§ 422. Establishment of a common retirement fund. 1. There is hereby established a fund, in the custody of the comptroller, to be known as the common retirement fund. Notwithstanding any other provision of this chapter, all of the assets and income of the employees' retirement system and of the police and fire retirement system shall be held by the comptroller as trustee of such fund, except as such assets and income may be allocated or distributed to the funds of each retirement system by the comptroller.

2. The fund shall consist initially of the total assets of the employees' retirement system as of March thirty-first, nineteen hundred sixty-seven, as such assets are defined in subdivision a of section two hundred ninety-three of this chapter. After the annual valuation of the assets and liabilities of the employees' retirement system and the determination relating to assets and liabilities required by subdivision b of section two hundred ninety-three of this chapter, the comptroller shall credit to each retirement system a participating interest in the assets of such fund in the proportion and percentage that the assets of each retirement system bear to the total assets of the common retirement fund. On March thirty-first, nineteen hundred sixty-eight, and at the close of each succeeding fiscal year, the comptroller shall credit each retirement system with a participating interest in such fund in the proportion and percentage that the interest attributable to each retirement system bears to the total assets of such fund, after considering contributions, earnings, disbursements and expenses attributable to each system.