

AUDIT REPORT



CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BUREAU OF FINANCIAL AUDIT
WILLIAM C. THOMPSON, JR., COMPTROLLER

Analysis of the Financial and Operating Practices of Union-Administered Benefit Funds With Fiscal Years Ending in Calendar Year 2006

FM08-081S

June 30, 2009



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

WILLIAM C. THOMPSON, JR.
COMPTROLLER

To the Citizens of the City of New York

Ladies and Gentlemen:

In accordance with the responsibilities of the Comptroller contained in Chapter 5, §93, of the New York City Charter, my office performed a comparative analysis of the overall financial activities of union-administered benefit funds whose fiscal years ended in calendar year 2006.

New York City contributed approximately \$1.07 billion to 114 welfare, retiree, and annuity funds whose fiscal years ended during calendar year 2006. Benefit funds provide City employees, retirees, and dependents with a variety of supplemental health benefits not provided under City-administered health insurance plans. We review funds such as these to provide fund trustees and other interested parties with a means of comparing the administrative and benefit expenses of similar-sized funds.

I trust that this report contains information that is of interest to you. If you have any questions concerning this report, please contact my audit bureau at audit@Comptroller.nyc.gov or telephone my office at 212-669-3747.

Very truly yours,

A handwritten signature in black ink, appearing to read "William C. Thompson, Jr.", written over a horizontal line.

William C. Thompson, Jr.

WCT/fh

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*The City of New York
Office of the Comptroller
Bureau of Financial Audit*

**Analysis of the
Financial and Operating Practices of
Union-Administered Benefit Funds
With Fiscal Years Ending in
Calendar Year 2006**

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REPORT IN BRIEF

The purpose of this report is to provide comparative analysis of the overall financial activities of the 90 union-administered active and retiree welfare, education, and annuity funds that receive City contributions and is based on our analyses of individual funds.

The City of New York contributed approximately \$1.07 billion to the 114 union-administered annuity, active, and retiree welfare funds with fiscal years ending during calendar year 2006. The benefit funds were established under the provisions of collective bargaining agreements between the unions and the City of New York. Benefit funds provide City employees, retirees, and dependents with a variety of supplemental health benefits not provided under City-administered health insurance plans, including dental care, optical care, and prescription drug benefits. Other benefits are provided at the discretion of the individual funds. Annual contributions to the welfare funds for full-time employees ranged from \$900 to \$1,740 per employee during 2006.

Accountability for fund expenditures is a contractual requirement: the funds must be audited annually by a certified public accountant (retained by the funds); the funds must submit an annual statement showing their "condition and affairs" in the form prescribed by the City Comptroller; and the funds must provide an annual report to each employee covered by the fund.

In November 1977, the Comptroller's Office published the first Internal Control and Accountability Directive #12 that contained uniform reporting and auditing requirements for benefit funds. In 1997, Directive #12 was revised to include provisions that modified fund reporting requirements, required assessments of consultant services, modified the criteria for contracting services through competitive bids, and expanded the requirements for hiring independent certified public accountants to audit the funds.

The information generated as a result of Directive #12 reporting requirements provide a basis for our comparative analyses of fund operations to identify deviations from the norm. To perform these analyses, we compute certain expense and benefit category averages that are used to

compare funds of similar size; our results can then be used by fund trustees and administrators to perform their own internal analyses.

This is the Comptroller's 27th report related to the data received in response to Directive #12. The analysis is based on the financial activities of benefit funds receiving contributions from the City during calendar year 2006. Annual reports from these funds are usually delayed because, according to Directive #12, the funds have up to nine months after the close of their fiscal years (some of which end on December 31) to submit the required data.

We reviewed the financial information provided by 111 of the 114 funds that received City contributions during 2006; three funds were excluded from this analysis because Local 1181 CWA Supervisory Employees Welfare Fund and Local 1181 CWA Supervisory Employees Retiree Welfare Fund failed to submit any financial information and Local 1183 Board of Elections Benefit Fund did not submit certified financial statements required under Comptroller's Directive #12. (Exhibit A at the end of this report lists each fund by its official and its abbreviated name.) However, the computation of category averages and our other financial analyses were limited to the 90 of the 111 funds that received City contributions during each fund's 2006 Fiscal Year (most of the funds' Fiscal Years ended in either June or December of 2006), approximately \$1.04 billion in total. Twenty-one funds were not included in either the computation of category averages or in the financial analyses since they would have distorted the results of this report.

As of the end of their 2006 Fiscal Years, the welfare funds' net assets available for 81 plan benefits totaled \$1.35 billion, and the 30 annuity funds had a net fund balance of approximately \$4.54 billion.

Findings and Conclusions

As in previous reviews of the financial data submitted by the funds, there were variations in the amounts spent for administrative purposes although, in certain instances, there was a clear indication that these expenses were reduced. Some of the funds cited in our 2005 report for spending higher-than-average amounts on administration remain in that same category in 2006, while other funds were added to this category because their administrative costs increased in 2006. In 2006, \$81.2 million (6.6 percent) of total revenue for all funds was spent on administration, as compared to \$80.1 million (7.49 percent) spent on administration in 2005. The percentage of total revenue spent on administration varied among funds, reflecting the broad discretion exercised by each fund's Board of Trustees.

As before, several welfare funds expended lower-than-average amounts for benefits and maintained high reserves. In addition, the benefit expenditures of each of six funds exceeded its individual total revenues, causing the funds to dip into their reserves. The use of reserves to provide benefits may indicate that the benefits provided were not evaluated in relation to the resources available to the funds. Reserves held by funds provide a cushion if claims for benefits exceed revenues in any given year. In the past, the Comptroller's Office has used general guidelines of 100 percent of revenue for insured funds and 200 percent of revenue for self-insured funds as reasonable levels for welfare fund reserves. High reserves are an indication of a fund's

financial viability, but may also indicate that a fund is not providing as many benefits to its members as it could. Moreover, in 2006, 18 of 66 active and retiree welfare funds in our analysis incurred operating deficits totaling \$16.4 million, which reduced their available reserves. The deficits ranged from \$7,569 to \$6.4 million.

In summary, we identified the following financial issues that should be addressed:

- The expenses of certain funds exceeded their revenues, resulting in operating deficits. Operating deficits could deplete fund reserves, which could ultimately lead to insolvency.
- Certain funds spent a large percentage of their revenue on administrative expenses. Reducing administrative expenses would allow funds to increase benefits for members.
- Certain funds had large operating surpluses resulting in high reserves. Excess reserves may indicate that funds should increase members' benefits.

The chart on the following page lists those funds with potential financial issues (indicated in the shaded areas of the chart) that should be addressed by fund management.

Funds with Potential Financial Problems
(Problem Areas Highlighted)

FUNDS	TOTAL REVENUE	OVERALL EXPENSES	SURPLUS OR OPERATING (DEFICIT)	ADMINISTRATIVE EXPENSE		BENEFITS EXPENSE		FUND BALANCE			RISK OF INSOLVENCY (SEE LEGEND)
				Total	% of Rev.	Total	% Of Rev.	Total	% Of Rev.	Balance/ Deficit*	
Superior Officers Council (Police) RWF	\$ 7,040,531	\$ 7,547,005	\$ (506,474)	\$ 406,821	5.78%	\$7,140,184	101.42%	\$(641,952)	I	I	I
Local 832 Teamsters RWF	160,993	229,713	(68,720)	41,556	25.81	188,157	116.87	7,454	4.63	10.85	P
Local 306 Municipal Employees WF	72,637	95,285	(22,648)	19,152	26.37	76,133	104.81	201,020	276.75	887.58	LT
Local 854 Uniformed Fire Officers Association RWF	7,812,420	8,553,192	(740,772)	361,762	4.63	8,191,430	104.85	3,575,447	45.77	482.66	LT
Local 333 United Marine Division WF	392,488	422,227	(29,739)	80,634	20.54	341,593	87.03	337,352	85.95	1,134.38	LT
Local 333 United Marine Division RWF	316,550	251,405	65,145	60,972	19.26	190,433	60.16	1,035,713	327.19	-	N
Local 371 Social Service Employee WF	27,863,066	25,660,268	2,202,798	2,680,720	9.62	22,979,548	82.47	4,135,555	14.84	-	N
Local 832 Teamsters WF	843,265	517,563	325,702	157,371	18.66	360,192	42.71	1,590,933	188.66	-	N
Local 14A-14B IUOE WF/RWF	143,977	92,386	51,591	25,982	18.05	66,404	46.12	822,249	571.10	-	N
Local 15, 15A, 15C Operating Engineers WF/RWF	773,936	408,945	364,991	130,736	16.89	278,209	35.95	5,593,763	722.77	-	N

Legend

I - Insolvent

N - Currently not at Risk of Insolvency

P - Possible Risk of Insolvency in less than 1 year

ST - Short-term Risk of Insolvency within 1 - 2 years

MT - Mid-term Risk of Insolvency between 2- 3 years

LT - Long-term Risk of Insolvency greater than 3 years

*A ratio estimating the number of years that a fund can operate before being "in the red" if all factors remain constant. For example, number "101%" would indicate the fund has approximately one year before becoming insolvent.

Fund managers have a fiduciary responsibility to provide optimum benefits to members while keeping administrative costs to a minimum. A fund that accumulates excessive reserves or expends large amounts for administrative costs does not achieve its basic goal of providing optimum benefits to members. The trustees of these funds should evaluate how their funds could be better operated.

This report's tables, exhibits and appendices can be a starting point for fund trustees and administrators to identify areas for cost reduction or other appropriate action to ensure financial stability. No conclusions should be drawn from any single exhibit in this report. For example, even though an exhibit might show that a particular fund's benefit expenses exceeded its revenues; this might not be a problem if the fund has sufficient or high reserves. On the other hand, funds incurring high administrative costs relative to other funds of a similar size should review their costs carefully and reduce them whenever possible.

In addition, we identified other issues that should be addressed:

Eligibility Delay

The intent of the standard benefit fund agreements between the City and the unions is that welfare fund benefits be available during each member's entire period of employment with the City. Thus, the funds should make their members eligible for benefits beginning on their first day of employment with the City. However, two funds (Local 237 Teamsters Welfare Fund and District Council 9 Painters Industry Welfare Fund) continue to delay eligibility for their members to receive benefits for a maximum of 30 days and 90 days, respectively. Consequently, members or their dependents who may be in need of benefits during the funds' waiting periods are precluded from obtaining such benefits.

CPA Opinions

Directive #12 requires that all welfare, retiree, annuity, and affiliated funds receiving City contributions have their financial statements audited annually by certified public accountants. Each audit must include a complete examination in accordance with generally accepted auditing standards, whereby an opinion is expressed on the financial statements taken as a whole. Further, the fund agreements between the City and the unions require the preparation of each fund's financial statements on the accrual basis of accounting and in conformance with generally accepted accounting principles (GAAP). Of the 90 funds reviewed, 12 received adverse or qualified opinions from their independent auditors because their financial statements were not in compliance with GAAP. Also, the CPA firm that audited the financial statements of Local 3 NYC Communications Electricians Annuity Fund indicated that it could not form an opinion on the amount of contributions available for benefits. (The 13 funds as well as the specific issues raised in the CPA reports are detailed on pages 38 to 39 of this report.)

Consolidation of Professional Services

Most funds receiving City contributions enter into contracts with various professional providers for services such as accounting-auditing and legal counsel. Many funds use the same professional service provider for similar services. (Appendix D lists the funds using the same providers for similar professional services.) Trustees of funds using the same providers for similar

services may reduce their funds' administrative expenses by negotiating future contracts jointly.

Late Submission of Directive #12 Reports

In 2006, 84 of the 111 funds (75.7 percent) in our analysis did not submit their Directive #12 reports in a timely fashion. Comptroller's Directive #12 requires that within nine months after the close of a fund's fiscal year, each fund's trustees must submit a report to the City Comptroller showing the fund's condition and affairs during its preceding fiscal year. The Directive #12 reports provide a basis for a timely comparative analysis of fund operations and for the identification of deviations from the norm.

Field Audits of Funds

In addition to analyzing Directive #12 submissions, the Comptroller's Office periodically performs audits of the financial and operating practices of selected funds. During Fiscal Years 1985-2008, the Comptroller's Office issued 79 audit reports. (These audits are listed in Appendix C.)

Recommendations

As a result of our analysis, we make the following nine recommendations:

- Trustees of funds with high percentages of administrative costs to total revenue and/or low percentages of benefit expenses to total revenue should reduce administrative expenses and increase benefits to members.
- Trustees of funds using the same professional service providers for similar services should consider jointly negotiating future contracts with these providers to reduce administrative expenses through economies of scale.
- Trustees of the insolvent fund and funds with low reserve levels should take steps to ensure that their funds remain solvent. To accomplish this goal, funds should endeavor to reduce administrative expenses. If this is not possible or does not provide sufficient funds to ensure solvency, the trustees should attempt to reduce costs associated with benefits.
- Trustees of funds that are incurring significant operating deficits, particularly those with low reserve levels, should ensure that anticipated benefit and administrative expenses will not exceed projected total revenue.
- Trustees of funds with high reserve levels, particularly those whose funds spend less than average amounts of their revenue on benefits, should consider enhancing their members' benefits.
- Trustees of funds that delay members' eligibility for benefits beyond their first day of employment should revise their fund's policy to comply with their union's welfare fund agreement with the City.

- OLR (Office of Labor Relations) should recover the portion of City contributions from those funds that do not provide benefits to members from their first day of employment.
- OLR should use the information in this report to ensure that the trustees of the funds cited herein correct the conditions cited in adverse or qualified opinions received from their independent accountants.
- OLR should consider withholding City contributions from delinquent funds that failed to submit their Directive #12 to the Comptroller's office.

INTRODUCTION

Background

New York City has provided various health insurance benefits to its employees since 1947. Since 1966, the City has provided its active employees, their families, and retirees with basic health and hospitalization coverage.

As a result of collective bargaining with the Uniformed Sanitationmen's Association in 1962, the City agreed to contribute \$56.50 per employee to the union's welfare fund allowance, in addition to health insurance benefits it provided directly. This allowance provided additional health insurance benefits. By 1971, managerial employees and most full-time employees represented by collective bargaining units received this benefit. In 1973, retirees and part-time employees became eligible to receive additional health benefits, subject to certain restrictions. In some cases separate funds were established for the retirees.

By 2006, the annual contributions to 114 union-administered welfare funds ranged from \$900 to \$1,740 per employee per year; the aggregate annual cost to the City (including contributions to annuity funds) was approximately \$1.07 billion.

Pursuant to the collective bargaining agreements, City contributions are placed in legally established trusts administered by trustees appointed by the unions or associations. City officials, therefore, are not directly involved in fund administration.

The determination of types of benefits, amounts, deductibles, etc., is left to the trustees' discretion. The benefits provided are listed in the fund agreements between the City and the unions. Some funds now provide legal assistance and educational activities in addition to health benefits. Other funds, such as the Uniformed Officers' Funds, receive additional City contributions to operate Civil Legal Representation Funds that provide protection for their members from civil lawsuits. Some funds are self-insured; other funds provide most of their benefits through insurance companies. Typical benefits provided by funds to members and their families include the following:

- dental benefits—including regular exams, cleaning, X-rays, fluoride treatments, fillings, extractions, crowns, root canals, orthodontics, and other dental procedures;
- optical benefits for examinations and eyeglasses;
- prescription drug reimbursement;
- life insurance; and
- supplemental health and hospitalization.

In addition to contributing to the various welfare funds, the City contributes a dollar (or more) to annuity funds for each workday of uniformed employees and certain other workers on active duty. Upon retirement, death, or termination, an employee receives a lump sum distribution consisting of the City's contributions to the employee's annuity fund, plus any interest or other income earned, in addition to the employee's statutory City pension.

Twenty funds received between \$1 million and \$3 million in City contributions in 2006, and 45 funds received more than \$3 million each. Of the 45 funds receiving more than \$3 million, 18 funds received more than \$10 million each from the City, accounting for approximately 76.8 percent of the City's contributions to benefit funds in 2006, as shown on Table I on the next page.

Table I
Funds Receiving More Than \$10 Million* in City Contributions in 2006

<u>Fund Name</u>	<u>Total Revenue</u>	<u>NYC Contributions**</u>
Local 2 United Federation of Teachers WF	\$258,556,326	\$251,461,659
District Council 37 WF	242,317,124	228,299,441
Professional Staff Congress CUNY WF/RWF	61,925,817	61,046,005
Patrolmen's Benevolent Association WF	43,174,250	38,529,025
Patrolmen's Benevolent Association RWF	36,985,347	34,105,953
Local 237 Teamsters WF	35,220,782	29,617,481
Local 371 Social Service Employees WF	27,863,066	27,105,757
Local 237 Teamsters AF	26,983,095	14,431,960
Patrolmen's Benevolent Association AF	24,548,180	12,394,717
Sergeants Benevolent Association (Police) WF/RWF	18,055,962	17,310,372
Local 94 Uniformed Firefighters Association RWF	17,746,742	16,773,941
Local 1180 CWA Municipal Management WF	17,052,529	13,401,961
Detectives Endowment Association RWF	16,712,952	15,742,889
Local 94 Uniformed Firefighters Association WF	16,402,427	14,500,760
Corrections Officers Benevolent Association WF	14,153,389	13,834,241
Local 237 Teamsters RWF	13,620,991	12,172,693
Local 831 Uniformed Sanitationmen's Association RWF	12,543,309	12,321,999
New York State Nurses Association WF	<u>11,141,170</u>	<u>10,645,820</u>
Total	<u>\$895,003,458</u>	<u>\$823,696,674</u>

*This cutoff figure is arbitrary and used for descriptive purposes only. A cutoff to \$9 million would add another six funds to the list.

**The difference between Total Revenue and New York City contributions consists of revenue from interest, dividends, other employer contributions, investments, miscellaneous income and losses on investments.

RWF = Retiree Welfare Fund
WF = Welfare Fund
AF = Annuity Fund

We categorized the 114 funds covered in this report by size, as follows:

Table II
Number and Categories of Benefit Plans in Survey

<u>NYC Contributions</u>	<u>Active and Retiree Plans</u>	<u>Annuity</u>	<u>Total</u>
Less than \$100,000	2	2	4
\$100,000 to \$300,000	10	0	10
\$300,000 to \$ 1 million	8	3	11
\$1 million to \$3 million	15	5	20
\$3 million to \$10 million	15	12	27
\$10 million to \$20 million*	9	2	11
More than \$20 million*	7	0	7
Funds excluded from this analysis because they would have distorted the results	<u>18</u>	<u>6</u>	<u>24</u>
Total	<u>84</u>	<u>30</u>	<u>114</u>

*Local 621 SEIU Active and Retiree Welfare Funds are administered by Local 237 Teamsters' Welfare and Retiree Welfare Funds, respectively. Therefore, Local 621's financial information was incorporated in the Local 237 fund financial information.

The 45 funds (insured, self-insured, and annuity) with City contributions of more than \$3 million (including the 18 listed in Table I with contributions of more than \$10 million) received approximately \$994.1 million from the City and provided benefits to the bulk of the City's work force. (Exhibit B details the revenues and expenses of all funds.) Fourteen funds that received a substantial portion of their revenues from sources other than the City, one College Scholarship Fund that provides benefits only to public high school students, one fund that only operated two months during 2006 before merging with another fund, and three funds with different fiscal year-ends than their associated welfare funds were not included in either the computation of category averages or in the financial analyses, since they would have distorted the results. In addition, three funds were excluded from this analysis because Local 1181 CWA Supervisory Employees Welfare Fund and Local 1181 CWA Supervisory Employees Retiree Welfare Fund failed to submit any financial information and Local 1183 Board of Elections Benefit Fund did not submit certified financial statements required under Comptroller's Directive #12. Finally, two funds, United Probation Officers Association Welfare Fund and United Probation Officers Association Retiree Welfare Fund, were excluded from this analysis because their 2006 financial statements and Directive #12 filings were found to be materially misstated based on the audits conducted by the Comptroller's office. (These funds are listed separately in Exhibit B.)

Certain unions offer education, legal services, and disability benefits through separate funds. For purposes of this report, we consolidated these separate funds with their respective welfare-benefit funds.

Oversight Mechanisms

The funds' agreements with the City's Office of Labor Relations provide the following oversight mechanisms to monitor the funds' financial and operating activities:

- The trustees are required to keep accurate records in conformance with generally accepted accounting principles. The funds are audited annually by a certified public accountant (CPA) selected by the trustees. Comptroller's Directive #12 strongly recommends that funds select independent certified public accountants through a competitive proposal process and that funds contract only with firms listed on the Comptroller's prequalified list of CPAs. Each CPA audit report must be submitted to the City Comptroller within nine months after the close of each fund's fiscal year. Funds are also subject to further audit by the City Comptroller.
- Nine months after the close of its fiscal year, each fund's trustees must file a report with the City Comptroller showing the fund's "condition and affairs" during its fiscal year.¹ The report must contain information as prescribed in Comptroller's Directive #12. In addition, an annual membership report must be mailed to all fund members. This report summarizes the financial condition of the fund.

In 1977, the Comptroller's Office published the first Internal Control and Accountability Directive #12 that contained uniform reporting and auditing requirements for the benefit funds. (The Comptroller's Directives are used to establish policies governing internal controls, accountability, and financial reporting.)

In addition to providing a uniform reporting mechanism, Directive #12 requires that the funds' CPAs prepare management letters commenting upon weaknesses in internal and management controls that were identified during their audits. Further, the Directive requests comments on management matters, such as investment policies, bidding practices, staff utilization, and accounting allocations. Directive #12 also requires that every year, each fund report the percentage of administrative costs to total annual revenue. Overall, this percentage is expected to be "reasonable."

The revised Directive #12 in use during Fiscal Year 2006, which is attached as Appendix A, became effective on July 1, 1997, and is the most current version of Comptroller's Directive #12.

Objective

Our objective was to provide comparative data on the overall financial activities of the 90 union-administered active and retiree welfare, education, and annuity funds that received City contributions during the Fund's Fiscal Year 2006.

¹ The main component of the "condition and affairs" is the financial statements, which are audited and certified by an independent CPA firm. Most of the other documents (i.e., Administrative and Benefit Expense Schedules) include various calculations derived from information contained in the financial statements.

Scope of Analysis

This is the 27th report issued by the Comptroller's Office on the financial operations of union-administered welfare, retiree welfare, and annuity funds. This report is based upon Fiscal Year 2006 financial reports and other information filed by the various funds with the City Comptroller's Office, as required by Comptroller's Directive #12.

The purpose of this report is to provide comparative analysis of the overall financial activities of the funds and their benefits. The individual analyses also provide a means of viewing accountability of the fund trustees and administrators in reference to fund expenditures, by supplementing each fund's required CPA audit.

We reviewed the financial information provided by 111 of the 114 funds that received City contributions during Fiscal Year 2006; three funds were excluded from this analysis because Local 1181 CWA Supervisory Employees Welfare Fund and Local 1181 CWA Supervisory Employees Retiree Welfare Fund failed to submit any financial information and Local 1183 Board of Elections Benefit Fund did not submit certified financial statements required under Comptroller's Directive #12. (Exhibit A at the end of this report lists each fund by their official and abbreviated names.) However, the computation of category averages and our other financial analyses were limited to 90 funds, which received approximately \$1.04 billion in total City contributions during each fund's 2006 Fiscal Year (most of the funds' fiscal years ended in either June or December of 2006). Twenty-one funds were not included in either the computation of category average or in the financial analyses since they would have distorted the results of this report.

Our examination was performed in accordance with the City Comptroller's responsibilities under Chapter 5, §93, of the New York City Charter, and under the provisions of agreements between the City and the individual unions.

FUND EXPENSES

For purposes of this report, benefit expenses include costs directly associated with providing benefits to members, such as salaries or other payments to attorneys who provide direct legal services to members; instructors who conduct in-house training for members; and physicians who examine members for worker's disability purposes. Administrative expenses include salaries for fund employees; insurance company retention fees; overhead costs involved in doing business (i.e., costs associated with processing claims); rent for office space and office expenses; professional fees paid for legal, accounting, and consultant services; and travel and conference expenditures. (See Exhibit C for a breakdown of Administrative Expenses.)

In 2006, about \$81.2 million (6.6 percent) of total revenue was spent on administering the funds as compared to \$80.1 million (7.49 percent) in 2005. The largest single component—salaries for administrative and clerical staff—totaling \$33.6 million—represented 41.44 percent of total administrative expenses in 2006. Other major administrative expenses included \$7.5 million for rent, \$10 million for office expenses, \$580,217 for insurance retention charges, \$7.1 million for investment and custodial services, \$13.8 million for consultant services, and \$3.3 million for legal, accounting, and auditing services.

Funds provide benefits on an insured or self-insured basis. Whether a fund is insured or self-insured affects the level of its reported administrative expenses significantly. Self-insured funds categorize claims processing costs as administrative expenses. In contrast, insured funds include most claims processing costs as part of their insurance premiums and thus categorize them as benefit expenses. Therefore, reported administrative expenses of insured funds are generally lower than those of self-insured funds. To make insured and self-insured funds more comparable, we transferred insurance company retention charges to administrative costs wherever possible.

For comparison purposes, we categorized the funds into the following three groups:

- insured active and retiree welfare funds (we classified a fund as insured if at least 80 percent of its benefits were provided by insurance companies rather than directly by the fund),
- self-insured active and retiree welfare funds, and
- annuity funds.

Current City contracts do not specify what portion of the funds' total revenue may be reasonably spent on administrative expenses. In the absence of such guidelines, we calculated the average for each fund category (based on funds of similar size), thus enabling us to isolate those funds whose administrative expenses deviated significantly from the averages. Tables III and IV indicate, by category, the average amount and percentages of total revenue expended by the 90 funds on administrative costs and the range of such percentages in 2006.

Table III
Average Amount and Percentage of Total Revenue
Spent by 90 Funds on Administration

<u>City Revenue</u>	<u>Insured Active and Retiree Welfare Funds</u>			<u>Self-Insured Active and Retiree Welfare Funds</u>			<u>Annuity Funds</u>		
	<u>Number^(A)</u>	<u>Amount</u>	<u>Percent</u>	<u>Number</u>	<u>Amount</u>	<u>Percent</u>	<u>Number</u>	<u>Amount</u>	<u>Percent</u>
Less than \$100,000	(1)	\$ 4,047	5.84%	(1)	\$ 19,152	26.37%	(2)	\$ 14,040	10.91%
\$100,000 to \$300,000	(3)	30,933	13.04	(7)	30,215	12.74	(0)	N/A	N/A
\$300,000 to \$1 million	(2)	105,685	18.12	(6)	113,996	15.72	(3)	125,556	7.36
\$1 million to \$3 million	(0)	N/A	N/A	(15)	175,552	9.11	(5)	146,551	4.62
\$3 million to \$10 million	(0)	N/A	N/A	(15)	641,130	8.62	(12)	563,511	4.11
\$10 million to \$20 million	(0)	N/A	N/A	(9)	1,031,632	6.76	(2)	708,313	2.75
More than \$20 million	(0)	N/A	N/A	(7)	7,015,628	6.96	(0)	N/A	N/A
Overall Average 2006	(6)	\$ 51,369	15.83%	(60)	\$1,192,649	7.23%	(24)	\$388,177	3.93%
Overall Average 2005	(9)	\$178,621	5.74%	(64)	\$1,098,609	8.09%	(24)	\$342,242	4.75%

N/A – Not Applicable

(A) Figures in parenthesis represent the number of funds in each category.

Table IV
Ranges of Percentages of Total Revenue
Spent by 90 Funds on Administration

<u>City Revenue</u>	<u>Insured Active and Retiree Welfare Funds</u>	<u>Self-Insured Active and Retiree Welfare Funds</u>	<u>Annuity Funds</u>
Less than \$100,000	5.84%	26.37%	0.00%* to 15.25%
\$100,000 to \$300,000	2.33 to 19.26	2.94 to 25.81	N/A
\$300,000 to \$1 million	16.89 to 20.54	10.99 to 29.22	4.65 to 9.66
\$1 million to \$3 million	N/A	5.14 to 25.85	3.57 to 8.53
\$3 million to \$10 million	N/A	4.63 to 16.97	0.44 to 15.16
\$10 million to \$20 million	N/A	3.51 to 15.22	2.65 to 2.86
<u>More than \$20 million</u>	<u>N/A</u>	<u>2.04 to 9.62</u>	<u>N/A</u>
Overall Average 2006	15.83%	7.23%	3.93%
Overall Average 2005	5.74%	8.09%	4.75%

N/A – Not Applicable

* One fund's administrative costs were paid by either the welfare fund or the union.

High Percentage of Revenue Spent on Administration

Tables V and VI list selected insured and self-insured active and retiree welfare funds with significantly higher percentages of revenue spent on administration than their respective category averages for 2006.

Table V
Insured Active and Retiree Welfare Funds with
High Administrative Expense-to-Revenue Ratios

<u>Fund Name</u>	<u>Category Average</u>	<u>Fund</u>	<u>Percentage Deviation From Category Average</u>
<u>\$100,000 to \$300,000</u>			
Local 14A-14B IUOE WF/RWF*	13.04%	18.05%	38.42%
Local 333 United Marine Division RWF	13.04%	19.26%	47.70%

* This fund also incurred higher than average administrative costs in 2005.

Table VI
Self-Insured Active and Retiree Welfare Funds
With High Administrative Cost-to-Revenue Ratios

<u>Fund Name</u>	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation From Category Average</u>
<u>Under \$100,000</u>			
Local 306 Municipal Employees WF	26.37	26.37	N/A
<u>\$100,000 to \$300,000</u>			
Local 832 Teamsters RWF*	12.74	25.81	102.59
Fire Alarm Dispatchers Benevolent Assoc. WF	12.74	21.59	69.47
<u>\$300,000 to \$1 million</u>			
Doctors Council RWF*	15.72	29.22	85.88
<u>\$1 million to \$3 million</u>			
Doctors Council WF*	9.11	25.85	183.75
<u>\$3 million to \$10 million</u>			
House Staff Committee of Interns & Residents WF*	8.62	16.97	96.87
Local 1180 CWA Municipal Management RWF*	8.62	15.95	85.03
Local 1182 CWA Security Benefit Fund WF/RWF*	8.62	14.10	63.57
<u>\$10 Million to \$20 Million</u>			
Local 1180 CWA Municipal Management WF*	6.76	15.22	125.15
Local 237 Teamsters RWF*	6.76	11.20	65.68
<u>Over \$20 Million</u>			
Local 371 Social Service Employees WF*	6.96	9.62	38.22

*These funds also incurred higher-than-average administrative costs in 2005.

Without full audits of the individual funds, it is impossible to determine why these funds' administrative costs exceeded their category averages.

Table VII shows certain funds that have increased the percentage of their revenues spent on administration.

Table VII
High Percentage Increase of Revenue
Spent on Administration

<u>Fund Name</u>	<u>Administrative</u> <u>Expense Percentages</u>		<u>Percentage</u> <u>Increase</u>
	<u>2005</u>	<u>2006</u>	
Local 891 School Custodian & Custodian Engineers WF/RWF	5.59%	11.20%	100.36%
Local 333 United Marine Division RWF	12.10	19.26	59.17
Local 333 United Marine Division WF*	14.07	20.54	45.98
Doctors Council RWF	20.60	29.22	41.84
Local 832 Teamsters WF	13.77	18.66	35.51
Local 306 Municipal Employee WF	19.56	26.37	34.82
Doctors Council WF	19.88	25.85	30.03
Local 832 Teamsters RWF	19.93	25.81	29.50
Fire Alarm Dispatchers Benevolent Association WF	16.83	21.59	28.28

Without full audits of the individual funds, it is impossible to determine why these funds' administrative costs increased in 2006.

**Low Percentages of Revenue
Spent on Administration**

Tables VIII and IX show selected insured and self-insured active and retiree welfare funds operating with substantially lower-than-average percentages of revenue spent on administration than their respective category averages for 2006.

Table VIII
Insured Active and Retiree Welfare Funds
With Low Administrative Cost-to-Revenue Ratios

<u>Fund Name</u>	<u>Administrative Expense Percentages</u>		
	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation From Category Average</u>
<u>Less than \$100,000</u>			
NYC Deputy Sheriffs Association RWF	5.84%	5.84%	N/A
<u>\$100,000 to \$300,000</u>			
NYC Deputy Sheriffs Association WF*	13.04	2.33	(82.13%)

*This fund also had lower than average administrative costs in 2005.

Table IX
Self-Insured Active and Retiree Welfare Funds
With Low Administrative Cost-to-Revenue Ratios

<u>Fund Name</u>	<u>Administrative Expense Percentages</u>		
	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation From Category Average</u>
<u>\$100,000 to \$300,000</u>			
Local No. 5 Municipal Employees Benefit Trust Fund	12.74%	2.94%	(76.92%)

District No. 1 MEBA Benefit Fund Trust WF/AF*	12.74	4.57	(64.13)
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\$1 million to \$3 million

Local 444 Sanitation Officers WF*	9.11	5.14	(43.58)
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Correction Captains Association RWF*	9.11	5.64	(38.09)
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\$3 million to \$10 million

Local 854 Uniformed Fire Officers Association RWF	8.62	4.63	(46.29)
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Detectives Endowment Association WF*	8.62	4.79	(44.43)
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New York City Retirees WF	8.62	4.82	(44.08)
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\$10 million to \$20 million

Local 831 Uniformed Sanitationmen's Association RWF*	6.76	3.51	(48.08)
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Local 94 Uniformed Firefighters Assoc. RWF*	6.76	3.72	(44.97)
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Detectives Endowment Association RWF*	6.76	3.86	(42.90)
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Over \$20 million

Professional Staff Congress CUNY WF/RWF	6.96	2.04	(70.69)
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*These funds also had lower than average administrative costs in 2005.

These results may indicate that some funds operate in a significantly less costly manner than others.

**Funds With Improved Administrative
Expense-to-Revenue Ratios**

Table X lists 10 funds that significantly reduced the percentage of their revenues spent on administration. These funds reduced their administrative expense percentages between 23.07 and 88.23 percent. There may be several reasons why administrative expenses decrease significantly from one year to the next. For example, funds may contract with less costly providers (e.g., accountants, attorneys, and consultants), or trustees may change the basis of expense allocations between the union and the fund. However, without full audits of the individual funds, it is impossible to determine how these funds reduced their administrative expenses.

Table X
**Funds with Lower Percentages of Revenue
Spent on Administrative Expenses**

<u>Fund Name</u>	<u>Administrative Expense Percentages*</u>		<u>Percentage Decrease</u>
	<u>2005</u>	<u>2006</u>	
Local No. 5 Municipal Employees Benefit Trust Fund	24.97%	2.94%	(88.23%)
Professional Staff Congress CUNY WF/RWF	4.89	2.04	(58.28)
NYC Deputy Sheriffs Association RWF	11.98	5.84	(51.25)
Local 858 IBT, (OTB) Branch Office Managers WF	24.02	13.92	(42.05)
NYC Municipal Plumbers & Pipefitters WF	14.63	8.59	(41.29)
District No. 1 MEBA Benefit Fund Trust WF/AF	7.20	4.57	(36.53)
Local 3 IBEW City Employees Welfare Fund	24.67	16.68	(32.39)
Local 14A-14B IUOE WF/RWF	25.77	18.05	(29.96)
Local 854 Uniformed Fire Officers Association RWF	6.57	4.63	(29.53)
Local 211 Allied Building Inspections WF	7.76	5.97	(23.07)

*Our analysis of the administrative expenses as reported on the financial statements is uniformly evaluated for the purpose of our report. At times we may be required to reclassify specific expenses (i.e., insurance retention) to ensure that all funds are evaluated uniformly.

Annuity Funds: Administrative Expenses

In addition to contributing to the active and retiree welfare funds, the City contributes to annuity funds for uniformed employees and other specific workers on active duty. Upon termination from City service, covered employees receive lump sum distributions based on the value of their accounts. These distributions can include City contributions plus interest and dividends, investment appreciation (depreciation), or other income.

Annuity funds differ from active and retiree welfare funds in that they derive a significant portion of their total revenue from investment income and generally provide only one type of benefit. The percentage of revenue that annuity funds spend on benefits and administration is not comparable to the percentages spent by active and retiree welfare funds. Therefore, we computed category averages for the 24 annuity funds covered in this report separately from those amounts calculated for active and retiree welfare funds. Table XI below highlights seven of the 24 annuity funds with high administrative cost-to-revenue ratios. One fund (NYC Deputy Sheriff’s Association Annuity Fund) was not included in the table since its administrative costs were paid by either the welfare fund or the union.

Table XI
Annuity Funds with High Administrative Cost-to-Revenue Ratios

<u>Fund Name</u>	<u>Administrative Expense Percentages</u>		
	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation From Category Average</u>
District Council 37*	4.11%	15.16%	268.86%
Correction Officers' Benevolent Association*	4.11	8.15	98.30
Local 15, 15A, 15C (IUOE) Operating Municipal Engineers*	4.62	8.53	84.63
Local 94 Uniformed Firefighters Association	4.11	5.98	45.50
Superior Officers Council (Police)*	4.11	5.87	42.82
Local 333 United Marine Division*	10.91	15.25	39.78
Local 3 NYC Communications Electricians	7.36	9.66	31.25

*These funds also incurred significantly higher-than average administrative costs in 2005.

Reducing administrative expenses would increase the members’ equity and result in larger annuity payments to members.

Administrative Expenses vs. Total Expenses

Administrative expenses are directly related to benefit expenses and volume (i.e., the more claims processed, the greater the expense for salaries, stationery, printing, etc.).

Table XII illustrates the category average percentages of administrative expenses to total expenses and restates the category average percentages of administrative expenses to total revenue (from page 15):

Table XII
Administrative Expenses as a Percentage of
Total Revenue and Total Expenses

<u>Revenue Category</u>	<u>Administrative as a Percentage of</u>			
	<u>Insured Active and Retiree Welfare Funds</u>		<u>Self-Insured Active and Retiree Welfare Funds</u>	
	<u>Total Expenses</u>	<u>Total Revenue</u>	<u>Total Expenses</u>	<u>Total Revenue</u>
Less than \$100,000	8.38%	5.84%	20.10%	26.37%
\$100,000 to \$300,000	17.89	13.04	14.63	12.74
\$300,000 to \$1 million	25.43	18.12	18.79	15.72
\$1 million to \$3 million	N/A	N/A	11.03	9.11
\$3 million to \$10 million	N/A	N/A	8.89	8.62
\$10 million to \$20 million	N/A	N/A	7.11	6.76
More than \$20 million	<u>N/A</u>	<u>N/A</u>	<u>7.42</u>	<u>6.96</u>
Overall Average	<u>22.04%</u>	<u>15.83%</u>	<u>7.70%</u>	<u>7.23%</u>

N/A- Not Applicable

EXPENDITURES FOR BENEFITS

The City has not established guidelines on the percentage of annual revenue that should be spent on benefits. In the absence of such guidelines, we calculated category averages for the funds listed below in Table XIII to illustrate by category the average amount and percentages of total revenue expended by funds on benefits. Wherever funds insured some or all of their benefits, we reduced the total premiums by the retention charges (overhead costs involved in doing business, i.e., costs associated with processing claims) to calculate net benefit expenses.

Table XIII
Percentage of Total Revenue Spent on Benefits, by Fund Category

<u>Total Revenue</u>	<u>Insured Active and Retiree Welfare Funds</u>	<u>Self-Insured Active and Retiree Welfare Funds</u>
Less than \$100,000	63.83%	104.81%
\$100,000 - \$300,000	59.86	74.37
\$300,000 - \$1 million	53.14	67.94
\$1 million - \$3 million	N/A	73.48
\$3 million - \$10 million	N/A	88.32
\$10 million - \$20 million	N/A	88.33
More than \$20 million	N/A	86.77
Overall Average (Not Weighted)	<u>55.97%</u>	<u>86.67%</u>

N/A – Not Applicable

Although these percentages do not indicate the quality of benefits provided, they do provide a benchmark for comparison and further study. (Exhibit D at the end of this report indicates the amounts expended and the types of benefits provided by the funds.)

Some funds spent more than their category average for benefits; others spent less. Table XIV (on the next page) lists selected funds whose benefit expenses significantly exceeded the respective category averages. However, when a fund's expenses exceed the category average, it does not necessarily represent a problem. For example, Doctor's Council WF exceeded the category average but still had sufficient reserves to ensure its continued financial stability.

On the other hand, Superior Officers Council (Police) RWF exceeded the category average but does not have sufficient reserves to ensure its continued financial stability. Fund officials need to immediately examine the relationship of benefit expenditures to total revenues to ensure the funds achieve a proper balance.

Table XIV
Self-Insured and Insured Active and Retiree Welfare Funds
With High Benefit-to-Revenue Ratios

<u>Fund Name</u>	<u>Benefits as a Percentage of Total Revenue</u>		
	<u>Average</u>	<u>Actual</u>	<u>Percentage Deviation From Category Average</u>
Doctors Council WF	73.48%	118.00%	60.59%
Local 832 Teamsters RWF*	74.37	116.87	57.15
Local 854 Uniformed Fire Officers Association RWF*	88.32	104.85	18.72
Patrolmen's Benevolent Association RWF	86.77	100.74	16.10
Superior Officers Council (Police) RWF*	88.32	101.42	14.83
Local 306 Municipal Employee WF	104.81	104.81	N/A

N/A – Not Applicable

*These funds also spent more than the category average in 2005.

In contrast, several funds spent less than the category averages for benefits, as shown in Table XV.

Table XV
Self-Insured and Insured Active and Retiree Welfare Funds
With Low Benefit-to-Revenue Ratios

<u>Fund Name</u>	<u>Benefits as a Percentage of Total Revenue</u>		
	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation From Category Average</u>
Professional Staff Congress CUNY WF/RWF	86.77%	45.98%	(47.01%)
Local No. 5 Municipal Employees Benefit Trust Fund	74.37	45.64	(38.63)
Local 832 Teamsters WF*	67.94	42.71	(37.14)
Local 15, 15A, 15C, Operating Engineers WF/RWF*	53.14	35.95	(32.35)
Local 3 IBEW Electricians WF*	73.48	55.92	(23.90)
Local 211 Allied Building Inspectors WF	73.48	56.24	(23.46)
Local 14A-14B IUOE WF/RWF*	59.86	46.12	(22.95)
Local 444 Sanitation Officers RWF	88.32	68.21	(22.77)
Organization of Staff Analysts WF	88.32	69.16	(21.69)

*These funds also spent less than the category average in 2005.

The benefit expenses for the six funds listed in Table XVI exceeded total revenue, causing the funds to dip into their reserves. The use of reserves for benefits may indicate that the benefits provided were not evaluated in relation to the resources available to the funds.

Table XVI
Self-Insured and Insured Active and Retiree Welfare Funds
With Benefit Expenses That Exceeded Their Revenue

<u>Fund Name</u>	<u>Total Revenue</u>	<u>Benefit Expense</u>	<u>Percentage of Revenue Spent on Benefits</u>	<u>2005 - 2006 Percentage Decrease in Reserve</u>	<u>Ending Fund Balance 2006</u>
<u>Under \$100,000</u>					
Local 306 Municipal Employees WF**	\$ 72,637	\$ 76,133	104.81%	(10.13%)	\$ 201,020
<u>\$100,000 to \$300,000</u>					
Local 832 Teamsters RWF*	160,993	188,157	116.87	107.37	7,454
<u>\$1 Million to \$3 Million</u>					
Doctors Council WF**	1,154,725	1,362,526	118.00	(13.09)	3,362,691
<u>\$3 Million to \$10 Million</u>					
Local 854 Uniformed Fire Officers Association RWF**	7,812,420	8,191,430	104.85	(11.92)	3,575,447
Superior Officers Council (Police) RWF	7,040,531	7,140,184	101.42	(480.22)	(641,952)
<u>Over \$20 Million</u>					
Patrolmen's Benevolent Association RWF	36,985,347	37,259,070	100.74	(9.75)	26,273,020

* Although this fund's benefit expense exceeded its 2006 revenue, the fund received a retroactive contribution from the City to cover its large benefit expense.

** These funds also had high reserves (fund balances) in relation to annual revenue (see Table XIX), so the benefit spending in excess of revenue is not a major concern.

Fund trustees should carefully examine the relationship of benefit expenditures to revenues. If a fund overspends on benefits, it may use up necessary reserves. If a fund underspends on benefits, it may provide insufficient benefits for its members while building unnecessary reserves. The funds should achieve a proper balance.

RESERVE LEVELS

Reserves held by the funds provide a cushion if claims for benefits exceed revenues in any particular year. Reserves accumulate when fund revenues exceed fund expenses. (See Exhibit B.) These amounts are separate and distinct from any amounts held by insurance carriers. Table XVII shows the reserve averages for each fund category.

Table XVII
Average Amount of Reserves and Percentage of
Reserves to Annual Revenue by Category

<u>Total Revenue</u>	<u>Insured Active and</u>		<u>Self-Insured Active and</u>	
	<u>Retiree Welfare Funds</u> <u>Amount</u>	<u>Percent</u>	<u>Retiree Welfare Funds</u> <u>Amount</u>	<u>Percent</u>
Less than \$100,000	\$ 133,510	192.61%	\$ 201,020	276.75%
\$100,000 - \$300,000	664,132	279.97	592,463	249.92
\$300,000 - \$1 million	2,965,558	508.49	1,305,333	179.96
\$1 million - \$3 million	N/A	N/A	2,935,041	152.35
\$3 million - \$10 million	N/A	N/A	10,306,563	138.57
\$10 million - \$20 million	N/A	N/A	13,863,142	90.79
More than \$20 million	N/A	N/A	65,696,979	65.13
Overall Average	\$1,342,837	413.73%	\$13,257,545	80.35%

N/A – Not Applicable

Using 100 percent of total annual revenue as a reasonable level for reserves for insured active and retiree welfare funds, we identified four funds with excess reserves. (See Exhibit B.) The four funds listed in Table XVIII have reserves in excess of 100 percent of revenue.

Table XVIII
Insured Active and Retiree Welfare Funds
Reserves in Excess of 100 Percent of Revenue

<u>Fund Name</u>	<u>Fund Reserves</u>	<u>Percentage of Reserves to Total Revenue</u>
Local 15, 15A, 15C Operating Engineers WF/RWF*	\$5,593,763	722.77%
Local 14A-14B IUOE WF/RWF*	822,249	571.10
NYC Deputy Sheriffs Association RWF*	133,510	192.61
Local 333 United Marine Division RWF	1,035,713	327.19

*These funds were also identified as having more than 100 percent of reserves to total revenue in 2005.

Using 200 percent of total annual revenue as a reasonable level for reserves for self-insured funds, we identified 16 funds, listed in Table XIX, that had reserves in excess of this amount.

Table XIX
Self-Insured Active and Retiree Welfare Funds
Reserves in Excess of 200 Percent of Revenue

<u>Fund Name</u>	<u>Fund Reserves</u>	<u>Percentage of Reserves to Total Revenue</u>
NYC Municipal Steamfitters & Steamfitter Helpers WF*	\$ 1,564,786	478.51%
NYC Municipal Steamfitters & Steamfitter Helpers RWF*	740,139	426.01
District No. 1 MEBA Beneficial Fund Trust WF/AF*	749,650	322.68
Doctors Council RWF*	1,677,105	299.90
Doctors Council WF*	3,362,691	291.21
Local 306 Municipal Employees WF*	201,020	276.75
NYC Municipal Plumbers & Pipefitters WF*	3,451,805	256.18
Local 1180 CWA Municipal Management RWF*	26,998,692	225.10
Local 3 IBEW Electricians WF*	5,329,611	254.53
Local 3 IBEW City Employees WF*	854,434	242.27
1199 SEIU Licensed Practical Nurses WF	4,770,156	239.82
Local 211 Allied Building Inspectors WF*	5,679,453	232.71
Local 444 Sanitation Officers RWF*	9,962,049	228.48
Detectives Endowment Association WF*	22,901,917	226.87
Local 854 Uniformed Fire Officers Association WF*	9,054,276	219.31
Local 3 IBEW Electricians RWF	1,850,782	204.25

*These funds were also identified as having more than 200 percent of reserves to total revenue in 2005.

OPERATING DEFICITS

In 2006, 18 of the 66 active and retiree welfare funds in our analysis incurred operating deficits totaling \$16.4 million, as shown in Table XX. The deficits ranged from \$7,569 to approximately \$6.4 million. One fund, Superior Officers Council (Police) RWF depleted its reserve and became insolvent as of June 30, 2006. We question the ability of Superior Officers Council (Police) RWF to continue to operate and to provide benefits to its members.

Table XX
Funds with Operating Deficits and Declining Reserves

<u>FUND NAME</u>	2006 Operating Deficit	2006 Reserves	2005 Reserves	2005-2006 Percentage Decrease in Reserves
DC 37 WF*	\$6,378,665	\$133,118,362	\$139,497,027	(4.57%)
Patrolmen's Benevolent Association RWF*	2,837,709	26,273,020	29,110,729	(9.75)
Local 237 Teamsters WF*	2,057,876	69,046,558	71,138,141	(2.94)
Local 1180 CWA Municipal Management RWF*	1,154,416	26,998,692	28,465,370	(5.15)
Local 854 Uniformed Fire Officers Association RWF*	740,772	3,575,447	4,059,212	(11.92)
Correction Officers' Benevolent Association WF	627,066	11,322,517	11,262,995	0.53**
Local 237 Teamsters RWF*	626,078	8,098,942	8,711,926	(7.04)
Superior Officers Council (Police) RWF*	506,474	(641,952)	168,835	(480.22)
Doctors Council WF*	506,308	3,362,691	3,868,999	(13.09)
Superior Officers Council (Police) WF	233,985	5,380,707	5,676,099	(5.20)
Local 1 Council of Supervisors & Admin. RWF	230,017	12,508,326	14,673,712	(14.76)
Local 1 Council of Supervisors & Admin. WF	186,701	13,115,049	11,910,524	10.11**
Doctors Council RWF*	100,451	1,677,105	1,777,556	(5.65)
Local 832 Teamsters RWF*	68,720	7,454	(101,161)	107.37***
Local 3 IBEW City Employees WF*	49,336	854,434	903,770	(5.46)
Local 333 United Marine Division WF*	29,739	337,352	366,106	(7.85)
Local 306 Municipal Employees WF*	22,648	201,020	223,668	(10.13)
Local 1182 CWA Security Benefit Fund RWF/WF	<u>7,569</u>	<u>2,896,478</u>	<u>2,987,898</u>	<u>(3.06)</u>
 Total	 <u>\$16,364,530</u>	 <u>\$318,132,202</u>	 <u>\$334,701,406</u>	 <u>(4.95%)</u>

* These funds also incurred operating deficits and declining reserves in 2005.

** Although these funds incurred operating deficits in 2006, their fund reserves increased due to an adjustment to their benefit obligation.

*** Although this fund had a operating deficit in 2006, the fund received a retroactive contribution from the City to cover its operating deficit.

We identified insured and self-insured welfare funds that are either insolvent or are approaching low levels of reserves. In identifying these funds, we considered the dollar amount of reserves, the ratio of reserves to the funds' total annual revenue, whether the funds are insured or self-insured, and recent years' operating results. Table XXI highlights funds that, provided that the current trend of using reserves for operations continues, may have current as well as future solvency problems.

Table XXI
Funds with Low Reserve Levels

<u>Fund Name</u>	<u>Excess of Revenue Over Expenses</u>	<u>Fund Reserves</u>	<u>Percentage of Reserves to Total Revenue</u>	<u>Category Average for Percentage of Reserves to Total Revenue</u>	<u>Percentage Deviation from Category Average</u>
Local 832 Teamsters RWF*	(\$ 68,720)	\$7,454	4.63%	249.92%	(98.15 %)
Civil Service Bar Association WF	143,159	970,235	62.43	152.35	(59.02)
Superior Officers Council (Police) RWF*	(506,474)	(641,952)	(9.12)	138.57	(106.58)
Local 831 Uniformed Sanitationmen's Association RWF*	34,780	3,509,185	27.98	90.79	(69.18)
Local 94 Uniformed Firefighters Association RWF*	1,652,041	7,726,971	43.54	90.79	(52.04)
Local 237 Teamsters RWF	(626,078)	8,098,942	59.46	90.79	(34.51)
DC 37 WF	(6,378,665)	133,118,362	54.94	65.13	(15.65)
Local 371 Social Service Employees WF*	2,202,798	4,135,555	14.84	65.13	(77.21)
NYC Deputy Sheriffs Association WF*	76,154	134,433	53.53	279.97	(80.88)
Local 333 United Marine Division WF	(29,739)	337,352	85.95	508.49	(83.10)
Fire Alarm Dispatchers Benevolent Association WF	34,739	388,330	124.10	249.92	(50.34)
Local No. 5 Municipal Employees Benefit Trust Fund*	75,429	151,019	102.94	249.92	(58.81)
Local 300 Civil Service Forum RWF	152,857	716,501	82.01	179.96	(54.43)
Local 854 Uniformed Fire Officers Association RWF	(740,772)	3,575,447	45.77	138.57	(66.97)

*Indicates those funds whose expenses exceeded revenue in 2005.

High reserve levels may indicate that funds do not spend enough of their total annual revenue on benefits; low reserve levels may point to excessive amounts of revenue spent on benefits and administrative expenses.

ANALYSIS OF TOTAL REVENUE

In 2006, the 66 active and retiree welfare funds in our survey had revenue totaling \$992

million. Expenses for these funds totaled \$931 million—\$71.9 million for fund administration and \$859.1 million for benefits to members. The \$61 million surplus (revenues over expenses) increased the funds' reserves.

In previous sections, we analyzed funds' use of their total revenues. Table XXII lists funds that, compared to category averages, have high administrative costs and/or low benefit costs.

TABLE XXII
Insured and Self-Insured Active and Retiree Welfare Funds
With High Administrative Expenses
And/or Low Benefit Costs

<u>Fund Name</u>	<u>Total Revenue</u>	<u>Percentage of Administrative Expenses to Total Revenue Category Average</u>	<u>Percentage of Fund Actual</u>	<u>Percentage of Benefit Expenses to Total Revenue Category Average</u>	<u>Fund Actual</u>
Local 15, 15A, 15C Operating Engineers WF/RWF*	\$ 773,996	18.12%	16.89%	53.14%	35.95%
Local 14A-14B IUOE WF/RWF*	143,977	13.04	18.05	59.86	46.12
Local 832 Teamsters WF*	843,265	15.72	18.66	67.94	42.71
Local 3 IBEW Electricians WF*	2,093,899	9.11	9.48	73.48	55.92
House Staff Committee of Interns & Residents WF*	4,399,792	8.62	16.97	88.32	73.27
Local 1180 CWA Municipal Management WF	17,052,529	6.76	15.22	88.33	77.42
Fire Alarm Dispatchers Benevolent Association WF	312,929	12.74	21.59	74.37	67.31
Local No. 5 Municipal Employees Benefit Trust Fund	146,709	12.74	2.94	74.37	45.64
Professional Staff Congress CUNY WF/RWF	61,925,817	6.96	2.04	86.77	45.98
Local 211 Allied Building Inspectors WF	2,440,553	9.11	5.97	73.48	56.24
Doctors Council WF	1,154,725	9.11	25.85	73.48	118.00

* Indicates those funds having high administrative costs and/or low expenditures for benefits in 2005.

The basic objective of a welfare fund is to provide benefits to members. This can be better achieved by keeping administrative costs to a minimum. Funds that accumulate excessive reserves or expend large amounts for administration at the expense of members' benefits do not achieve their basic objective. Therefore, the trustees of these funds should evaluate how they expend total revenue.

Certain Funds Should Address Financial and Operating Issues to Ensure Maximum Use of Revenue and Continued Financial Stability

In summary, we identified certain financial issues that in our opinion should be addressed by the fund management, specifically:

- The expenses of certain funds exceeded their revenues, resulting in operating deficits. Operating deficits could deplete fund reserves, which could ultimately lead to insolvency.
- Certain funds spent a large percentage of their revenue on administrative expenses. Reducing administrative expenses would provide funds to increase benefits for members.
- Certain funds had large operating surpluses resulting in high reserves. Excess reserves may indicate that funds should increase members' benefits.

Fund managers have a fiduciary responsibility to provide optimum benefits to members while keeping administrative costs to a minimum. A fund that accumulates excessive reserves or expends large amounts for administrative costs is not achieving its basic goal of providing optimum benefits to members while achieving financial stability. Accordingly, the trustees of the funds listed in Table XXIII should evaluate how fund resources could be better used.

Specifically, Table XXIII lists those funds with potential financial issues (as indicated in the shaded areas of the table) that, in our opinion, should be addressed.

Table XXIII
Funds with Potential Financial Problems
(Problem Areas Highlighted)

FUNDS	TOTAL REVENUE	OVERALL EXPENSES	SURPLUS OR OPERATING (DEFICIT)	ADMINISTRATIVE EXPENSE		BENEFITS EXPENSE		FUND BALANCE			RISK OF INSOLVENCY (SEE LEGEND)
				Total	% of Rev.	Total	% Of Rev.	Total	% Of Rev.	Balance/ Deficit*	
Superior Officers Council (Police) RWF	\$ 7,040,531	\$ 7,547,005	\$ (506,474)	\$ 406,821	5.78%	\$7,140,184	101.42%	\$(641,952)	I	I	I
Local 832 Teamsters RWF	160,993	229,713	(68,720)	41,556	25.81	188,157	116.87	7,454	4.63	10.85	P
Local 306 Municipal Employees WF	72,637	95,285	(22,648)	19,152	26.37	76,133	104.81	201,020	276.75	887.58	LT
Local 854 Uniformed Fire Officers Association RWF	7,812,420	8,553,192	(740,772)	361,762	4.63	8,191,430	104.85	3,575,447	45.77	482.66	LT
Local 333 United Marine Division WF	392,488	422,227	(29,739)	80,634	20.54	341,593	87.03	337,352	85.95	1,134.38	LT
Local 333 United Marine Division RWF	316,550	251,405	65,145	60,972	19.26	190,433	60.16	1,035,713	327.19	-	N
Local 371 Social Service Employee WF	27,863,066	25,660,268	2,202,798	2,680,720	9.62	22,979,548	82.47	4,135,555	14.84	-	N
Local 832 Teamsters WF	843,265	517,563	325,702	157,371	18.66	360,192	42.71	1,590,933	188.66	-	N
Local 14A-14B IUOE WF/RWF	143,977	92,386	51,591	25,982	18.05	66,404	46.12	822,249	571.10	-	N
Local 15, 15A, 15C Operating Engineers WF/RWF	773,936	408,945	364,991	130,736	16.89	278,209	35.95	5,593,763	722.77	-	N

Legend

I - Insolvent

N - Currently not at Risk of Insolvency

P - Possible Risk of Insolvency in less than 1 year

ST - Short-term Risk of Insolvency within 1 - 2 years

MT - Mid-term Risk of Insolvency between 2- 3 years

LT - Long-term Risk of Insolvency greater than 3 years

*A ratio estimating the number of years that a fund can operate before being "in the red" if all factors remain constant. For example, number "101%" would indicate the fund has approximately one year before becoming insolvent.

EXCEPTIONS ON FUND OPERATIONS

Certified public accountants hired by the benefit funds issue opinions on financial statements prepared by the funds and issue management letters commenting on management practices and internal control systems of the funds, in accordance with Comptroller's Directive #12. Some management letters noted various exceptions to fund operations. Based on our review of the funds' financial statements, the opinions and management letters submitted by the CPAs, and the booklets distributed by the funds describing their benefits, we found that a number of funds did not comply with certain aspects of Directive #12 and their agreements with the City.

Eligibility Delay

The intent of the standard benefit fund agreements between the City and the unions is that welfare fund benefits be available during each member's entire period of employment with the City.

Specifically, the standard fund agreements between the City and the unions state:

"The Union agrees to provide from the Fund for each Covered Employee the supplementary benefits described in the schedule annexed to this Agreement marked as Appendix 'C', for the period of employment with the City of each such Covered Employee during the term of this Agreement, whether or not any payment or payments made to the Union pursuant to the formula prescribed in section 2(c) of this Agreement actually included the full sum prescribed by Appendix 'B' on account of such Employee during the twenty-eight (28) day cycle for which such payment or payments are made."

Thus, the funds should make their members eligible for benefits, beginning on their first day of employment with the City. However, a review of benefit booklets distributed by some funds and telephone confirmations with fund officials revealed that two funds (Local 237 Teamsters' Welfare Fund and District Council 9 Painting Industry Welfare Fund) delay eligibility for their members for a maximum of 30 days and 90 days, respectively.² Thus, these funds are delaying the eligibility of their members for benefits. Consequently, members or their dependents who may be in need of benefits during the fund waiting periods are precluded from obtaining such benefits.

In separate letters dated May 11, 2007, and October 2, 2007, OLR denied Local 1969 welfare fund's (District Council 9 Painting Industry Welfare Fund) request to further negotiate "first day" welfare fund coverage. OLR responded that Local 1969's current eligibility rules were not in compliance with the Welfare Fund Agreement signed by the parties or consistent with the findings of prior Comptroller's Benefit Fund Reports and that the fund must therefore provide welfare fund coverage effective on a member's first day of employment.

We commend OLR for taking action and recommend that it closely monitor whether

² Our analysis focused on the delay to new employees enrolled in welfare benefit funds (active) since the members of retiree funds and annuity funds qualify to receive benefits once they leave active service.

these funds provide benefits on the first day a member begins City employment. If a fund does not do so, OLR should take appropriate action, such as delaying the contributions made by the City to the fund and recoup past contributions for the periods when City employees were not covered for benefits.

CPA Opinions

Certified public accountants audit and render opinions on the funds’ financial statements. The fund agreements between the City and the unions require the preparation of each fund’s financial statements on the accrual basis of accounting and in conformity with GAAP. CPAs may render one of the following opinions:

<u>Opinion</u>	<u>Description</u>
Unqualified	Financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the entity in conformity with generally accepted accounting principles.
Qualified	Except for the effects of the matter(s) to which the qualification relates, the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the entity in conformity with generally accepted accounting principles.
Adverse	Financial statements do not present fairly the financial position, results of operations, or cash flows of the entity in conformity with generally accepted accounting principles.
Disclaimer	The auditor does not express an opinion on the financial statements.

Seventy-nine of the 90 funds reviewed received unqualified opinions, 10 funds received qualified opinions, and 3 funds received adverse opinions from their independent auditors. The financial statements for 12 of the 13 funds with qualified or adverse opinions were not presented in accordance with GAAP (see list below). GAAP requires that post-retirement and other benefit obligations be presented on the fund’s financial statements. Also, the CPA firm that audited the financial statements of Local 3 NYC Communications Electricians Annuity Fund indicated that it could not form an opinion on the amount of contributions available for benefits.

FUND	OPINION	COMMENTS
Local 3 NYC Communications Electricians AF	Qualified	New York City did not provide sufficient documentation that would allow a reconciliation of retroactive contributions for the periods prior to January 1, 2002; therefore, the auditors were unable to form an opinion regarding the amount of contributions available for benefits.
Local 444 Sanitation Officers RWF	Qualified	The Fund provides benefits from current income instead of accruing the liability for benefits payable on an actuarially determined basis as required by generally accepted accounting principles.
Local 444 Sanitation Officers WF	Qualified	The Fund provides benefits from current income instead of accruing the liability for benefits payable on an actuarially determined basis as required by generally accepted accounting principles.
Local 94 Uniformed Firefighter's Association RWF	Qualified	The Fund's Financial Statements do not present information regarding the Fund's Post-retirement benefit obligation as required by generally accepted accounting principles.
Assistant Deputy Wardens/ Deputy Wardens Association WF/RWF	Qualified	The Fund provides benefits from current income instead of estimating the liability for the benefits on an actuarially determined basis as required by generally accepted accounting principles.
Organization of Staff Analysts WF	Qualified	The Fund excluded post-retirement benefit obligations from their financial statements. The effects of such omission are presumed to be material.
Local 3 IBEW Electricians RWF	Qualified	The Fund excluded post-retirement benefit obligations from their financial statements. The effects of such omission are presumed to be material.
Correction Officers Benevolent Association RWF	Qualified	The Fund excluded post-retirement benefit obligations and its present value of death benefits from their financial statements. The effects of such omission are presumed to be material.
Detectives Endowment Association RWF	Qualified	The Fund excluded post-retirement benefit obligations from their financial statements. The effects of such omission are presumed to be material.
Local 1180 CWA Municipal Management RWF	Qualified	The Fund excluded post-retirement benefit obligations from their financial statements. The effects of such omission are presumed to be material.
Correction Captains Association RWF	Adverse	The Fund excluded post-retirement benefit obligations from their financial statements. The effects of such omission are presumed to be material.
Local 1182 CWA Security Benefit Fund WF/RWF	Adverse	The Fund excluded post-retirement benefit obligations from their financial statements. The effects of such omission are presumed to be material.
Local 300 Civil Service Forum RWF	Adverse	The Fund excluded post-retirement benefit and obligations from their financial statements. The effects of such omission are presumed to be material.

Funds receiving adverse or qualified opinions should take immediate action to correct these problems.

Consolidation of Professional Services

Most funds receiving City contributions enter into contracts with various professionals for services such as accounting-auditing and legal counsel. Many funds use the same professional service provider for similar services. One CPA firm, for example, Gould, Kobrick & Schlapp, provides accounting services for 13 different unions representing 35 separate funds. (Appendix D lists the funds using the same providers for similar professional services.)

Trustees of funds using the same providers for similar services may reduce their funds' administrative expenses by negotiating future contracts jointly.

Late Submission of Directive #12 Reports

In 2006, 84 of the 111 funds (75.7 percent) in our analysis did not submit their Directive #12 reports timely. Comptroller's Directive #12 requires that within nine months after the close of a fund's fiscal year, each fund's trustees must submit a report to the City Comptroller showing the fund's condition and affairs during its preceding fiscal year. Included with a fund's annual report is a financial statement, a CPA-prepared management letter commenting upon internal and management controls that were assessed during the CPA audit. Further, Directive #12 also requires that each fund comment on management matters such as investment policies, bidding practices, staff utilization, and accounting allocations. The Directive #12 reports provide a basis for a timely comparative analysis of fund operations and for the identification of deviations from the norm.

Moreover, our analysis found that one fund (Fire Alarm Dispatchers Benevolent Association WF) submitted its Directive #12 report in excess of one year after its due date—21 months after its fiscal year-end; nine funds submitted their Directive #12 reports between six and nine months after their due dates—15 to 18 months after their fiscal year-end; 32 funds submitted their Directive #12 reports between three and six months after their due dates—12 to 15 months after their fiscal year-end; and the remaining 42 funds submitted their Directive #12 reports less than three months after their due dates. Table XXIV list 10 funds that submitted their Directive #12 report in excess of six months after their due dates—18 months after their fiscal year-end.

Table XXIV
Funds That Significantly Delayed
Submitting Directive #12 Report

<u>Fund Name</u>	<u>Fiscal Year Ended</u>	<u>Directive #12 Due 9-months After the Fund's Fiscal-Year-End</u>	<u>Date Received</u>	<u>Number of Days Past Due</u>
Fire Alarm Dispatchers Benevolent Association WF	06/30/06	03/31/07	04/03/08	369 Days
Local 94 Uniformed Firefighters Assoc Retiree Welfare Fund	06/30/06	03/31/07	10/30/07	213 Days
Local 94 Uniformed Firefighters Association Welfare Fund	06/30/06	03/31/07	10/30/07	213 Days
Captains Endowment Association CLRF	12/31/06	09/30/07	04/22/08	205 Days
Municipal Plumbers and Pipefitters Welfare Fund	12/31/06	09/30/07	04/16/08	199 Days
NYC Muni Steamfitters & Steamfitter Helpers Welfare Fund	12/31/06	09/30/07	04/16/08	199 Days
NYC Muni Steamfitters & Steamfitter Helpers RWF	12/31/06	09/30/07	04/16/08	199 Days
Local 831 Uniformed Sanitationmen's Association RWF	06/30/06	03/31/07	10/16/07	199 Days
Local 831 Uniformed Sanitationmen's Association WF	06/30/06	03/31/07	10/16/07	199 Days
Local 371 Social Service Employees AF	03/31/06	12/31/06	07/09/07	190 Days

Fund trustees and administrators have a contractual responsibility to submit their Directive #12 reports on time. The information generated as a result of a Directive #12 report provides a basis for our comparative analyses of fund operations to identify deviations from the norm. The timely release of this comparative analysis allows those funds that deviate from the norm to evaluate how fund resources could be better used.

CONCLUSIONS AND RECOMMENDATIONS

Administrative and Benefit Expenses

There continues to be a variance in administrative costs as a percentage of total revenue for funds in each revenue category. Concurrently, some funds spend a significantly lower percentage of their revenue on benefits compared to other funds.

Recommendations

1. Trustees of funds with high percentages of administrative costs to total revenue and/or low percentages of benefit expenses to total revenue should reduce administrative expenses and increase benefits to members.
2. Trustees of funds using the same professional service providers for similar services should consider jointly negotiating future contracts with these providers to reduce administrative expenses through economies of scale.

Reserves

Several funds have incurred operating deficits and maintain very low levels of reserves, which may indicate potential future solvency problems. Other funds continue to maintain extremely high levels of reserves.

Recommendations

3. Trustees of the insolvent fund and funds with low reserve levels should take steps to ensure that their funds remain solvent. To accomplish this goal, funds should endeavor to reduce administrative expenses. If this is not possible or does not provide sufficient funds to ensure solvency, the trustees should attempt to reduce costs associated with benefits.
4. Trustees of funds that are incurring significant operating deficits, particularly those with low reserve levels, should ensure that anticipated benefit and administrative expenses will not exceed projected total revenue.
5. Trustees of funds with high reserve levels, particularly those whose funds spend less than average amounts of their revenue on benefits, should consider enhancing their members' benefits.

Exceptions on Fund Operations

As in previous years, we identified various funds that do not comply with all aspects of their unions' agreements with the City and with Comptroller's Directive #12.

Recommendations

6. Trustees of funds that delay members' eligibility for benefits beyond their first day of employment should revise their fund's policy to comply with their union's welfare fund agreement with the City.
7. OLR should recover the portion of City contributions from those funds that do not provide benefits to members from their first day of employment.
8. OLR should use the information in this report to ensure that the trustees of the funds cited herein correct the conditions cited in adverse or qualified opinions received from their independent accountants.
9. OLR should consider withholding City contributions from delinquent funds that failed to submit their Directive #12 to the Comptroller's office.

SURVEY OF BENEFIT FUNDS
SCHEDULE OF OFFICIAL FUND NAMES - 2006

Name of Fund Used in this Report	Official Name of Fund
Assistant Dep Wardens/Dep Wardens Assoc AF	Assistant Deputy Wardens/Deputy Wardens Association Annuity Fund
Assistant Dep Wardens/Dep Wardens WFRWF/CLRF	Assistant Deputy Wardens/Deputy Wardens Association Security Benefits Fund
Captains Endowment Assoc CLRF Fund	Captains Endowment Association - Civil Legal Representation Fund
Civil Service Bar Assoc WF	Civil Service Bar Association Security Benefits Fund
Committee of Interns and Residents Education Fund	Professional Educational Plan of the Committee of Interns and Residents
Correction Captains Assoc Annuity Fund	Correction Captains Association Annuity Fund
Correction Captains Association RWF	Correction Captains Association Security Benefits Fund - Retirees
Correction Captains Association WF/CLRF	Correction Captains Association Security Benefits Fund/ Civil Legal Representation Fund
Correction Officers' Benevolent Assoc AF	Correction Officers' Benevolent Association Annuity Fund
Correction Officers' Benevolent Assoc RWF	Correction Officers' Benevolent Association Security Benefits Fund - Retirees
Correction Officers' Benevolent Assoc WF/CLRF	Correction Officers' Benevolent Association Security Benefits Fund - Actives
DC 37 WF	District Council 37 Benefits Fund Trust/Health & Security Plan Trust/Education Fund
DC 9 Painting Industry Annuity Fund (Local 1969)	Painting Industry Annuity Fund
DC 9 Painting Industry Civil Service WFRWF (Local 1969)	Painting Industry Insurance Fund and Subsidiary
Detectives Endowment Assoc Annuity Fund	Painting Industry Insurance Fund and Subsidiary
Detectives Endowment Assoc CLRF	Detectives' Endowment Association Annuity Fund
Detectives Endowment Association RWF	Detectives' Endowment Association Civil Legal Representation Fund
Detectives Endowment Association WF	Detectives' Endowment Association Health Benefits Fund - Retirees
District Council 37 AFSCME Annuity Fund	Detectives Endowment Association Health Benefits Fund
District No. 1 MEBA Bene. Fund Trust WF/AF	District Council 37 AFSCME Annuity Fund Plan
Doctors Council RWF	MEBA City Employees' Beneficial Fund Trust
Doctors Council WF	Doctors Council Annuity Fund
Fire Alarm Dispatchers Benevolent Assoc WF	Doctors Council Retirees Welfare Fund
House Staff Comm of Interns & Residents WF/Legal	Doctors Council Welfare Fund
1199 SEIU Licensed Practical Nurses WF	Fire Alarm Dispatchers' Benevolent Association, Inc. - Welfare Fund
Local 1 Council of Supervisors & Admin. RWF	House Staff Benefits Plan of the Committee of Interns and Residents
Local 1 Council of Supervisors & Admin. WF	1199 SEIU Licensed Practical Nurses Welfare Fund
Local 1 Plumbing Industry Annuity Fund	CSA Retiree Welfare Fund
Local 1180 CWA Members Annuity Fund	CSA Welfare Fund
Local 1180 CWA Municipal Management RWF	Plumbers Local Union No. 1 Additional Security Benefit Fund
Local 1180 CWA Municipal Management WF/LEGAL/ED	Communications Workers of America Local 1180 Members' Annuity Fund
Local 1182 CWA Security Benefits Fund WFRWF/Legal	CWA Local 1180 Retirees Benefit Fund
	CWA Local 1180 Security Benefit Fund/ Legal Benefits Fund/ Education Fund
	C.W.A. Local 1182 Security Benefits Fund/ Prepaid Legal Services Benefit Fund

SURVEY OF BENEFIT FUNDS
SCHEDULE OF OFFICIAL FUND NAMES - 2006

Name of Fund Used in this Report	Official Name of Fund
Local 1199 National Ben Fund Hosp Health Care WF	1199 SEIU National Benefit Fund for Health and Human Service Employees
Local 14 - 14B IUOE WFRWF	International Union of Operating Engineers Local 14 - 14B Welfare Fund City of New York Employees
Local 15, 15A, 15C Operating Engineers WFRWF	International Union of Operating Engineers Local Union 15, 15A, 15C Municipal Employees Welfare Fund
Local 15, 15A, 15C (IUOE) Operating Muni. Engineers AF	Annuity Trust Fund for Municipal Employees of the Operating Engineers Union Local 15, 15A, 15C
Local 2 United Federation of Teachers WF	United Federation of Teachers Welfare Fund
Local 211 Allied Building Inspectors WF	Allied Building Inspectors Local Union No. 211 I.U.O.E Welfare Fund
Local 237 Teamsters Annuity Fund	Teamsters Local 237 Additional Security Benefit Fund
Local 237 Teamsters RWF	Teamsters Local 237 Retirees' Benefit Fund
Local 237 Teamsters WF	Teamsters Local 237 Welfare Fund
Local 246 SEU RWF	New York City Local 246 Retiree Welfare Fund
Local 246 SEU NYC Annuity Fund	New York City, Local 246, S.E.I.U. Annuity Fund
Local 246 SEU Welfare Fund	New York City Local 246 Welfare Fund
Local 3 IBEW City Employees Welfare Fund	City Employees Welfare Fund Local Union # 3 I.B.E.W. Annuity Plan of the Electrical Industry
Local 3 IBEW Electrical Workers Industry AF	I.B.E.W. Local 3 New York City Electrical Division Health & Welfare Fund - Retired
Local 3 IBEW Electricians RWF	I.B.E.W. Local 3 New York City Electrical Division Health & Welfare Fund - Active
Local 3 IBEW Electricians WF	I.B.E.W. Local 3 New York City Communications Electricians Annuity Plan
Local 3 NYC Communications Electricians AF	Operating Engineers Union Local 30, 30-A, 30-B AND 30-C Municipal Employees Welfare Trust Fund
Local 30 A-C Operating Municipal Engineers WFRWF	
Local 30 A-D IUOE Engineers Annuity Fund	Local 30 I.U.O.E. City Employees Annuity Fund
Local 300 SEIU Civil Service Forum Annuity Fund	Service Employees International Union, Local 300 Civil Service Forum Annuity Fund
Local 300 Civil Service Forum RWF	Local 300 S.E.I.U., AFL-CIO Civil Service Forum Retired Employees' Welfare Fund
Local 300 Civil Service Forum WF	Local 300 S.E.I.U., AFL-CIO Civil Service Forum Active Employees' Welfare Fund
Local 306 Municipal Employees WF	Local 306 Health and Welfare Fund
Local 333 United Marine Division Annuity Fund	Local 333 Beneficial Fund Annuity Plan for New York City Employees
Local 333 United Marine Division RWF	Local 333 Insurance Fund for N.Y.C. Retirees
Local 333 United Marine Division WF	Local 333 Insurance Fund for N.Y.C. Employees
Local 371 Social Service Employees AF	Social Service Employees Union Local 371 Annuity Fund
Local 371 Social Service Employees WF/Legal/EE/Admin	Social Service Employees Union Local 371 Welfare Fund/Educational/ Legal/ Administrative
Local 40 Iron Workers Annuity Fund	Iron workers Local 40 Annuity Fund
Local 40 Iron Workers Welfare Fund	Iron Workers Local 40 Health Fund

SURVEY OF BENEFIT FUNDS
SCHEDULE OF OFFICIAL FUND NAMES - 2006

<u>Name of Fund Used in this Report</u>	<u>Official Name of Fund</u>
Local 444 Sanitation Officers Annuity Fund	Local 444 Sanitation Officers' Compensation Accrual Fund
Local 444 Sanitation Officers RWF	Local 444 Sanitation Officers' Retirees Welfare Fund
Local 444 Sanitation Officers WF	Local 444 Sanitation Officers' Security Benefits Fund
Local 806 Structural Steel Painters Annuity Fund	Structural Steel Painters Retirement Fund
Local 831 Uniformed Sanitationmen's Assoc AF	Uniformed Sanitationmen's Association Compensation Accrual Fund
Local 831 Uniformed Sanitationmen's Assoc RWF	Uniformed Sanitationmen's Association Retirees' Welfare Fund
Local 831 Uniformed Sanitationmen's Assoc WF	Uniformed Sanitationmen's Association Security Benefits Fund
Local 832 Teamsters RWF	Retirees Security Benefits Fund of Local 832 I.B.T.
Local 832 Teamsters WF	Security Benefit Fund of Local 832 I.B.T.
Local 854 Uniformed Fire Officers Assoc AF	Uniformed Fire Officers Association Annuity Fund
Local 854 Uniformed Fire Officers Assoc. RWF	Uniformed Fire Officers Association Retired Fire Officers Family Protection Plan
Local 854 Uniformed Fire Officers Assoc WF	Uniformed Fire Officers Association Retired Family Protection Plan
Local 858 IBT, (OTB) Branch Office Managers WF	Local 858 I.B. of T. Branch Office Managers (O.T.B.) Welfare Fund
Local 891 School Custodian & Custodian Engineers WF/RWF	Local 891 International Union of Operating Engineers, School Custodians and School Custodian Engineers Welfare Fund
Local 891(UOE) Annuity Fund	International Union of Operating Engineers, Local 891 Annuity Fund
Local 94 Uniformed Firefighters Association AF	Compensation Accrual Fund of the Uniformed Firefighters Association AND Subsidiary
Local 94 Uniformed Firefighters Assoc RWF	Retired Firefighters Security Benefit Fund of the Uniformed Firefighters Association
Local 94 Uniformed Firefighters Association WF	Security Benefit Fund of the Uniformed Firefighters Association
Local No. 5 MNCPL Employees Benefit Trust Fund	Local No. 5 Municipal Employees Benefit Trust Fund
New York City Retirees WF	New York City Retirees Benefits Fund
New York State Court Clerks Association RWF	New York State Court Clerks Association Retirees' Security Benefits Fund
New York State Nurses Association WF	New York State Nurses Association Welfare Plan for New York City Employed Registered Professional Nurses
NYC Deputy Sheriffs Assoc Annuity Fund	New York City Deputy Sheriffs Association Annuity Fund
NYC Deputy Sheriffs Assoc RWF	New York City Deputy Sheriffs Association Security Benefits Fund Retirees
NYC Deputy Sheriffs Assoc WF	New York City Deputy Sheriffs Association Security Benefits Fund
NYC District Council of Carpenters AF	New York City District Council of Carpenters Annuity Fund
NYC District Council of Carpenters WF/RWF	New York City District Council of Carpenters Welfare Fund

SURVEY OF BENEFIT FUNDS
SCHEDULE OF OFFICIAL FUND NAMES - 2006

<u>Name of Fund Used in this Report</u>	<u>Official Name of Fund</u>
NYC Municipal Plumbers & Pipefitters WF	New York City Municipal Plumbers and Pipefitters Health and Welfare Fund
NYC Muni. Steamfitters & Steamfitter Helpers RWF	New York City Municipal Steamfitters and Steamfitter Helpers Retirees Health and Welfare Fund
NYC Muni. Steamfitters & Steamfitter Helpers WF	New York City Municipal Steamfitters and Steamfitter Helpers Health and Welfare Fund
NYS Court Officers Association RWF	New York State Court Officers Association Security Benefit Fund
NYS Supreme Court Uniformed Officers Assoc. RWF	New York State Supreme Court Officers Association Security Benefits Fund
Organization of Staff Analysts WF	Organization of Staff Analysts Welfare and Education Funds
Patrolmen's Benevolent Assoc Annuity Fund	Annuity Fund of the Patrolmen's Benevolent Association of the City of New York
Patrolmen's Benevolent Assoc RWF	Retiree Health and Welfare Fund of the Patrolmen's Benevolent Association of the City of New York
Patrolmen's Benevolent Assoc WF/CLRF	Health and Welfare Fund of the Patrolmen's Benevolent Association of the City of New York
Pavers & Roadbuilders District Council WF	Pavers and Road Builders District Council AFL-CIO Welfare Fund
Professional Staff Congress CUNY WF/RWF	PSC - CUNY Welfare Fund
Sergeants Benevolent Association (Police) AF	Sergeants Benevolent Association of the City of New York, Inc. Annuity Fund
Sergeants Benevolent Assoc.(Police) WF/RWF/CLRF	Sergeants Benevolent Association of the City of New York, Inc. Health & Welfare Fund/CLRF
Superior Officers Council (Police) AF	Superior Officers Council Annuity Trust Fund
Superior Officers Council (Police) RWF	Superior Officers Council Retiree Health and Welfare Fund
Superior Officers Council (Police) WF/CLRF	Superior Officers Council Health and Welfare Fund/Civil Legal Representation Fund
Surrogates & Supreme Court Reporters Assoc RWF	Welfare Fund of the Retirees of the Association of Surrogate's and Supreme Court Reporters within the City of New York
UFT Albert Shanker College Scholarship Fund	Albert Shanker College Scholarship Fund of the United Federation of Teachers
United Probation Officers Association RWF	United Probation Officers Association Retirement Welfare Fund
United Probation Officers Association WF	United Probation Officers Association Welfare Fund

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2006

REF.	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	NAME OF FUND	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BAL / TOTAL REV	DEVIATION FROM CAT. AVERAGE	
56	55	1,540	SELF-INSURED WF & RWF NYC CONTRIBUTION UNDER \$100,000	72,675	-38	72,637	76,133	19,152	95,285	-22,648	201,020	276.75%	0.00%
			TOTAL UNDER \$100,000 CATEGORY	72,675	-38	72,637	76,133	19,152	95,285	-22,648	201,020	276.75%	
			NYC CONTRIBUTION \$100,000 TO \$300,000										
18	99	N/A	DISTRICT NO. 1 MERRA BENE FUND TRUST WF/AF	192,822	39,489	232,311	163,672	10,624	174,296	58,125	749,650	322.63%	25.11%
23	189	N/A	FIRE ALARM DISPATCHERS BENEVOLENT ASSOC WF	278,667	34,242	312,909	210,617	67,573	278,190	34,739	398,330	124.10%	-50.34%
74	350	1,475	LOCAL 832 TEAMSTERS RWF	180,855	138	180,993	188,157	41,656	229,713	-48,720	7,454	4.63%	-88.18%
79	168	N/A	LOCAL NO. 8 [OTB] BRANCH OFFICE MANAGERS WF	288,092	38,141	326,233	220,357	42,625	262,982	43,241	547,121	178.66%	-28.51%
84	73	N/A	LOCAL NO. 5 MWCP EMPLOYEES BENEFIT TRUST FUND	190,128	16,683	206,811	69,392	71,280	140,672	75,439	151,019	102.34%	-58.81%
88	190	N/A	NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS WF	245,324	71,886	317,210	230,610	28,461	259,071	67,939	1,584,786	478.51%	91.47%
87	85	N/A	NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS RWF	193,082	34,657	227,739	154,228	16,344	170,572	3,162	746,139	426.01%	70.46%
			TOTAL \$100,000 TO \$300,000 CATEGORY	1,424,988	234,846	1,659,834	1,234,514	211,506	1,446,019	213,915	4,148,489	249.92%	
			NYC CONTRIBUTION \$300,000 TO \$1 MILLION										
2	508	1,265	ASSISTANT DEP WARDENS/DEP WARDENS WF RWF/C/LRF	783,382	33,758	817,140	588,201	91,772	679,973	137,167	1,142,240	139.79%	-22.32%
21	437	N/A	DOCTORS COUNCIL RWF	576,291	-17,072	559,219	498,259	163,411	661,670	-100,451	1,677,105	299.90%	66.65%
48	251	1190-1340	LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	329,041	23,631	352,672	343,185	99,043	402,008	-49,336	854,434	242.27%	34.62%
50	480	N/A	LOCAL 3 IBEW ELECTRICIANS RWF	814,004	91,840	905,844	561,059	890,702	1,451,761	246,442	1,860,782	204.35%	13.60%
54	505	N/A	LOCAL 300 CIVIL SERVICE FORUM RWF	844,242	29,459	873,701	607,871	112,973	720,844	152,857	716,501	82.01%	-54.43%
75	500	N/A	LOCAL 332 TEAMSTERS WF	744,023	99,242	843,265	360,192	167,371	517,563	325,702	1,590,933	188.66%	4.93%
			TOTAL \$300,000 TO \$1 MILLION CATEGORY	4,097,283	260,858	4,358,141	2,956,787	693,973	3,650,760	711,381	7,831,955	179.96%	
			NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION										
3	320	N/A	CIVIL SERVICE BAR ASSOC WF	1,505,075	49,156	1,554,231	1,230,441	180,231	1,410,672	143,169	970,235	62.43%	-59.02%
5	1,386	N/A	CORRECTION CAPTAINS ASSOCIATION RWF	2,022,865	67,401	2,090,266	1,616,419	117,861	1,734,280	356,986	2,020,017	96.64%	-36.57%
8	864	N/A	CORRECTION CAPTAINS ASSOCIATION WF/C/LRF	1,387,955	69,628	1,457,583	1,077,349	114,622	1,191,971	165,513	2,166,971	169.78%	4.88%
20	895	-1,540	DC 9 PAINTING INDUSTRY WF/RWF (LOCAL 1968)	1,811,879	854,044	2,665,923	1,697,474	194,218	1,891,692	784,231	3,963,407	148.65%	-2.43%
22	951	N/A	DOCTORS COUNCIL WF	1,121,171	33,654	1,154,825	1,362,526	298,507	1,661,033	-506,308	3,382,891	291.21%	91.15%
42	1,124	1,540	LOCAL 211 ALLIED BUILDING INSPECTORS WF	2,044,064	396,469	2,440,533	1,372,637	146,699	1,519,336	922,217	5,679,453	232.71%	62.75%
46	872	1,540	LOCAL 246 SEU WELFARE FUND	1,383,682	50,564	1,434,246	1,077,652	117,380	1,195,032	444,034	1,209,859	84.06%	-41.82%
47	1,650	1,540	LOCAL 245 SEU WELFARE FUND	2,424,022	49,686	2,473,708	1,639,096	225,097	1,864,193	209,815	2,195,663	88.39%	-42.01%
51	1,090	N/A	LOCAL 3 IBEW ELECTRICIANS WF	1,778,694	315,205	2,093,899	1,170,867	196,574	1,367,441	724,468	5,329,611	254.53%	67.07%
55	1,008	N/A	LOCAL 300 CIVIL SERVICE FORUM WF	1,597,260	54,482	1,651,742	1,474,458	171,548	1,646,006	6,736	1,284,894	77.76%	-48.95%
57	1,337	1,575-1,740	LOCAL 304-C OPERATING MUNICIPAL ENGINEERS WF/RWF	2,089,248	25,311	2,094,557	1,821,771	166,580	1,988,271	106,286	2,323,004	110.91%	-27.20%
55	1,166	1,630	LOCAL 444 SANITATION OFFICERS WF	1,961,532	602,483	2,064,015	1,635,190	105,052	1,740,242	422,803	2,192,280	105.75%	-30.50%
83	1,134	N/A	1199SEIU LICENSED PRACTICAL NURSES WF	1,775,221	213,847	1,989,068	1,431,772	213,543	1,645,315	343,753	4,770,166	239.87%	57.41%
80	1,519	1,475	LOCAL 691 SCHOOL CUSTOD & CUSTOD ENGINEERS WF/RWF	2,332,234	148,480	2,480,714	1,742,119	277,739	2,019,858	460,856	3,124,184	125.93%	-17.34%
85	695	N/A	NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	1,193,737	147,698	1,341,435	964,301	116,744	1,081,045	260,390	3,451,805	256.18%	68.16%
			TOTAL \$1 MILLION TO \$3 MILLION CATEGORY	26,319,558	2,579,276	28,898,834	21,233,562	2,633,276	23,866,837	5,031,039	44,025,620	152.36%	

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2006

REF	NUMBER OF NYC MEMBERS	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BALJ TOTAL REV	DEVIATION FROM CAT. AVERAGE
SELF INSURED WF & RWF (cont'd)											
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION											
7	4,979	8,055,044	93,544	8,148,588	8,859,474	593,450	7,462,904	695,684	5,792,004	71,08%	-48.70%
16	5,988	6,779,930	13,14,573	10,094,503	8,555,902	9,039,745	9,039,745	1,054,818	22,901,917	226.97%	63.73%
24	1,946	3,285,239	1,141,493	4,426,732	3,223,781	746,566	3,970,347	429,445	6,318,062	143.80%	3.63%
25	5,680	9,122,439	567,674	9,710,113	9,185,182	711,632	9,896,814	-186,701	13,115,049	138.07%	-2.53%
26	6,882	9,152,375	458,552	9,610,927	9,012,913	825,041	9,840,954	-230,027	12,509,326	130.15%	-6.08%
28	6,167	9,802,287	2,114,576	11,916,863	11,235,983	1,972,516	13,148,279	-1,154,415	26,908,692	225.10%	62.44%
33	2,133	3,434,465	461,307	3,895,772	3,354,038	549,303	3,903,341	-7,569	2,895,478	74.35%	-46.34%
64	2,521	9,408,213	3,625,416	13,033,629	2,974,072	3,209,412	6,183,484	1,450,769	2,982,049	228.48%	64.08%
73	6,509	4,084,644	3,953,343	8,037,987	7,804,354	930,255	8,734,609	366,947	12,032,037	122.66%	-11.34%
77	2,498	7,190,463	621,957	7,812,420	3,709,040	244,053	3,953,093	175,375	9,054,276	219.31%	69.27%
78	4,766	6,452,529	508,129	6,960,658	6,534,260	335,302	6,869,562	-740,772	3,675,447	45.77%	-66.97%
89	4,100	8,749,539	704,331	9,453,870	6,565,938	1,014,034	7,579,972	91,685	7,429,982	106.74%	-22.97%
93	5,465	8,932,291	108,240	9,040,531	7,140,164	408,821	7,548,985	1,914,317	17,275,359	181.96%	31.31%
105	4,540	3,918,211	208,091	4,126,302	4,069,218	264,059	4,333,277	-506,474	5,380,707	130.40%	-106.59%
106	2,555	102,035,604	9,474,423	111,510,027	98,542,552	9,516,957	108,059,509	3,470,519	154,698,443	138.97%	-6.90%

REF	NUMBER OF NYC MEMBERS	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BALJ TOTAL REV	DEVIATION FROM CAT. AVERAGE
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY											
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION											
9	8,309	13,834,241	319,148	14,153,389	14,057,701	722,754	14,780,455	-627,066	11,322,517	80.00%	-11.38%
15	9,793	16,742,389	970,063	17,712,452	14,364,912	645,548	15,010,460	1,702,492	13,802,630	82.59%	-9.03%
72	7,300	12,341,989	221,310	12,563,309	12,067,719	440,800	12,508,519	34,760	3,609,485	27.98%	-59.13%
81	9,885	16,773,941	972,801	17,746,742	15,434,468	660,213	16,094,681	1,652,041	7,726,571	43.64%	-52.04%
83	8,925	14,500,760	1,901,657	16,402,417	13,701,385	882,439	14,583,824	1,816,500	32,654,130	198.47%	119.60%
92	6,681	10,645,320	495,350	11,140,670	9,939,954	806,092	10,746,044	395,126	11,122,215	99.83%	9.96%
113	11,033	17,310,372	745,560	18,055,932	15,695,394	1,007,392	16,702,786	1,353,176	18,277,445	101.23%	11.50%
28830	8,375	13,401,951	3,650,568	17,052,519	13,201,690	2,594,565	15,796,255	1,256,274	18,354,240	107.63%	38.55%
44586	7,941	12,172,593	1,438,298	13,610,891	12,722,180	1,524,689	14,246,869	-626,078	9,098,942	97.46%	-34.51%
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY											
NYC CONTRIBUTION OVER \$20 MILLION											
10	154,466	228,289,441	14,017,683	242,307,124	232,568,471	16,127,318	248,695,789	-6,378,655	133,118,362	54.94%	-16.56%
82	18,968	37,105,757	757,309	37,863,066	22,979,546	2,680,720	25,660,288	2,202,798	4,135,855	14.94%	-77.21%
96	21,533	34,105,953	2,679,394	36,785,347	37,269,070	2,593,968	39,823,056	-2,803,709	26,273,020	71.04%	9.07%
97	24,694	36,529,025	4,645,225	41,174,250	35,806,288	3,187,766	38,994,054	4,380,796	40,567,325	94.03%	44.37%
41	159,947	251,461,659	7,094,667	258,556,326	221,229,814	20,497,872	241,727,786	16,328,540	150,686,456	58.28%	-10.57%
45867	18,571	29,617,481	5,603,301	35,220,782	34,492,051	2,766,507	37,258,558	-2,057,875	69,046,458	186.04%	201.80%
101	18,711	61,046,006	879,512	61,925,517	29,472,286	1,265,728	29,738,014	32,187,803	36,021,864	58.17%	-10.69%
TOTAL OVER \$20 MILLION CATEGORY											
TOTAL SELF-INSURED FUNDS											
									50,429,240	765,452,702	86.36%

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2006

REF	NUMBER OF NYC MEMBERS	NYC # PER FULL TIME MEMBER	NAME OF FUND	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BAL / TOTAL REV	DEVIATION FROM CAT. AVERAGE
<u>INSURED WF & RWIF</u>													
<u>NYC CONTRIBUTION UNDER \$100,000</u>													
	12	36	N/A	64,777	4,539	69,316	44,247	4,047	48,294	21,022	133,510	192.61%	0.00%
				64,777	4,539	69,316	44,247	4,047	48,294	21,022	133,510	192.61%	
	13	126	N/A	246,964	5,164	251,128	169,130	5,844	174,974	76,154	134,433	53.53%	-80.89%
	37	75	1,840	121,981	22,016	143,977	66,404	25,892	92,298	51,681	322,249	571.10%	103.99%
	59	186	1,275	286,886	19,854	316,550	190,433	60,972	251,405	65,145	1,035,713	327.19%	16.87%
				654,821	47,034	711,855	426,967	92,796	519,763	197,890	1,992,395	279.97%	
<u>NYC CONTRIBUTION \$100,000 TO \$300,000</u>													
	13	126	N/A	246,964	5,164	251,128	169,130	5,844	174,974	76,154	134,433	53.53%	-80.89%
	37	75	1,840	121,981	22,016	143,977	66,404	25,892	92,298	51,681	322,249	571.10%	103.99%
	59	186	1,275	286,886	19,854	316,550	190,433	60,972	251,405	65,145	1,035,713	327.19%	16.87%
				654,821	47,034	711,855	426,967	92,796	519,763	197,890	1,992,395	279.97%	
<u>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</u>													
	38	331	1,028-1,475	517,858	256,078	773,936	276,209	130,736	406,945	364,991	5,693,763	723.77%	42.14%
	60	297	1,225	346,058	7,430	353,488	341,593	80,834	422,427	-29,739	337,352	85.95%	-83.10%
				863,916	263,508	1,127,424	617,802	211,570	829,372	335,252	5,831,115	508.49%	
				1,632,314	315,081	1,947,395	1,093,016	308,215	1,398,231	549,164	9,057,020	410.73%	
<u>TOTAL SELF-INSURED AND INSURED FUNDS</u>													
				932,506,519	69,465,674	991,972,193	659,126,622	71,667,166	730,793,789	60,879,404	803,609,722	81.60%	

EXHIBIT B
SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
 2006

NAME OF FUND	REF	NUMBER OF NYC MEMBERS	NYC PER FULL TIME MEMBER	NYC CONTRIBUTION		TOTAL REVENUE	BENEFIT EXPENSES	ADJN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BALI TOTAL REV	DEVIATION FROM CAT. AVERAGE
				REVENUE	REVENUE								
ANNUITY FUNDS													
NYC CONTRIBUTION UNDER \$100,000													
NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	11	148	N/A	43,561	29,740	73,321	19,411	0	19,411	53,910	598,811	816,70%	-31.00%
LOCAL 333 UNITED MARINE DIVISION ANNUITY FUND	58	396	250	71,560	112,499	184,149	171,011	28,079	199,090	-14,941	2,448,753	1329.77%	12.34%
TOTAL UNDER \$100,000 CATEGORY				115,231	142,239	257,470	190,422	28,079	218,501	38,969	3,047,564	1183.55%	
NYC CONTRIBUTION \$300,000 TO \$1 MILLION													
ASSISTANT DEP WARDENS/DEP WARDENS ASSOC AF	1	166	N/A	546,238	547,246	1,193,484	267,677	55,450	323,127	870,357	6,378,547	534.45%	-12.21%
CORRECTION CAPTAINS ASSOC ANNUITY FUND	4	894	N/A	563,520	2,391,101	2,954,621	1,622,633	227,456	1,850,089	1,104,532	19,361,342	655.28%	7.63%
LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	127	50	N/A	548,231	422,812	971,043	198,335	93,761	292,096	678,947	5,425,757	558.75%	-8.22%
TOTAL \$300,000 TO \$1 MILLION CATEGORY				1,657,989	3,461,159	5,119,148	2,088,645	376,667	2,465,312	2,653,336	31,165,646	608.31%	
NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION													
LOCAL 444 SANITATION OFFICERS ANNUITY FUND	63	1,166	N/A	2,386,055	2,962,833	5,348,888	2,965,361	227,652	3,193,033	2,655,535	32,416,233	554.25%	4.84%
LOCAL 15, 15A, 15C (RUCS) OPERATING MUNI ENGINEERS AF	117	472	N/A	1,182,041	960,845	2,142,886	879,568	184,397	1,064,055	1,098,831	15,981,358	738.96%	39.77%
DOCTORS COUNCIL ANNUITY FUND	124	1,310	N/A	2,728,667	710,415	3,439,082	280,740	146,849	427,688	3,011,393	16,968,380	493.40%	-6.67%
LOCAL 300 SERJ CIVIL SERVICE FORUM ANNUITY FUND	125	902	N/A	1,091,403	410,822	1,502,225	241,484	69,876	311,360	1,190,865	6,531,930	434.82%	-17.78%
LOCAL 246 SERJ NYC ANNUITY FUND	128	1,317	N/A	1,903,927	1,008,354	2,912,281	372,885	103,879	476,564	2,435,717	11,977,480	411.27%	-22.21%
TOTAL \$1 MILLION TO \$3 MILLION CATEGORY				9,782,073	5,072,769	15,854,842	4,739,948	732,753	5,472,701	10,392,141	83,875,381	528.69%	

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2006

REF	NUMBER OF NYC MEMBERS	NAME OF FUND	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BAL. TOTAL REV	DEVIATION FROM CAT. AVERAGE
			NYC \$ PER FULL TIME MEMBER									
ANNUITY FUNDS (cont'd)												
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION												
8	8,058	CORRECTION OFFICERS' BENEVOLENT ASSOC AF	3,396,800	3,892,153	7,088,953	5,375,835	577,798	5,953,633	1,135,360	64,883,392	512,45%	38.15%
14	5,352	DETECTIVES ENDOWMENT ASSOC ANNUITY FUND	5,440,890	25,321,049	30,761,939	13,919,872	1,107,779	15,027,651	15,734,288	182,748,880	594.07%	-10.05%
71	6,500	LOCAL 831 UNIFORMED SANITATION MEM'S ASSOC AF	9,171,704	5,384,723	14,556,427	11,045,637	486,091	11,531,628	3,024,799	84,142,857	578.04%	-12.48%
76	3,964	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC AF	4,379,423	13,688,631	18,068,054	5,606,585	289,702	5,896,287	12,515,867	127,266,891	704.46%	6.66%
82	8,925	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION AF	9,908,836	10,165,686	19,974,522	7,280,729	1,194,830	8,475,559	11,488,963	116,737,438	584.44%	-11.52%
104	2,525	SUPERIOR OFFICERS COUNCIL (POLICE) AF	4,727,410	13,365,941	18,093,351	9,436,495	1,082,597	10,299,092	7,794,259	162,334,788	897.33%	35.84%
112	4,783	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) AF	5,245,305	13,200,847	18,446,152	5,732,646	636,110	6,368,756	12,077,396	156,376,649	842.33%	27.53%
114	1,094	LOCAL 300-D HIDE ENGINEERS ANNUITY FUND	5,218,141	5,173,568	10,391,707	1,801,031	45,279	1,846,310	8,545,397	58,455,008	562.52%	-14.83%
119	8,375	LOCAL 1180 CWA MEMBERS ANNUITY FUND	4,046,079	2,376,667	6,422,746	393,348	206,882	1,036,230	5,386,516	33,518,537	521.87%	-20.99%
121	73,840	DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	4,033,735	1,289,417	5,323,152	1,891,501	806,856	2,798,357	2,524,795	54,265,944	1019.43%	64.34%
123	15,026	LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	7,159,950	1,420,476	8,580,426	1,073,818	190,717	1,264,535	7,315,891	33,013,424	384.75%	-41.75%
126	1,240	LOCAL 89 (HIDE) ANNUITY FUND	5,877,463	1,038,780	6,916,243	189,165	158,465	326,640	6,589,603	13,459,807	200.39%	-89.65%
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY			82,305,736	96,115,676	184,421,412	63,716,652	6,762,128	70,478,678	93,942,734	1,085,006,525	850.30%	
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION												
43	13,945	LOCAL 237 TEAMSTERS ANNUITY FUND	14,431,860	12,551,135	26,983,095	5,626,989	715,011	6,342,000	20,641,095	118,839,867	440.42%	-24.53%
95	30,760	PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	12,394,717	12,153,483	24,548,100	9,335,878	701,615	10,037,493	14,510,607	182,265,800	742.48%	27.97%
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY			26,826,577	24,704,598	51,531,275	14,962,867	1,416,626	16,379,293	35,151,982	301,103,757	584.32%	
TOTAL ANNUITY FUNDS												
			106,897,706	130,496,441	237,194,147	85,698,334	9,316,251	96,014,485	142,179,662	1,505,200,873	634.59%	
GRAND TOTAL												
			1,039,204,225	189,963,115	1,229,168,340	944,824,897	87,183,417	1,026,008,274	263,169,066	2,308,770,596	187.83%	

EXHIBIT B
SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2006

NAME OF FUND	REF	MEMBER	NVC'S PER FULL TIME	CONTRIBUTION	NVC % OF TOTAL REVENUE	TOTAL REVENUE	FUND BALANCE
NYS SUPREME COURT INFORMED OFFICERS ASSOC. RWF (1)	107		\$1,472	\$1,472	0.07%	\$2,054,652	\$1,159,281
LOCAL 1199 NATIONAL BEN FUND HOSP HEALTH CARE WFO	35		\$1,518-1,540	\$3,594,955	0.38%	\$945,654,688	\$281,735,011
LOCAL 40 IRON WORKERS WELFARE FUND (1)	118		\$1,418-1,540	\$131,002	0.21%	\$56,361,099	\$21,022,655
NYS COURT OFFICERS ASSOCIATION RWF (1)	91		N/A	\$5,810	0.21%	\$2,812,527	\$7,160,848
NYS DISTRICT COUNCIL OF CARPENTERS WF (1)	88		\$106.25/MO	\$1,647,300	0.82%	\$201,446,183	\$208,033,380
LOCAL 3 BHEW ELECTRICAL WORKERS INDUSTRY AF (1)	49		11.08/HR	\$8,517,827	6.81%	\$125,009,977	\$1,034,112,850
DC 9 PAINTING INDUSTRY ANNUITY FUND (LOCAL 1949) (1)	19		\$2/DAY	\$272,881	0.66%	41,051,377	\$371,640,591
LOCAL 40 IRON WORKERS ANNUITY FUND (1)	111		\$9.60/DAY	\$896,179	1.42%	\$63,103,196	\$481,768,179
PAYERS & ROAD BUILDERS DISTRICT COUNCIL WF (1)	100		\$3.60-\$4.22/DAY	\$450,913	2.58%	\$17,474,340	\$17,661,017
SURROGATES & SUPREME COURT REPORTERS ASSOC RWF (1)	108		\$785	\$3,925	2.31%	\$170,126	\$514,368
LOCAL 806 STRUCTURAL STEEL PAINTERS ANNUITY FUND (2)	120		N/A	\$218,092	3.46%	\$6,309,409	\$48,565,263
NEW YORK STATES COURT CLERKS ASSOCIATION RWF(2)	90		\$939	\$35,940	3.69%	\$974,701	\$1,350,970
NVC DISTRICT COUNCIL OF CARPENTERS AF (2)	116		\$4.92/HR	\$9,089,922	4.90%	\$185,579,097	\$1,089,817,407
LOCAL 1 PLUMBING INDUSTRY ANNUITY FUND (2)	27		N/A	\$2,531,052	15.86%	\$15,956,074	\$109,805,038
WFT ALBERT SHANKER COLLEGE SCHOLARSHIP FUND (3)	40		N/A	\$1,006,300	97.45%	\$1,026,436	\$165,303
DETECTIVES ENDOWMENT ASSOC CLRF FUND (4)	See #16		\$75	\$416,026	75.80%	\$548,818	\$4,215,095
CAPTAINS ENDOWMENT ASSOC CLRF FUND (4)	See #106		N/A	\$57,862	99.02%	558,432	5246,896
COMMITTEE OF INTERNS AND RESIDENTS EDUCATION FUND (4)	122		N/A	\$1,032,104	101.47%	\$1,017,103	\$1,232,429
LOCAL 30 IUOE MUNICIPAL EMPLOYEES RWF (5)	53		\$1,640	\$136,106	97.97%	\$138,927	\$0
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF (6)	34			\$802,663			\$443,003
LOCAL 1181 CWA SUPERVISORY EMPLOYEES RWF (6)	31			\$347,432			N/A
LOCAL 1181 CWA SUPERVISORY EMPLOYEES WF (6)	32			\$590,399			N/A
UNITED PROBATION OFFICERS ASSOCIATION WF (7)	109			\$1,292,121			\$1,512,900
UNITED PROBATION OFFICERS ASSOCIATION RWF (7)	110			\$598,761			\$423,778
				<u>\$33,661,064</u>			

NA - Amount of per member contribution was not provided by the Fund

The above listed funds have been excluded from this analysis because:

- (1) These funds were excluded from our analysis because they received a substantial portion of their revenues from sources other than the City.
- (2) These funds would distort the specific groups' category averages since they maintain other groups' health plans that receive substantial revenues not contributed by the City of New York
- (3) Under the United Federation of Teachers' collective bargaining agreement, scholarship benefits are paid only to public high school students.
- (4) These funds had different fiscal year-end dates than their associated welfare funds. Consolidation of these funds with their associated welfare fund would have distorted the information reported.
- (5) This fund operated for only two months during calendar year 2006 and on February 28, 2006 Local 30 IUOE Municipal Employees RWF (fund 53) merged with Local 30 IUOE Municipal Employees WF (fund 57). On February 28, 2006 all net assets were transferred.
- (6) These funds were excluded from our analysis because they failed to submit a Directive #12 filing for 2006.
- (7) These funds were excluded from our analysis because the financial statements and Directive #12 filings submitted were materially misstated based on the audits conducted by the Comptroller's office.

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2006

REF	NAME OF FUND	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMISSN	LEGAL	ACCTG	TRAVEL & CONF.	TELE. PHONE	OFFICE EQUIP & MENTAL	OTHER OFFICE EXPENSE	INSUR-ANCE	REPAIRS & MAINT	OTHER	RETENTION	INVEST CUSTODIAL SVS
	SELF-INSURED WF & RWF	19,152	0	0	8,815	1,332	5,254	0	0	0	0	0	0	0	0	0
	NYC CONTRIBUTION UNDER \$100,000	19,152	0	0	8,815	1,332	5,254	0	0	0	0	0	0	0	0	0
	LOCAL 304 MUNICIPAL EMPLOYEES WF	100.00%	0.00%	0.00%	44.98%	6.95%	27.43%	0.00%	0.00%	0.00%	0.00%	18.02%	0.00%	2.81%	0.00%	0.00%
	TOTAL UNDER \$100,000 CATEGORY	19,152	0	0	8,815	1,332	5,254	0	0	0	0	0	0	0	0	0
	NYC CONTRIBUTION \$100,000 TO \$300,000	10,624	0	277	0	3,595	0	0	0	0	0	0	0	0	0	0
18	DISTRICT NO. 1 NEBA BENE. FUND TRUST WFI/AF	87,573	10,833	27,000	0	5,000	6,240	2,375	0	2,215	7,802	2,285	0	3,738	0	3,014
23	FIRE ALARMA DISPATCHERS BENEVOLENT ASSOC WF	41,566	0	39,330	0	1,500	0	0	0	0	728	0	0	1,046	0	2,277
74	LOCAL 832 TEAMSTERS RWF	42,625	2,446	9,247	1,877	17,318	177	26	0	109	1,113	3,088	0	800	0	0
79	LOCAL 898 1ST. (OTB) BRANCH OFFICE MANAGERS WF	4,318	0	0	318	0	0	0	0	0	0	0	0	0	0	0
84	LOCAL NO. 5 MANCPL EMPLOYEES BENEFIT TRUST FUND	23,481	0	0	18,668	1,500	0	0	0	0	39	3,540	0	2,455	0	0
86	NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS WF	16,348	0	0	5,724	750	6,861	0	0	0	0	1,706	0	1,227	0	0
87	NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS RWF	211,505	33,278	36,247	60,054	19,568	35,081	6,417	2,900	2,404	9,680	10,699	0	9,056	0	5,291
	TOTAL \$100,000 TO \$300,000 CATEGORY	100.00%	6.29%	17.14%	28.79%	9.25%	18.58%	3.03%	1.37%	1.14%	4.56%	5.05%	0.00%	4.25%	0.00%	2.50%
	NYC CONTRIBUTION \$300,000 TO \$1 MILLION	91,772	16,480	22,415	18,780	6,250	8,000	5,501	4,161	1,215	7,359	2,157	0	424	0	0
2	ASSISTANT DEP WARDENS/DEP WARDENS WF/RWF/CLRF	163,411	16,384	47,314	55,075	4,913	6,887	0	587	0	15,219	3,463	0	6,666	0	6,323
21	DOCTORS COUNCIL WF	58,843	0	0	31,879	3,000	7,574	6,286	0	324	0	4,897	0	5,051	0	0
48	LOCAL 318EW CITY EMPLOYEES WELFARE FUND	99,603	1,164	44,508	21,858	2,475	4,500	1,109	1,247	0	7,162	1,278	192	662	0	13,478
50	LOCAL 318EW ELECTRICIANS RWF	112,973	16,438	12,863	46,997	5,462	6,850	3,330	0	2,476	12,504	680	0	101	0	3,171
54	LOCAL 100 CIVIL SERVICE FORUM WF	187,371	46,228	0	60,921	0	6,000	12,000	0	845	0	0	22,112	546	0	6,721
75	LOCAL 892 TEAMSTERS WF	583,973	100,303	127,190	235,610	22,100	39,911	28,228	9,966	4,860	42,244	12,185	22,304	13,360	0	29,693
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	100.00%	14.66%	18.60%	34.45%	3.23%	5.84%	4.13%	0.87%	0.71%	6.18%	1.78%	3.26%	1.96%	0.00%	4.34%
	NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION	180,231	888	6,000	146,813	0	11,800	3,076	0	0	1,623	8,891	0	1,315	0	25
3	CIVIL SERVICE BAR ASSOC WF	117,861	10,129	3,762	60,779	4,562	7,000	6,895	4,291	1,061	10,496	858	0	588	0	0
5	CORRECTION CAPTAINS ASSOCIATION RWF	14,622	20,268	7,524	23,596	7,097	7,000	6,884	8,982	2,162	24,166	1,208	0	744	0	5,400
6	CORRECTION CAPTAINS ASSOCIATION WF/CLRF	184,218	3,540	50,011	99,451	0	4,800	1,617	1,173	511	5,575	8,097	0	0	0	8,743
20	DC 9 PAINTING INDUSTRY WF/RWF (LOCAL 1998)	293,597	26,040	76,909	91,596	19,484	10,324	1,063	922	2,974	30,790	9,354	0	13,192	0	17,433
22	DOCTORS COUNCIL WF	146,699	26,245	36,618	38,443	9,000	14,600	0	3,753	7,409	6,787	0	0	0	0	0
42	LOCAL 211 ALLED BUILDING INSPECTORS WF	117,360	13,195	51,135	29,660	4,688	4,800	0	1,866	2,446	7,183	2,275	0	0	0	0
46	LOCAL 246 SEIU WELFARE FUND	25,545	2,592	24,079	39,909	5,025	4,800	0	3,611	5,433	17,057	4,659	0	0	0	0
47	LOCAL 246 SEIU ELECTRICIANS WF	171,548	16,742	25,000	76,523	15,662	6,850	3,993	2,775	417	5,645	1,287	1,786	768	0	40,781
51	LOCAL 300 CIVIL SERVICE FORUM WF	166,500	3,404	35,575	21,908	1,912	11,000	7,391	1,912	17,550	11,184	3,916	0	0	0	6,016
55	LOCAL 300-C OPERATING MUNICIPAL ENGINEERS WF/RWF	106,032	20,000	8,452	38,739	3,600	10,100	10,490	0	0	7,938	1,015	0	0	0	9,572
57	LOCAL 444 SANITATION OFFICERS WF	213,543	5,269	82,658	84,237	12,000	10,262	508	0	0	3,128	3,000	0	0	0	0
58	1198SEIU LICENSED PRACTICAL NURSES WF	277,739	0	0	59,279	22,000	29,600	6,537	1,973	9,333	10,670	4,685	0	94,224	0	14,371
80	LOCAL 891 SCHOOL CUSTOD & CUSTOD ENGINEERS WF/RWF	115,744	0	0	74,080	3,676	9,112	8,052	0	0	44	5,276	0	1,659	0	15,923
85	NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	2,633,215	177,807	815,693	921,785	140,394	150,957	65,436	31,266	44,666	155,238	67,718	1,736	172,578	33,437	113,564
	TOTAL \$1 MILLION TO \$3 MILLION CATEGORY	100.00%	6.75%	23.38%	35.01%	5.33%	6.73%	2.48%	1.19%	1.70%	5.90%	2.39%	0.67%	4.28%	1.50%	4.31%

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
11M6

REF	NAME OF FUND	TOTAL ADMIN. EXP.	RENT	SALARIES	COMMISSN	FEES & LEGAL	ACTING	TRAVEL & CONF.	TELEPHONE	OFFICE EQUIP. & RENTAL	INSURANCE	REPAIRS & MAINT	OTHER	RETENTION	CUSTOMER SVS	INVEST	
	SELF-INSURED WF & RWF (cont'd)																
	NYC CONTRIBUTION \$5 MILLION TO \$10 MILLION																
7	CORRECTION OFFICERS' BENEVOLENT ASSOC RWF	593,430	44,275	148,887	338,141	0	13,800	0	12,666	14,949	16,331	2,514	4,317	0	0	0	500
16	DETECTIVES ENDOWMENT ASSOCIATION WF	483,843	0	163,676	179,571	22,750	13,250	0	5,131	2,240	20,894	10,351	216	57,067	0	0	2,905
24	HOUSE STAFF COMM OF RETIERS & RESIDENTS W/LEGAL	746,586	88,863	316,924	44,985	4,355	28,970	4,355	9,862	163,464	37,978	28,345	-2,771	0	0	0	8,260
25	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. WF	711,632	80,098	501,377	7,200	10,950	3,093	0	6,968	24,257	20,828	18,111	1,873	0	0	0	33,369
26	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. RWF	328,041	72,059	532,440	29,605	7,200	10,450	371	8,376	29,058	16,937	16,937	7,537	0	0	0	34,994
29	LOCAL 1180 CWA MUNICIPAL MANAGEMENT RWF	1,912,516	126,772	794,246	159,302	27,243	19,810	57,018	35,399	237,988	209,897	24,633	100,542	0	0	0	103,882
33	LOCAL 1182 CWA SECURITY BENEFIT FUND RWF/W/LEGAL	589,303	57,019	228,025	112,811	26,400	12,000	19,451	7,242	27,547	12,319	13,396	-4,822	0	0	0	28,211
64	LOCAL 444 SANITATION OFFICERS RWF	235,340	20,000	23,218	91,811	3,600	9,700	6,635	0	0	16,764	5,655	0	0	0	0	53,957
73	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC WF	930,255	149,854	278,705	121,110	41,349	29,004	0	8,991	9,234	122,362	11,676	120,625	8,497	0	0	29,047
77	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC WF	244,083	53,311	439,933	8,902	16,441	12,300	10,105	6,042	9,209	56,195	8,497	-429,585	51,615	0	0	0
78	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC. RWF	381,762	30,072	177,108	0	2,506	12,587	18,834	2,564	2,370	17,765	4,948	17	76,671	0	0	0
39	NEW YORK CITY RETIERS WF	335,302	0	0	237,324	0	0	0	0	0	7,620	8,704	0	0	0	0	0
93	ORGANIZATION OF STAFF ANALYSTS WF	1,014,014	-146,512	577,266	231,612	0	14,860	0	9,321	5,419	27,417	6,364	0	0	0	0	0
105	SUPERIOR OFFICERS COUNCIL (POLICE) RWF	406,821	16,599	109,267	256,918	0	8,400	406	4,776	8,195	15,378	5,344	0	0	0	0	0
106	SUPERIOR OFFICERS COUNCIL (POLICE) W/ICR/ICEA	284,069	16,699	109,267	98,660	0	8,400	406	4,776	8,195	11,692	5,344	0	0	0	0	0
	TOTAL \$3 MILLION TO \$40 MILLION CATEGORY	9,616,957	372,173	4,452,440	1,914,239	185,340	216,671	527,738	122,132	842,975	614,766	162,511	148,963	-253,679	186,343	0	301,115
	NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION																
9	CORRECTION OFFICERS' BENEVOLENT ASSOC W/ICR WF	732,754	44,275	145,987	413,381	0	34,700	0	21,197	14,949	26,779	2,514	17,132	0	0	0	0
15	DETECTIVES ENDOWMENT ASSOCIATION RWF	645,548	0	154,573	390,615	5,750	13,250	0	5,132	2,239	20,545	9,828	2,635	50,945	0	0	30
72	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC RWF	440,806	16,042	95,110	222,660	20,123	25,004	0	7,000	17,200	24,483	9,828	0	0	0	0	9,216
81	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOC RWF	660,213	28,614	212,172	288,749	9,700	12,000	3,391	8,935	58,255	29,184	4,284	23,400	0	0	0	11,016
83	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WF	882,439	28,611	330,169	249,263	18,000	12,000	5,743	8,935	59,474	23,186	6,091	677	0	0	0	140,320
92	NEW YORK STATE NURSES ASSOCIATION WF	806,052	64,780	75,250	216,547	15,337	9,900	17,078	7,000	10,500	8,383	7,000	514	304,442	0	0	59,891
113	SERGEANTS BENEVOLENT ASSOC.(POLICE) W/ICR/W/ICR WF	1,007,392	14,353	443,512	349,168	74,000	21,193	0	50,125	49,040	2,843	2,382	776	0	0	0	30,947
28&30	LOCAL 1180 CWA MUNICIPAL MANAGEMENT W/LEGAL	2,584,565	163,871	1,684,919	291,449	37,794	24,975	-22,576	45,412	407,007	298,088	32,705	120,974	0	0	0	0
44&66	LOCAL 237 TEAMSTERS RWF	1,524,889	131,997	852,524	242,935	33,717	20,716	43,251	7,235	16,508	164,176	9,913	34,882	0	0	0	8,725
	TOTAL \$10 MILLION TO \$20 MILLION CATEGORY	9,284,692	491,423	3,474,512	2,623,767	214,421	177,738	47,327	110,788	834,280	614,931	77,523	3,053	199,413	355,367	0	260,145
	NYC CONTRIBUTION OVER \$20 MILLION																
10	DC 37 WF	16,127,318	994,970	7,666,222	418,163	340,216	162,813	68,342	82,775	3,449,173	1,144,229	209,005	1,348,312	0	0	0	194,531
62	LOCAL 371 SOCIAL SERVICE EMPLOYEES W/LEGAL/PADA	2,680,720	264,223	1,432,927	225,901	45,750	5,926	32,942	109,255	103,290	21,197	0	301,965	0	0	0	8,350
96	PATROLMEN'S BENEVOLENT ASSOC RWF	2,583,986	433,200	1,442,525	244,624	46,240	71,135	0	25,098	121,878	93,473	54,310	41,495	0	0	0	0
97	PATROLMEN'S BENEVOLENT ASSOC W/ICR WF	3,187,166	523,271	1,960,734	224,824	82,500	69,110	0	26,061	164,824	84,637	70,615	50,470	0	0	0	0
41	LOCAL 2 UNITED FEDERATION OF TEACHERS WF	20,497,872	3,280,371	9,713,934	5,203,863	182,487	52,950	26,152	124,058	585,133	697,889	94,188	295,747	0	0	0	207,034
44&67	LOCAL 237 TEAMSTERS WF	2,766,607	16,100	1,440,070	659,890	104,428	49,755	14,183	13,588	82,534	171,571	41,360	222,574	0	0	0	213,558
101	PROFESSIONAL STAFF CONGRESS CUNY W/IRWF	1,265,738	168,420	767,796	72,862	65,910	30,783	5,948	7,392	6,997	59,722	37,331	52,627	0	0	0	0
	TOTAL OVER \$20 MILLION CATEGORY	49,108,937	5,660,585	24,032,108	7,036,122	384,865	502,275	120,551	251,945	4,520,066	2,404,911	523,006	523,265	1,979,234	0	0	533,473
	TOTAL SELF-INSURED FUNDS	71,553,851	7,315,539	32,739,090	12,893,032	1,468,050	1,127,868	420,782	564,984	5,749,331	3,841,770	887,093	999,377	7,060,492	590,217	0	1,333,281
		100.00%	10.22%	45.75%	17.89%	2.05%	1.59%	0.59%	0.79%	8.03%	5.37%	1.20%	2.98%	0.81%	0.00%	0.00%	1.86%

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2006

NAME OF FUND	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMISSIONS	LEGAL	ACCT'G	TRAVEL & CONVE.	TELEPHONE	OFFICE EQUIP. & RENTAL	INSURANCE	REPAIRS & MAINT.	OTHER	RETIREMENT	INVEST CUSTODIAL SVS	
INSURED WF & RWIF															
NYC CONTRIBUTION UNDER \$100,000															
NYC DEPUTY SHERIFFS ASSOC RWIF	4,047	600	0	0	0	2,900	0	0	0	547	0	0	0	0	
TOTAL UNDER \$100,000 CATEGORY	4,047	600	0	0	0	2,900	0	0	0	547	0	0	0	0	
NYC CONTRIBUTION \$100,000 TO \$300,000															
NYC DEPUTY SHERIFFS ASSOC WF	5,844	600	0	0	0	2,900	0	0	0	0	0	327	0	2,017	
LOCAL 144-148 IUCOE WFRWIF	25,882	1,161	18,385	150	0	2,000	0	105	0	552	0	0	0	0	
LOCAL 333 UNITED MARINE DIVISION RWIF	50,872	0	0	0	0	17,673	0	0	0	213	0	43,086	0	0	
TOTAL \$100,000 TO \$300,000 CATEGORY	82,598	1,761	18,385	150	0	22,573	0	105	0	865	0	43,413	0	2,017	
NYC CONTRIBUTION \$300,000 TO \$1 MILLION															
LOCAL 15, 15A, 15C OPERATING ENGINEERS WFRWIF	100,000%	1,900%	19,810%	0.16%	0.00%	24.32%	0.00%	0.11%	0.00%	0.93%	0.00%	48.78%	0.00%	2.17%	
LOCAL 333 UNITED MARINE DIVISION WF	130,736	2,425	71,855	3,000	4,000	10,000	0	0	7,117	7,818	0	0	0	12,839	
TOTAL \$300,000 TO \$1 MILLION CATEGORY	80,634	0	82,635	0	0	15,229	0	0	809	749	0	11,412	0	0	
TOTAL INSURED FUNDS	211,370	2,425	124,590	8,000	4,000	25,229	0	0	7,726	8,887	0	11,412	0	12,839	
TOTAL SELF-INSURED AND INSURED FUNDS															
TOTAL INSURED FUNDS	308,215	4,786	142,975	9,150	4,060	50,702	0	105	7,726	9,969	0	51,825	0	14,956	
TOTAL SELF-INSURED AND INSURED FUNDS	100,000%	1.55%	46.35%	2.64%	1.30%	16.45%	0.00%	0.03%	2.61%	3.24%	0.00%	17.79%	0.00%	4.88%	
TOTAL SELF-INSURED AND INSURED FUNDS	71,857,166	7,320,325	32,881,065	12,811,242	1,472,060	1,178,576	420,757	985,089	5,756,057	3,851,769	867,061	539,377	2,115,317	580,217	1,348,237

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2006

NAME OF FUND	REF	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMISSION	LEGAL	ACCTG	TRAVEL & CONF.	TELEPHONE	OFFICE EQUIP. & RENTAL	OTHER OFFICE EXPENSE	INSURANCE	REPAIRS & MAINT	OTHER RETENTION	INVEST CUSTODIAL SVS	
ANNUITY FUNDS																
NYC CONTRIBUTION UNDER \$100,000																
NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LOCAL 333 UNITED MARINE DIVISION ANNUITY FUND	58	28,079	0	0	0	0	0	0	0	0	0	0	0	0	0	21,263
TOTAL UNDER \$100,000 CATEGORY		28,079	0	0	0	0	0	0	0	0	0	0	0	0	0	21,263
NYC CONTRIBUTION \$300,000 TO \$1 MILLION																
ASSISTANT DEP WARDENS/DEP WARDENS ASSOC AF	1	55,450	0	0	7,200	4,250	4,500	0	0	0	15	3,750	0	0	0	35,735
CORRECTION CAPTAINS ASSOC ANNUITY FUND	4	227,455	10,125	3,762	15,000	9,390	3,500	6,895	4,291	1,081	4,390	6,179	0	131	0	157,708
LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	127	93,751	0	0	4,575	6,755	7,500	0	0	0	0	7,515	0	0	0	67,315
TOTAL \$300,000 TO \$1 MILLION CATEGORY		376,657	10,125	3,762	26,775	20,395	20,500	6,895	4,291	1,081	4,405	17,544	0	131	0	260,758
NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION																
LOCAL 444 SANITATION OFFICERS ANNUITY FUND	63	227,652	20,000	0	9,661	3,600	19,000	2,762	0	0	2,033	14,921	0	0	0	159,655
LOCAL 15, 15A, 15C (JUDGE) OPERATING MURL ENGINEERS AF	117	184,397	4,351	103,801	0	10,000	10,064	0	866	9,411	3,779	4,455	0	0	0	37,370
DOCTORS' COUNCIL ANNUITY FUND	124	146,949	0	0	5,912	22,218	12,000	0	0	0	73,212	16,607	0	0	0	17,000
LOCAL 300 SEIU CIVIL SERVICE FORUM ANNUITY FUND	125	69,876	3,051	2,866	5,605	9,650	5,400	0	0	338	0	176	218	7,142	0	34,320
LOCAL 244 SEIU NYC ANNUITY FUND	128	103,879	0	0	19,000	6,025	3,500	0	0	0	0	8,962	0	330	0	67,452
TOTAL \$1 MILLION TO \$3 MILLION CATEGORY		732,753	27,312	106,467	39,193	51,453	51,064	2,762	866	9,749	79,024	45,021	218	7,472	0	311,507
100.00%																
		3.81%	14.55%	5.35%	7.05%	6.97%	0.36%	0.12%	1.33%	10.76%	6.14%	0.03%	1.02%	0.00%	0.00%	42.51%

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2006

REF	NAME OF FUND	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMISSN	LEGAL	ACCT'G	TRAVEL & CONF.	TELEPHONE	OFFICE EQUIP. & RENTAL	OTHER OFFICE EXPENSE	INSURANCE	REPAIRS & MAINT.	OTHER	RETENTION	INVEST CUSTODIAL SVS	
ANNUITY FUNDS (cont'd)																	
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION																	
8	CORRECTION OFFICERS' BENEVOLENT ASSOC AF	577,798	20,710	33,073	119,826	0	9,400	0	8,451	3,321	5,514	840	0	1,788	0	374,875	
14	DETECTIVES ENDOWMENT ASSOC ANNUITY FUND	1,107,779	0	43,605	14,633	12,000	20,900	0	2,476	1,120	10,272	9,301	0	-14,107	0	1,002,979	
71	LOCAL 831 UNIFORMED SANITATION MEN'S ASSOC AF	486,091	17,851	72,223	70,584	15,309	34,004	0	0	0	23,446	0	0	0	0	252,974	
76	LOCAL 84 UNIFORMED FIRE OFFICERS ASSOC AF	289,702	21,051	167,413	44,854	17,315	12,800	0	2,985	3,486	18,126	8,994	0	2,678	0	0	
82	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION AF	1,154,330	14,307	172,823	17,100	9,700	4,500	2,150	8,935	28,526	5,130	27,269	0	0	0	909,191	
104	SUPERIOR OFFICERS COUNCIL (POLICE) AF	1,052,597	8,349	54,685	2,400	809	19,800	0	2,388	4,097	32,841	2,672	0	528	0	934,576	
112	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) AF	536,110	7,177	43,265	15,761	53,901	31,640	0	0	596	3,889	17,927	0	797	0	460,457	
114	LOCAL 30A-0 UNDE ENGINEERS ANNUITY FUND	45,279	180	5,853	0	7,867	9,850	0	0	5,199	3,992	12,908	0	0	0	0	
119	LOCAL 1189 CWA MEMBERS ANNUITY FUND	205,392	0	0	59,841	11,253	9,500	0	0	0	2,099	0	0	2,394	0	110,795	
121	DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	806,556	0	0	15,839	16,288	2,619	0	0	31,440	12,708	15,785	0	227,359	0	484,738	
123	LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	190,717	0	0	5,361	9,000	8,000	0	0	0	23,858	11,335	0	0	0	133,363	
126	LOCAL 893 UNDET ANNUITY FUND	156,486	0	0	12,868	9,000	15,000	0	0	4,165	2,479	4,702	0	36,859	0	73,412	
	TOTAL \$3 MILLION TO \$10 MILLION CATEGORY	6,752,126	89,335	583,480	373,238	161,193	191,262	4,769	25,235	82,869	143,644	106,233	0	258,295	0	4,742,662	
	NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION	100.00%	1.32%	8.63%	5.52%	2.38%	2.83%	0.07%	0.37%	1.23%	2.12%	1.57%	0.00%	3.82%	0.00%	70.14%	
43	LOCAL 237 TEAMSTERS ANNUITY FUND	745,011	0	0	57,203	23,161	0	6,351	0	0	32,481	37,614	0	100,852	0	459,549	
85	PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	701,515	5,603	69,752	509,870	46,250	36,957	0	235	4,023	3,472	23,179	2,474	0	0	0	
	TOTAL \$10 MILLION TO \$20 MILLION CATEGORY	1,416,626	5,603	69,752	509,870	103,453	60,116	6,351	235	4,023	35,953	60,793	2,474	100,852	0	459,549	
	NYC CONTRIBUTION \$20 MILLION TO \$30 MILLION	100.00%	0.40%	4.92%	36.96%	7.30%	4.24%	0.38%	0.02%	0.28%	2.54%	4.29%	0.17%	7.11%	0.00%	32.37%	
	TOTAL ANNUITY FUNDS	9,348,251	132,979	763,471	940,881	306,635	322,944	19,777	30,627	97,722	262,326	236,407	2,652	366,551	0	5,794,739	
	NYC CONTRIBUTION \$30 MILLION TO \$40 MILLION	100.00%	1.43%	8.20%	10.19%	3.61%	3.47%	0.21%	0.13%	1.05%	2.82%	2.54%	0.03%	3.93%	0.00%	62.20%	
	GRAND TOTAL	81,183,417	7,453,304	33,644,536	13,760,123	1,809,685	1,501,514	440,534	896,726	5,853,779	4,114,895	1,103,491	702,069	2,461,668	560,217	7,142,976	
	NYC CONTRIBUTION \$40 MILLION TO \$50 MILLION	881,883,417	9.18%	41.44%	16.95%	2.23%	1.85%	0.54%	0.73%	7.21%	5.07%	1.36%	0.86%	3.06%	0.71%	8.60%	

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED UNDER \$100,000					
LOCAL 308 MUNICIPAL EMPLOYEES WELFARE FUND	56	76,133	X		Life Insurance, Dental Optical Prescription Drugs
SELF-INSURED \$100,000 TO \$300,000 CATEGORY					
LOCAL 858, IBT (OTB) BRANCH OFFICE MANAGERS WELFARE FUND	79	220,367	X		Life Insurance Dental Optical Prescription Drugs
NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS RETIREE WELFARE FUND	87	154,229	X		Life Insurance Dental Optical Prepaid Legal Hearing Aid
LOCAL 832 TEAMSTERS RETIREE WELFARE FUND	74	188,157		X	Dental Utilization Optical Podiatry Limited Medical Insurance Death Benefits Legal Service Plan Membership In Retirees Assoc.
DISTRICT No. 1 MEBA BENEFICIAL FUND TRUST WF/AF	18	163,572	X		Life Insurance Dental Optical Training Severance and Death Payouts Reimbursement of Medical/Dental
LOCAL NO. 5 MUNICIPAL EMPLOYEES BENEFIT TRUST FUND	84	66,962		X	Optical Plus Dental - Supplemental Optical - Direct Prescription Card Life Insurance
FIRE ALARM DISPATCHERS BENEVOLENT ASSOCIATION WF	23	210,617	X	X	Dental benefit Optical plan Life Insurance Retirement benefit Death Benefits AFLAC Cancer Insurance
NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS WELFARE FUND	86	230,610	X		Life Insurance Dental Optical Legal

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS - 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$300,000 TO \$1 MILLION CATEGORY					
ASST DEPUTY WARDENS / DEPUTY WARD ASSOC WF/ RWF/ CLRF	2	588,201	X		Life Insurance Optical Dental Supplementary Medical Pharmacy Legal Services Maternity Retirement Counseling Civil Legal Defense Hearing Aids Legal Service Fringe
LOCAL 832 TEAMSTERS WELFARE FUND	75	380,192		X	Death Benefit Dental Utilization Disability Wages Prescription Drugs Optician & Eyeglasses Podiatrist Maternity benefits Limited Medical Insurance Legal Services Plan Retiree Assoc. Membership
LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	48	343,165	X		Life Insurance Optical Dental Legal Services Chiropractor Hearing Orthotics
UNITED PROBATION OFFICERS ASSOCIATION RETIREE WELFARE FUND	110	534,449		X	Dental Optical Prescription Drugs Hearing Aids Podiatry Mammography Emergency Room Medical Therapy In-Hospital Indemnity Anesthesia Nursing at home/ Pvt Duty Nursing
DOCTORS COUNCIL RETIREE WELFARE FUND	21	498,259		X	Dental Claims Psychiatric Optical Physical Examination Private Duty Nursing Hearing Aid Podiatry Legal Services Mammogram Health Reimbursement
LOCAL 3 IBEW ELECTRICIANS RETIREE WELFARE FUND	50	561,099		X	Death Dental Prescription Drugs Optical Hearing aid Medical consultation
LOCAL300 CIVIL SERVICE FORUM RWF	54	607,871		X	Dental Optical Prescription Drugs Prepaid Legal Services Hearing Aid Death

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
<u>\$1 MILLION TO \$3 MILLION CATEGORY</u>					
NYC MUNICIPAL PLUMBERS AND PIPEFITTERS WELFARE FUND	85	964,301	X	X X X X X	Life Insurance and Disability Dental Optical Orthotics Chiropractic Health Club
CORRECTION CAPTAINS ASSOC. WELFARE FUND/ CLRIF	6	1,077,349	X	X X X X X X	Life Insurance Dental Optical Prescription Drugs Maternity Catastrophic Insurance In-hospital Benefits Civil Legal Representation Fund
CORRECTION CAPTAINS ASSOC RETIREE WELFARE FUND	5	1,615,419	X	X X X X X X X X	Life Insurance Dental Optical Drug Benefits Catastrophic Insurance Hearing Aid Benefits Other Benefits (Supplemental Medical) Anesthesia Prescription Drugs Maternity Catastrophic Insurance
LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WF / RWF	57	1,821,771	X	X X X X X X X	Optical Claims Prescription Drug Claims Legal Benefits Dental Claims Death Benefits Medicare Benefits Health Reimbursement Arrangements Chiropractic Claims
LOCAL 3 IBEW ELECTRICIANS WF	51	1,170,857	X	X X X X X	Dental Optical Prescription Drugs Disability Death Medical consultations
LOCAL 246 SEIU RETIREE WELFARE FUND	46	877,852	X	X X X X	Death Benefit Dental Hearing Aid Optical Prescription Drugs
DOCTORS COUNCIL WELFARE FUND	22	1,362,526	X	X X X X X X X X X X	Life Insurance Disability Dental Claims Legal Services Podiatric Care Hearing Aid Optical Maternity/Adoption Psychiatric Physical Examination Mammogram Health Reimbursement

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$1 MILLION TO \$3 MILLION CATEGORY - Cont'd					
1199SEIU LICENSED PRACTICAL NURSES WELFARE FUND	68	1,431,772	X		Life Insurance Premiums Prescription Drugs Dental Optical LT Disability Disability Insurance Premiums Prepaid Legal Services Hearing Aid Other
LOCAL 246 SEIU WELFARE FUND	47	1,859,006			Death Benefit Dental Optical Prescription Drugs Prepaid Legal Services Hearing Aid
UNITED PROBATION OFFICERS ASSOCIATION WELFARE FUND	109	1,127,001			Life Insurance Dental Optical Prescription Drugs Disability Anesthesia Podiatry Medical Mammography In Hospital Indemnity Emergency Room Hearing Aid 2nd Dental Opinion Program Health Benefit
LOCAL 444 SANITATION OFFICERS, WELFARE FUND	65	1,535,180			Death Benefit Dental Optical Prescription Drugs Legal Supplementary Medical Life Insurance
DC 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION WF/RWF(Local 19)	20	1,697,474	X		Group Life and AD&D - CSWF Dental Medical Spending Optical Hearing aids
LOCAL 300 CIVIL SERVICE FORUM WF	55	1,474,450	X		Life Insurance Dental Optical Prescription Drugs Hearing Aid Prepaid Legal Service Disability Retirement Planning
LOCAL 891 SCHOOL CUSTODIAN AND CUSTODIAN ENGINEERS WF/RWF	80	1,742,119	X		Group Life Insurance Dental Catastrophic Insurance Optical Prescription Drug Hearing Aid Survivor Continuation Benefits Legal Benefits Variable Benefit

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
<u>\$1 MILLION TO \$3 MILLION CATEGORY - Cont'd</u>					
LOCAL 211 ALLIED BUILDING INSPECTORS WELFARE FUND	42	1,372,637		X	Dental Optical Prescription Drugs Hearing Aid Chiropractic/Podiatry Disability Death Benefit Prepaid Legal Services
CIVIL SERVICE BAR ASSOCIATION WELFARE FUND	3	1,230,841	X		Life Insurance Disability
				X	Prescription drugs Dental Optical Nursery Lifestyle Nurse Helpline
SELF-INSURED					
<u>\$3 MILLION TO \$10 MILLION CATEGORY</u>					
LOCAL 444 SANITATION OFFICERS RETIREE WELFARE FUND	84	2,974,072		X	Death Benefit Dental Optical Supplementary Medical High -Option Rider/Reimb. Drugs
			X		Life Insurance
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION WELFARE FUND	77	3,709,043		X	Medications Death Benefits Dental Optical Hearing Aids
			X		GHI Premium Supplement HIP Premium Supplement Life Insurance
DETECTIVES ENDOWMENT ASSOCIATION WELFARE FUND	16	8,555,902		X	Dental Optical Prescription Drugs Catastrophic deductible Hearing Aid Appliances Benefit
			X		Insurance Premiums Hospital Rider Body Scan
SUPERIOR OFFICERS COUNCIL (POLICE) WELFARE FUND/CLRF	108	4,086,218	X		Dental - Comprehensive Dental -Insurance Schedule Prescription Drugs Optical Catastrophic Health Ins. (GHI) Extended Health Ins. (HIP)
				X	Hearing Aid Catastrophic Reimbursement Litigation
NEW YORK CITY RETIREES WELFARE FUND	89	6,534,260		X	Prescription Drugs Optical Life Insurance Dental Legal Hearing Aid Podiatry

EXHIBIT D
SURVEY OF BENEFIT FUNDS
SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$3 MILLION TO \$10 MILLION CATEGORY - cont'd					
SUPERIOR OFFICERS COUNCIL (POLICE) RETIREE WELFARE FUND	105	7,140,184	X	X	Dental Comprehensive Dental Insurance Schedule Hospitalization Prescription Drug Benefits Death Benefit Health Rider Reimbursement Optical Catastrophic Health (G.H.I.) Catastrophic Reimbursement
CORRECTION OFFICERS ' BENEVOLENT ASSOC RETIREE WELFARE FUND	7	6,859,474	X	X	Dental Prescription Drugs Optical Prepaid Legal Services Life Insurance Health (other)
LOCAL 1180 CWA MUNICIPAL MANAGEMENT RETIREE WELFARE FUND	29	11,235,763		X	Direct Optical Benefits Dental Prescription Drugs Optical Pension Counseling Hearing Aid Podiatry benefit Retiree Division Program General Medical Benefit Clinical benefit Direct Dental Benefits Legal Service Benefits
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION RETIREE WELFARE FUND	78	8,181,430		X	Medications Dental expense Optical Hearing Aids Death benefits GHI Premium supplement HIP Premium Supplement Life Insurance
ORGANIZATION OF STAFF ANALYSTS WELFARE FUND	93	6,565,938	X	X	Long Term Disability Basic Life Insurance Survivor Benefits Dental Optical Major Medical Staff Analyst Civil Service Exam COBRA Reimbursements Drug rider Reimbursements Other Pension Counseling
LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS RETIREE WELFARE FUND	26	9,012,913	X	X	Dental Schedule of Allowances Dental - DHMO Optical Hearing Aid Extended Hospitalization --- (Extension of Basic Coverage) Major Medical Supplemental to Basic Coverage GHI Rider Reimbursement -- (Medicare Participants)

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$3 MILLION TO \$10 MILLION CATEGORY - cont'd					
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION WELFARE FUND	73	7,904,354	X		Group Life Insurance and Accident Dental (HealthPlex, Inc.) Prescription Drugs General Medical -- Anesthesia Optical Ambulance Crutches and Wheelchair Hospital bed and traction Line of Duty Injury (LODI) Consulting Physician - LODI claims
LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS WELFARE FUND	25	9,185,182		X	Life Insurance Dental - Schedule of Allowances Dental - DHMO Optical Prescription Drugs Hearing Aid Survivors Benefits Major Medical - Supplement to Basic Coverage
LOCAL 1182 CWA SECURITY BENEFITS FUND WF/RWF/LEGAL	33	3,354,038		X	Disability Dental Optical Prescription Drugs Prepaid Legal Services Podiatry Life Insurance
HOUSE STAFF COMMITTEE OF INTERNS & RESIDENTS WELFARE/LEGAL FUND	24	3,223,781	X		Life Insurance Dental Optical Outpatient Psychiatric Care Major Medical Childbirth Education Pediatrics & Circumcision Maternity & Newborn Short Term Disability Long Term Disability Insurance Conferences & Books WMC Obstetrics Prescription Drugs Hearing Aids Substance Abuse Conferences - HHC Legal Services
SELF-INSURED					
\$10 MILLION TO \$20 MILLION CATEGORY					
SERGEANT'S BENEVOLENT ASSOCIATION (Police) WF/RWF/CLRF	113	15,885,394		X	Dental Prescription Drugs Optical Death Benefit Catastrophic Health Expanded Medical Civil Legal Representation Fund
LOCAL 1180 CWA MUNICIPAL MANAGEMENT WELFARE FUND / LEGAL / EDUCATION	28/30	13,201,690	X		Life Insurance Dental Optical Prescription Drugs Disability Hearing Aid Psychiatry Maternity Prepaid Legal Services Podiatry Other Court Cost Clinical Telephone Hot Line Workplace literacy program Urban leadership program Tuition benefit General Labor Rehabilitation Book purchases Adult education Quality through participation

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	\$SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$10 MILLION TO \$20 MILLION CATEGORY - cont'd					
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION RETIREE WELFARE FUND	81	15,434,488		X	Dental
				X	Dentcare
				X	Optical
			X		Group Health Insurance (Widows)
				X	Prescription Drugs
				X	Hearing Aid
			X		Life Insurance
				X	Prescription Drugs (Widows)
				X	Maintenance Drug Program
			X		HIP - widows (COBRA)
			X		Cigna Healthcare
			X		U. S. Healthcare
				X	Surgical Assistance Program
LOCAL 237 TEAMSTERS RETIREE WELFARE FUND (includes Fund 66, Local 621 RWF)	44/66	12,722,180		X	Death Benefit
				X	Dental
				X	Optical
				X	Prescription Drugs
				X	Education Program
				X	Social Program
				X	Hearing Aid
				X	Legal Services
				X	Supplemental Medical Expense
				X	Reimbursement of Approved Medicare Risk HMO Drug Rider Premiums
				X	Retirement Planning
				X	Counseling
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WELFARE FUND	83	13,701,385		X	Dental
				X	Dentcare
				X	Optical
				X	Prescription Drugs
				X	Prescription Drugs (Widows)
				X	Obstetrical Anesthesia
				X	Surgical Anesthesia
				X	Maintenance Prescription Drugs
				X	Hearing Aid
				X	Drug Refunds
			X		Life Insurance
			X		GHI
			X		GHI Widows
			X		HIP- Extended Coverage
			X		HIP- widows (COBRA)
			X		US Healthcare
CORRECTION OFFICERS' BENEVOLENT ASSOCIATION WELFARE FUND / CLRF	9	14,057,701	X		Life Insurance premiums
			X	X	Dental
				X	Optical
				X	Prescription Drugs
				X	Prepaid Legal Services
				X	Civil Legal Representation
				X	Other Health Benefits
DETECTIVES ENDOWMENT ASSOCIATION RETIREE WELFARE FUND	15	14,364,912	X	X	Dental
				X	Optical
				X	Prescription Drugs
				X	Catastrophic Deductible
				X	Medical Co-payment Refund
				X	Hearing Aid
			X		Hospital Rider
			X		Appliance Rider
			X		Catastrophic
				X	Death Benefit
NYS NURSES ASSOCIATION WELFARE FUND	92	8,939,952	X		Life/Disability
				X	Optical
				X	Podiatry & Orthotics
				X	Long-Term Disability
				X	(COBRA) Extended Benefits
				X	Hearing Aids
				X	Major Medical Dental
				X	Prescription Drug
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC RETIREE WELFARE FUND	72	12,067,729	X	X	Dental
				X	Prescription Drugs
				X	Optical
				X	Supplemental Medical

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED OVER \$20 MILLION CATEGORY					
LOCAL 371 SOCIAL SERVICE EMPLOYEES WF/ LEGAL / EDUCATION / ADMINISTRATIV	62	22,979,548	X	X	Dental Prescription Drugs Disability Life Insurance Optical Prosthetic Appliances Health & Safety Coordinator Podiatry Burial Diagnostic Exam Pension Counseling Hearing Aid Abortion Civil Matters Criminal Representation Court Costs Tuition Reimbursements Job Related Conferences Dues for Professional Organization Civil Service Exam Prep Courses Other
PATROLMEN'S BENEVOLENT ASSOCIATIO RETIREE WELFARE FUND	96	37,259,070	X	X	Dental Prescription Drugs Optical Other Supplemental Benefits Supplemental Hospitalization Pension Counseling Benefit
PATROLMEN'S BENEVOLENT ASSOCIATION WELFARE FUND / CLRF	97	35,606,288	X	X	Dental Optical Prescription Drugs Catastrophic Benefit Life Insurance Office Visit Co-payment Benefit Other Supplemental Benefits Pension Counseling Legal Services Benefit
LOCAL 237 TEAMSTERS WELFARE FUND (Includes fund 87, local 821 WF)	45/87	34,492,051	X	X	Death Benefit Dental Optical Prescription Drugs Short-term Disability Legal Services Benefits Hearing Aid & Other Pre retirement Pension Counseling Training & Education
LOCAL 2 UNITED FEDERATION OF TEACHERS WELFARE FUND (Includes active and retiree security funds)	41	221,229,914	X	X	Death Benefit Dental Optical Disability Hearing Aids Retiree Program Retiree - Legal Service Prescription Drugs Prescription Appliances / Other Optional Rider Reimbursement SLOAC Durable Medical Equipment Medicare Part D

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2006

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
OVER \$20 MILLION CATEGORY - cont'd					
DC 37 WELFARE FUND	10	232,568,471		X	Dental Claims X Disability X Prescription Drugs X Death X Optical Claims X Podiatry X Audiology X Medical Evaluations X Health & Pension Services Program X Legal Services X Social Service Crisis Intervention Program X Dental Centers X Optical Centers X Program Costs X Educational Costs X Tuition Refund Program
PROFESSIONAL STAFF CONGRESS CUNY WELFARE FUND/RWF	101	28,472,288	X X X X X X X X X	X X X X X X X X X	Disability-active Major Medical Dental Basic Health Benefits Optical Prescription Drugs Prescription Drugs Well Care Programs Death Benefits Prescription Drugs Life Insurance Hearing Aids
INSURED					
UNDER \$100,000 CATEGORY					
NYC DEPUTY SHERIFFS ASSOCIATION RETIREE WELFARE FUND	12	44,247	X X X		Group Life & A.D.D. Insurance Optical Dental
INSURED					
\$100,000 TO \$300,000 CATEGORY					
NYC DEPUTY SHERIFFS ASSOCIATION WELFARE FUND	13	188,130	X X X	X	Group Life & A.D.D. Insurance Group Dental Optical Care Legal, Professional Lobby
LOCAL 14 -14B IUOE WELFARE FUND/RWF	37	88,404	X X	X X	Death Benefits Optical Benefits Dental Benefits
LOCAL 333 UNITED MARINE DIVISION RETIREE WELFARE FUND	59	190,433	X	X X	Life Insurance Vision Supplemental (unreimbursed medical expenses) (this benefit was discontinued 1/1/08)
INSURED					
\$300,000 TO \$1 MILLION CATEGORY					
LOCAL 15A-C OPERATING ENGINEERS WELFARE FUND/RWF	38	278,209	X X X	X	Dental Optical Death Benefit Member Assistance
LOCAL 333 UNITED MARINE DIVISION WELFARE FUND	60	341,593	X	X X	Life Insurance Vision Supplemental (unreimbursed medical expenses) (this benefit was discontinued 1/1/08)

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2006

REF	NAME OF FUND	BEN EXP/ TOTAL REV	DEVATION FROM CAT. AVERAGE	ADM EXP/ TOTAL REV	DEVATION FROM CAT. AVERAGE	BEN EXP/ TOTAL EXP	DEVATION FROM CAT. AVERAGE	ADM EXP/ TOTAL EXP	DEVATION FROM CAT. AVERAGE	EXCESS/ TOTAL REV	DEVATION FROM CAT. AVERAGE
56	SELF-INSURED WF & RWFF NYC CONTRIBUTION UNDER \$100,000 LOCAL 306 MUNICIPAL EMPLOYEES WF	104.31%	0.00%	26.37%	0.00%	79.90%	0.00%	20.10%	0.00%	-31.18%	0.30%
	TOTAL UNDER \$100,000 CATEGORY	104.31%		26.37%		79.90%		20.10%		-31.18%	
	NYC CONTRIBUTION \$100,000 TO \$300,000										
18	DISTRICT NO. 1 MESA BENE. FUND TRUST WF/AF	70.41%	-6.31%	4.57%	-64.13%	93.90%	9.99%	6.10%	-58.30%	25.02%	94.10%
23	FIRE ALARMS DISPATCHERS BENEVOLENT ASSOC WF	67.31%	-9.49%	21.59%	68.47%	75.71%	-11.32%	24.23%	66.03%	11.10%	-13.89%
74	LOCAL 832 TEAMSTERS RWFF	116.87%	57.15%	25.81%	102.59%	81.91%	-4.05%	18.09%	23.65%	-42.89%	-431.19%
79	LOCAL 858 IBI, HOTEL BRANCH OFFICE MANAGERS WF	71.95%	-3.44%	13.92%	9.36%	83.75%	-1.85%	16.21%	10.80%	14.12%	9.54%
84	LOCAL NO. 5 HICPL EMPLOYEES BENEFIT TRUST FUND	45.84%	-38.63%	2.94%	-76.92%	93.94%	10.04%	6.06%	-58.58%	51.41%	298.84%
86	NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS WF	70.52%	-5.18%	8.70%	-31.71%	89.01%	4.26%	10.99%	-24.88%	20.78%	61.21%
87	NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS RWFF	88.77%	19.36%	9.41%	-26.14%	90.42%	5.92%	9.56%	-34.52%	1.82%	-86.98%
	TOTAL \$100,000 TO \$300,000 CATEGORY	74.37%		12.74%		86.37%		14.53%		12.35%	
	NYC CONTRIBUTION \$300,000 TO \$1 MILLION										
2	ASSISTANT DEP WARDENS/DEP WARDENS WF/ RWFF/CLRF	71.93%	5.95%	11.23%	-29.55%	86.50%	6.51%	13.50%	-38.15%	16.79%	2.58%
21	DOCTORS COUNCIL RWFF	88.74%	30.62%	29.22%	88.88%	75.23%	-7.36%	24.77%	31.83%	-17.36%	-209.85%
48	LOCAL 3 IREW CITY EMPLOYEES WELFARE FUND	97.30%	43.21%	16.66%	8.11%	85.38%	5.11%	14.64%	-22.05%	-13.99%	-195.57%
50	LOCAL 3 IREW ELECTRICIANS RWFF	61.92%	-8.86%	10.99%	-30.09%	84.92%	4.57%	15.08%	-19.74%	27.09%	85.65%
54	LOCAL 300 CIVIL SERVICE FORUM RWFF	68.57%	2.40%	12.93%	-17.75%	84.33%	3.24%	15.67%	-16.60%	17.50%	7.03%
75	LOCAL 832 TEAMSTERS WF	42.71%	-37.14%	18.56%	18.70%	69.59%	-14.31%	30.41%	61.84%	38.62%	136.21%
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	67.94%		16.72%		81.21%		18.79%		16.35%	
	NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION										
3	CIVIL SERVICE BAR ASSOC WF	79.19%	7.77%	11.60%	27.33%	87.23%	-1.96%	12.77%	15.78%	9.21%	-47.10%
5	CORRECTION CAPTAINS ASSOCIATION RWFF	77.28%	5.17%	6.64%	-38.08%	93.20%	4.75%	6.20%	-38.36%	17.08%	-1.90%
5	CORRECTION CAPTAINS ASSOCIATION WF/CLRF	79.38%	8.00%	8.44%	-7.35%	90.38%	1.58%	9.62%	-12.73%	12.19%	-29.99%
20	DC 9 PAINTING INDUSTRY WF/RWFF (LOCAL 1989)	63.67%	-13.35%	6.91%	-24.15%	90.21%	1.39%	9.78%	-11.24%	29.42%	89.99%
22	DOCTORS COUNCIL WF	116.00%	50.59%	25.85%	181.75%	82.93%	-7.80%	17.97%	62.92%	-43.86%	-351.87%
42	LOCAL 211 ALLIED BUILDING INSPECTORS WF	56.24%	-17.06%	5.97%	-34.47%	90.40%	1.61%	9.60%	-12.96%	37.79%	117.06%
45	LOCAL 345 SEIU WELFARE FUND	60.99%	-23.46%	8.15%	-10.54%	88.21%	-0.85%	11.79%	6.89%	30.85%	71.20%
47	LOCAL 346 SEIU WELFARE FUND	74.14%	2.26%	9.10%	-0.11%	89.20%	0.26%	10.80%	-2.09%	15.76%	9.48%
51	LOCAL 3 IREW ELECTRICIANS WF	88.92%	-23.90%	9.48%	4.06%	85.50%	-3.90%	14.50%	31.46%	34.60%	98.74%
55	LOCAL 300 CIVIL SERVICE FORUM WF	89.27%	21.48%	10.39%	14.06%	89.83%	0.89%	10.47%	0.35%	0.35%	-37.94%
57	LOCAL 300-C OPERATING MUNICIPAL ENGINEERS WF/RWFF	86.98%	18.37%	7.96%	-12.73%	91.61%	2.95%	8.37%	-24.12%	5.07%	-70.88%
65	LOCAL 444 SANITATION OFFICERS WF	74.93%	1.22%	5.14%	-43.58%	93.84%	5.14%	6.46%	-41.43%	20.48%	17.83%
68	119SEIU LICENSED PRACTICAL NURSES WF	71.88%	-2.04%	10.74%	-17.89%	87.02%	-2.49%	12.88%	17.68%	-0.75%	-0.75%
80	LOCAL 891 SCHOOL CUSTOD & CUSTODIANS WF/RWFF	70.22%	-4.44%	11.20%	22.94%	86.25%	-3.05%	13.75%	24.86%	18.59%	6.72%
85	NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	71.57%	-2.60%	8.59%	-5.71%	89.28%	0.35%	10.72%	-2.81%	19.84%	33.95%
	TOTAL \$1 MILLION TO \$3 MILLION CATEGORY	73.43%		9.11%		88.97%		11.03%		17.41%	

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2006

REF	NAME OF FUND	BEN EXPT TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXPT TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXPT TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXPT TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS TOTAL REV	DEVIATION FROM CAT. AVERAGE	
SELF-INSURED WF & RWF (cont'd)												
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION												
7	CORRECTION OFFICERS' BENEVOLENT ASSOC RWF	84.18%	-4.89%	7.28%	-15.55%	92.04%	1.02%	7.98%	-10.46%	8.54%	179.08%	
14	DETECTIVES ENDOWMENT ASSOCIATION WF	84.75%	-4.03%	4.79%	-44.43%	94.65%	3.89%	5.35%	-39.82%	10.46%	241.50%	
26	HOUSE STAFF COMM OF INTERNS & RESIDENTS W/LEGAL	73.27%	-17.04%	18.97%	86.87%	81.20%	-10.88%	11.47%	111.47%	9.76%	218.95%	
25	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. WF	94.59%	7.40%	7.33%	-14.97%	92.81%	1.87%	7.19%	-19.12%	-1.92%	-192.75%	
28	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. RWF	93.78%	6.18%	8.82%	0.00%	91.59%	0.53%	8.41%	-5.40%	-2.39%	-178.10%	
29	LOCAL 1180 CWA MUNICIPAL MANAGEMENT RWF	93.69%	6.07%	15.95%	85.03%	85.45%	-6.21%	14.95%	63.67%	-9.63%	-414.71%	
33	LOCAL 1182 CWA SECURITY BENEFIT FUND RWF	86.09%	-2.52%	14.10%	83.57%	85.93%	-6.69%	14.07%	68.27%	-0.19%	-106.21%	
64	LOCAL 444 SANITATION OFFICERS RWF	89.21%	-22.77%	5.40%	-37.35%	92.87%	1.71%	7.33%	-17.65%	26.39%	762.42%	
73	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC WF	80.71%	-8.52%	9.50%	10.21%	89.47%	-1.80%	10.53%	18.45%	9.79%	219.93%	
77	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC WF	89.84%	1.72%	5.91%	-31.44%	93.83%	2.99%	6.17%	-30.60%	4.25%	38.89%	
78	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC. RWF	104.85%	18.72%	4.83%	-46.29%	95.77%	5.11%	4.23%	-52.42%	-3.48%	-609.30%	
89	NEW YORK CITY RETIREES WF	91.87%	6.28%	4.82%	-44.06%	95.12%	4.80%	4.88%	-45.11%	1.31%	-57.19%	
93	ORGANIZATION OF STAFF ANALYSTS WF	59.16%	-21.69%	10.68%	23.90%	86.63%	-4.93%	13.98%	50.51%	20.15%	558.82%	
105	SUPERIOR OFFICERS COUNCIL (POLICE) RWF	101.42%	14.83%	5.78%	-32.95%	94.67%	3.84%	5.39%	-39.37%	-7.19%	-334.97%	
106	SUPERIOR OFFICERS COUNCIL (POLICE) WF	99.37%	12.40%	6.40%	-28.75%	93.94%	3.11%	6.06%	-31.93%	-5.67%	-585.29%	
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY		88.32%		8.52%		97.11%		8.89%		3.06%		

REF	NAME OF FUND	BEN EXPT TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXPT TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXPT TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXPT TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS TOTAL REV	DEVIATION FROM CAT. AVERAGE	
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION												
9	CORRECTION OFFICERS' BENEVOLENT ASSOC WF	99.32%	12.44%	5.11%	-24.41%	95.11%	2.39%	4.89%	-31.22%	-4.43%	-190.04%	
15	DETECTIVES ENDOWMENT ASSOCIATION RWF	85.95%	-2.89%	3.85%	-42.90%	95.70%	3.03%	4.30%	-39.52%	10.19%	167.11%	
72	LOCAL 337 UNIFORMED SANITATIONMEN'S ASSOC RWF	96.21%	8.92%	3.51%	-46.06%	86.48%	3.86%	3.62%	-50.49%	0.28%	-84.31%	
81	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOC RWF	86.97%	-1.54%	3.72%	-44.97%	94.90%	3.24%	4.10%	-42.33%	9.31%	89.23%	
83	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WF	83.53%	-5.43%	5.38%	-20.41%	93.85%	1.14%	5.05%	-14.91%	11.05%	125.41%	
92	NEW YORK STATE NURSES ASSOCIATION WF	89.22%	1.07%	7.24%	7.10%	92.80%	-0.92%	7.50%	6.49%	3.55%	-27.85%	
113	SEARGENT'S BENEVOLENT ASSOC. (POLICE) WF	88.03%	-0.34%	5.68%	-17.46%	94.04%	1.24%	5.96%	-16.17%	6.39%	29.88%	
28&30	LOCAL 1180 CWA MUNICIPAL MANAGEMENT WF	77.42%	-12.35%	15.22%	125.15%	83.57%	-10.03%	16.43%	131.08%	7.37%	49.80%	
44&86	LOCAL 237 TEAMSTERS RWF	93.40%	5.74%	11.20%	64.68%	89.40%	-3.85%	10.70%	50.49%	-4.60%	-193.50%	
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY		88.33%		6.76%		92.89%		7.11%		4.92%		

REF	NAME OF FUND	BEN EXPT TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXPT TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXPT TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXPT TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS TOTAL REV	DEVIATION FROM CAT. AVERAGE	
NYC CONTRIBUTION OVER \$20 MILLION												
10	DC 37 WF	95.95%	10.61%	6.65%	-4.31%	93.52%	1.01%	6.48%	-12.67%	-2.63%	-141.88%	
52	LOCAL 371 SOCIAL SERVICE EMPLOYEES W/LEGAL	82.47%	-4.85%	9.62%	38.22%	89.55%	-3.27%	10.45%	46.84%	7.91%	25.98%	
96	PATROLMEN'S BENEVOLENT ASSOC RWF	100.74%	16.10%	6.93%	-0.43%	93.86%	1.05%	6.44%	-13.21%	-7.87%	-222.13%	
97	PATROLMEN'S BENEVOLENT ASSOC WF	82.47%	-4.85%	7.95%	8.03%	97.78%	-0.88%	8.22%	10.75%	10.15%	51.52%	
41	LOCAL 2 UNITED FEDERATION OF TEACHERS WF	85.86%	-1.35%	7.93%	13.94%	91.52%	-1.14%	14.14%	14.39%	6.51%	3.66%	
45&67	LOCAL 237 TEAMSTERS WF	97.93%	12.86%	7.91%	13.66%	92.52%	-0.05%	7.46%	0.81%	-5.84%	-192.98%	
101	PROFESSIONAL STAFF CONGRESS CUNY WF	45.98%	-47.01%	2.04%	-70.89%	95.74%	3.41%	4.25%	-42.59%	51.98%	727.71%	
TOTAL OVER \$20 MILLION CATEGORY		86.77%		6.96%		92.58%		7.42%		6.28%		

TOTAL SELF-INSURED FUNDS

6.10%

7.70%

92.30%

7.23%

96.87%

7.70%

6.10%

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2006

REF	NAME OF FUND	BEN EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS/ TOTAL REV	DEVIATION FROM CAT. AVERAGE
	INSURED W/F & RW/F										
	NYC CONTRIBUTION UNDER \$100,000										
12	NYC DEPUTY SHERIFFS ASSOC RW/F	63.83%	0.00%	5.84%	0.00%	91.62%	0.00%	8.38%	0.00%	30.33%	0.00%
	TOTAL UNDER \$100,000 CATEGORY	63.83%		5.84%		91.62%		8.38%		30.33%	
	NYC CONTRIBUTION \$100,000 TO \$300,000										
13	NYC DEPUTY SHERIFFS ASSOC W/F	67.35%	12.51%	2.33%	-82.13%	96.88%	17.72%	3.34%	-81.33%	30.32%	11.88%
37	LOCAL 14A-14B IJOE W/F/RW/F	48.12%	-22.95%	18.05%	38.42%	71.88%	-12.86%	28.12%	57.18%	35.83%	32.21%
59	LOCAL 333 UNITED MARINE DIVISION RW/F	60.16%	0.50%	19.28%	47.70%	75.73%	-7.75%	24.35%	35.55%	20.56%	-24.08%
	TOTAL \$100,000 TO \$300,000 CATEGORY	59.86%		13.04%		82.11%		17.85%		27.10%	
	NYC CONTRIBUTION \$300,000 TO \$1 MILLION										
38	LOCAL 15, 15A, 15C OPERATING ENGINEERS W/F/RW/F	35.95%	-32.35%	16.89%	-8.79%	68.03%	-8.77%	31.97%	25.72%	47.16%	64.09%
60	LOCAL 333 UNITED MARINE DIVISION W/F	37.03%	63.77%	20.54%	13.35%	80.90%	8.49%	19.10%	-24.89%	-7.96%	-126.37%
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	53.14%		18.12%		74.57%		25.43%		28.74%	
	TOTAL INSURED FUNDS	55.97%		15.83%		77.95%		22.04%		28.20%	
	TOTAL SELF-INSURED AND INSURED FUNDS	66.61%		7.24%		92.23%		7.72%		6.15%	

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2006

REF	NAME OF FUND	BEN EXPI TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXPI TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXPI TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXPI TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS TOTAL REV	DEVIATION FROM CAT. AVERAGE	
ANNUITY FUNDS												
NYC CONTRIBUTION UNDER \$100,000												
11	NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	26.47%	-64.21%	0.00%	-100.00%	100.00%	14.74%	0.00%	-100.00%	73.53%	385.67%	
58	LOCAL 333 UNITED MARINE DIVISION ANNUITY FUND	92.87%	25.57%	15.25%	33.76%	85.80%	-1.43%	14.10%	9.73%	-0.11%	-153.57%	
	TOTAL UNDER \$100,000 CATEGORY	73.96%		10.91%		97.16%		12.85%		15.14%		
NYC CONTRIBUTION \$300,000 TO \$1 MILLION												
1	ASSISTANT DEP WARDENS/DEP WARDENS ASSOC AF	22.43%	-45.02%	4.65%	-36.82%	82.84%	-2.22%	17.16%	12.30%	72.93%	40.68%	
4	CORRECTION CAPTAINS ASSOC ANNUITY FUND	54.92%	34.91%	7.70%	4.62%	87.71%	3.53%	12.28%	-19.57%	37.48%	-27.89%	
127	LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	20.42%	-49.95%	9.66%	31.26%	67.90%	-19.85%	32.10%	110.08%	68.92%	34.88%	
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	40.80%		7.36%		84.72%		16.28%		51.64%		
NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION												
53	LOCAL 444 SANITATION OFFICERS ANNUITY FUND	50.70%	69.88%	3.85%	-15.80%	92.87%	7.23%	7.13%	-46.75%	45.40%	-30.59%	
117	LOCAL 16, 15A, 15C (JUDGE) OPERATING MUNI. ENGINEERS AF	40.67%	35.11%	8.53%	84.63%	82.87%	-4.65%	17.33%	29.42%	50.80%	-22.44%	
124	DOCTORS COUNCIL ANNUITY FUND	8.16%	-72.68%	4.27%	-7.56%	65.64%	-24.21%	34.36%	156.61%	87.56%	33.68%	
125	LOCAL 306 SEIU CIVIL SERVICE FORUM ANNUITY FUND	16.08%	-46.18%	4.65%	0.68%	71.56%	-10.43%	22.44%	67.59%	79.27%	21.02%	
128	LOCAL 246 SEIU NYC ANNUITY FUND	12.90%	-57.16%	3.57%	-22.73%	78.20%	-6.71%	21.80%	62.81%	83.84%	27.59%	
	TOTAL \$1 MILLION TO \$3 MILLION CATEGORY	29.88%		4.62%		86.61%		13.35%		65.50%		

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2006

FEE	NAME OF FUND	BEN EXPI		DEVIATION FROM CAT. AVERAGE		ADM EXPI		DEVIATION FROM CAT. AVERAGE		BEN EXPI		DEVIATION FROM CAT. AVERAGE		ADM EXPI		DEVIATION FROM CAT. AVERAGE		EXCESS/ TOTAL REV		DEVIATION FROM CAT. AVERAGE	
		TOTAL REV	AVERAGE	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	TOTAL EXP	FROM CAT. AVERAGE	TOTAL EXP	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	TOTAL EXP	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	TOTAL EXP	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	
ANNUITY FUNDS (cont'd)																					
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION																					
3	CORRECTION OFFICERS' BENEVOLENT ASSOC AF	75.83%	95.69%	8.15%	98.30%	90.36%	-0.12%	9.70%	1.15%	90.36%	-0.12%	9.70%	1.15%	16.02%	9.70%	16.02%	1.15%	16.02%	9.70%	-71.96%	-71.96%
14	DETECTIVES ENBOWMENT ASSOC ANNUITY FUND	46.28%	16.77%	3.60%	-12.41%	92.63%	2.46%	7.37%	-23.15%	92.63%	2.46%	7.37%	-23.15%	51.15%	7.37%	51.15%	-23.15%	51.15%	7.37%	-10.48%	-10.48%
71	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC AF	75.89%	95.92%	3.34%	-18.73%	95.73%	5.94%	4.22%	-56.00%	95.73%	5.94%	4.22%	-56.00%	20.78%	4.22%	20.78%	-56.00%	20.78%	4.22%	-63.63%	-63.63%
76	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC AF	29.12%	24.85%	1.60%	-51.07%	94.73%	4.83%	5.22%	-45.57%	94.73%	4.83%	5.22%	-45.57%	69.28%	5.22%	69.28%	-45.57%	69.28%	5.22%	21.25%	21.25%
82	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION AF	36.45%	5.54%	5.98%	45.90%	85.90%	-4.98%	14.10%	47.03%	85.90%	-4.98%	14.10%	47.03%	57.57%	14.10%	57.57%	47.03%	57.57%	14.10%	0.75%	0.75%
104	SUPERIOR OFFICERS COUNCIL (POLICE) AF	51.05%	31.74%	5.87%	42.87%	89.69%	-0.81%	10.32%	7.51%	89.69%	-0.81%	10.32%	7.51%	43.98%	10.32%	43.98%	7.51%	43.98%	10.32%	-24.61%	-24.61%
112	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) AF	31.08%	19.79%	3.45%	-16.06%	90.01%	-0.44%	9.99%	4.17%	90.01%	-0.44%	9.99%	4.17%	66.47%	9.99%	66.47%	4.17%	66.47%	9.99%	14.56%	14.56%
116	LOCAL 39A-D (JUCE ENGINEERS ANNUITY FUND)	17.33%	-55.28%	0.41%	-89.29%	97.56%	7.90%	2.44%	-74.45%	97.56%	7.90%	2.44%	-74.45%	82.23%	2.44%	82.23%	-74.45%	82.23%	2.44%	43.91%	43.91%
119	LOCAL 180 CWA MEMBERS ANNUITY FUND	12.93%	-86.63%	3.21%	-21.90%	90.13%	-11.37%	19.87%	107.19%	90.13%	-11.37%	19.87%	107.19%	83.87%	19.87%	83.87%	107.19%	83.87%	19.87%	46.76%	46.76%
121	DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	37.41%	-3.46%	16.16%	268.85%	71.17%	-21.28%	28.83%	200.63%	71.17%	-21.28%	28.83%	200.63%	47.43%	28.83%	47.43%	200.63%	47.43%	28.83%	-16.99%	-16.99%
123	LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	12.51%	-67.72%	2.22%	-45.99%	84.92%	-6.07%	19.08%	57.25%	84.92%	-6.07%	19.08%	57.25%	85.26%	19.08%	85.26%	57.25%	85.26%	19.08%	-49.21%	-49.21%
125	LOCAL 89 (RUC) ANNUITY FUND	2.50%	-93.55%	2.96%	-42.56%	51.49%	-43.06%	48.52%	403.94%	51.49%	-43.06%	48.52%	403.94%	95.44%	48.52%	95.44%	403.94%	95.44%	48.52%	86.50%	86.50%
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY		39.75%	4.11%	4.11%	90.41%	90.41%	9.59%	9.59%	57.14%	90.41%	9.59%	9.59%	57.14%	57.14%	9.59%	57.14%	9.59%	57.14%	9.59%	57.14%	57.14%
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION																					
43	LOCAL 237 TEAMSTERS ANNUITY FUND	20.85%	-28.20%	2.65%	-3.64%	88.73%	-2.87%	11.27%	30.29%	88.73%	-2.87%	11.27%	30.29%	76.50%	11.27%	76.50%	30.29%	76.50%	11.27%	12.15%	12.15%
95	PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	38.03%	30.96%	2.85%	4.00%	93.01%	1.82%	6.99%	-19.19%	93.01%	1.82%	6.99%	-19.19%	59.11%	6.99%	59.11%	-19.19%	59.11%	6.99%	-13.34%	-13.34%
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY		29.04%	2.75%	2.75%	91.35%	91.35%	8.65%	8.65%	68.21%	91.35%	8.65%	8.65%	68.21%	68.21%	8.65%	68.21%	8.65%	68.21%	8.65%	68.21%	68.21%
TOTAL ANNUITY FUNDS																					
		35.13%	3.93%	3.93%	90.19%	90.19%	9.81%	9.81%	59.94%	90.19%	9.81%	9.81%	59.94%	59.94%	9.81%	59.94%	9.81%	59.94%	9.81%	59.94%	59.94%
GRAND TOTAL																					
		78.87%	5.60%	5.60%	92.09%	92.09%	7.91%	7.91%	15.53%	92.09%	7.91%	7.91%	15.53%	15.53%	7.91%	15.53%	7.91%	15.53%	7.91%	15.53%	15.53%

THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER

INTERNAL CONTROL AND ACCOUNTABILITY DIRECTIVES

**DIRECTIVE 12 - EMPLOYEE BENEFIT FUNDS - UNIFORM REPORTING AND
AUDITING REQUIREMENTS**

INTRODUCTION AND SUMMARY

This Directive sets forth accounting, auditing and financial guidelines for employee and retiree Benefit Funds which receive contributions from the City of New York. It also establishes detailed information reporting requirements for the funds and their boards of trustees. All Benefit Funds that receive contributions from the City of New York are required to conform with this Directive's provisions.

The accounting, auditing and reporting requirements prescribed herein vary in accordance with the amount of funding the Benefit Fund receives from the City. Benefit Funds are divided into two funding level categories: those with New York City Contributions less than \$300,000 (Level I); and those with \$300,000 or more in New York City Contributions (Level II).

1.0 GENERAL INFORMATION

1.1 Organization

- 1.0 General Information
- 2.0 Definitions
- 3.0 General Guidelines and Requirements
- 4.0 Annual Reporting Requirements
- 5.0 Independent Annual Audit
- 6.0 Trustee Representation Letter
- 7.0 Federal ERISA Reporting Requirements
- 8.0 Annual Report to Fund Membership
- 9.0 Supporting Schedules

Exhibits:

- A - Administrative Expense Schedule
- B - Benefit Expense Schedule
- C - Key Ratio Schedule

1.2 Effective Date

This directive is effective for Benefit Fund plan years beginning on or after July 1, 1997.

1.3 Notice

In reissuing this directive, the Office of the Comptroller has undertaken to clarify, whenever possible the prior version's text. In reissuing this directive, there is no intent to change the existing interpretation of any subject unless explicitly stated in the text.

1.4 Assistance

Requests for additional copies and questions concerning this Directive should be addressed to: Joseph Trapani, Chief, Bureau of Management and Accounting Systems, (669-8201), 1 Centre Street, Municipal Building, Room 1005, New York, NY 10007.

2.0 DEFINITIONS

The following define the key terms used in this Directive:

2.1 Benefit Fund

Benefit Funds consist of any welfare or annuity fund that receives contributions from the City of New York. Examples of Benefit Funds include supplemental health care, educational, legal benefit, annuity, and civil/legal representation funds. Benefit Funds may be for either active or retired New York City employees.

2.2 New York City Contribution

The New York City Contribution is the total of the direct payments the City of New York is required, pursuant to applicable collective bargaining agreements, to make to a Benefit Fund on behalf of relevant employees and retirees.

The City of New York, as used herein, is a reference to its constituent agencies which are defined in the Charter of The City of New York, Chapter 52, Section 1150, subdivision 2, as a city, county, borough, or other office, position, administration, department, division, bureau, board or commission, corporation, institution or agency of government, the expenses of which are paid in whole or in part from the City's treasury.

2.3 Benefit Expense

Benefit expenses, as used herein, are the direct costs of providing benefits. These costs include:

Claims paid by the fund for self-insured benefits.

- Insurance premium payments less any retention charges.
- The cost of providing medical referral services.
- Salaries or other payments to:
 - Attorneys who provide direct legal services to members.
 - Instructors who conduct in-house training for members.
 - Physicians who examine members for workers' disability purposes.
 - Other professionals and consultants who provide services directly to members.

2.4 Administrative Expense

Administrative Expenses are all those costs that are not Benefit Expenses, including, but not limited to:

- Salaries and allowances for the fund's administrative support staff.
- Rents and other occupancy costs.
- Insurance policies for offices, equipment and other general business purposes.
- Fees paid to third party or fund administrators for administrative purposes.
- Miscellaneous fees and commissions.
- Insurance company retention charges.

2.5 Insurance Retention Charges

Insurance Retention Charges represent the portion of the insurance premiums retained by an insurance company to recover the administrative costs of handling benefit payments. Retention charges are applicable only to insured welfare plans.

3.0 GENERAL GUIDELINES AND REQUIREMENTS

3.1 Supplementary Benefit Agreements

The supplementary benefit agreements between the City of New York and the labor unions establish the Comptroller's authority to audit and request specific information from the Benefit Funds, and describe the Funds' underlying reporting responsibilities.

The agreements require, in part, that Benefit Funds maintain accurate records and books of account in conformance with generally accepted accounting principles, file annual trustees' statements with the Office of the Comptroller containing substantiation and other information that the Comptroller shall from time to time prescribe, as per individual Fund

supplemental agreements, and obtain annual independent audits of their financial statements. The agreements also specify the Comptroller's right to audit all Benefit Fund expenditures.

The agreements also set forth conflict of interest guidelines. These guidelines provide that Benefit Funds, and all fund trustees, officers and employees are prohibited from directly or indirectly receiving, in connection with the solicitation, sale, service or administration of a Benefit Fund contract, any payment, commission, loan or other thing of value from any entity or individual; and that Benefit Fund trustees, officers or employees may not directly or indirectly receive any payment, commission, loan service or any other thing of value from the Benefit Fund, except that such person may receive employee benefits to which he or she is otherwise entitled, and reasonable compensation for necessary services and expenses rendered or incurred in connection with official duties.

Many of the financial, accounting, auditing and reporting guidelines in this directive replicate, or are derived from, supplementary benefit agreement terms and conditions.

3.2 Accounting Standards

Every Benefit Fund which receives New York City Contributions is required to maintain adequate books of account and related records that will enable it to prepare complete and auditable financial statements on an accrual basis of accounting in conformity with Generally Accepted Accounting Principles.

3.3 Comptroller's Internal Control and Accountability Directives

It is recommended that all Benefit Funds for which the New York City Contribution is \$300,000 or greater (Level II Funds) comply, where applicable, with the Internal Control and Accountability Directives issued by the Office of the Comptroller.

3.4 Spending Guidelines

Benefit Funds should insure that New York City Contributions are spent appropriately and monitored carefully. This includes:

- Restricting their use only for expenditures and programs that directly or indirectly benefit fund members.
- Carefully controlling Administrative Expenses and insuring that they do not exceed a reasonable percentage of total Benefit Fund revenue.
- Insuring that spending for Benefit Fund employee salaries, fees paid to trustees and fees or commissions paid to professionals and service providers are not excessive or unreasonable in relation to the service or product received.
- Using competitive processes to the greatest degree practicable to procure goods and services.

In addition:

- Political and charitable contributions of any kind paid from the New York City Contribution or related investment earnings are prohibited.

- Payments on Benefit Fund contracts or other obligations generally must be made by check drawn on the fund payable directly to the creditor, beneficiary or obligee. Payments, that are not customarily paid by check, including, but not limited to, electronic transfers and imprest fund expenditures, are permissible.

3.5 Service Provider Assessments

The services rendered by consultants shall be assessed at least once every two years. The assessments shall be reported in the board's official minutes and attached to the trustees' representation letter.

It is further recommended, that the work of consultants and all individuals or organizations, with the exception of medical service providers, that are paid for services rendered on a fee or commission basis, be assessed each year with the results reported in the board's official minutes and attached to the trustees' representation letter.

3.6 Investment Policy and Procedures

3.6.1 Trustee Representation Letter

Level II Benefit Funds must attach a copy of their investment policy to the trustee representation letter along with the trustees' certification that the fund has complied with its policy and procedures.

3.6.2 Investment Policy Recommendation

To insure that idle monies are invested judiciously, appropriately safeguarded and accounted for fully, it is recommended that the board of trustees:

- Insure that the fund has a written investment policy which describes the permissible types of investments and the guidelines to be adhered to for each investment type. The policies and procedures should also cover, as appropriate, compliance with ERISA investment guidelines and any statutory or legal restrictions, collateralization, the use and selection of financial institutions such as depositories, custodians and trusts, and the use and selection of financial advisors.
- Conduct annual reviews of the fund's compliance with the investment policies and procedures.
- Insure that the investment policy and procedures are periodically reviewed and revised as necessary to reflect changes in available investment opportunities and market conditions.

- Establish a trustee investment committee, that includes the fund's chief fiscal officer, to oversee the investment function.
- Insure that internal accounting and procedural controls provide an environment which encourages adherence to the fund's investment policies and procedures. The internal controls should:
 - Separate the investment authorization and accounting functions.
 - Insure that investment transactions are fully recorded at an appropriate level of detail.
 - Mandate that all transactions are based on written authorizations.
 - Regularly report on all investment activity to Trustees.
 - Provide for the bonding of appropriate Benefit Fund staff.

3.7 Travel Policy

The board of trustees must establish a written travel policy which sets forth reasonable standards for all out-of-town travel and attendance at conferences, seminars and other events. In addition to establishing guidelines describing when, and for what purposes travel is appropriate, and expenditure limitations for transportation, lodging, meals and other expenses, the policy must require the board of trustees' advance authorization of all out-of-town travel.

3.7.1 Travel Policy Minimum Requirements

The travel policy, at a minimum, must:

- Prohibit first-class travel.
- Provide that reimbursement of expenses will be made only upon submission of a completed request with supporting documents attached.
- Require persons authorized to travel on Benefit Fund business to report to the board of trustees describing the benefits derived from the trip. The reports must be incorporated in the board's official minutes. It is recommended that the reports be in writing.

In addition, it is recommended that the travel policy:

- Place limitations on the number of individuals who attend, as well as the number of times individuals may travel each year for non-essential purposes such as attending general purpose training and educational courses, attending professional development, or industry conferences, or trade shows.

- Establish reasonable per diem rates such as the Federal General Services Administration's per diem rates, by locality, for normal daily travel expenditures.
- State that Level II funds comply with the Comptroller's Internal Control and Accountability Directive 6, *Authorization, Reimbursement and Audit of Travel, Meals, Lodging and Miscellaneous Agency Expenses*.

3.7.2 Travel Reporting Requirements

A copy of the fund's travel policy must be attached to the trustee representation letter. In addition, a summary of all trustee/staff expenditures for conference attendance and out-of-town travel must be submitted annually as part of the trustee representation letter.

3.8 Cost and Expense Allocations

Benefit Funds that share premises with related or other entities will have common Administrative Expenses such as rent, utilities, general management and other general expenses. These costs should be allocated equitably for reporting and accountability purposes. The allocation must be made systematically, applied consistently from year-to-year, and must be reviewed annually. Staff salaries should be apportioned based on records which document the efforts devoted to each entity. An explanation of the fund's allocation methodologies must be attached to the trustee representation letter.

3.9 Competitive Proposals for Insured Benefits and Other Services

Contracts for insured benefits, except for basic medical and hospital augmentations negotiated with the same insurer, must be awarded using a competitive proposal process. Benefit Funds must solicit at least three firms with the appropriate size, experience and qualifications to provide such benefits or services. The board of trustees must prepare a certification for each benefit or service contract which states that a minimum of three proposals were solicited and discloses the date on which the fund solicited the proposals and the names of all companies solicited. The certification must be included in the board's official minutes and be attached to the trustee representation letter.

It is recommended that Benefit Funds, with the exception of medical service providers, use a similar competitive proposal process to choose third party administrators and all other professional service providers.

Additionally, funds should consider using the guidance provided in the City of New York Procurement Policy Board Rules and the Mayor's Office of Contracts' Rules Implementation Memoranda to assist in developing appropriate competitive proposal processes.

3.10 Comptroller's Audits

The fund's books, records and accounts, including the full minutes of the board of trustees' meetings, are subject to review and audit by the Office of the Comptroller.

4.0 ANNUAL REPORTING REQUIREMENTS

This Directive requires Benefit Funds to prepare and submit a number of reports, copies of documents and other materials to the Office of the Comptroller. All required filings must be submitted annually, no later than nine months after the close of the Benefit Funds' fiscal year.

4.1 Funding Levels Defined

Fund filing requirements vary according to the size of the New York City Contribution as indicated below:

- Level I - Benefit Funds for which New York City Contributions are less than \$300,000.
- Level II - Benefit Funds for which New York City Contributions are \$300,000 or more.

4.2 Reporting Requirements Summary

Subsequent sections of this Directive establish Benefit Fund reporting requirements which vary among the two funding levels. To assist boards of trustees and Benefit Funds, a synopsis of reporting responsibilities and requirements, by funding level, along with references to the appropriate sections of the Directive, is provided here:

Annual Independent Auditor's (CPA) Report

- 1) Statement of Net Assets Available for Benefits
- 2) Statmnt. of Changes in Net Assets Avail. for Benefits
- 3) Footnotes to financial statements
- 4) Auditor's opinion on the financial statements
- 5) Administrative Expense Schedule
- 6) Benefit Expense Schedule

Auditor's Management Letter

DIRECTIVE REFERENCE	LEVEL I	LEVEL II
5.0	Yes	Yes
5.3	Yes	Yes
5.3	Yes	Yes
5.3	Yes	Yes
5.4	Yes	Yes
5.3/9.1	Yes ¹	Yes
5.3/9.2	Yes ¹	Yes
5.7	Yes	Yes

¹ Fund must provide schedule, however, independent audit is at the fund's option.

APPENDIX A
Comptroller's Directive #12

Trustee Representation Letter

- a) Fund name, address, etc.
- b) Trustee names, addresses, etc.
- c) Fund administrator, name, address, etc.
- d) New York City Contribution
- e) Total Benefit Fund revenue
- f) Number of City employees/retirees
- g) Percent NYC employees to total fund enrollment
- h) Allocation methodologies
- i) Travel policy
- j) Trustee/staff travel report
- k) Payments to trustees
- l) Payments to top five officers/trustees/staff
- m) Fee/commission payments
- n) Benefit plan amendments
- o) Insurer changes
- p) IRS 5500, 5500c or 990
- q) Investment policies and procedures
- r) Audit contract

ERISA Reports 5500 & 5500C (If filed)

Level I Fund addendum

Annual Membership Report

Exhibits

- A - Administrative Expense Schedule
- B - Benefit Expense Schedule
- C - Key Ratios Schedule

DIRECTIVE REFERENCE	LEVEL I	LEVEL II
6.0	No	Yes
6.1.1	No	Yes
6.1.2	No	Yes
6.1.3	No	Yes
6.1.4	No	Yes
6.1.5	No	Yes
6.1.6	No	Yes
6.1.7	No	Yes
3.8/6.1.8	No	Yes
3.7/6.1.9	No	Yes
3.7.2/6.1.10	No	Yes
6.1.11	No	Yes
6.1.12	No	Yes
3.5/3.9/6.1.13	No	Yes
6.1.14	No	Yes
6.1.15	No	Yes
7.0/6.1.16	No	Yes
3.6/6.1.17	No	Yes
5.5/6.1.18	No	Yes
7.0/6.1.16	Yes	Yes
7.0	Yes	No
8.0	Yes	Yes
9.1	Yes	Yes
9.2	Yes	Yes
9.3	Yes	Yes

4.3 Filing Address

All filings required by the Directive must be submitted to:

Mr. Henry Lockworth
The City of New York
Office of the Comptroller
Bureau of Financial Audit
1 Centre Street, 13th Floor, Room 1300 North
New York, NY 10007
(212) 669-8258

5.0 INDEPENDENT ANNUAL AUDITS

All Benefit Funds must prepare annual financial statements in accordance with Generally Accepted Accounting Principles (GAAP). Each year's financial statements must be audited annually by independent Certified Public Accountants (CPA).

5.1 Auditor Selection

It is strongly recommended that independent certified public accountants be selected through the use of a competitive proposal process. Requests for proposals should be sent to at least three firms with the appropriate size, experience and qualifications to perform the audit. Requests for proposals should incorporate a copy of this directive.

In addition, it is recommended that:

The audit selection process be completed no later than 60 days after the beginning of the Benefit Fund's calendar or fiscal year. Timeliness in engaging CPAs is important to insure that there is no break in continuity in the auditing process and, if necessary, to facilitate the transfer of information from one firm to its successor.

Benefit Funds contract only with firms included on the Office of the Comptroller's prequalified list of CPAs. A copy of the list may be obtained from the filing address listed in §4.3 above.

5.2 Audit Standards

The audit must be conducted in accordance with generally accepted auditing standards (GAAS) as promulgated by the American Institute of Certified Public Accountants.

5.3 Audit Scope

The scope of the independent audit for all Benefit Funds must include the following:

- (1) Statement of net assets available for benefits
- (2) Statement of changes in net assets available for benefits
- (3) Footnotes to financial statements

Funds where City contributions are \$300,000 or greater (Level II) are additionally required to provide an Administrative Expense Schedule (Exhibit A) and Benefit Expense Schedule (Exhibit B) which have been audited as part of the independent audit of the basic financial statements.

5.4 Audit Opinion

The auditor's opinion must state whether the financial statements are presented fairly in accordance with generally accepted accounting principles.

5.5 Audit Contract

It is strongly recommended that audit contracts not exceed four years in length. After four years, a new request for proposals should be issued. Additionally, for Level II funds, if the same firm is awarded the contract in a subsequent four year period, the audit firm should be required to assign a different senior manager and partner-in-charge. Benefit funds are strongly encouraged not to award contracts to the same firm for more than two consecutive four-year periods.

The audit contract must require that the audit report be issued within nine months after the close of the fund's calendar or fiscal year and must incorporate procedures, established by the Comptroller, for the Comptroller's audit of the fund. Additionally, for Level II funds, a copy of the audit contract must be attached to the trustee representation letter, and must specify that the audit work papers are subject to review by the Comptroller's Office.

5.6 Peer Review

The independent auditor must provide the Benefit Fund with copies of any peer reviews performed in accordance with the AICPA's guidelines. The Benefit Fund should use the peer reviews as part of their evaluation in selecting an independent auditor.

5.7 Management Letter

Audit contract terms must include a requirement that the auditor issue a management letter when, in the CPA's professional judgment and as per AICPA guidelines, one is merited. The management letter must comment on any material weaknesses or reportable conditions in any of the five elements which make up the Benefit Fund's internal control structure: control environment, risk assessment, information and communication,

control activities and monitoring. When appropriate, the management letter should contain recommendations to fund management on how to improve the noted conditions.

In gaining an understanding of the funds internal control structure, the auditor should take special note of the following areas:

- Adequacy of expenditure documentation and approval processes.
- Expense allocations for Benefit Funds that share their premises with other organizations.
- The adequacy and propriety of the fund's investment policies and procedures and of the fund's compliance with them.
- Competitive procurement practices.
- Staff utilization including the reasonableness of staffing in relation to workload requirements.
- All other matters that the auditors consider appropriate for disclosure to the trustees.

If the independent auditors conclude that there are no material weaknesses, the management letter should so indicate.

6.0 TRUSTEE REPRESENTATION LETTER

The boards of trustees of Level II funds must submit a trustee representation letter to the Comptroller annually which summarizes the Benefit Fund's management policies and activities and provides key information about the fund's operation. The trustee representation letter must be signed by all of the fund's trustees and must include an affirmation that, under the penalties for perjury, in accordance with the supplemental agreement, the report is a true and accurate reflection of management's policies and the state of the fund's affairs for the reporting period.

Level I funds have abbreviated requirements which are described in §7.0.

6.1 Trustee Representation Letter Requirements

The trustee representation letter must contain:

- 6.1.1 The Benefit Fund's name, address and telephone number.
- 6.1.2 The names and business addresses of all board of trustee members.
- 6.1.3 The fund administrator's name, address, and telephone number.

6.1.4 The total amount of New York City Contributions for the fund's fiscal or calendar year.

6.1.5 Total Benefit Fund revenue from all sources.

6.1.6 The number of City employee and retiree members at year end.

6.1.7 The number of City employees or retirees expressed as a percentage of the total number of covered Benefit Fund members.

6.1.8 For Benefit Funds that share premises, staff or other expenses with related or other entities, a description of all cost or expense allocation formulas, including an explanation of the allocation methodology and the basis for distribution. (§3.8.)

6.1.9 A copy of the fund's travel policy. (§3.7)

6.1.10 A summary of all expenditures for out-of-town travel and attendance at conferences for trustees and staff. The summary should include the name and position of the traveler/attendee, the dates of travel, the destination, the reason for the trip and the total expenditure. (§3.7)

6.1.11 A listing of all amounts paid to any trustee and a description of the work or services rendered.

6.1.12 A statement disclosing the total remuneration for the five most highly paid individuals from among trustees, officers and staff.

6.1.13 The identification of all individuals or organizations paid on a fee or commission basis, including administrators, investment managers, attorneys, accountants and other professional service providers. For each individual or organization, the provider's name and address, a description of the relationship, the fees paid and, if applicable, the amount of funds held or managed must be provided.

For consultants, a copy of the official board minutes authorizing the hiring of each consultant and the trustees' biennial assessment of the consultants' performance. (§3.5)

For insured benefit contracts, certification of the competitive selection process as described in §3.9.

6.1.14 If any amendments were made to the benefit plan during the year, a copy of the new benefit booklet or other member notification. If there were no changes the representation letter must state so.

6.1.15 If any benefits were changed from third party insured to self-insured or vice-versa during the year, the reasons for the change, including a detailed explanation of the advantages and any expected cost savings.

6.1.16 If required to file with the IRS, a copy of IRS Form 5500 or 5500C (or IRS Form 990).

6.1.17 A copy of the Benefit Fund's investment policy and procedures and the certification described in §3.6.1.

6.1.18 A copy of the independent audit contract. (§5.5)

6.2 Substitution of Statements or Filings

Funds may, in lieu of any specific requirement in §6.1 above, substitute copies of statements or filings made pursuant to State or Federal Law. Each substitution must be clearly referenced to its corresponding requirement in §6.1.

7.0 FEDERAL ERISA REPORTING REQUIREMENTS

Funds may choose to comply with the Employee Retirement Income Security Act of 1974's (ERISA) reporting guidelines for Benefit Fund expenditures and activities. ERISA requires that certain Benefit Funds, depending on membership size, file Internal Revenue Service Forms 5500 or 5500C. Funds choosing to comply with ERISA and which are required, under ERISA, to file 5500 or 5500C should provide an information copy to the Comptroller's Office with the trustee representation letter. At the Fund's discretion, a copy of IRS Tax Form 990 filing may be submitted, to the Comptroller's Office, instead of Forms 5500 or 5500C.

Funds with New York City Contributions under \$300,000, (Level I) must attach an addendum to the Comptroller's copy of Form 5500 or 5500C (or Form 990) with the following information:

• The number of City employee members and retirees at year-end.

• Total New York City Contributions for the year.

• Amendments to benefits. If amendments were made, a copy of the new benefit booklet or other membership notification. If there were no amendments, a statement to that effect.

8.0 ANNUAL REPORT TO FUND MEMBERSHIP

Each fund is required to issue an annual report to its membership. A copy of the annual report, with cover letter, must be sent to each member of the fund and be filed with the Office of the

Comptroller. The annual report must advise the membership of the financial condition and operations of the fund and advise the membership of significant changes and other important matters. At a minimum, the annual report must include a copy or a condensed version of the most recent independently audited financial statements. This requirement may be fulfilled by publishing the cover letter and report in a fund authorized publication provided that the publication is mailed to each member individually.

9.0 SUPPORTING SCHEDULE REQUIREMENTS

All Benefit Funds are required to provide the following supporting schedules:

9.1 Administrative Expense Schedule

This schedule compares the Benefit Fund's Administrative Expenses for the last two fiscal years, however, three fiscal years of comparable data is required for any year that the result of the Benefit Fund's operations shows a deficit that exceeds five times the fund balance. The format is provided in Exhibit A. A narrative must also be provided by the board of trustees as an attachment, explaining any adverse trends from year to year, or any expense fluctuations in excess of plus or minus fifteen percent from the prior year. This schedule also requires the computation of Administrative Expenses as a percentage of total Benefit Fund revenue.

Benefit Funds with New York City Contributions under \$300,000 (Level I) must attach this schedule to the Comptroller's copy of the ERISA reporting described in Section 7.0. All other funds (Level II) must have this schedule independently audited and included as part of the annual audit report.

9.2 Benefit Expense Schedule

This schedule requests specific information for each benefit provided by the fund. The format is provided in Exhibit B.

Benefit Funds with New York City Contributions under \$300,000 (Level I) must attach this schedule to the Comptroller's copy of the ERISA reporting described in §7.0. All other funds (Level II) must have this schedule independently audited and included as part of the annual audit report submission.

9.3 Key Ratio Schedule

The Key Ratio Schedule requests the comparative analysis of certain Benefit Fund financial indicators for each of the last two years. The format is provided in Exhibit C. Each fund (Levels I and II) must submit this analysis as part of its annual reporting submission, due no later than nine months after the close of its fiscal year.

THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER

INTERNAL CONTROL AND
ACCOUNTABILITY DIRECTIVE 12 SUPPLEMENT

FOR FUNDS NOT ESTABLISHED AND MAINTAINED BY
MUNICIPAL LABOR COMMITTEE UNIONS

This supplement adds Section 9.4, *Multi-Employer Analysis Schedule*, to Section 9.0 of Comptroller's Internal Control and Accountability Directive #12 which was issued on February 28, 1997.

The benefit funds established and maintained by Municipal Labor Committee (MLC) unions pursuant to collective bargaining agreements with the City of New York, have agreed to provide this supplemental information in a separate submission to the Comptroller's Office. All other funds must submit it as part of the annual reporting requirements described in Section 4.0 of the directive.

9.4 Multi-Employer Analysis Schedule

The Multi-Employer Analysis Schedule requires funds to provide:

The number of covered New York City employee and retiree members at year end.

1.1 The number of employee and retiree members for each of the fund's five largest non-City contributors at year end.

The number of trustee and/or benefit fund employee members at year end.

The employee and/or retiree member contribution rate for each of the fund's five largest non-City contributors and for the trustees and/or benefit funds.

The format is provided in Exhibit D. Each fund (Level I and II) must submit this analysis as part of its annual reporting submission, due no later than nine months after the close of its fiscal year.

Exhibit A

ADMINISTRATIVE EXPENSE SCHEDULE

DESCRIPTION	1993*	1994	1995
Salaries			
% of total Administrative Expense			
Fringe Benefits			
Investment and Custodial Services			
Legal			
Accountant			
Fees and Commissions - Other			
Rent			
Travel and Conference			
Telephone			
Insurance Retention Charges			
Office Equipment and Rental			
Stationery, Printing, Postage, Office Supplies			
Insurance			
Repairs & Maintenance			
Others (Please Describe):			
Total Administrative Expense			
Total Benefit Fund Revenue			
% Administrative/Revenue			

* Required if Fund has a current year's operating deficit in excess of five times its fund balance.

EXPLANATION OF EXPENSE CATEGORIES

EXPENSE CATEGORY	EXPENSES INCLUDED
Salaries	Salaries, Payroll Taxes, Employment Agency Fees
Fringe Benefits	Employee Fringe Benefits and Severance Pay
Investment and Custodial Services	Investment Management and Custodial Services
Legal	Attorney Fees
Accounting	Accountant Fees
Fees and Commissions - Other	Consulting, Third Party Administrators (e.g. Claims Processing), Communications and Publicity, Security, Actuary, Computer Software Design
Rent	Rent, Utilities, Storage, Building and Moving Expenses
Travel and Conference	Trustee Allowances, Meeting Expenses, Dues, Subscriptions, Awards, Auto Expenses
Telephone	Telephone and Telegrams
Insurance Retention Charges	Insurance Company Administrative Charge to handle benefit payments
Office Equipment and Rental	Depreciation, Amortization, Computer Hardware, Furniture and Equipment
Stationery, Printing, Postage, Office Supplies	Publications, Advertising, Messenger, Petty Cash, Microfilm, Records, Photocopy, Computer Supplies
Insurance	Fiduciary Liability, Bonding, Office Insurance
Repairs and Maintenance	Office Cleaning, Repairs and Maintenance
Other	Any other expense that does not fall in above categories. Each expense must be listed separately and described.

Exhibit B

BENEFIT EXPENSE SCHEDULE

BENEFIT	DESCRIPTION	IS BENEFIT INSURED/SELF- INSURED	COST OF BENEFIT FOR YEAR	BENEFIT COVERAGE *

* Use key numbers below to indicate coverage categories

- 1. Member
- 2. Spouse
- 3. Children

Exhibit C

**BENEFIT FUND
KEY RATIO SCHEDULE**

	1994	1995
Total Revenue		
Administrative Expense		
% of Revenue		
Benefit Expense		
% of Revenue		
Total Expense		
Net Surplus/(Deficit)		
Fund Balance Year-End		
% of Total Revenue		

Exhibit D

MULTI-EMPLOYER ANALYSIS SCHEDULE

Reporting Year _____		
EMPLOYERS	NUMBER OF EMPLOYEE AND/OR RETIREE MEMBERS	CONTRIBUTION PER EMPLOYEE AND/OR RETIREE
New York City		
Five Largest Non-City Contributors: (enter name)		
1)		
2)		
3)		
4)		
5)		
Benefit Fund/Trustee		

COMMONLY FOUND UNACCEPTABLE PRACTICES OF WELFARE FUND

<u>AREA</u>	<u>UNACCEPTABLE PRACTICE</u>
• Benefit processing system weaknesses	- Funds do not verify eligibility of employees' dependents. Documentation such as, marriage or birth certificates is not reviewed before processing benefits for members' dependents.
	- Funds do not always check the eligibility database before processing benefits.
	- Funds paid benefits not in accordance with guidelines.
	- Funds pay claims without obtaining the proper documentation.
	- Funds improperly delay eligibility.
	- Benefit payments are made without being reviewed and approved by an individual other than the claims processor.
	- Coordination of benefits provisions are not properly applied.
• Benefit administration	- Funds do not maintain sufficient information concerning members usage of benefits such as legal services and are therefore unable to assess the prudence of continuing to provide such benefits.
• Allocation of common expenses	Expenses are allocated between funds and related entities without:
	- establishing a reasonable basis for the allocation (i.e. contribution rate, number of participants, actual usage).
	- supporting documentation substantiating the percentage allocated.

COMMONLY FOUND UNACCEPTABLE PRACTICES OF WELFARE FUND

AREA

UNACCEPTABLE PRACTICE

- Documentation for expenses
 - Amounts expended by Funds do not have supporting documentation such as approved vouchers, bills and receipts.
 - Questionable expenses charged to fund.
 - Benefit expenses were not recorded by the Fund.
 - Payment to consultants did not specify service rendered, amount, method of compensation or period covered.

- Travel and conference expenses
 - Funds do not follow the following guidelines:
 - The number of conference attendees is not kept to an absolute minimum.
 - Airfares or group rates are not paid directly to the sponsoring organization, or to the airlines or hotels. Reimbursements to trustees are made without adequate documentation.
 - Coach airfare or group rates are not used.
 - Reimbursements are made for personal expenditures (flowers, entertainment, etc.)
 - Meal advances are not limited.
 - Reimbursement for local transportation and meals are made despite failure to present properly documented expense vouchers.
 - Persons attending conferences do not submit written reports on the sessions they attended.

COMMONLY FOUND UNACCEPTABLE PRACTICES OF WELFARE FUND

AREA

UNACCEPTABLE PRACTICE

- Payments to trustees
 - Summary reports were not discussed or recorded at Board of Trustees meetings.
 - Fund per diem expenses for trustees exceeded IRS guidelines.
 - Fund officials routinely have business lunches during the day with their staff.
 - Trustees received fixed monthly allowances.
 - Trustees did not submit documentation for such allowances.
 - Insufficient guidelines for paying trustees for performing fund work.
- Written contracts
 - Funds do not maintain written contract or agreements with:
 - consultants.
 - accountants.
 - attorneys.
- Competitive bidding for professional
 - Funds do not competitively bid or consider alternative and benefit services providers for the following types of services:
 - consultants (actuary, computer, investments).
 - attorneys.
 - fiduciary liability and bonding insurance.
- Retention charges for insured benefits
 - The funds do not have a formal package of all the solicitation materials including a complete description of benefits, estimated retentions, and all conditions which the successful bidder must meet.

COMMONLY FOUND UNACCEPTABLE PRACTICES OF WELFARE FUND

AREA

UNACCEPTABLE PRACTICE

- The person responsible for preparing bid specifications and/or compiling experience data needed for the formal bid solicitation is an independent consultant, dependent on commissions for compensation.
 - Retention charges, expressed as percentage of premiums are higher than the limits established by the NYS Insurance Department.
 - Commissions expressed as a percentage of premiums are higher than guidelines established by the NYS Insurance Department.
- Internal Controls
- Funds do not maintain an adequate set of accounting records, including the following:
- general ledger.
 - cash disbursements journal.
 - cash receipts journal.
- Funds do not:
- stamp paid on all vouchers (indicating date and check number).
 - segregate incompatible duties between personnel.
 - prohibit writing checks to cash or bearer.
- Significant Operating Deficits
- Substantial operating deficits have exhausted the fund's reserve.
 - Funds maintain inadequate level of reserves

COMMONLY FOUND UNACCEPTABLE PRACTICES OF WELFARE FUND

AREA

UNACCEPTABLE PRACTICE

- | | | |
|------------------------------|---|---|
| High Administrative Expenses | - | A significant larger percentage of total revenue was spent on administrative expenses, in comparison to other similar funds. |
| • Postretirement benefits | - | The Funds financial statements do not present the Plan's obligation to provide health and welfare benefits to participants after retirements (postretirement benefit obligations) as required by generally accepted accounting principles. The effects of the omission of postretirement benefit obligation information of the Plan's financial statements are presumed to be material. |
| • Other | - | Cost savings analyses are not performed prior to major purchases (i.e. computer). |
| | - | Work logs are not maintained by professionals to determine actual work performed and time spent. |

Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2008

<u>Report Number</u>	<u>Title</u>	<u>Date Issued</u>
C 84-202	Allied Building Inspectors Local 211 – International Union of Operating Engineers Welfare Fund	12/14/84
C 83-203	Local 144 Civil Service Division Welfare Fund	01/14/85
C 83-208	Parking Enforcement Agents Local 1182 Security Benefits Fund	03/12/85
C 84-204	New York City Local 246 Service Employees International Union Welfare Fund	04/19/85
C 85-203	Local 300 Service Employees International Union Civil Service Forum Employees Welfare Fund	02/27/86
C 85-202	Correction Officers' Benevolent Association, Inc. Security Benefits Fund	04/07/86
C 85-207	Correction Captains Association Security Benefits Fund	06/25/86
C 83-206	House Staff Benefits Plan of the Committee of Interns and Residents	07/25/86
C 86-202	Superior Officers Council of the New York City Police Department Retiree Health and Welfare Fund	10/03/86
C 86-201	Uniformed Sanitationmen's Association Retirees Welfare Fund Local 831	10/15/86
C 86-203	New York State Court Clerk's Association Retirees Security Benefits Fund	10/22/86
C 86-204	Uniformed Fire Officers Association - Retired Fire Officers Family Protection Plan Local 854	11/18/86
C 86-205	Local 858 International Brotherhood of Teamsters, OTB Branch Office Managers Welfare Fund	05/05/87
C 85-206	Security Benefit Fund Local 832 International Brotherhood of Teamsters	05/08/87
C 86-208	Doctors Council Welfare Fund	08/11/87
C 86-213	Local 721 Licensed Practical Nurses Welfare Fund	11/20/87
C 87-202	Health Benefits Fund and the Retiree's Health and Welfare Fund of the Detectives Endowment Association	05/11/88
C 88-200	Patrolmen's Benevolent Association of the City of New York Retiree Health and Welfare Fund	06/06/88

Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2008

<u>Report Number</u>	<u>Title</u>	<u>Date Issued</u>
C 88-203	Local 1182 CWA Parking Enforcement Agents Welfare Fund	09/22/88
C 87-203	Professional Staff Congress - CUNY Welfare and Retiree Welfare Funds	10/13/88
C 88-205	Civil Service Bar Association Welfare Fund	10/19/88
C 88-201	Local 333 United Marine Division Welfare and Retiree Welfare Funds	01/12/89
C 88-207A2	Housing Patrolmen's Benevolent Association Welfare and Retiree Welfare Funds - Legal Services	04/06/89
C 88-204	Local 444 Sanitation Officers Association Welfare and Retiree Welfare Funds	04/20/89
C 88-207B	Housing Patrolmen's Benevolent Association Welfare, Retiree Welfare and Annuity Funds	06/30/89
C 89-205	Correction Officers Benevolent Association Annuity Fund	03/28/90
C 89-203	Local 1180 Communication Workers of America Security Benefits and Education Funds - Benefit Expenditures	04/27/90
C 90-205	NYC Retirees Welfare Fund	06/14/90
C 90-207	Uniformed Fire Officers Association Family Protection Plan	06/18/90
C 90-202	Social Service Employees Union Local 371 Administrative, Welfare, Legal Services and Education Funds	06/28/90
C 90-203	Local 211 International Union of Operating Engineers Allied Building Inspectors Welfare Fund	06/28/90
C 90-209	Local 2 United Federation of Teachers WF	05/06/91
C 90-210	Local 94 Uniformed Firefighters Assoc. RWF	05/04/91
C 90-211	Local 1 Council of Supervisors & Administrators WF	01/23/91
S 91-02	United Probation Officers Association Welfare and Retirement Welfare Fund	10/22/91
71 93-099	System Audit Report on the General Controls for the Health and Welfare Applications of the Patrolmen's Benevolent Association Health and Welfare Fund	08/30/94
4D 93-050	Patrolmen's Benevolent Association Health and Welfare Fund (Including the Civil Legal Representation Fund)	09/02/94

**Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2008**

<u>Report Number</u>	<u>Title</u>	<u>Date Issued</u>
FL95-129A	Financial & Operating Practices of the NYC Transit Police Officers Security Benefit Fund	06/20/95
FL95-130A	Financial & Operating Practices of Local 858 - International Brotherhood of Teamsters	06/09/95
FR95-068A	CUNY Faculty Welfare Fund for Retirees Under Agreement No. 3080 7/1/93 - 12/31/93	01/10/95
FR95-115A	The NYC Board of Education United Federation of Teachers (UFT) Welfare Fund Payments Under Agreement (#132)	03/01/95
FR96-059A	NYC Police Department Welfare Fund Payments for Active Employees Covered Under Agreements #A-2145 and #A-2146 - July 1, 1994 to April 7, 1995	12/29/95
FL96-058A	Financial and Operating Practices of the Parking Enforcement Agents Local 1182 Communication Workers of America Security Benefits Fund	06/10/96
FL96-153A	Doctor's Council Welfare Fund	06/20/96
FL96-178A	Fraudulent Claims Paid by the Doctors Council Welfare Fund	06/27/96
FL96-161A	Audit Report on the Financial and Operating Practices of the Local 144 Civil Service Division Welfare Fund July 1, 1993 to June 30, 1994	04/07/97
FL97-077A	Audit Report on the Financial and Operating Practices of the Operating Engineers, Local 30 A-C Municipal Employees Welfare Fund - July 1, 1994 to June 30, 1995	05/08/97
FR97-128A	Audit Report on the NYC Finance Department Welfare Fund Payments for Active Employees Covered Under Agreements #A-3412 and #A-3412-1 for the Period from July 1, 1995, to July 26, 1996	06/24/97
FR98-082F	follow-up Audit Report on the NYC Office of Labor Relations Welfare Fund Retirees Benefit Payments Under Agreements A-1 Through A-127 for the Period March 1996 - August 1996	04/14/98
FR98-083A	Audit Report on Payments Made to Various Welfare Benefit Funds by the New York City Board of Education, for Active Employees and Retirees, for the Period September 1, 1996 to August 31, 1997	06/22/98
FR98-100A	Audit Report on the Financial and Operating Practices of Local 832 International Brotherhood of Teamsters Security Benefits Fund January 1, 1996 to December 31, 1996	06/24/98

**Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2008**

<u>Report Number</u>	<u>Title</u>	<u>Date Issued</u>
FL98-101A	Audit Report on the Financial and Operating Practices of Local 300 Service Employees International Union Civil Service Forum Retiree Welfare Fund July 1, 1994 - June 30, 1995	06/03/98
FL98-090A	Audit Report on the Financial and Operating Practices of Local 1183 Board of Elections Communication Workers of America Welfare Fund October 1, 1994 - September 30, 1995	06/09/98
FL98-143A	Audit Report on the Financial and Operating Practices of Local 1183 Board of Elections Communication Workers of America Retiree Fund October 1, 1994 - September 30, 1995	06/09/98
FL98-194Ab	Audit Report on District Council 37 Benefits Fund Trust and Affiliated Funds' Data Processing Preparation for the Year 2000	03/03/99
FL99-161A	Audit Report on the Financial and Operating Practices of District Council 37 Education Fund July 1, 1996 - June 30, 1997	06/30/99
FL00-074A	Audit Report on the Financial and Operating Practices of the Correction Officers' Benevolent Association Retirees Welfare Fund January 1, 1998 - December 31, 1998	06/05/00
FL00-075A	Audit Report on the Financial and Operating Practices of the Correction Officers' Benevolent Association Welfare Fund January 1, 1998 - December 31, 1998	06/05/00
FL99-162A	Audit Report on the Financial and Operating Practices of District Council 37 Health and Security Plan Trust July 1, 1996 - June 30, 1997	06/12/00
FL00-165A	District Council 37 Benefits Fund Trust	12/22/00
FM00-178A	International Union of Operating Engineers Local 891 Welfare Fund	01/26/01
FL01-095A	Doctor Council Welfare Fund	03/02/01
FL01-094A	Doctors Council Retiree Welfare Fund	03/02/01
FR01-170A	House Staff Benefits Plan and Legal Services Plan of the Committee of Interns and Residents	06/26/01

Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2008

<u>Report Number</u>	<u>Title</u>	<u>Date Issued</u>
FL01-085F	Board of Elections Local 1183 Communication Workers of America Retiree Fund	06/22/01
FL01-084F	Board of Elections Local 1183 Communication Workers of America Welfare Fund	06/22/01
FL02-083A	Communication Workers Association Local 1182 Security Benefits Fund	04/12/02
FL02-085A	Detectives Endowment Association Health Benefit Fund-Active Employees	04/23/02
FL02-086A	Detectives Endowment Association Health Benefit Fund-Retirees	04/26/02
FL03-087A	Local 300 SEIU Civil Service Forum Welfare Fund	06/10/03
FL03-088A	Local 300 SEIU Civil Service Forum Retired Employees Welfare Fund	06/10/03
FL03-086A	Sergeant Benevolent Association Health and Welfare Fund	06/30/03
FL03-151A	Local 444 Sanitation Officers Security Benefit Fund	06/30/03
FL04-093A	Local 721 Licensed Practical Nurses Welfare Fund	06/30/04
FL04-094A	Uniformed Fire Officers Association Family Protection Plan	06/30/04
FL04-095A	Uniformed Fire Officers Association Retired Fire Officers Family Protection Plan	06/30/04
FL05-088A	Municipal Employees Welfare Fund of the International Union of Operating Engineers Local Union 15, 15A and 15C	03/29/06
FL05-090A	Local 333 Insurance Fund for New York City Employees	06/26/07
FL05-091A	Local 333 Retirement Insurance Fund for New York City Retirees	06/26/07

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2006

FUND NAME

AUDITING

ANDREW L. HUTT CPA, P.L.L.C.	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (AF)
ANDREW L. HUTT CPA, P.L.L.C.	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (WF)
ANDREW L. HUTT CPA, P.L.L.C.	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (RWF)
BERDON LLP, CPA & ADVISORS	LOCAL 237 TEAMSTERS (AF)
BERDON LLP, CPA & ADVISORS	PROFESSIONAL STAFF CONGRESS CUNY (WF/RWF)
BERDON LLP, CPA & ADVISORS	LOCAL 237 TEAMSTERS (RWF)
BERDON LLP, CPA & ADVISORS	LOCAL 237 TEAMSTERS (WF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	DISTRICT NO.1 MEBA CITY EMPLOYEES BENEFICIAL FUND TRUST (WF/AF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	UFT ALBERT SHANKER COLLEGE SCHOLARSHIP FUND
BUCHBINDER TUNICK & COMPANY LLP, CPA	LOCAL 2 UNITED FEDERATION OF TEACHER (WF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	LOCAL 891 SCHOOL CUSTODIAN & CUSTODIAN ENGINEERS (WF/RWF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	LOCAL 891 IUOE (AF)
DANIEL E. JELINSKY, CPA	DOCTORS COUNCIL (RWIF)
DANIEL E. JELINSKY, CPA	DOCTORS COUNCIL (WF)
DANIEL E. JELINSKY, CPA	DOCTORS COUNCIL (AF)
ERNST & YOUNG, L.L.P	LOCAL 3 ELECTRICAL WORKERS INDUSTRY ANNUITY (AF)
ERNST & YOUNG, L.L.P	PATROLMEN'S BENEVOLENT ASSOCIATION (AF)
ERNST & YOUNG, L.L.P	PATROLMEN'S BENEVOLENT ASSOCIATION (RWF)
ERNST & YOUNG, L.L.P	PATROLMEN'S BENEVOLENT ASSOCIATION (WF/CLRF)
FURMAN & HAUSWIRTH., CPA	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) (AF)
FURMAN & HAUSWIRTH., CPA	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) (WF/RWF/CLRF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CIVIL SERVICE BAR ASSOCIATION (WF)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

APPENDIX D
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2006

FUND NAME

AUDITING (CONTINUED)

GOULD, KOBRICK & SCHLAPP, P.C., CPA	CORRECTION CAPTAINS ASSOCIATION (AF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CORRECTION CAPTAINS ASSOCIATION (RWF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CORRECTION CAPTAINS ASSOCIATION (WF/CLRF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CORRECTION OFFICERS BENEVOLENT ASSOCIATION (RWF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CORRECTION OFFICERS BENEVOLENT ASSOCIATION (AF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CORRECTION OFFICERS BENEVOLENT ASSOCIATION (WF/CLRF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	DETECTIVES ENDOWMENT ASSOCIATION (AF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	DETECTIVES ENDOWMENT ASSOCIATION (RWF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	DETECTIVES ENDOWMENT ASSOCIATION (WF/CLRF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 1180 CWA MUNICIPAL MANAGEMENT (RWF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 1182 CWA SECURITY BENEFITS FUND (WFRWF/LEGAL)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 3 IBEW ELECTRICIANS (RWF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 300 S.E.I.U. CIVIL SERVICE FORUM (RWF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 300 S.E.I.U. CIVIL SERVICE FORUM (WF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 371 SOCIAL SERVICE EMPLOYEES (WF/LEGAL/JEF/ADMIN)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	1199 SEIU LICENSED PRACTICAL NURSES (WF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	ORGANIZATION OF STAFF ANALYSTS (WF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	NYS SUPREME COURT UNIFORM OFFICERS ASSOCIATION (RWF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 1180 CWA MEMBERS (AF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 806 STRUCTURAL STEEL PAINTERS (AF)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

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FUND NAME

AUDITING (CONTINUED)

GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 371 SOCIAL SERVICE EMPLOYEES (AF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 300 S.E.I.U. CIVIL SERVICE FORUM (AF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS (AF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 1180 CWA MUNICIPAL MANAGEMENT (WF/LEGAL/JEF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	LOCAL 3 IBEW ELECTRICIANS (WF)
IRVINGS ROTH & RUBIN, PLLC	DISTRICT COUNCIL 37 (WF)
IRVINGS ROTH & RUBIN, PLLC	DISTRICT COUNCIL 37 AFSCME (AF)
JERRY B. KLEIN, CPA	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION (AF)
JERRY B. KLEIN, CPA	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION (RWF)
JERRY B. KLEIN, CPA	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION (WF)
KLEIMAN & WEINSHANK, LLP, CPA	SUPERIOR OFFICERS COUNCIL (POLICE) (AF)
KLEIMAN & WEINSHANK, LLP, CPA	SUPERIOR OFFICERS COUNCIL (POLICE) (RWF)
KLEIMAN & WEINSHANK, LLP, CPA	SUPERIOR OFFICERS COUNCIL (POLICE) (WF/CLRF)
LOOZIS & WEGENER, CPA	NEW YORK CITY DEPUTY SHERIFFS ASSOCIATION (AF)
LOOZIS & WEGENER, CPA	NEW YORK CITY DEPUTY SHERIFFS ASSOCIATION (RWF)
LOOZIS & WEGENER, CPA	NEW YORK CITY DEPUTY SHERIFFS ASSOCIATION (WF)
MARVIN PASTERNAK, C.P.A.	LOCAL 832 TEAMSTERS (RWF)
MARVIN PASTERNAK, C.P.A.	LOCAL 832 TEAMSTERS (WF)
NOVAK FRANCELLA, LLC, CPA	DISTRICT COUNCIL 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION (AF)
NOVAK FRANCELLA, LLC, CPA	DISTRICT COUNCIL 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION (WF/RWF)
NOVAK FRANCELLA, LLC, CPA	LOCAL 333 UNITED MARINE DIVISION (RWF)
NOVAK FRANCELLA, LLC, CPA	LOCAL 333 UNITED MARINE DIVISION (WF)

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FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

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2006

FUND NAME

AUDITING (CONTINUED)

NOVAK FRANCELLO, LLC, CPA	NYC DISTRICT COUNCIL OF CARPENTERS (WF)
NOVAK FRANCELLO, LLC, CPA	NYC DISTRICT COUNCIL OF CARPENTERS (AF)
PETER DECARLO, CPA, PLLC	LOCAL 94 UNIFORM FIREFIGHTERS ASSOCIATION (RWF)
PETER DECARLO, CPA, PLLC	LOCAL 94 UNIFORM FIREFIGHTERS ASSOCIATION (AF)
PETER DECARLO, CPA, PLLC	LOCAL 94 UNIFORM FIREFIGHTERS ASSOCIATION (WF)
ROCCO J. RICCIARDI, CPA	ASSISTANT DEPUTY WARDENS / DEPUTY WARDENS ASSOCIATION (AF)
ROCCO J. RICCIARDI, CPA	ASSISTANT DEPUTY WARDENS / DEPUTY WARDENS ASSOCIATION (WF/RWF/CLRF)
ROCCO J. RICCIARDI, CPA	LOCAL 444 SANITATION OFFICERS (AF)
ROCCO J. RICCIARDI, CPA	LOCAL 444 SANITATION OFFICERS (RWF/LODDF)
ROCCO J. RICCIARDI, CPA	LOCAL 444 SANITATION OFFICERS (WF)
SCHULTHEIS & PANETTIERI, CPA	LOCAL 30A-D INTERNATIONAL UNION OF OPERATING ENGINEERS (AF)
SCHULTHEIS & PANETTIERI, CPA	LOCAL 15, 15A, 15C (IUOE) OPERATING MUNICIPAL ENGINEERS (AF)
SCHULTHEIS & PANETTIERI, LLP CPA	LOCAL 14-14B IUOE (WF/RWF)
SCHULTHEIS & PANETTIERI, LLP CPA	LOCAL 15A-C OPERATING ENGINEERS (WF/RWF)
SCHULTHEIS & PANETTIERI, LLP CPA	LOCAL 211 ALLIED BUILDING INSPECTORS (WF)
SCHULTHEIS & PANETTIERI, LLP CPA	LOCAL 30, 30-A, 30-B AND 30-C OPERATING MUNICIPAL ENGINEERS (WF)
SOLOWAY, GOLDSTEIN, SILVERSTEIN & CO., P.C.	LOCAL 40 IRON WORKERS (AF)
SOLOWAY, GOLDSTEIN, SILVERSTEIN & CO., P.C.	LOCAL 40 IRON WORKERS (WF)
STEINBERG, STECKLER & PICCIURRO, CPAS	LOCAL 31 BEW CITY EMPLOYEES (WF)
STEINBERG, STECKLER & PICCIURRO, CPAS	LOCAL 306 MUNICIPAL EMPLOYEES (WF)
STEINBERG, STECKLER & PICCIURRO, CPAS	LOCAL 858 I.B.T. (O.T.B) BRANCH OFFICE MANAGERS (WF)
STEINBERG, STECKLER & PICCIURRO, CPAS	NYC MUNICIPAL PLUMBERS AND PIPEFITTERS (WF)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2006

FUND NAME

AUDITING (CONTINUED)

STEINBERG, STECKLER & PICCIURRO, CPAs	NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS (WF)
STEINBERG, STECKLER & PICCIURRO, CPAs	NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS (RWF)
STEINBERG, STECKLER & PICCIURRO, CPAs	NEW YORK CITY RETIREES (WF)
STEVEN H. HABER, CPA	UNITED PROBATION OFFICERS ASSOCIATION (WF)
STEVEN H. HABER, CPA	UNITED PROBATION OFFICERS ASSOCIATION (RWF)
TARLOW & CO., CPAs	LOCAL 1 COUNCIL OF SUPERVISORS AND ADMINISTRATORS (WF)
TARLOW & CO., CPAs	LOCAL 1 COUNCIL OF SUPERVISORS AND ADMINISTRATORS (RWF)
WENDEL-WALOWITZ ASSOCIATES, INC.	LOCAL 246 SEIU (RWF)
WENDEL-WALOWITZ ASSOCIATES, INC.	LOCAL 246 SEIU (WF)
WENDEL-WALOWITZ ASSOCIATES, INC.	LOCAL 246, SEIU NYC (AF)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

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FUND NAME

LEGAL COUNSEL

BRADY, MCGUIRE, & STEINBERG, PC	LOCAL 15A-C OPERATING ENGINEERS (WF/RWF)
BRADY, MCGUIRE, & STEINBERG, PC	LOCAL 15, 15A, 15C (IUOE) OPERATING MUNICIPAL ENGINEERS (AF)
BRUCE K. BRYANT	LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS (RWF)
BRUCE K. BRYANT	LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS (WF)
COLLERAN O'HARA MILLS	LOCAL 40 IRON WORKERS (AF)
COLLERAN, O'HARA MILLS	LOCAL 40 IRON WORKERS (WF)
GREENBERG BURZICHELLI GREENBERG P.C.	LOCAL 3 IBEW ELECTRICIANS (RWF)
GREENBERG BURZICHELLI GREENBERG P.C.	LOCAL 30, 30-A, 30-B AND 30-C OPERATING MUNICIPAL ENGINEERS (WF)
GREENBERG BURZICHELLI GREENBERG P.C.	LOCAL 30A-B INTERNATIONAL UNION OF OPERATING ENGINEERS (AF)
GREENBERG BURZICHELLI GREENBERG P.C.	LOCAL 3 IBEW ELECTRICIANS (WF)
HOLM & O'HARA, LLP	CORRECTION CAPTAINS ASSOCIATION (AF)
HOLM & O'HARA, LLP	CORRECTION CAPTAINS ASSOCIATION (RWF)
HOLM & O'HARA, LLP	CORRECTION CAPTAINS ASSOCIATION (WF/CLRF)
HOLM & O'HARA, LLP	LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS (AF)
JOEL GLANSTEIN, ESQ.	UNITED PROBATION OFFICERS ASSOCIATION (WF)
JOEL GLANSTEIN, ESQ.	UNITED PROBATION OFFICERS ASSOCIATION (RWF)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 246, SEIU (RWF)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 246, SEIU (WF)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 858 IBT, (OTB) BRANCH OFFICE MANAGERS WF
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 246, SEIU NYC (AF)
MICHAEL T. MURRAY P.C	PATROLMEN'S BENEVOLENT ASSOCIATION (AF)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

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FUND NAME

LEGAL COUNCIL (CONTINUED)

MICHAEL T. MURRAY P.C.	PATROLMEN'S BENEVOLENT ASSOCIATION (RWF)
MICHAEL T. MURRAY P.C.	PATROLMEN'S BENEVOLENT ASSOCIATION (WF/CLRF)
MIRKIN & GORDON, P.C.	ASSISTANT DEPUTY WARDENS / DEPUTY WARDENS ASSOCIATION (AF)
MIRKIN & GORDON, P.C.	ASSISTANT DEPUTY WARDENS / DEPUTY WARDENS ASSOCIATION (WF/RWF/CLRF)
MIRKIN & GORDON, P.C.	DETECTIVES ENDOWMENT ASSOCIATION (AF)
MIRKIN & GORDON, P.C.	DETECTIVES ENDOWMENT ASSOCIATION (RWF)
MIRKIN & GORDON, P.C.	DETECTIVES ENDOWMENT ASSOCIATION (WF)
MIRKIN & GORDON, P.C.	UFT ALBERT SHANKER COLLEGE SCHOLARSHIP FUND
MIRKIN & GORDON, P.C.	LOCAL 2 UNITED FEDERATION OF TEACHER (WF)
MIRKIN & GORDON, P.C.	LOCAL 246, SEIU (WF)
MIRKIN & GORDON, P.C.	LOCAL 300 CIVIL SERVICE FORUM (RWF)
MIRKIN & GORDON, P.C.	LOCAL 300 CIVIL SERVICE FORUM (WF)
MIRKIN & GORDON, P.C.	LOCAL 371 SOCIAL SERVICE EMPLOYEES (WF/LEGAL/JEF/ADMIN)
MIRKIN & GORDON, P.C.	LOCAL 891 SCHOOL CUSTODIAN AND CUSTODIAN ENGINEER (WF/RWF)
MIRKIN & GORDON, P.C.	LOCAL 371 SOCIAL SERVICE EMPLOYEES (AF)
MIRKIN & GORDON, P.C.	LOCAL 300 SEIU CIVIL SERVICE FORUM (AF)
MIRKIN & GORDON, P.C.	LOCAL 891 IUOE (AF)
MITCHEL C. CRANER, ATTORNEY	LOCAL 31 BEW CITY EMPLOYEES (WF)
MITCHEL C. CRANER, ATTORNEY	NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS (WF)
MITCHEL C. CRANER, ATTORNEY	NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS (RWF)
MITCHEL C. CRANER, ATTORNEY	NEW YORK CITY RETIREES (WF)
O'DWYER & BERNSTEIN, LLP	NYC DISTRICT COUNCIL OF CARPENTERS (WF)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

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FUND NAME

LEGAL COUNCIL (CONTINUED)

O'DWYER & BERNSTEIN, LLP	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) (AF)
O'DWYER & BERNSTEIN, LLP	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) (WF/RWF/CLRF)
O'DWYER & BERNSTEIN, LLP	NYC DISTRICT COUNCIL OF CARPENTERS (AF)
PRYOR, CASHMAN, SHERMAN, & FLYNN	DOCTORS COUNCIL (RWF)
PRYOR, CASHMAN, SHERMAN, & FLYNN	DOCTORS COUNCIL (WF)
PRYOR, CASHMAN, SHERMAN, & FLYNN	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (WF)
PRYOR, CASHMAN, SHERMAN, & FLYNN	DOCTORS COUNCIL (AF)
RONALD SHECTMAN, ET AL	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (AF)
RONALD SHECTMAN, ET AL	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (RWF)
SCHULTE, ROTH & ZABEL LLP	NYC DISTRICT COUNCIL OF CARPENTERS (WF)
SCHULTE, ROTH & ZABEL LLP	NYC DISTRICT COUNCIL OF CARPENTERS (AF)
SPIVAK, LIPTON, WATANABE & SPIVAK	LOCAL 1180 CWA MUNICIPAL MANAGEMENT (RWF)
SPIVAK, LIPTON, WATANABE & SPIVAK	PROFESSIONAL STAFF CONGRESS CUNY (WF/RWF)
SPIVAK, LIPTON, WATANABE & SPIVAK	LOCAL 1180 CWA MUNICIPAL MANAGEMENT (WF/LEGAL/EF)
SPIVAK, LIPTON, WATANABE & SPIVAK & MOSS, LLP	LOCAL 1182 CWA PARKING ENFORCEMENT AGENTS (WF/LEGAL)
SPIVAK, LIPTON, WATANABE & SPIVAK & MOSS, ORFAN & LLP	LOCAL 1180 CWA MEMBERS (AF)
STROOCK & STROOCK & LAVAN, LLP	LOCAL 237 TEAMSTERS (AF)
STROOCK & STROOCK & LAVAN, LLP	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION (AF)
STROOCK & STROOCK & LAVAN, LLP	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION (RWF)
STROOCK & STROOCK & LAVAN, LLP	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION (WF)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

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FUND NAME

LEGAL COUNCIL (CONTINUED)

STROOCK & STROOCK & LAVAN, LLP	LOCAL 237 TEAMSTERS (RWF)
STROOCK & STROOCK & LAVAN, LLP	LOCAL 237 TEAMSTERS (WF)
SULLIVAN, PAPAIN, BLOCK ET. AL.	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION (RWF)
SULLIVAN, PAPAIN, BLOCK ET. AL.	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION (AF)
SULLIVAN, PAPAIN, BLOCK ET. AL.	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION (WF)
TAUBMAN KIMELMAN & SOROKA	LOCAL 211 ALLIED BUILDING INSPECTORS (WF)
TAUBMAN KIMELMAN & SOROKA	LOCAL 444 SANITATION OFFICERS (AF)
TAUBMAN KIMELMAN & SOROKA	LOCAL 444 SANITATION OFFICERS (RWF)
TAUBMAN KIMELMAN & SOROKA	LOCAL 444 SANITATION OFFICERS (WF)
WILLIAM I. SHUZMAN	LOCAL 40 IRON WORKERS (AF)
WILLIAM I. SHUZMAN	LOCAL 40 IRON WORKERS (WF)