New York City
Police Officers' Variable Supplements Fund
Performance Overview as of March 31, 2017

Total Fund Overview

New York City
Police Officers' Variable Supplements Fund

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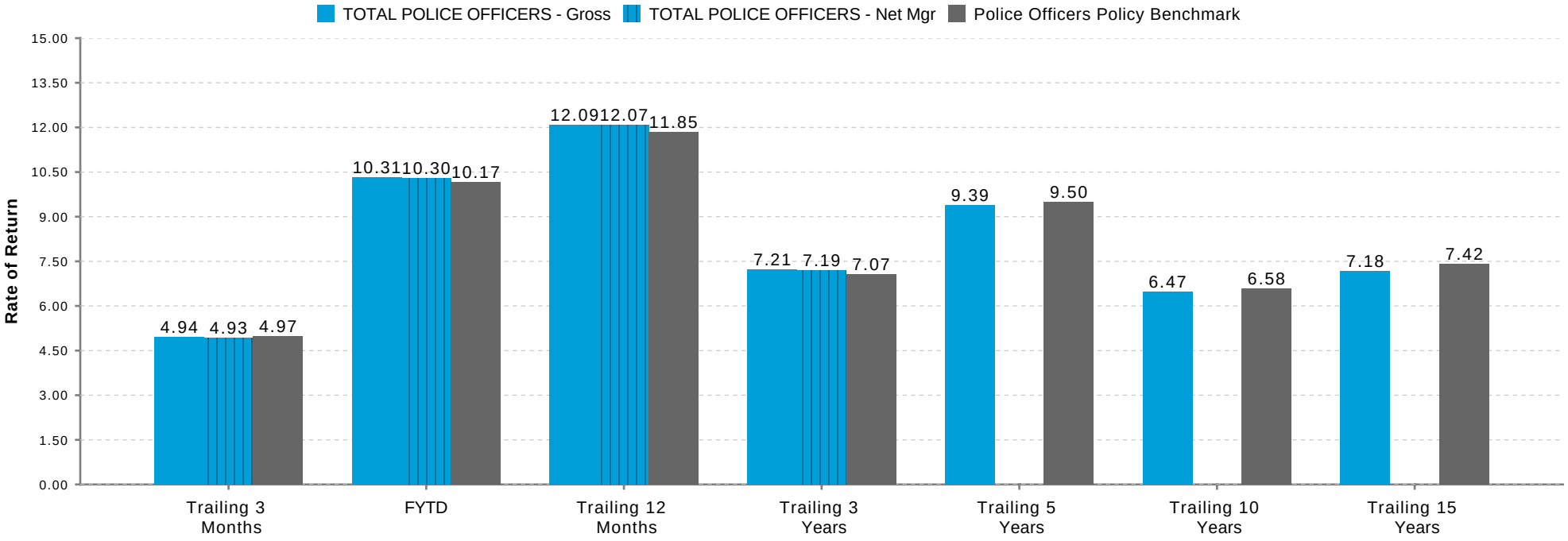
Total Portfolio Returns: March 31, 2017

	Market Value (Billions)
TOTAL POLICE OFFICERS	$1.3

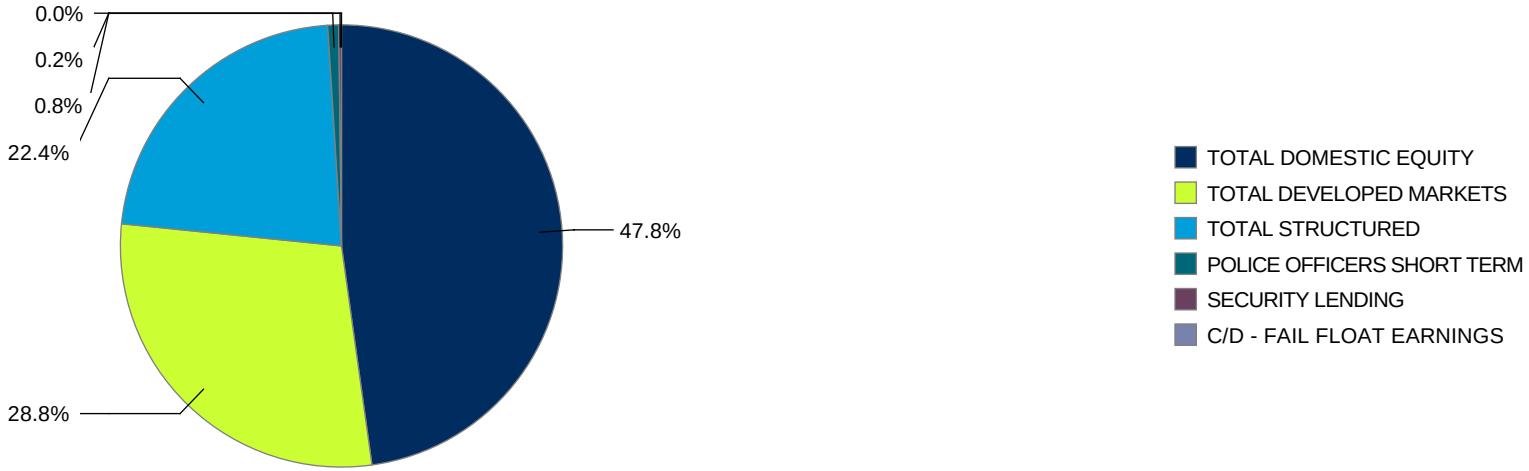


	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 7 Years	Benchmark 7 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation								
TOTAL POLICE OFFICERS	7.9	8.2	9.4	7.8	9.2	9.5	11.4	11.9

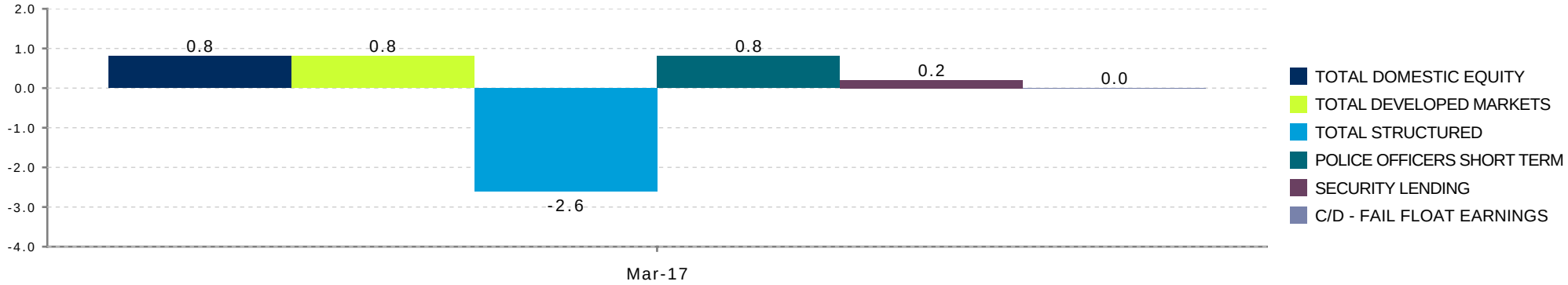
Portfolio Asset Allocation: March 31, 2017

	Market Value (Billions)
TOTAL POLICE OFFICERS	$1.3

Asset Allocation

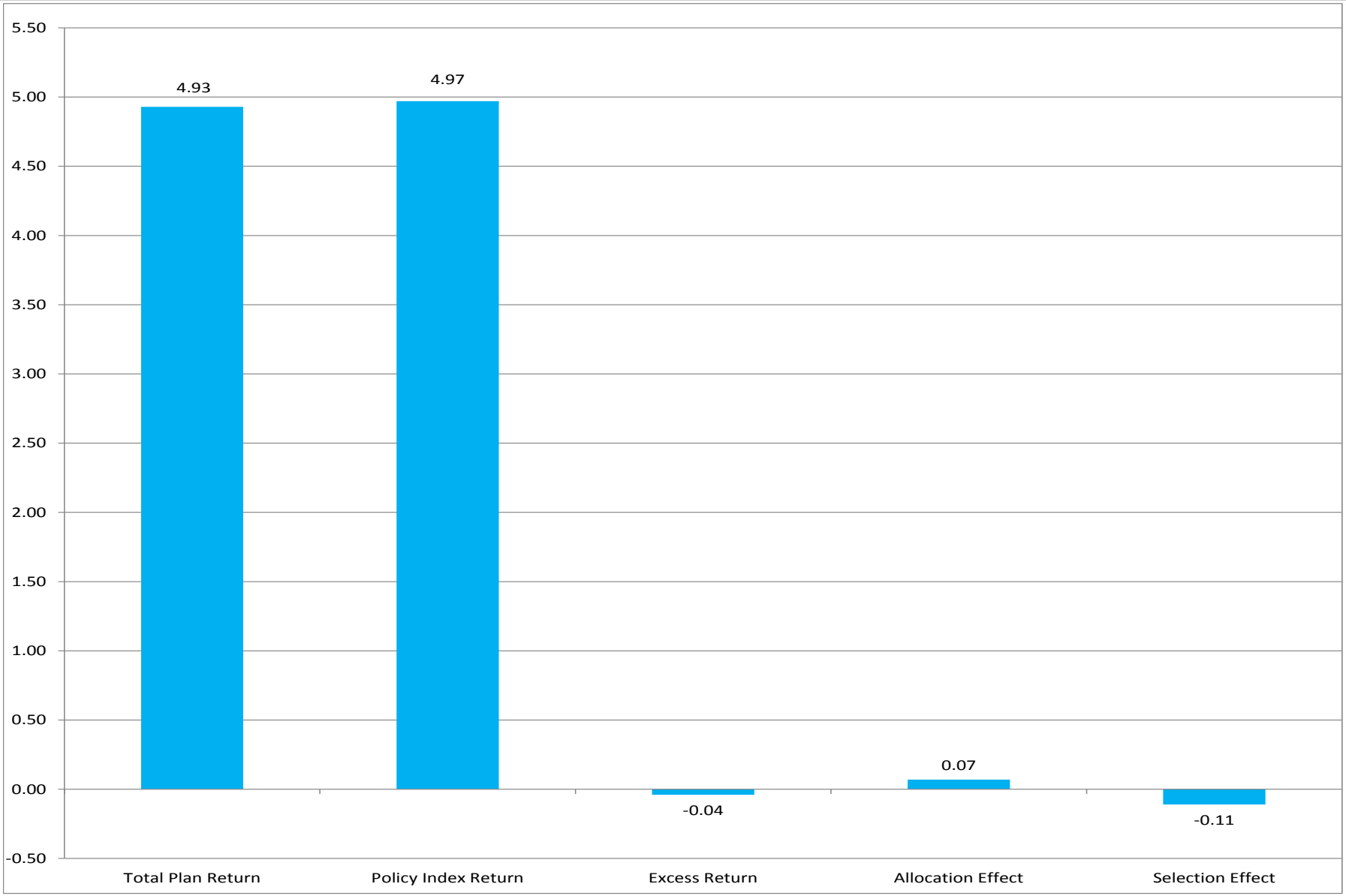


Relative Mix to Asset Weights

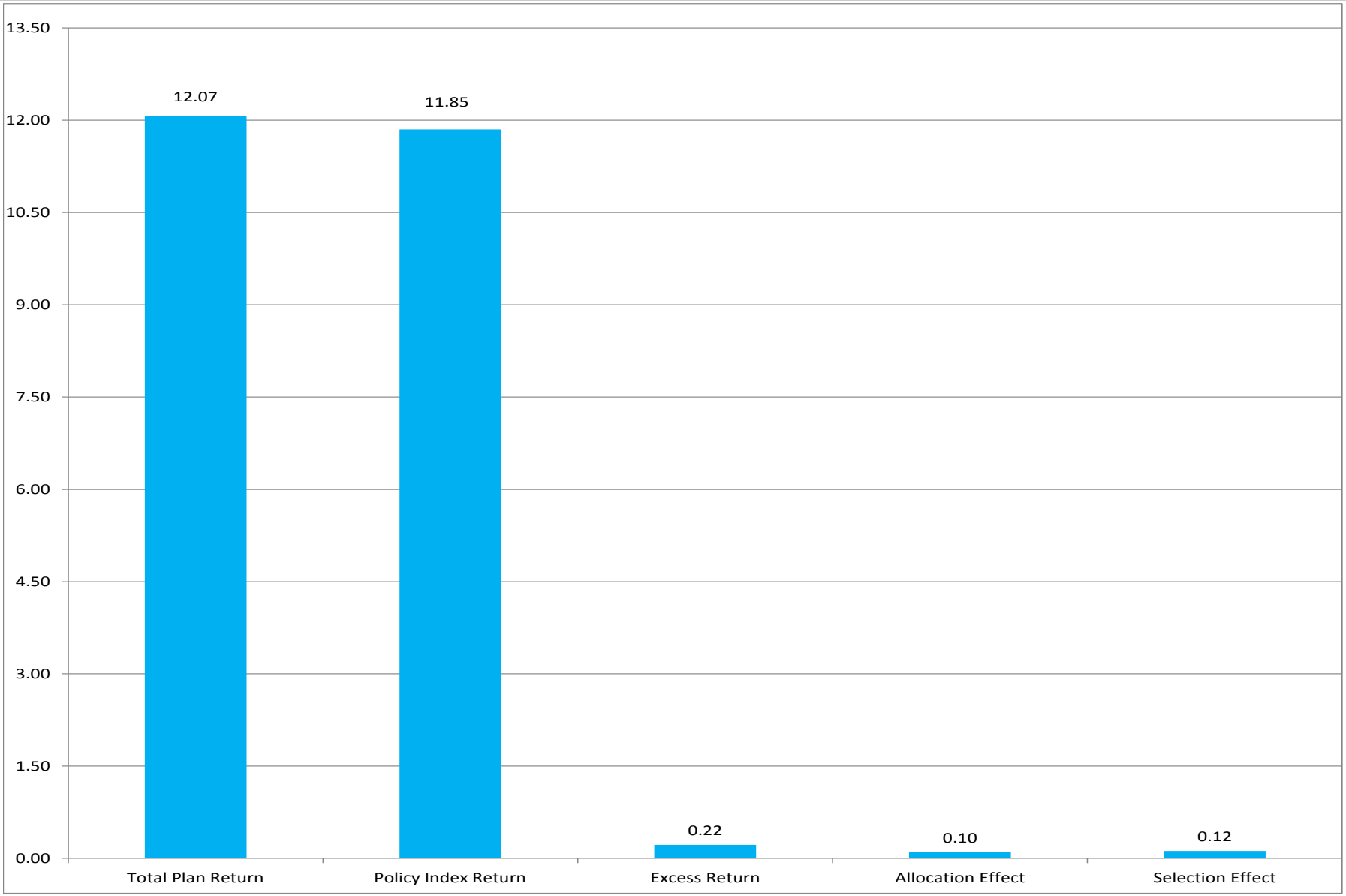


*Relative Mix to Asset Weight chart excludes CD/Sec Lending therefore it may not sum to zero.

Performance Attribution: Total Plan - Quarter Ending March 31, 2017



Performance Attribution: Total Plan - 12 Month Ending March 31, 2017



Allocation Effect - Asset Class Breakdown			
	Quarter	12 Months	Benchmark
TOTAL POLICE OFFICERS	0.07	0.10	Police Officers Policy Benchmark
TOTAL DOMESTIC EQUITY	0.00	0.03	RUSSELL 3000
TOTAL DEVELOPED EQUITY	0.01	0.02	MSCI EAFE
TOTAL STRUCTURED	0.06	0.05	NYC - CORE PLUS FIVE

Selection Effect - Asset Class Breakdown			
	Quarter	12 Months	Benchmark
TOTAL POLICE OFFICERS	-0.11	0.12	Police Officers Policy Benchmark
TOTAL DOMESTIC EQUITY	0.00	0.05	RUSSELL 3000
TOTAL DEVELOPED EQUITY	-0.12	-0.07	MSCI EAFE
TOTAL STRUCTURED	0.00	0.14	NYC - CORE PLUS FIVE

Securities Lending Income

Through March 31, 2017

NYC POLICE OFFICERS' VARIABLE SUPPLEMENTS FUND
SECURITIES LENDING INCOME
March 31, 2017

	U. S. FIXED INCOME	U. S. EQUITY	INTERNATIONAL EQUITY	TOTAL
2001	252,000	116,000	81,000	449,000
2002	139,000	72,000	82,000	293,000
2003	51,000	77,000	131,000	259,000
2004	91,000	115,000	126,000	332,000
2005	198,000	228,000	179,000	605,000
2006	169,000	305,000	180,000	654,000
2007	333,000	495,000	165,000	993,000
2008	873,000	881,000	201,000	1,955,000
2009	276,000	581,000	125,000	982,000
2010	85,000	243,000	80,000	408,000
2011	80,000	255,000	91,000	426,000
2012	38,000	271,000	47,000	356,000
2013	160,000	247,000	14,000	421,000
2014	20,000	33,000	140,000	193,000
2015	28,000	51,000	662,000	741,000
2016	40,000	422,000	527,000	989,000
2017 (3 months)	22,000	55,000	63,000	140,000
Since Inception	2,855,000	4,447,000	2,894,000	10,196,000

Appendix A

Consolidated Performance Report

Consolidated Performance Report

Through March 31, 2017

		Market Value ($MM)	% of Total	3 Month	FYTD	CYTD	2016	2015	2014	2013	2012	3 Year	5 Year	10 Year	ITD	Inception Date
	SYSTEM RETURN SUMMARY															
5	**POVSF-TOTAL PORTFOLIO - GROSS**	**1,267**	**100.00**	**4.94**	**10.31**	**4.94**	**7.38**	**0.80**	**10.76**	**20.92**	**12.09**	**7.21**	**9.39**	**6.47**	**8.57**	**01/01/1988**
	POVSF - ESTIMATED INVESTMENT FEES			**(0.00)**	**(0.01)**	**(0.00)**	**(0.02)**	**(0.02)**	**(0.03)**			**(0.02)**				
	EST MANAGEMENT FEES			**(0.00)**	**(0.01)**	**(0.00)**	**(0.02)**	**(0.02)**	**(0.03)**							
	EST INCENTIVE FEES															
	EST OTHER FEES															
	EST FEE OFFSETS															
	POVSF-TOTAL PORTFOLIO - NET MGR			**4.93**	**10.30**	**4.93**	**7.36**	**0.78**	**10.74**			**7.19**				
	POLICE OFFICERS POLICY BENCHMARK			**4.97**	**10.17**	**4.97**	**7.15**	**0.31**	**11.14**	**21.60**	**12.32**	**7.07**	**9.50**	**6.58**		
	EXCESS RETURN			**(0.03)**	**0.13**	**(0.03)**	**0.21**	**0.47**	**(0.40)**	**(0.68)**	**(0.23)**	**0.11**	**(0.11)**	**(0.11)**		
	EQUITY RETURN SUMMARY															
17	**POVSF-TOTAL EQUITY - GROSS**	**970**	**76.59**	**6.17**	**14.37**	**6.17**	**8.57**	**0.67**	**12.47**	**31.96**	**15.57**	**8.58**	**12.11**	**6.64**	**9.56**	**08/01/1993**
	ESTIMATED INVESTMENT FEES			**(0.00)**	**(0.01)**	**(0.00)**	**(0.01)**	**(0.01)**	**(0.00)**			**(0.01)**				
	EST MANAGEMENT FEES			**(0.00)**	**(0.01)**	**(0.00)**	**(0.01)**	**(0.01)**	**(0.00)**							
	EST INCENTIVE FEES															
	EST OTHER FEES															
	EST FEE OFFSETS															
	POVSF-TOTAL EQUITY - NET MGR			**6.16**	**14.36**	**6.16**	**8.56**	**0.67**	**12.46**			**8.57**				
25	**POVSF-TOTAL DOMESTIC EQUITY - GROSS**	**606**	**47.82**	**5.76**	**15.11**	**5.76**	**12.88**	**0.68**	**12.47**	**33.49**	**16.40**	9.86	13.23	7.63	9.77	07/01/1991
	ESTIMATED INVESTMENT FEES			**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**	**(0.00)**			(0.00)				
	POVSF-TOTAL DOMESTIC EQUITY - NET MGR			**5.76**	**15.11**	**5.76**	**12.87**	**0.68**	**12.46**			9.86				
	RUSSELL 3000 (DAILY)			**5.74**	**15.04**	**5.74**	**12.74**	**0.48**	**12.56**	**33.55**	**16.42**	9.76	13.18	7.54	9.86	
	EXCESS RETURN			**0.01**	**0.07**	**0.01**	**0.14**	**0.20**	**(0.09)**	**(0.06)**	**(0.01)**	**0.10**	**0.05**	**0.10**	**(0.09)**	
35	POVSF-TOTAL SMALL CAP PASSIVE - GROSS	50	3.98	2.65	21.95	2.65	21.56	(4.36)	4.80			7.33			9.31	10/01/2013
	ESTIMATED INVESTMENT FEES			(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)			(0.00)				
	POVSF-TOTAL SMALL CAP PASSIVE - NET MGR			2.65	21.95	2.65	21.56	(4.36)	4.80			7.33				
	RUSSELL 2000 (DAILY)			2.47	21.60	2.47	21.31	(4.41)	4.89			7.22			9.07	
	EXCESS RETURN			**0.18**	**0.34**	**0.18**	**0.25**	**0.05**	**(0.10)**			**0.11**			**0.23**	
45	POVSF-TOTAL RUSSELL 1000 - GROSS	555	43.80	6.05	14.58	6.05	12.16	1.09	13.16			10.07			12.63	09/01/2013
	ESTIMATED INVESTMENT FEES			(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)			(0.00)				
	POVSF-TOTAL RUSSELL 1000 - NET MGR			6.05	14.57	6.05	12.16	1.08	13.15			10.07				
	RUSSELL 1000 (DAILY)			6.03	14.52	6.03	12.05	0.92	13.24			9.99			13.00	
	EXCESS RETURN			**0.02**	**0.05**	**0.02**	**0.10**	**0.17**	**(0.09)**			**0.08**			**(0.37)**	

Consolidated Performance Report

Through March 31, 2017

		Market Value ($MM)	% of Total	3 Month	FYTD	CYTD	2016	2015	2014	2013	2012	3 Year	5 Year	10 Year	ITD	Inception Date
	EQUITY RETURN SUMMARY															
57	POVSF-TOTAL INTERNATIONAL - GROSS	365	28.78	6.85	12.88	6.85	1.33								3.23	02/01/2015
	ESTIMATED INVESTMENT FEES			(0.00)	(0.01)	(0.00)	(0.02)								(0.02)	
	POVSF-TOTAL INTERNATIONAL - NET MGR			6.84	12.87	6.84	1.31								3.21	
	MSCI EAFE			7.25	13.33	7.25	1.00								3.14	
	EXCESS RETURN			(0.40)	(0.46)	(0.40)	0.31								0.07	

Consolidated Performance Report

Through March 31, 2017

		Market Value ($MM)	% of Total	3 Month	FYTD	CYTD	2016	2015	2014	2013	2012	3 Year	5 Year	10 Year	ITD	Inception Date
	FIXED INCOME RETURN SUMMARY															
69	**POVSF-TOTAL FIXED INCOME - GROSS**	**294**	**23.18**	**1.00**	**(1.52)**	**1.00**	**3.44**	**(0.34)**	**7.43**	**(2.36)**	**4.87**	**2.96**	**2.62**	**4.84**	**6.29**	**04/01/1991**
	ESTIMATED INVESTMENT FEES			**(0.01)**	**(0.03)**	**(0.01)**	**(0.04)**	**(0.04)**	**(0.07)**			**(0.05)**				
	EST MANAGEMENT FEES			**(0.01)**	**(0.03)**	**(0.01)**	**(0.04)**	**(0.04)**	**(0.07)**							
	EST INCENTIVE FEES															
	EST OTHER FEES															
	EST FEE OFFSETS															
	POVSF-TOTAL FIXED INCOME - NET MGR			**0.98**	**(1.55)**	**0.98**	**3.40**	**(0.38)**	**7.36**			**2.91**				
77	POVSF-TOTAL STRUCTURED FIXED INCOME - GROSS	284	22.41	1.03	(1.60)	1.03	3.57	0.45	7.63	(2.52)	5.95	3.33	3.00	4.92	5.32	08/01/2000
	ESTIMATED INVESTMENT FEES			(0.01)	(0.03)	(0.01)	(0.04)	(0.04)	(0.07)			(0.05)				
	POVSF-TOTAL STRUCTURED FIXED INCOME - NET MGR			1.01	(1.63)	1.01	3.53	0.41	7.55			3.28				
	NYC - CORE PLUS FIVE			0.99	(1.99)	0.99	3.20	0.41	7.66	(2.79)	5.41	3.23	2.84	4.92	5.63	
	EXCESS RETURN			**0.02**	**0.35**	**0.02**	**0.33**	**(0.00)**	**(0.11)**	**0.27**	**0.54**	**0.05**	**0.16**	**(0.01)**	**(0.31)**	
	CASH SUMMARY															
89	POLICE SUPERIOR OFFICERS SHORT TERM - GROSS	10	0.77	0.19	0.45	0.19	0.60	0.12	0.15	0.18	0.28	0.34	0.29			01/01/1988
	ESTIMATED INVESTMENT FEES			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
	POLICE SUPERIOR OFFICERS SHORT TERM - NET MGR			0.19	0.45	0.19	0.60	0.12	0.15	0.18	0.28	0.34	0.29			
93	C/D - FAIL FLOAT EARNINGS	0	0.00													
95	SECURITY LENDING	3	0.22													

Appendix B

Public Markets Manager Performance Detail

Public Markets Manager Performance Detail

Net Returns Through March 31, 2017

	Market Value ($MM)	% of Total	3 Month	FYTD	CYTD	2016	2015	2014
EQUITY SUMMARY								
US EQUITY								
BLACKROCK R2000 GROWTH MTA	26	2.03	5.40	19.18	5.40	11.29	(1.30)	5.50
RUSSELL 2000 GROWTH DAILY			5.35	19.17	5.35	11.32	(1.38)	5.60
Excess			0.05	0.01	0.05	(0.02)	0.08	(0.11)
BLACKROCK R2000 VALUE MTA	25	1.95	(0.06)	24.03	(0.06)	31.71	(7.38)	4.11
RUSSELL 2000 VALUE DAILY			(0.13)	24.03	(0.13)	31.74	(7.47)	4.22
Excess			0.07	0.01	0.07	(0.03)	0.09	(0.11)
BLACKROCK R1000 GROWTH MTA	282	22.26	8.90	15.02	8.90	7.06	5.77	12.91
RUSSELL 1000 GROWTH - DAILY			8.91	15.05	8.91	7.08	5.67	13.05
Excess			(0.01)	(0.03)	(0.01)	(0.02)	0.10	(0.14)
BLACKROCK R1000 VALUE MTA	273	21.58	3.26	13.98	3.26	17.31	(3.66)	13.39
RUSSELL 1000 VALUE (DAILY)			3.27	14.00	3.27	17.34	(3.83)	13.45
Excess			(0.01)	(0.02)	(0.01)	(0.03)	0.17	(0.06)
NON - US EQUITY								
SSGA MTA 126	365	28.78	6.84	12.87	6.84	1.31		
NYC Custom World ex US Index			6.73	12.79	6.73	1.00		
Excess			0.11	0.08	0.11	0.31		
FIXED INCOME SUMMARY								
STRUCTURED FIXED INCOME								
Blackrock Government	56	4.41	1.13	(6.70)	1.13	1.09	0.51	
NYC - Treasury Agency Plus Five			1.09	(6.75)	1.09	1.21	0.72	
Excess			0.03	0.05	0.03	(0.13)	(0.22)	

Public Markets Manager Performance Detail

Net Returns Through March 31, 2017

	Market Value ($MM)	% of Total	3 Month	FYTD	CYTD	2016	2015	2014
Blackrock Mortgages	101	8.00	0.55	(0.58)	0.55	2.23	1.74	
CITIGROUP MORTGAGE INDEX			0.43	(1.00)	0.43	1.59	1.56	
Excess			0.12	0.42	0.12	0.64	0.18	
Blackrock - Credit	127	10.00	1.33	(0.25)	1.33	5.69	(0.74)	7.44
NYC - Investment Grade Credit			1.38	(0.37)	1.38	5.56	(0.65)	7.04
Excess			(0.05)	0.12	(0.05)	0.13	(0.10)	0.40
CASH								
POLICE OFFICERS SHORT TERM	10	0.77	0.19	0.45	0.19	0.60	0.12	0.15
91 DAY T-BILL			0.10	0.28	0.10	0.33	0.05	0.02
Excess			0.09	0.17	0.09	0.28	0.07	0.13
C/D - Fail Float Earnings	0	0.00						
SECURITY LENDING	3	0.22						

Appendix C

Footnotes

Footnotes

Through March 31, 2017

- Effective 4/1/03, the name of the Core +5 benchmark index provider was changed from Salomon to Citigroup.

- Effective 7/1/03, the “NYC-Loomis” benchmark index for the Loomis Sayles Enhanced Yield portfolio reflects a change from the Citigroup BB&B Index to the more appropriate Merrill Lynch High Yield Master II Index.

- Effective 7/1/09, the Core+5 program was restructured.

- The U.S. Gov’t sector benchmark Index was changed from the Citigroup Core+5 Treasury/Gov’t Sponsored Index to the Citigroup Core+5 Treasury/Agency Index.
- The Corporate and Yankee sectors were combined to form the new Investment Grade Credit sector. The benchmark for the new combined sector is the customized Citigroup Credit Index. For historical performance purposes, the old Corporate sector Index is linked to the new Credit sector Index.

- There were no changes to the Mortgage sector Index.

- The total Core+5 results and benchmark returns combine the three sectors. Historical total Core+5 returns continue to include the old Corporate and Yankee sector returns.

Glossary of Terms

Through March 31, 2017

General Notes

- Returns are Net of Manager Fees for periods after January 2014 and Gross of investment advisory fees for other periods unless otherwise indicated.

Page Specific

Page 4 - Portfolio Asset Allocation

- Rebalancing Ranges: the minimum and maximum weights that actual Asset Allocation may reach before rebalancing between Asset Classes is necessary.

Pages 5 - 6 - Performance Attribution: Total Plan

- Plan Return at Policy Weights: the return of the Total Plan assuming actual Asset Class results were maintained at target (Adjusted Policy) weights. *Figure = (Return of Asset Class 1* Target Weight) plus (Return Of Asset Class 2* Target Weight) plus (……)*

- **Allocation Effect =** Total Plan Return minus Plan Return At Adjusted Policy Weights. Allocation is the Contribution to Performance resulting from an overweight or underweight to an asset class. E.g. an underweight to an Asset Class that under-performs results in a positive Allocation Effect and vice versa.

- **Selection Effect =** Equal to the Custom Benchmark (Adjusted Policy Index) Return minus Plan Return at Adjusted Policy Weights. This illustrates how the Managers have added or removed value based on their Security Selection decisions, e.*g., If the manager's Actual Returns are higher than the Implied Return there will be a positive Selection Effect.*

- **Policy Index = Custom Benchmark**
  The "policy index" is a custom benchmark representing the weighted average return of the weighted benchmark indexes for each major investment program. Weights may reflect an adjustment of actual policy for outstanding commitments for new or revised programs, such as for private market programs, which are invested gradually, or for any new or updated program requiring the completion of RFPs and contracts. The policy index/custom benchmark is calculated monthly based on adjusted policy weights at the beginning of each month.

The indexes and most recent policy weights are as follows:

*U.S. Equity: Russell 3000 * 47.00%*

*International Developed (EAFE) Markets: MSCI EAFE * 28.00%*

*Domestic Fixed Income: NYC Core +5 * 25.00%*

Page 7 – Allocation and Selection Effects - Asset Class Breakdown

- This chart aims to break down the Allocation and Selection Effects shown on the Performance Attribution pages. The aim of the Page is to show the asset classes where Managers are either out performing or under performing their benchmark and to show the basis point effect that this is having on Plan performance.