Cooper Industries	All NYC Funds	12.4% vote	11.0% vote
4.	Kimberly-Clark Corp.	All NYC Funds	10.7% vote	9.6% vote

Proposal #4: Climate Change—Request a report [reviewed by a board committee of independent directors] regarding a company's response to rising regulatory, competitive, and public pressure to significantly reduce carbon dioxide emissions from its operations and from the use of its primary product: coal.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Arch Coal, Inc.	All NYC Funds	Omitted by SEC	Omitted by SEC
2.	Consol Energy	All NYC Funds	6.8% vote	39.6% vote
3.	El Paso Corporation	All NYC Funds	n/a	Adopted

4.	Massey Energy Company	All NYC Funds	19.0% vote	30.8% vote
5.	Oneok, Inc	All NYC Funds	n/a	Omitted- (company filed a no-action request with the SEC)

Proposal #5: Reducing Greenhouse Gas Emissions—Request the board of directors to publicly adopt quantitative goals, based on current and emerging technologies, for reducing total greenhouse gas emissions from company operations, and issue a report to the shareholders on plans to achieve these goals.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Williams Companies, Inc.	All NYC Funds	n/a	Adopted

Proposal #6: Energy Efficiency—Request a report [reviewed by a board committee of independent directors] on company efforts to work with policymakers to design new incentives that provide financial returns for reducing greenhouse gas emissions by improving the efficiency with which customers use energy.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Allegheny Energy	All NYC Funds	n/a (climate risk proposal won 39.5% vote)	Withdrawn (based on information provided)
2.	Dominion Resources	All NYC Funds; The Presbyterian Church	n/a (climate risk proposal won 21.7% vote)	Adopted

Proposal #7: MacBride Principles—Requests the boards of directors to make all possible lawful efforts to implement and/or increase activity on each of the nine MacBride Principles.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	BE Aerospace, Inc.	All NYC Fund	12.6% vote	13.4% vote

2.	Borland Software Corp.	All NYC Funds	n/a	Adopted
3.	Crane Company	All NYC Funds	12.1% vote	11.4% vote
4.	Domino's Pizza, Inc.	TRS, Fire	8.4% vote	2.5% vote
5.	Manpower, Inc.	All NYC Funds	13.8% vote	13.2% vote
6.	TJX Companies	All NYC Funds	n/a	10.8% vote
7.	Yum Brands, Inc.	All NYC Funds	10.1% vote	9.2% vote

Proposal #8: Political Contributions—Requests that companies provide political contribution reports, to be updated semi-annually, disclosing their policies, procedures, guidelines, monetary and non-monetary political contributions, including an accounting of company funds used, and identification of the person(s) who participated in the decision.

The report shall be presented to the audit committee of the company's board of directors or other relevant oversight committee and posted on Company's websites to reduce costs to shareholders.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Charles Schwab Corp.	All NYC Funds	25.0% vote	28.0% vote
2.	Computer Sciences Corp.	All NYC Funds	35.6% vote	Adopted
3.	Devon Energy Corp.	All NYC Funds	n/a	Adopted
4.	DTE Energy	All NYC Funds	n/a	29.7% vote
5.	Duke Energy Corp.	All NYC Funds	n/a	Adopted
6.	Entergy Corp.	All NYC Funds	34.2% vote	28.2 % vote
7.	Halliburton Company	All NYC Funds	24.4% vote	32.1 % vote
8.	Union Pacific Corp.	All NYC Funds	29.0 % vote	35.4% vote
9.	United Technologies	All NYC Funds	n/a	Adopted
10.	Wal-Mart Stores, Inc.	Police, Fire, TRS, BERS	11.0% vote	11.0% vote

Proposal # 9: Global Environmental Standards—Requests that the board of directors prepare a report regarding the policies and procedures that guide a company’s assessment of host country laws and regulations with respect to the laws’ adequacy to protect human health, the environment and the reputation of the company.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Chevron Corp.	All NYC Funds	8.6% vote	8.3% vote

Proposal #10: Obtaining Consent of Indigenous Peoples—Requests that the board prepare a report regarding company policies, procedures, and practices for obtaining consent of indigenous peoples affected by the company’s activities—whether as operator or minority partner—through their recognized and official governance structures; and its policies to avoid contact with indigenous peoples living in voluntary isolation.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	ConocoPhillips	All NYC Funds (as co-sponsors)	n/a	9.0% vote

Proposal # 11: Internet Censorship—Request that management institute policies to help protect freedom of access to the Internet.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Cisco Systems	All NYC Funds	35.8% vote	32.4% vote
2.	Google, Inc.	All NYC Funds	3.8% vote	8.0% vote
3.	Microsoft Corp.	All NYC Funds	3.9% vote	5.9% vote
4.	Yahoo, Inc.	All NYC Funds	17.6% vote	5.7% vote

Proposal # 12: Cocoa Protocol—Request that the board of directors review and report on progress towards implementing the 2001 Cocoa Protocol against forced child labor.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Hershey Company	All NYC Funds	n/a	1.2 % vote

Proposal # 13: Product Safety—Request that the board publish a report regarding company policies concerning product safety.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Best Buy Company	NYCERS	n/a	Adopted
2.	The Home Depot	TRS, Police, Fire, BERS	n/a	Omitted-- company filed a “no-action” letter with the SEC; SEC concurred.
3.	J. C. Penney Company	All NYC Funds	n/a	Adopted
4.	Mattel, Inc.	All NYC Funds	n/a	Adopted- (company filed a “no-action” request; SEC did not concur)
5.	Pier 1 Imports	NYCERS	n/a	Adopted
6.	Target Corp.	All NYC Funds	n/a	Adopted
7.	Wal-Mart Stores, Inc.	NYCERS	n/a	Omitted- company filed “no-action” request with the SEC; SEC agreed with company

8.	99 Cents Only Stores	All NYC Funds	n/a	filed—was not included in proxy statement; explanation requested.
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Proposal #14: Negative and Discriminatory Stereotyping in Products—Requests that management report on steps a company is currently taking to avoid the use of negative and discriminatory racial, ethnic and gender stereotypes in its products.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	The Walt Disney Co.	TRS	Omitted	Omitted- Company filed no-action letter; SEC agreed with company

Proposal #15: Compliance with Vendor Code of Conduct—Requests that the board prepare a report regarding its code of conduct and compliance mechanism for its vendors, subcontractors and buying agents in the countries where it sources.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Xerox Corp.	NYCERS	n/a	7.1% vote

II. CORPORATE GOVERNANCE PROPOSALS

Proposal #1: Repeal the Classified Board—Requests that the board take the necessary steps to declassify the board and establish annual elections of directors, whereby directors would be elected annually and not by classes.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	BEA Systems, Inc.	NYCERS, TRS, BERS	no annual meeting in 2007; (75 % vote in 2006).	71% majority vote (acquired by Oracle)
2.	Belo Corp.	All NYC Funds	28% vote	24% vote
3.	Christopher & Banks Corp.	All NYC Funds	n/a	84% majority vote
4.	Cumulus Media, Inc.	NYCERS, Police, BERS	60.6% vote	Adopted
5.	Georgia Gulf Corp.	All NYC Funds	n/a	filed (company claimed proposal was not received)
<p>(The proposal was not included in the Company's proxy statement. In order to investigate the matter, the Company requested, and the Comptroller's Office has provided, a copy of the tracking information verifying that the proposal was properly filed. Subsequently, the Company claimed that the proposal was not received.)</p>				
6.	Human Genome Sciences	NYCERS, TRS, Police, Fire, BERS	n/a	Adopted
7.	Invacare Corp.	All NYC Funds	48.99% vote	59.51 % majority vote
8.	Lattice Semiconductor Corporation	All NYC Funds	n/a	94.74 % majority vote
9.	Neurocrine Biosciences	TRS, Police,	55% vote	68.09%

		Fire, BERS		majority vote
10.	Newport Corp.	All NYC Funds	n/a	52.62% majority vote
11.	O'Charley's, Inc.	Fire, TRS	90.4% vote	Adopted
12.	Spectrum Brands, Inc.	All NYC Funds	33.3% vote	44.1 % vote
13.	Stone Energy Corp.	All NYC Funds	n/a	Adopted
14.	Ultratech, Inc.	TRS, Police, Fire, BERS	65.9% vote	86.74% majority vote
15.	3Com Corp.	NYCERS, Police, BERS	n/a	majority vote (final vote was not disclosed as of the date of this report)

Proposal #2: Majority Vote Protocol—Requests that the board initiate an appropriate procedure to amend company governance documents to establish an engagement process with the proponents of shareholder proposals that are supported by a majority of the votes cast, excluding abstentions and broker non-votes, at any annual meeting.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	BEA Systems, Inc.	Police, Fire	37.6 % in 2006—no annual mtg. in 2007	54% majority vote
2.	Blockbuster, Inc.	Fire, Police TRS, BERS	n/a	Withdrawn- (based on Company's adoption of a proposal that won majority vote in 2007)
3.	Clear Channel Communications	NYCERS	n/a	Acquired by private equity-

4.	Credence Systems Corp.	Fire	n/a	Bain Capital Withdrawn- (based on Company's approval of the proposal that won a majority vote in 2007)
5.	Cumulus Media, Inc	Fire, TRS	n/a	Withdrawn- based on Company's adoption of a proposal that won majority vote in 2007)
6.	HCC Insurance Holdings	Fire	n/a	20.81 % vote
7.	Neurocrine Biosciences	NYCERS	n/a	55.58% majority vote
8.	O'Charley's, Inc.	NYCERS, Police, BERS	n/a	withdrawn- (based on Company's adoption of the classified board proposal that won a majority vote)
9.	Par Pharmaceuticals	Fire, BERS	n/a	Withdrawn- (based on Company's commitment to act on proposal that won majority vote in 2007)
10.	Ultratech, Inc.	NYCERS	n/a	63.39% majority vote

Proposal #3: Advisory Vote on Pay—Requests board adoption of a policy to provide shareholders, at each annual meeting, an opportunity to vote on an advisory resolution, to be proposed by management, that ratifies the compensation of the named executive officers (“NEOs”).

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Applied Micro Circuits Corp.	All NYC Funds	n/a	filed (not included in proxy statement; explanation provided)
2.	Blockbuster, Inc.	NYCERS	57% vote	Adopted
3.	The Home Depot	NYCERS	43% vote	42.1% vote
4.	Par Pharmaceuticals	NYCERS	56.8% vote	Adopted -(company committed to establish policy in 2009)

Proposal #4: Pay For Superior Performance—Requests that the executive compensation committee of a company’s board of directors establish a pay-for-superior-performance standard in the executive compensation plan for the company’s senior executives.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Chesapeake Corp.	All NYC Funds	11.7% vote	23.71 % vote
2.	Credence Systems Corp.	NYCERS, TRS, Police, BERS	55.2% vote	91.34% majority vote , (with board support)
3.	Par Pharmaceuticals	TRS, Police	53.3% vote	Withdrawn -based on company’s

				commitment.
4.	Pier 1 Imports, Inc.	TRS, Police, Fire, BERS	25.6% vote	46.78 % vote
5.	Tenet Healthcare Corp.	All NYC Funds	withdrawn based on company's commitment.	15.72 % vote

Proposal #5: Establish an Independent Compensation Committee—Requests that the board amend the committee charter to specify that the committee is composed solely of independent directors. The charter should also specify how to select a new independent member if a current member ceases to be independent during the time between annual meetings of shareholders; and that compliance with the policy is excused if no independent director is available and willing to serve on the committee.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Clear Channel Communications	TRS, Police, Fire, BERS	52.1% vote	Acquired by private equity-Bain Capital
2.	La-Z-Boy, Inc.	All NYC Funds	n/a	Withdrawn-substantially adopted
3.	Southwest Airlines Co.	All NYC Funds	n/a	34.84 % vote

Proposal #6: Majority Vote Standard in Director Elections—Requests that the board initiate the appropriate process to amend company governance documents providing that director nominees shall be elected by the affirmative vote of the majority votes cast at an annual meeting of shareholders, with plurality vote standard retained for contested director elections, that is, when the number of director nominees exceeds the number of board seats.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	CV Therapeutics, Inc	All NYC Funds	n/a	Adopted
2.	KEMET Corp.	All NYC Funds	n/a	Adopted

3.	MGIC Investment Corp.	All NYC Funds	n/a	Adopted
4.	Superior Industries Int'l	All NYC Funds	40.8% vote	37.7% vote
5.	UTStarcom, Inc.	All NYC Funds	n/a	Adopted
6.	Valeant Pharmaceuticals International	All NYC Funds	n/a	Withdrawn based on existing policy
7.	BearingPoint, Inc.	All NYC Funds	n/a	Adopted
8.	Sanmina-SCI Corp.	All NYC Funds	n/a	Withdrawn based on existing policy

Proposal #7: Establish an Independent Audit Committee--Requests the board to amend the audit committee charter to specify that the committee be composed solely of independent directors.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	EMC Corp.	All NYC Funds	n/a	Withdrawn- (based on company's adoption of important corporate governance reforms)

Proposal #8: Performance-Based Stock Options—Requests that the board adopt a policy requiring that stock options, which are granted to senior executives as part of their compensation package, be performance-based.

	<u>COMPANY</u>	<u>SPONSOR</u>	<u>2007 VOTE</u>	<u>STATUS</u>
1.	Cardinal Health, Inc.	All NYC Funds	32.9% vote	36.8% vote
2.	Human Genome Sciences	Fire	n/a	withdrawn- (based on company's disclosure

				regarding compensation program)
3.	PMC-Sierra, Inc.	All NYC Funds	n/a	38.78 % vote
4.	3Com	Fire, TRS	n/a	majority vote (final vote was not disclosed as of the date of this report)