

# 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 2007**

*FM09-081S*

**December 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 2007.

New York City contributed approximately \$1.08 billion to 113 welfare, retiree, and annuity funds whose fiscal years ended during calendar year 2007. 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](mailto:audit@Comptroller.nyc.gov) or telephone my office at 212-669-3747.

Very truly yours,

A handwritten signature in cursive script that reads "William C. Thompson, Jr.".

William C. Thompson, Jr.

WCT/fh

**Report: FM09-081S**  
**Filed: December 30, 2009**

## *Table of Contents*

<b>REPORT IN BRIEF</b> .....	1
Findings and Conclusions .....	2
Recommendations .....	6
<b>INTRODUCTION</b> .....	8
Background .....	8
Oversight Mechanisms.....	12
Objective .....	12
Scope of Analysis .....	13
<b>FUND EXPENSES</b> .....	14
High Percentages of Revenue Spent on Administration .....	17
Low Percentages of Revenue Spent on Administration .....	20
Funds with Improved Administrative Expenses-to-Revenue Ratios .....	22
Annuity Funds: Administrative Expenses .....	23
Administrative Expenses vs. Total Expenses .....	24
<b>EXPENDITURES FOR BENEFITS</b> .....	25
<b>RESERVE LEVELS</b> .....	29
<b>OPERATING DEFICITS</b> .....	32
<b>ANALYSIS OF TOTAL REVENUE</b> .....	34
Certain Funds Should Address Financial and Operating Issues to Ensure Maximum Use of Revenue and Continued Financial Stability .....	35
<b>EXCEPTIONS ON FUND OPERATIONS</b> .....	37
Eligibility Delay.....	37
CPA Opinions.....	38
Consolidation of Professional Services .....	40
Late Submission of Directive #12 Reports.....	40
Field Audits of Funds .....	42
<b>CONCLUSIONS AND RECOMMENDATIONS</b> .....	49

**EXHIBITS:**

- A. Schedule of Official Fund Names
- B. Schedule of Financial Data
- C. Schedule of Administrative Expenses
- D. Schedule of Available Benefits
- E. Schedule of Benefit Fund Ratios

**APPENDICES:**

- A. Comptroller's Internal Control and Accountability Directive #12
- B. Commonly Found Unacceptable Practices of Welfare Funds
- C. Comptroller's Audit Reports on Benefit Funds Issued in Fiscal Years 1985–2009
- D. Funds Using Common Professional Service Providers

*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 2007**

**FM09-081S**

---

**REPORT IN BRIEF**

The purpose of this report is to provide comparative analysis of the overall financial activities of the 94 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 \$1.08 billion to the 113 union-administered annuity, active, and retiree welfare funds with fiscal years ending during calendar year 2007. 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 \$2,307 per employee during 2007.

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 first published Internal Control and Accountability Directive #12, which 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 28th 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 2007. 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 113 funds that received City contributions during 2007. Two 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. (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 94 of the 113 funds that received City contributions during each fund's 2007 fiscal year (most of the funds' fiscal years ended in either June or December of 2007), approximately \$1.05 billion in total. Nineteen 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 2007 fiscal years, the welfare funds' net assets available for 83 plan benefits totaled \$1.52 billion, and the 30 annuity funds had a net fund balance of approximately \$5 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 2006 report for spending higher-than-average amounts on administration remain in that same category in 2007, while other funds were added to this category because their administrative costs increased in 2007. In 2007, \$85.5 million (6.63 percent) of total revenue for all funds was spent on administration, as compared to \$81.2 million (6.60 percent) spent on administration in 2006. 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 five 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 2007, 16 of 70 active and retiree welfare funds in our analysis incurred operating deficits totaling \$10.7 million, which reduced their available reserves. The deficits ranged from \$17,834 to \$6.17 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	\$ 7,072,260	\$ 7,017,560	\$ 54,700	\$ 429,779	6.08%	\$6,587,781	93.15%	\$(707,150)	I	I	I
Local 832 Teamsters RWF	140,281	213,753	(72,472)	34,851	24.84	177,902	126.82	(65,018)	I	I	I
Local 1183 CWA Board of Elections Benefit Fund RWF	329,797	210,259	119,538	31,270	9.48	178,989	54.27	(29,956)	I	I	I
Local 854 Uniformed Fire Officers Association RWF	8,591,310	9,065,815	(474,505)	371,927	4.33	8,693,888	101.19	3,100,942	36.09	653.51	LT
Local 333 United Marine Division RWF	425,806	649,109	(223,303)	68,015	15.97	649,109	136.47	812,410	190.79	363.82	LT
United Probation Officers Association WF	1,386,143	1,525,968	(139,825)	383,054	27.63	1,142,914	82.45	1,794,693	129.47	1283.53	LT
United Probation Officers Association RWF	621,246	696,535	(75,289)	173,638	27.95	522,897	84.17	543,941	87.56	722.47	LT
Local 371 Social Service Employee WF	30,518,531	26,104,848	4,413,683	2,633,863	8.63	23,470,985	76.91	8,921,019	29.23	-	N
Local 832 Teamsters WF	733,199	693,117	40,082	161,761	22.06	531,356	72.47	1,631,015	222.45	-	N
Local 14A-14B IUOE WF/RWF	172,953	78,297	94,656	16,622	9.61	61,675	35.66	916,905	530.15	-	N
Local 831 Uniform Sanitationmen's Assoc. RWF	14,081,231	13,406,301	674,930	440,177	3.13	12,966,124	92.08	4,180,702	29.69	-	N
Doctors Council RWF	725,701	764,998	(39,297)	170,729	23.53	594,269	81.89	2,442,631	336.59	-	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, it 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, three funds (House Staff Committee of Interns and Residents Welfare Fund, Local 237 Teamsters Welfare Fund and District Council 9 Painters Industry Welfare Fund) delay eligibility for their members to receive benefits for a maximum of 16 days, 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 94 funds reviewed, 15 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 15 funds as well as the specific issues raised in the CPA reports are detailed on pages 38 to 40 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 2007, 69 of the 111 funds (62.2 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 1985–2009, the Comptroller's Office issued 81 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 2007, the annual contributions to 113 union-administered welfare funds ranged from \$900 to \$2,307 per employee per year. The aggregate annual cost to the City (including contributions to annuity funds) was approximately \$1.08 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-one funds received between \$1 million and \$3 million in City contributions in 2007, and 44 funds received more than \$3 million each. Of the 44 funds receiving more than \$3 million, 21 funds received more than \$10 million each from the City, accounting for approximately 80 percent of the City's contributions to benefit funds in 2007, as shown on Table I on the next page.

**Table I**  
**Funds Receiving More Than \$10 Million\* in City Contributions in 2007**

<u>Fund Name</u>	<u>Total Revenue</u>	<u>NYC Contributions**</u>
District Council 37 WF	\$284,905,710	\$254,052,851
Local 2 United Federation of Teachers WF	259,984,101	249,646,789
Patrolmen's Benevolent Association WF	42,278,335	37,137,992
Patrolmen's Benevolent Association RWF	38,320,221	33,579,170
Local 237 Teamsters WF	38,003,028	33,533,359
Professional Staff Congress CUNY WF/RWF	34,315,715	30,865,759
Local 371 Social Service Employees WF	30,518,531	30,248,445
Local 237 Teamsters AF	25,847,578	18,330,740
Sergeants Benevolent Association (Police) WF/RWF	17,972,158	17,023,235
Local 94 Uniformed Firefighters Association RWF	20,324,489	16,367,080
Detectives Endowment Association RWF	19,202,791	15,733,565
Local 1180 CWA Municipal Management WF	18,338,467	15,652,627
Local 237 Teamsters RWF	16,947,737	15,352,195
Local 94 Uniformed Firefighters Association WF	18,296,366	14,337,534
Corrections Officers Benevolent Association WF	13,570,174	13,185,853
Patrolmen's Benevolent Association AF	34,767,711	12,417,653
Local 831 Uniformed Sanitationmen's Association RWF	14,081,231	12,055,392
New York State Nurses Association WF	12,017,743	10,859,469
Local 831 Uniformed Sanitationmen's Association AF	17,559,129	10,422,929
Local 1180 CWA Municipal Management RWF	13,266,461	10,338,680
Local 94 Uniformed Firefighters Association AF	<u>18,333,274</u>	<u>10,144,717</u>
Total	<u>\$988,850,950</u>	<u>\$861,286,034</u>

\*This cutoff figure is arbitrary and used for descriptive purposes only. A cutoff to \$9 million would add one more fund 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 113 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	1	2	3
\$100,000 to \$300,000	12	1	13
\$300,000 to \$ 1 million	10	3	13
\$1 million to \$3 million	16	5	21
\$3 million to \$10 million	14	9	23
\$10 million to \$20 million*	10	4	14
More than \$20 million*	7	0	7
Funds excluded from this analysis because they would have distorted the results	<u>13</u>	<u>6</u>	<u>19</u>
<b>Total</b>	<u><b>83</b></u>	<u><b>30</b></u>	<u><b>113</b></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 44 funds (insured, self-insured, and annuity) with City contributions of more than \$3 million (including the 21 listed in Table I with contributions of more than \$10 million) received approximately \$995.8 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.) Thirteen 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, and three funds with fiscal year-ends different from 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, two 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.

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.<sup>1</sup> 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 first published Internal Control and Accountability Directive #12, which 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 2007, 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 94 union-administered active and retiree welfare, education, and annuity funds that received City contributions during the Funds' Fiscal Year 2007.

---

<sup>1</sup> 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 28th 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 2007 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 113 funds that received City contributions during Fiscal Year 2007. Two 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. (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 94 funds, which received approximately \$1.05 billion in total City contributions during each fund's 2007 fiscal year (most of the funds' fiscal years ended in either June or December of 2007. Nineteen 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, to instructors who conduct in-house training for members, and to 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 expenditures for travel and conferences. (See Exhibit C for a breakdown of Administrative Expenses.)

In 2007, about \$85.5 million (6.63 percent) of total revenue was spent on administering the funds as compared to \$81.2 million (6.60 percent) in 2006. The largest single component—salaries for administrative and clerical staff totaling \$33.2 million—represented 38.77 percent of total administrative expenses in 2007. Other major administrative expenses included \$7.5 million for rent, \$10.3 million for office expenses, \$672,854 for insurance retention charges, \$8.1 million for investment and custodial services, \$14.9 million for consultant services, and \$3.6 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 was 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 94 funds on administrative costs and the range of such percentages in 2007.

**Table III**  
Average Amount and Percentage of Total Revenue  
Spent by 94 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<sup>(A)</sup></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)	\$ 5,894	8.84%	(0)	N/A	N/A	(2)	\$ 22,626	10.36%
\$100,000 to \$300,000	(2)	11,341	5.63	(10)	\$ 30,549	11.45%	(1)	60,632	23.69
\$300,000 to \$1 million	(1)	73,715	14.42	(9)	117,922	16.11	(3)	167,001	11.05
\$1 million to \$3 million	(0)	N/A	N/A	(16)	208,127	10.81	(5)	157,208	5.37
\$3 million to \$10 million	(0)	N/A	N/A	(14)	611,341	8.31	(9)	584,578	3.81
\$10 million to \$20 million	(0)	N/A	N/A	(10)	1,149,627	7.01	(4)	793,935	3.29
More than \$20 million	(0)	N/A	N/A	(7)	7,263,623	6.98	(0)	N/A	N/A
Overall Average 2007	(4)	\$ 25,573	10.43%	(66)	\$1,145,413	7.30%	(24)	\$409,578	3.86%
Overall Average 2006	(6)	\$ 51,369	15.83%	(60)	\$1,192,649	7.23%	(24)	\$388,177	3.93%

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 94 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	8.84%	N/A	0.00%* to 16.54%
\$100,000 to \$300,000	2.64 to 9.61	2.46 to 24.84%	23.69
\$300,000 to \$1 million	14.42	7.34 to 27.95	8.79 to 13.71
\$1 million to \$3 million	N/A	4.01 to 27.63	3.88 to 7.43
\$3 million to \$10 million	N/A	4.27 to 15.01	0.65 to 8.13
\$10 million to \$20 million	N/A	3.13 to 13.71	2.12 to 6.08
More than \$20 million	N/A	4.03 to 9.03	N/A
Overall Average 2007	10.43%	7.30%	3.86%
Overall Average 2006	15.83%	7.23%	3.93%

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 percentages of revenue spent on administration significantly higher than their respective category averages for 2007.

**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>
<b><u>\$100,000 to \$300,000</u></b>			
Local 14A-14B IUOE WF/RWF*	5.63%	9.61%	70.69%
<b><u>\$300,000 to \$1Million</u></b>			
Local 333 United Marine Division WF	14.42%	14.42%	N/A

N/A – Not Applicable

\* This fund also incurred higher than average administrative costs in 2006.

**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>
<b><u>\$100,000 to \$300,000</u></b>			
Local 832 Teamsters RWF*	11.45	24.84	116.94
Local 306 Municipal Employees WF*	11.45	22.14	93.36
Fire Alarm Dispatchers Benevolent Association WF*	11.45	16.35	42.79
<b><u>\$300,000 to \$1 million</u></b>			
United Probation Officers Association RWF	16.11	27.95	73.49
Doctors Council RWF*	16.11	23.53	46.06
Local 832 Teamsters WF	16.11	22.06	36.93
<b><u>\$1 million to \$3 million</u></b>			
United Probation Officers Association WF	10.81	27.63	155.60
Doctors Council WF*	10.81	18.99	75.67
Local 891 School Custodian & Custodian Engineers WF/RWF	10.81	15.32	41.72
<b><u>\$3 million to \$10 million</u></b>			
Local 1182 CWA Security Benefit Fund WF/RWF*	8.31	15.01	80.63
House Staff Committee of Interns & Residents WF*	8.31	12.82	54.27
<b><u>\$10 Million to \$20 million</u></b>			
Local 1180 CWA Municipal Management WF*	7.01	13.71	95.58
Local 1180 CWA Municipal Management RWF*	7.01	12.57	79.32

\*These funds also incurred higher-than-average administrative costs in 2006.

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>2006</u>	<u>2007</u>	
Professional Staff Congress CUNY WF/RWF	2.04%	4.03%	97.55%
District No. 1 MEBA Benefit Fund Trust WF	4.57	7.70	68.49
Detectives Endowment Association WF	4.79	7.39	54.28
NYC Deputy Sheriffs Association RWF	5.84	8.84	51.37
DC 9 Painting Industry WF/RWF (Local 1969)	6.91	9.95	43.99
Local 211 Allied Building Inspectors WF	5.97	8.52	42.71
Local 1 Council of Supervisors & Admin. WF	7.33	10.27	40.11
Local 891 School Custodian & Custodian Engineers WF/RWF	11.20	15.32	36.79
Local 30A-C Operating Municipal Engineers WF/RWF	7.95	10.74	35.09

Without full audits of the individual funds, it is impossible to determine why these funds' administrative costs increased in 2007.

**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 2007.

**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>Fund Name</u>	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation From Category Average</u>
<b><u>\$100,000 to \$300,000</u></b>			
NYC Deputy Sheriffs Association WF*	5.63%	2.64%	(53.11%)

\*This fund also had lower than average administrative costs in 2006.



**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>
<b><u>\$100,000 to \$300,000</u></b>			
Local No. 5 Municipal Employees Benefit Trust Fund*	11.45%	2.46%	(78.52%)
NYC Municipal Steamfitters & Steamfitter Helpers WF	11.45	6.94	(39.39)
<b><u>\$300,000 to \$1Million</u></b>			
Local 1183 CWA Board of Elections Benefit Fund WF	16.11	7.34	(54.44)
<b><u>\$1 million to \$3 million</u></b>			
Local 444 Sanitation Officers WF*	10.81	4.01	(62.90)
Correction Captains Association RWF*	10.81	5.89	(45.51)
<b><u>\$3 million to \$10 million</u></b>			
Local 854 Uniformed Fire Officers Association RWF*	8.31	4.33	(47.89)
New York City Retirees WF*	8.31	4.27	(48.62)
Local 444 Sanitation Officers RWF	8.31	5.24	(36.94)
Local 854 Uniformed Fire Officers Association WF	8.31	5.05	(39.23)
<b><u>\$10 million to \$20 million</u></b>			
Local 831 Uniformed Sanitationmen's Association RWF*	7.01	3.13	(55.35)
Local 94 Uniformed Firefighters Assoc. RWF*	7.01	3.52	(49.79)
<b><u>Over \$20 million</u></b>			
Professional Staff Congress CUNY WF/RWF*	6.98	4.03	(42.26)

\*These funds also had lower than average administrative costs in 2006.

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 nine funds that significantly reduced the percentage of their revenues spent on administration. These funds reduced their administrative expense percentages between 20.23 and 46.76 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>2006</u>	<u>2007</u>	
Local 14A-14B IUOE WF/RWF	18.05%	9.61%	(46.76%)
Local 333 United Marine Division WF	20.54	14.42	(29.80)
Doctors Council WF	25.85	18.99	(26.54)
Local 858 IBT, (OTB) Branch Office Managers WF	13.92	10.28	(26.15)
House Staff Comm. of Interns & Residents WF	16.97	12.82	(24.45)
Fire Alarm Dispatchers Benevolent Association WF	21.59	16.35	(24.27)
Local 444 Sanitation Officers WF	5.14	4.01	(21.98)
Local 1180 CWA Municipal Management RWF	15.95	12.57	(21.19)
NYC Municipal Steamfitters & Steamfitter Helpers WF	8.70	6.94	(20.23)

\*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 7 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>
Correction Officers' Benevolent Association*	3.81%	8.13%	113.39%
District Council 37*	3.81	7.50	96.85
Detectives Endowment Association	3.81	7.19	88.71
Local 94 Uniformed Firefighters Association*	3.29	6.08	84.80
Local 333 United Marine Division*	10.36	16.54	59.65
Local 891 IUOE	5.37	7.43	38.36
Assistant Deputy Wardens/Deputy Wardens Assoc	23.69	23.69	N/A

N/A – Not Applicable

\*These funds also incurred significantly higher-than average administrative costs in 2006.

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>Insured Active and Retiree Welfare Funds</u>		<u>Self-Insured Active and Retiree Welfare Funds</u>	
	<u>Administrative as a Percentage of</u>			
	<u>Total Expenses</u>	<u>Total Revenue</u>	<u>Total Expenses</u>	<u>Total Revenue</u>
Less than \$100,000	10.78%	8.84%	N/A	N/A
\$100,000 to \$300,000	9.20	5.63	14.64	11.45
\$300,000 to \$1 million	19.29	14.42	17.14	16.11
\$1 million to \$3 million	N/A	N/A	12.52	10.81
\$3 million to \$10 million	N/A	N/A	8.81	8.31
\$10 million to \$20 million	N/A	N/A	7.69	7.01
More than \$20 million	<u>N/A</u>	<u>N/A</u>	<u>7.44</u>	<u>6.98</u>
Overall Average	<u>14.97%</u>	<u>10.43%</u>	<u>7.83%</u>	<u>7.30%</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	73.18%	N/A
\$100,000 - \$300,000	55.63	66.80%
\$300,000 - \$1 million	60.32	77.89
\$1 million - \$3 million	N/A	75.56
\$3 million - \$10 million	N/A	85.93
\$10 million - \$20 million	N/A	84.14
More than \$20 million	N/A	86.85
Overall Average (Not Weighted)	<u>59.27%</u>	<u>85.88%</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, DC 9 Painting Industry WF/RWF (Local 1969) exceeded the category average but still had sufficient reserves to ensure its continued financial stability.

On the other hand, Local 832 Teamsters 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>
Local 832 Teamsters RWF*	66.80%	126.82%	89.85%
Local 333 United Marine Division RWF	77.89	136.47	75.21
DC 9 Painting Industry WF/RWF (Local 1969)	75.56	124.10	64.24
Superior Officers Council (Police) WF	85.93	109.23	27.12
Local 854 Uniformed Fire Officers Association RWF*	85.93	101.19	17.76

\*These funds also spent more than the category average in 2006.

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>
Local No. 5 Municipal Employees Benefit Trust Fund*	66.80%	24.34%	(63.56%)
Local 14A-14B IUOE WF/RWF*	55.63	35.66	(35.90)
Local 300 Civil Service Forum RWF	77.89	53.63	(31.15)
Local 3 IBEW Electrician RWF	77.89	59.76	(23.28)
Local 246 SEIU RWF	75.56	58.06	(23.16)
District No. 1 MEBA Benefit Fund Trust WF	66.80	52.15	(21.93)
House Staff Comm. of Interns and Residents WF	85.93	67.58	(21.35)
Local 3 IBEW Electricians WF*	75.56	60.10	(20.46)

\*These funds also spent less than the category average in 2006.

The benefit expenses for the five 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>2006 - 2007 Percentage Decrease in Reserve</u>	<u>Ending Fund Balance 2007</u>
<b><u>\$100,000 to \$300,000</u></b>					
Local 832 Teamsters RWF	\$ 140,281	\$ 177,902	126.82%	(972.26%)	\$ (65,018)
<b><u>\$300,000 to \$1 Million</u></b>					
Local 333 United Marine Division RWF	425,806	581,094	136.47	(21.56)	812,410
<b><u>\$1 Million to \$3 Million</u></b>					
DC 9 Painting Industry WF/RWF (Local 1969)*	1,593,904	1,978,041	124.10	(13.70)	3,420,239
<b><u>\$3 Million to \$10 Million</u></b>					
Local 854 Uniformed Fire Officers Association RWF	8,591,310	8,693,888	101.19	(13.27)	3,100,942
Superior Officers Council (Police) WF	4,060,068	4,434,778	109.23	(12.45)	4,710,869

\* This fund 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>City Revenue</u>	<u>Insured Active and</u>		<u>Self-Insured Active and</u>	
	<u>Retiree Welfare Funds</u>		<u>Retiree Welfare Funds</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Less than \$100,000	\$145,496	218.27%	N/A	N/A
\$100,000 - \$300,000	556,316	276.37	563,442	211.26%
\$300,000 - \$1 million	442,187	86.49	1,781,202	243.32
\$1 million - \$3 million	N/A	N/A	3,262,075	169.48
\$3 million - \$10 million	N/A	N/A	9,540,680	129.63
\$10 million - \$20 million	N/A	N/A	16,576,427	101.06
More than \$20 million	N/A	N/A	70,088,948	67.36
Overall Average	\$425,079	173.41%	\$13,088,104	83.43%

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 two funds with excess reserves. (See Exhibit B.) The two 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 14A-14B IUOE WF/RWF*	\$916,905	530.15%
NYC Deputy Sheriffs Association RWF*	145,496	218.27

\*These funds were also identified as having more than 100 percent of reserves to total revenue in 2006.

Using 200 percent of total annual revenue as a reasonable level for reserves for self-insured funds, we identified 18 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>
Local 15,15A, 15C Operating Engineers WF/RWF*	\$ 5,627,140	630.53%
NYC Municipal Steamfitters & Steamfitter Helpers WF*	1,703,298	445.15
NYC Municipal Steamfitters & Steamfitter Helpers RWF*	790,931	413.71
Local 211 Allied Building Inspectors WF*	5,829,357	353.69
Doctors Council WF*	5,360,992	342.50
Doctors Council RWF*	2,442,631	336.59
District No. 1 MEBA Beneficial Fund Trust WF/AF*	871,446	287.22
Local 3 IBEW Electricians WF*	5,957,967	280.04
Local 444 Sanitation Officers RWF*	10,747,304	259.95
NYC Municipal Plumbers & Pipefitters WF*	3,870,730	253.75
1199 SEIU Licensed Practical Nurses WF*	5,080,206	247.98
Detectives Endowment Association WF*	23,122,277	245.99
Local 3 IBEW City Employees WF*	836,600	231.05
Local 3 IBEW Electricians RWF*	2,116,982	229.47
Local 832 Teamsters WF	1,631,015	222.45
Local 1180 CWA Municipal Management RWF*	28,794,250	217.05
DC 9 Painting Industry WF/RWF (Local 1969)	3,420,239	214.58
Local 854 Uniformed Fire Officers Association WF*	9,398,665	207.46

\*These funds were also identified as having more than 200 percent of reserves to total revenue in 2006.

## OPERATING DEFICITS

In 2007, 16 of the 70 active and retiree welfare funds in our analysis incurred operating deficits totaling \$10.7 million, as shown in Table XX. The deficits ranged from \$17,834 to approximately \$6.17 million. One fund, Local 832 Teamsters RWF, depleted its reserve and became insolvent as of December 31, 2007. We question the ability of Local 832 Teamsters 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>	2007 Operating Deficit	2007 Reserves	2006 Reserves	2006–2007 Percentage Decrease in Reserves
Local 2 United Federation of Teachers WF	\$6,170,510	\$138,295,221	\$150,686,166	(8.22%)
Patrolmen's Benevolent Association RWF*	849,205	25,423,815	26,273,020	(3.23)
Superior Officers Council (Police) WF*	647,303	4,710,869	5,380,707	(12.45)
New York State Nurses Association WF	595,206	10,468,811	11,122,215	(5.87)
DC 9 Painting Industry WF/RWF (Local 1969)	542,768	3,420,239	3,963,007	(13.70)
Local 854 Uniformed Fire Officers Association RWF*	474,505	3,100,942	3,575,447	(13.27)
Correction Officers' Benevolent Association WF*	390,953	10,937,027	11,322,517	(3.40)
Local 1 Council of Supervisors & Admin. WF*	238,986	12,876,063	13,115,049	(1.82)
Local 333 United Marine Division RWF	223,303	812,410	1,035,713	(21.56)
United Probation Officers Association WF	139,825	1,794,693	1,934,518	(7.23)
New York City Retirees WF	129,500	7,300,492	7,429,992	(1.74)
United Probation Officers Association RWF	75,289	543,941	619,230	(12.16)
Local 832 Teamsters RWF*	72,472	(65,018)	7,454	(972.26)
Local 15, 15A, 15C Operating Engineers WF/RWF	57,654	5,627,140	5,593,763	0.60**
Doctors Council RWF*	39,297	2,442,631	1,677,105	45.65**
Local 3 IBEW City Employees WF*	<u>17,834</u>	<u>836,600</u>	<u>854,434</u>	<u>(2.09)</u>
 Total	 <u>\$10,664,610</u>	 <u>\$228,525,876</u>	 <u>\$244,590,337</u>	 <u>(6.57%)</u>

\* These funds also incurred operating deficits and declining reserves in 2006.

\*\* Although these funds incurred operating deficits in 2007, their funds received retroactive contributions from the City to cover their operating deficits.

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>
Superior Officers Council (Police) RWF*	\$54,700	(\$707,150)	(10.00%)	129.63%	(107.71%)
Local 832 Teamsters RWF*	(72,472)	(65,018)	(46.35)	211.26%	(121.94)
Local 1183 CWA Board of Elections Benefit Fund RWF	119,538	(29,956)	(9.08)	211.26	(104.30)
Civil Service Bar Association WF	21,093	1,083,477	72.87	169.48	(57.00)
Local 300 Civil Service Forum WF	191,860	1,357,741	73.18	169.48	(56.82)
Local 854 Uniformed Fire Officers Association RWF*	(474,505)	3,100,942	36.09	129.63	(72.16)
Local 831 Uniformed Sanitationmen's Association RWF	674,930	4,180,702	29.69	101.06	(70.62)
Local 371 Social Service Employees WF	4,413,683	8,921,019	29.23	67.36	(56.61)
DC37 WF*	41,449,448	169,381,441	59.45	67.36	(11.74)
Local 2 United Federation of Teachers WF	(6,170,510)	138,295,221	53.19	67.36	(21.04)
Local 94 Uniformed Firefighters Association RWF	2,829,776	10,722,082	52.75	101.06	(47.80)
Local 237 Teamsters RWF*	2,500,793	10,488,533	61.89	101.06	(38.76)
United Probation Officers Association RWF	(75,289)	543,941	87.56	243.32	(64.01)

\*Indicates those funds whose expenses exceeded revenue in 2006.

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 2007, the 70 active and retiree welfare funds in our survey had revenue totaling \$1.04 billion. Expenses for these funds totaled \$965.6 million—\$75.7 million for fund administration and \$889.9 million for benefits to members. The \$70.9 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</u>		<u>Percentage of Benefit Expenses to Total Revenue</u>	
		<u>Category Average</u>	<u>Fund Actual</u>	<u>Category Average</u>	<u>Fund Actual</u>
Local 832 Teamsters WF*	733,199	16.11	<b>22.06</b>	77.89	72.47
Local No. 5 Municipal Employees Benefit Trust Fund*	181,647	11.45	2.46	66.80	<b>24.34</b>
Local 14A-14B IUOE WF/RWF*	172,953	5.63	<b>9.61</b>	55.63	<b>35.66</b>
Local 300 Civil Service Forum RWF	974,110	16.11	11.88	77.89	<b>53.63</b>
Local 1182 CWA Security Benefit Fund WF/RWF	4,260,416	8.31	<b>15.01</b>	85.93	77.69
House Staff Comm, of Interns & Residents WF	5,242,548	8.31	<b>12.82</b>	85.93	<b>67.58</b>
Local 1180 CWA Municipal Management RWF	13,266,461	7.01	<b>12.57</b>	84.14	76.93
Local 1180 CWA Municipal Management WF	18,338,467	7.01	<b>13.71</b>	84.14	78.71

\* Indicates those funds having high administrative costs and/or low expenditures for benefits in 2006.

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.

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	\$ 7,072,260	\$ 7,017,560	\$ 54,700	\$ 429,779	6.08%	\$6,587,781	93.15%	\$(707,150)	I	I	I
Local 832 Teamsters RWF	140,281	213,753	(72,472)	34,851	24.84	177,902	126.82	(65,018)	I	I	I
Local 1183 CWA Board of Elections Benefit Fund RWF	329,797	210,259	119,538	31,270	9.48	178,989	54.27	(29,956)	I	I	I
Local 854 Uniformed Fire Officers Association RWF	8,591,310	9,065,815	(474,505)	371,927	4.33	8,693,888	101.19	3,100,942	36.09	653.51	LT
Local 333 United Marine Division RWF	425,806	649,109	(223,303)	68,015	15.97	649,109	136.47	812,410	190.79	363.82	LT
United Probation Officers Association WF	1,386,143	1,525,968	(139,825)	383,054	27.63	1,142,914	82.45	1,794,693	129.47	1283.53	LT
United Probation Officers Association RWF	621,246	696,535	(75,289)	173,638	27.95	522,897	84.17	543,941	87.56	722.47	LT
Local 371 Social Service Employee WF	30,518,531	26,104,848	4,413,683	2,633,863	8.63	23,470,985	76.91	8,921,019	29.23	-	N
Local 832 Teamsters WF	733,199	693,117	40,082	161,761	22.06	531,356	72.47	1,631,015	222.45	-	N
Local 14A-14B IUOE WF/RWF	172,953	78,297	94,656	16,622	9.61	61,675	35.66	916,905	530.15	-	N
Local 831 Uniform Sanitationmen's Assoc. RWF	14,081,231	13,406,301	674,930	440,177	3.13	12,966,124	92.08	4,180,702	29.69	-	N
Doctors Council RWF	725,701	764,998	(39,297)	170,729	23.53	594,269	81.89	2,442,631	336.59	-	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 three funds, (House Staff Committee of Interns and Residents Welfare Fund, Local 237 Teamsters' Welfare Fund, and District Council 9 Painting Industry Welfare Fund) delay eligibility for their members for a maximum of 16 days, 30 days and 90 days, respectively.<sup>2</sup> Thus, these funds are delaying the eligibility of their members for benefits.<sup>3</sup> 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

---

<sup>2</sup> 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.

<sup>3</sup> Effective June 2009, the House Staff Committee of Interns and Residents Welfare Fund provide benefits on a member's first day of employment.

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 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 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:

<b><u>Opinion</u></b>	<b><u>Description</u></b>
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 94 funds reviewed received unqualified opinions, 14 funds received qualified opinions, and one fund received adverse opinions from their independent auditors. The financial statements for 14 of the 15 funds with qualified or adverse opinions were not presented in accordance with GAAP (see list on following page). 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 estimating the liability for the benefits 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 estimating the liability for the benefits 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 from their financial statements.
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	Qualified	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	Qualified	The Fund excluded post-retirement benefit obligations from their financial statements. The effects of such omission are presumed to be material.
DC 37 WF	Qualified	The Fund excluded post-retirement benefit obligations from their financial statements.

FUND	OPINION	COMMENTS
Local 1183 CWA Board of Elections Benefit Fund RWF	Qualified	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 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 15 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 2007, 69 of the 111 funds (62.2 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 four funds (Professional Staff Congress CUNY WF/RWF, Local 1183 CWA Board of Elections Benefit Fund WF, Local 1183 CWA Board of Elections Benefit Fund RWF, and Local 831 Uniformed Sanitationmen's Association AF) submitted their Directive #12 reports in excess of one year after their due dates—21 months after their fiscal year-end; three funds submitted their Directive 12 reports between nine months and one year after their due dates—18 to 21 months after their fiscal year-end; 11 funds submitted their Directive #12 reports between six and nine months after their due dates—15 to 18 months after their fiscal year-end; 28 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 23

funds submitted their Directive #12 reports less than three months after their due dates. Table XXIV list 18 funds that submitted their Directive #12 reports in excess of six months after their due dates— in excess of 15 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>
Professional Staff Congress CUNY WF/RWF	06/30/07	03/31/08	05/22/09	417 Days
Local 1183 CWA Board of Elections WF	09/30/07	06/30/08	07/28/09	393 Days
Local 1183 CWA Board of Elections RWF	09/30/07	06/30/08	07/28/09	393 Days
Local 831 Uniformed Sanitationmen's Association AF	03/31/07	12/31/07	01/09/09	375 Days
Fire Alarm Dispatchers Benevolent Association WF	06/30/07	03/31/08	02/27/09	333 Days
Local 831 Uniformed Sanitationmen's Association RWF	06/30/07	03/31/08	01/26/09	301 Days
Local 831 Uniformed Sanitationmen's Association WF	06/30/07	03/31/08	01/26/09	301 Days
Sergeants Benevolent Association (Police) AF	06/30/07	03/31/08	11/19/08	233 Days
Sergeants Benevolent Association (Police) WF/RWF	06/30/07	03/31/08	11/19/08	233 Days
Local 371 Social Service Employees AF	03/31/07	12/31/07	08/18/08	231 Days
Local 306 Municipal Employees WF	06/30/07	03/31/08	11/17/08	231 Days
United Probation Officers Association RWF	06/30/07	03/31/08	11/15/08	219 Days
United Probation Officers Association WF	06/30/07	03/31/08	11/15/08	219 Days
Committee of Interns and Residents Ed. Fund	06/30/07	03/31/08	10/30/08	213 Days
Local 3 NYC Communications Electricians AF	12/31/07	09/30/08	04/29/09	211 Days
NYC District Council of Carpenters WF	06/30/07	03/31/08	10/09/08	192 Days
NYC District Council of Carpenters AF	06/30/07	03/31/08	10/09/08	192 Days
Local 854 Uniform Fire Officers Assoc. AF	03/31/07	12/31/07	07/08/08	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.

### **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. The Comptroller's Office issued 81 audit reports during Fiscal Years 1985-2009. (These audits are listed in Appendix C at the end of the report.)

Each audit report discusses the extent to which each fund met its basic objective of providing benefits to members and identifies various areas for improvement. Often we identify weaknesses common to more than one fund. Among the regularly occurring weaknesses identified in these audits (see Appendix B for a list of these weaknesses) were the following:

- inaccurate or unsupported basis for allocating common expenses,
- a larger percentage of revenues spent on administrative expenses compared to other funds with total revenues of a similar size,
- benefit and administrative expenses misstated in Directive #12 filings, and
- funds expended on questionable items.

During Fiscal Year 2009, we issued two reports. A brief summary of the findings of these audits follows:

***Audit Report on the Financial and Operating Practices  
Of the United Probation Officers Association Welfare Fund,  
Report # FL08-076A***

The audit found that the Trustees of the Active Fund may have breached their fiduciary responsibilities to the Active Fund and its members. For example, the Active Fund has spent a significantly larger percentage of its City contributions on administrative expenses—especially the high administrative fees totaling \$436,790 paid to its third-party administrator—when compared to other, similarly-sized funds, and has claimed to pay for capital equipment and other operating expenses of its third-party administrator even though the Active Fund lists the equipment as fixed assets on its financial statements. Moreover, the Active Fund was not in compliance with the procedures and reporting requirements of Comptroller's Directive #12. Consequently, the Active Fund's financial statements and its Directive #12 filing were materially misstated. Specifically, the Active Fund:

- Materially misstated its City contributions, total assets, expenses, and Net Assets Available for Plan Benefits on its financial statements. Overall, these material misstatements allowed the Net Assets Available for Benefits (fund reserve) to be overstated by \$421,618—21.79 percent of the Active Fund’s Net Assets Available for Plan Benefits.
- Misstated revenue, benefit, and administrative expenses on its Directive #12 filing. Improper accounting transactions caused the Active Fund’s Directive #12 filing to overstate revenue by 9.13 percent, understate administrative expenses by 74.47 percent, and overstate benefit expenses by 16.47 percent. It appears that the Active Fund is manipulating the expense accounts to hide its administrative expenses in benefit expenses and in loan receivables.
- Spent a significantly larger percentage of its City contributions on administrative expenses when compared to other, similarly-sized funds. The Active Fund spent 35.85 percent of its City contributions on administrative expenses while eight similarly-sized funds spent an average of 13.06 percent.
- Paid for capital equipment and other operating expenses of its third-party administrator. The Active Fund paid \$498,656 for computer software and hardware and other operating expenses for its third-party administrator, in addition to the administrative fees.
- Selected a Certified Public Accountant to audit its financial statements who appeared to lack independence, contrary to Directive #12 requirements. The CPA is an employee of Cohen Phillips & Seiden, LLP, the firm paid to “check the accuracy” of the Active Fund’s books and records and prepare the Active Fund’s financial statements including the trial balance and all the adjusting entries. The CPA who certified the Active Fund’s materially misstated financial statements did not question the adjusting entries to the Active Fund’s trial balance and relied on schedules (Depreciation Schedule and Employers Contribution Receivable Schedule) that were reportedly approved and signed by the CPA more than two months *after* the issuance of his Independent Auditor’s Report. The audit was unable to determine when the schedules were prepared because they were not signed and dated by the preparer.
- Paid \$10,652 for other questionable expenses. These questionable expenses were in violation of Active Fund’s Trust Agreement, were unrelated to the operations of the Active Fund, or did not have adequate supporting documentation. The expenses included compensation paid to Trustees and the costs of flowers, meals, telephone bills for the Chairperson’s home, long-distance phone bills for the Union and expenses on Union courtesy cards.
- Reportedly paid \$181,626 for Health and Wellness benefits that may not exist. Only \$5,536 in invoices can be traced directly to the Health and Wellness benefit. The contract for this benefit contains vague and undefined services with no specific deliverables, time frames, schedules, or bench marks. In addition, the Active Fund does

not maintain utilization reports for this benefit. In fact, this benefit is not even listed or defined in the Active Fund's benefit book. The remaining \$176,090 was paid to King Care as an administrative fee or "on account."

- Paid \$10,995 for the Second Dental Opinion Program that does not exist. Payments were made to two law firms for alleged legal services. Moreover, this benefit is not listed in the Active Fund's benefit book, but has been included in its Directive #12 filing for the last four fiscal years—2003, 2004, 2005, and 2006.
- Has poor controls over payments to its third-party administrator. The Active Fund did not segregate responsibilities for approving invoices and for signing checks for payments to its third-party administrator. The president of KingCare submitted invoices for payment to the Active Fund, then approved the payments and co-signed the checks made out to her company.
- Minutes of Board of Trustee meetings appeared to be fictitious. The minutes of the 12 Board of Trustees meetings held from July 2005 to June 2006 appear to be fictitious. While the meetings purportedly lasted for seven and half hours, all the minutes of each meeting were very similar, very few issues were discussed, and no details of the discussions were reported. In addition, the minutes were not signed by all the Trustees, and one set of minutes was signed only by the Chairperson of the Board of Trustees. Therefore, the audit questioned the veracity of the minutes of the Board of Trustees meetings. Since four Trustees are City employees, and these meetings were reportedly seven and a half hours long, the Comptroller's Office referred the minutes and the names of the employees to the City's Department of Investigation for further investigation of possible theft of service and falsifying timesheets.
- Made improper benefit payments totaling \$6,180. Of the \$304,416 in claims reviewed, \$6,180 (2 %) in payments were made to individuals who were not listed on the City contribution reports and were made without supporting documentation.
- Paid claims for dependents whose eligibility was not documented. Of the 1,284 benefit claims reviewed, 398 claims were for services provided to individuals who were listed as dependents of eligible members, but Active Fund files lacked documentation (i.e., birth certificates, marriage licenses) showing that the individuals were in fact eligible dependents for 294 (74%) of the 398 claims.
- Is owed \$34,850 by the Retiree Fund. The \$34,850 is the balance of a \$42,000 loan that the Active Fund made to the Retiree Fund.

In the Active Fund's response, the Active Fund's attorney generally disagreed with the audit's findings and did not specifically address its recommendations. The Active Fund's response stated, in part:

Based on the general and specific responses to the Draft Report, it appears that the recommendations, while useful, are the product of misunderstandings by the



auditors. These misunderstandings have been engendered to some extent by certain misclassifications, which the Trustees believe have been and will continue to be remedied, and by the auditors failing to review in detail the voluminous documentation provided with the responses to the Preliminary Draft Report.

The concerns raised about the Fund Manager have, in the Trustees' judgment, been demonstrated to have been based on misunderstandings by the auditors despite the detailed responses made to the Preliminary Draft Report and the thousands of pages of documents submitted in support of these responses.

Finally, the Trustees will address the system of internal controls and will continue to strive to maximize the benefits to the Active Fund's members and effect compliance with Directive #12.

***Audit Report on the Financial and Operating Practices  
Of the United Probation Officers Association  
Retirement Welfare Fund,  
Report # FL08-077A***

The audit found that the Trustees of the Retiree Fund may have breached their fiduciary responsibilities to the Retiree Fund and its members. For example, the Retiree Fund has spent a significantly larger percentage of its City contributions on administrative expenses—especially the high administrative fees totaling \$171,384 paid to its third-party administrator—when compared to other, similarly-sized funds, and has claimed to pay for capital equipment and other operating expenses of its third-party administrator even though the Retiree Fund lists the equipment as fixed assets on its financial statements. Moreover, the Retiree Fund was not in compliance with the procedures and reporting requirements of Comptroller's Directive #12. Consequently, the Retiree Fund's financial statements and its Directive #12 filing were materially misstated. Specifically, the Retiree Fund:

- Materially misstated its City contributions, total assets, expenses, and Net Assets Available for Plan Benefits on its financial statements. Overall, these material misstatements allowed the Net Assets Available for Benefits (fund reserve) to be overstated by \$195,452—31.56 percent of the Retiree Fund's Net Assets Available for Plan Benefits.
- Misstated revenue, benefit, and administrative expenses on its Directive #12 filing. Improper accounting transactions caused the Retiree Fund's Directive #12 filing to overstate revenue by 9.03 percent, understate administrative expenses by 96.74 percent, and overstate benefit expenses by 22.28 percent. It appears that the Retiree Fund is manipulating the expense accounts to hide its administrative expenses in benefit expenses and in loans payable.
- Spent a significantly larger percentage of its City contributions on administrative expenses when compared to other, similarly-sized funds. The Retiree Fund spent 41.33

percent of its City contributions on administrative expenses while five similarly-sized funds spent an average of 16.62 percent.

- Paid for capital equipment and other operating expenses of its third-party administrator. The Retiree Fund paid \$281,962 for computer software and hardware and other operating expenses for its third-party administrator, in addition to the administrative fees.
- Selected a Certified Public Accountant to audit its financial statements who appeared to lack independence, contrary to Directive #12 requirements. The CPA who attested to the financial statements is an employee of Cohen Phillips & Seiden, LLP, the firm that was paid to “check the accuracy” of the Retiree Fund’s books and records and prepare the Retiree Fund’s financial statements, including the trial balance and all the adjusting entries. The CPA who certified the Retiree Fund’s materially misstated financial statements did not question the adjusting entries to the Retiree Fund’s trial balance, and relied on schedules (Depreciation Schedule and Employer’s Contribution Receivable Schedule) that were reportedly approved and signed by the CPA more than two months *after* the issuance of his Independent Auditor’s Report. The audit was unable to determine when the schedules were prepared because they were not signed and dated by the preparer.
- Paid \$3,928 for other questionable expenses. These questionable expenses were in violation of Retiree Fund’s Trust Agreement, were unrelated to the operations of the Retiree Fund, or did not have adequate supporting documentation. The expenses included compensation paid to Trustees and the costs of flowers, meals, telephone bills for the Chairperson’s home, long-distance phone bills for the Union and expenses on Union courtesy cards.
- Reportedly paid \$117,420 for Health and Wellness benefits that may not exist. Only \$3,086 in invoices can be traced directly to the Health and Wellness benefit. The contract for this benefit contains vague and undefined services with no specific deliverables, time frames, schedules, or bench marks. In addition, the Retiree Fund does not maintain utilization reports for this benefit. In fact, this benefit is not even listed or defined in the Retiree Fund’s benefit book. The remaining \$114,334 was paid to KingCare as an administrative fee or “on account.”
- Paid \$4,736 for the Second Dental Opinion Program that does not exist. After tracing the Second Dental Opinion Program payments to their supporting documentation, the audit found that these payments were made to two law firms for alleged legal services. Moreover, this benefit is not listed in the Retiree Fund’s benefit book, but has been included in its Directive #12 filing for the last four fiscal years—2003, 2004, 2005, and 2006.
- Has poor controls over payments to its third-party administrator. The Retiree Fund did not segregate responsibilities for approving invoices and for signing checks for payments to its third-party administrator. The president of KingCare submitted invoices

for payment to the Retiree Fund, then approved the payments and co-signed the checks made out to her company.

- Minutes of Board of Trustee meetings appeared to be fictitious. The minutes of the 12 Board of Trustees meetings held from July 2005 to June 2006 appeared to be fictitious. While the meetings purportedly lasted for seven and half hours, all the minutes of each meeting were very similar, very few issues were discussed, and no details of the discussions were reported. In addition, the minutes were not signed by all the Trustees, and one set of minutes was signed only by the Chairperson of the Board of Trustees. Therefore, the audit questioned the veracity of the minutes of the Board of Trustees meetings. Since four Trustees are City employees, and these meetings were reportedly seven and a half hours long, the Comptroller's Office referred the minutes and the names of the employees to the City's Department of Investigation for further investigation of possible theft of service and falsifying timesheets.
- Is in violation of its Trust Agreement. Specifically, the Retiree Fund does not have the required number of Trustees. Even more disturbing is that one of the Retiree Trustees is the wife of the Chairperson of the Board of Trustees and Union President who designates the Trustees of the Retiree Fund. She is not a City employee or a City retiree, as required by the Retiree Fund's Trust Agreement, and should not be on the Board of Trustees of the Retiree Fund.
- Made improper benefit payments totaling \$11,396. Of the \$140,585 in benefit claims reviewed, \$11,396 (8 percent) in payments were made to individuals who were not listed on the City contribution reports and were made without supporting documentation.
- Paid claims for dependents whose eligibility was not documented. Of the 589 benefit claims reviewed, 161 claims were for services provided to individuals who were listed as dependents of eligible members, but the Retiree Fund files lacked documentation (i.e., birth certificates, marriage licenses) showing that the individuals were in fact eligible dependents for 147 (91%) of the 161 claims.

In the Retiree Fund's response, the Retiree Fund's attorney generally disagreed with the audit's findings and did not specifically address its recommendations. The Retiree Fund's response stated, in part:

Based on the general and specific responses to the Draft Report, it appears that the recommendations, while useful, are the product of misunderstandings by the auditors. These misunderstandings have been engendered to some extent by certain misclassifications, which the Trustees believe have been and will continue to be remedied, and by the auditors failing to review in detail the voluminous documentation provided with the responses to the Preliminary Draft Report.

The concerns raised about the Fund Manager have, in the Trustees' judgment, been demonstrated to have been based on misunderstandings by the auditors despite the detailed responses made to the Preliminary Draft Report and the

thousands of pages of documents submitted in support of these responses.

Finally, the Trustees will address the system of internal controls and will continue to strive to maximize the benefits to the Retiree Fund's members and effect compliance with Directive #12.

## 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 – 2007

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 WF/RWF/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 WF/RWF (Local 1969)	Painting Industry Insurance Fund and Subsidiary
Detectives Endowment Assoc Annuity Fund	Detectives' Endowment Association Annuity Fund
Detectives Endowment Assoc CLRF	Detectives' Endowment Association Civil Legal Representation Fund
Detectives Endowment Association RWF	Detectives' Endowment Association Health Benefits Fund – Retirees
Detectives Endowment Association WF	Detectives Endowment Association Health Benefits Fund
District Council 37 AFSCME Annuity Fund	District Council 37 AFSCME Annuity Fund Plan
District No. 1 MEBA Bene. Fund Trust WF/AF	MEBA City Employees' Beneficial Fund Trust
Doctors Council Annuity Fund	Doctors Council Annuity Fund
Doctors Council RWF	Doctors Council Retirees Welfare Fund
Doctors Council WF	Doctors Council Welfare Fund
Fire Alarm Dispatchers Benevolent Assoc WF	Fire Alarm Dispatchers' Benevolent Association, Inc. - Welfare Fund
House Staff Comm of Interns & Residents WF/Legal	House Staff Benefits Plan of the Committee of Interns and Residents
1199 SEIU Licensed Practical Nurses WF	1199 SEIU Licensed Practical Nurses Welfare Fund
Local 1 Council of Supervisors & Admin. RWF	CSA Retiree Welfare Fund
Local 1 Council of Supervisors & Admin. WF	CSA Welfare Fund
Local 1 Plumbing Industry Annuity Fund	Plumbers Local Union No. 1 Additional Security Benefit Fund
Local 1180 CWA Members Annuity Fund	Communications Workers of America Local 1180 Members' Annuity Fund
Local 1180 CWA Municipal Management RWF	CWA Local 1180 Retirees Benefit Fund
Local 1180 CWA Municipal Management WF/LEGAL/ED	CWA Local 1180 Security Benefit Fund/ Legal Benefits Fund/ Education Fund
Local 1182 CWA Security Benefits Fund WF/RWF/Legal	C.W.A. Local 1182 Security Benefits Fund/ Prepaid Legal Services Benefit Fund
Local 1183 CWA Board of Elections Benefit Fund WF	C.W.A. Local 1183 Health and Welfare Fund
Local 1183 CWA Board of Elections Benefit Fund RWF	C.W.A. Local 1183 Health and Welfare Fund - Retirees

SURVEY OF BENEFIT FUNDS  
SCHEDULE OF OFFICIAL FUND NAMES – 2007

<u>Name of Fund Used in this Report</u>	<u>Official Name of Fund</u>
Local 1199 National Ben Fund Hosp Health Care WF Local 14 – 14B IUOE WF/RWF	1199 SEIU National Benefit Fund for Health and Human Service Employees International Union of Operating Engineers Local 14 – 14B Welfare Fund City of New York Employees
Local 15, 15A, 15C Operating Engineers WF/RWF	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 SEIU RWF	New York City Local 246 Retiree Welfare Fund
Local 246 SEIU NYC Annuity Fund	New York City, Local 246, S.E.I.U. Annuity Fund
Local 246 SEIU 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.
Local 3 IBEW Electrical Workers Industry AF	Annuity Plan of the Electrical Industry
Local 3 IBEW Electricians RWF	I.B.E.W. Local 3 New York City Electrical Division Health & Welfare Fund - Retired
Local 3 IBEW Electricians WF	I.B.E.W. Local 3 New York City Electrical Division Health & Welfare Fund - Active
Local 3 NYC Communications Electricians AF	I.B.E.W. Local 3 New York City Communications Electricians Annuity Plan
Local 30 A-C Operating Municipal Engineers WF/RWF	Operating Engineers Union Local 30, 30-A, 30-B AND 30-C Municipal Employees Welfare Trust Fund
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/EF/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 – 2007

<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(IUOE) 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 – 2007

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

EXHIBIT B

SURVEY OF BENEFIT FUNDS  
SCHEDULE OF FINANCIAL DATA  
2007

Page 1

NAME OF FUND	REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	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
<b>SELF-INSURED WF &amp; RWF</b>													
<b>NYC CONTRIBUTION \$100,000 TO \$300,000</b>													
DISTRICT NO. 1 MEBA BENE. FUND TRUST WF/AF	18	136	N/A	204,638	98,864	303,402	168,239	23,367	181,606	121,796	871,446	287.22%	35.96%
FIRE ALARM DISPATCHERS BENEVOLENT ASSOC WF	23	N/A	N/A	280,793	43,685	324,478	217,345	53,067	270,412	54,066	442,396	136.34%	-35.46%
LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	48	240	N/A	296,245	65,837	362,082	324,568	66,348	379,916	-17,834	836,600	231.05%	9.37%
LOCAL 306 MUNICIPAL EMPLOYEES WF	56	55	N/A	104,963	12,212	117,175	82,683	25,948	108,631	8,544	209,564	178.85%	-15.34%
LOCAL 832 TEAMSTERS RWF	74	350	1,540	166,741	-26,460	140,281	177,902	34,851	212,753	-72,472	-65,018	-46.35%	-121.94%
LOCAL 858 IBT, (OTB) BRANCH OFFICE MANAGERS WF	79	167	N/A	287,597	46,733	334,330	265,890	34,379	290,269	44,061	591,182	176.83%	-16.30%
LOCAL NO. 5 MNCPL EMPLOYEES BENEFIT TRUST FUND	84	76	N/A	120,065	61,582	181,647	44,214	4,474	48,688	132,959	283,978	156.34%	-26.00%
NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS WF	86	191	N/A	274,623	108,013	382,636	217,566	26,569	244,124	138,612	1,703,298	445.15%	110.71%
NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS RWF	87	90	N/A	128,646	61,533	191,178	124,170	16,216	140,386	50,792	790,931	413.71%	95.83%
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND RWF	129	134	N/A	214,441	115,356	329,797	178,989	31,270	210,259	119,538	-29,956	-9.08%	-104.30%
<b>TOTAL \$100,000 TO \$300,000 CATEGORY</b>				<b>2,079,651</b>	<b>587,356</b>	<b>2,667,008</b>	<b>1,781,555</b>	<b>305,489</b>	<b>2,087,044</b>	<b>579,962</b>	<b>5,634,421</b>	<b>211.26%</b>	
<b>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</b>													
ASSISTANT DEP WARDENS/OEP WARDENS WF/ RWF/CLRF	2	626	1,285	699,367	43,145	742,502	684,430	88,692	673,122	69,380	1,211,620	163.18%	-32.94%
DOCTORS COUNCIL RWF	21	435	N/A	637,279	88,422	725,701	694,269	170,729	764,998	-39,297	2,442,631	336.59%	38.33%
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF	34	300	N/A	549,041	1,863	550,904	434,430	40,436	474,866	76,038	582,696	105.75%	-56.54%
LOCAL 15, 16A, 16C OPERATING ENGINEERS WF/RWF	38	335	1,126-1,576	523,671	368,780	892,451	809,370	140,735	950,106	-87,664	5,627,140	630.53%	159.14%
LOCAL 3 IBEW ELECTRICIANS RWF	50	624	N/A	814,793	107,740	922,533	651,297	101,602	652,899	269,634	2,116,982	229.47%	-5.69%
LOCAL 300 CIVIL SERVICE FORUM RWF	54	495	N/A	790,610	183,500	974,110	522,459	115,694	638,153	335,957	1,062,484	109.07%	-55.17%
LOCAL 333 UNITED MARINE DIVISION RWF	59	N/A	1,276	352,585	72,221	426,806	681,094	68,015	649,109	-223,303	812,410	190.79%	-21.59%
LOCAL 832 TEAMSTERS WF	75	500	N/A	769,329	-36,130	733,199	531,356	161,761	693,117	40,082	1,631,015	222.45%	-8.58%
UNITED PROBATION OFFICERS ASSOCIATION RWF	110	363	N/A	596,825	25,421	621,246	622,897	173,638	696,536	-75,289	543,941	87.66%	-64.01%
<b>TOTAL \$300,000 TO \$1 MILLION CATEGORY</b>				<b>6,733,490</b>	<b>864,962</b>	<b>6,588,462</b>	<b>6,131,602</b>	<b>1,061,302</b>	<b>6,192,904</b>	<b>396,548</b>	<b>16,030,819</b>	<b>243.32%</b>	
<b>NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION</b>													
CIVIL SERVICE BAR ASSOC WF	3	853	N/A	1,440,341	46,543	1,486,884	1,278,164	187,637	1,465,791	21,093	1,083,477	72.87%	-57.00%
CORRECTION CAPTAINS ASSOCIATION RWF	5	1,321	N/A	2,011,214	168,079	2,179,293	1,634,188	128,444	1,762,632	416,661	2,429,342	111.47%	-34.23%
CORRECTION CAPTAINS ASSOCIATION WF/CLRF	6	794	N/A	1,252,142	165,790	1,407,932	1,027,797	109,467	1,137,264	270,668	2,415,039	171.53%	1.21%
DC 9 PAINTING INDUSTRY WF/RWF (LOCAL 1969)	20	923	1,640	1,545,656	48,248	1,593,904	1,978,041	158,631	2,136,672	-542,768	3,420,239	214.58%	26.61%
DOCTORS COUNCIL WF	22	978	N/A	1,291,437	273,795	1,565,232	1,228,334	297,211	1,525,545	39,687	5,360,992	342.50%	102.09%
LOCAL 211 ALLIED BUILDING INSPECTORS WF	42	1,122	1,640	1,462,798	185,341	1,648,139	1,357,737	140,498	1,498,236	149,904	5,829,367	363.68%	108.69%
LOCAL 246 SEIU RWF	46	880	1,640	1,598,886	87,297	1,686,183	967,982	152,708	1,120,690	546,493	1,756,362	105.35%	-37.84%
LOCAL 246 SEIU WELFARE FUND	47	1,552	1,640	2,754,557	99,771	2,854,328	2,013,048	276,228	2,289,276	565,052	2,750,705	96.37%	-43.14%
LOCAL 3 IBEW ELECTRICIANS WF	51	1,117	N/A	1,768,323	369,185	2,127,508	1,278,738	218,695	1,497,433	630,075	5,967,967	280.04%	65.23%
LOCAL 300 CIVIL SERVICE FORUM WF	55	1,069	N/A	1,739,146	116,118	1,855,264	1,476,692	186,712	1,663,404	191,860	1,357,741	73.18%	-56.82%
LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WF/RWF	57	1,459	1,575-1,640	2,338,767	-1,234	2,337,533	1,789,719	251,002	2,040,721	296,812	2,619,816	112.08%	-33.87%
LOCAL 444 SANITATION OFFICERS WF	65	1,184	1,630	1,902,416	616,312	2,518,728	1,573,178	100,938	1,674,116	844,612	3,026,892	120.18%	-29.09%
1189SEIU LICENSED PRACTICAL NURSES WF	68	N/A	1,215	1,917,952	130,645	2,048,597	1,525,957	212,590	1,738,547	310,050	5,080,206	247.98%	46.32%
LOCAL 891 SCHOOL CUSTOD & CUSTOD ENGINEERS WF/RWF	80	1,493	1,475	2,332,053	261,222	2,593,286	2,019,741	397,250	2,416,991	176,294	3,438,646	132.64%	-21.74%
NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	85	N/A	N/A	1,275,253	260,169	1,525,422	977,533	128,964	1,106,497	418,925	3,870,730	263.75%	49.72%
UNITED PROBATION OFFICERS ASSOCIATION WF	109	807	N/A	1,286,268	99,875	1,386,143	1,142,914	383,054	1,525,968	-139,825	1,794,693	129.47%	-23.61%
<b>TOTAL \$1 MILLION TO \$3 MILLION CATEGORY</b>				<b>27,918,219</b>	<b>2,877,156</b>	<b>30,795,376</b>	<b>23,269,763</b>	<b>3,330,029</b>	<b>26,699,782</b>	<b>4,195,593</b>	<b>62,193,194</b>	<b>169.48%</b>	

## EXHIBIT B

SURVEY OF BENEFIT FUNDS  
SCHEDULE OF FINANCIAL DATA  
2007

Page 2

NAME OF FUND	REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	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
<b>SELF-INSURED WF &amp; RWF (cont'd)</b>													
<b>NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION</b>													
CORRECTION OFFICERS' BENEVOLENT ASSOC RWF	7	5,668	N/A	8,517,974	118,355	8,636,329	7,838,833	547,171	8,386,004	250,326	6,268,492	72.58%	-44.01%
DETECTIVES ENDOWMENT ASSOCIATION WF	16	5,377	N/A	8,138,004	1,261,499	9,399,503	8,467,991	695,079	9,163,070	236,433	23,122,277	245.99%	89.76%
HOUSE STAFF COMM OF INTERNS & RESIDENTS WF/LEGAL	24	1,981	N/A	3,264,039	1,978,509	5,242,548	3,542,921	672,091	4,215,012	1,027,536	6,790,646	129.63%	-0.08%
LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. WF	25	5,617	1,494	8,657,546	968,565	9,626,111	8,876,929	988,168	9,865,097	-238,986	12,876,063	133.76%	3.19%
LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. RWF	26	6,886	900-1,340	8,897,682	1,070,878	9,968,460	7,870,424	1,081,341	8,951,765	1,016,695	13,525,021	136.68%	4.67%
LOCAL 1182 CWA SECURITY BENEFIT FUND RWF/WF/LEGAL	33	2,275	N/A	3,502,287	758,129	4,260,416	3,310,040	639,634	3,949,674	310,842	3,293,610	77.30%	-40.37%
LOCAL 444 SANITATION OFFICERS RWF	64	2,511	1,390	3,505,586	627,828	4,134,414	3,139,871	216,768	3,356,629	777,785	10,747,304	259.95%	100.53%
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC WF	73	6,500	1,500	9,373,611	1,212,957	10,586,568	7,952,341	1,042,599	8,994,940	1,691,628	13,623,665	128.69%	-0.73%
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC WF	77	2,532	1,475	3,949,359	581,068	4,530,427	3,957,276	228,762	4,186,038	344,389	9,388,665	207.48%	60.04%
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC. RWF	78	4,705	1,475	6,916,674	1,674,736	8,591,310	8,693,888	371,927	9,065,815	-474,505	3,100,942	36.09%	-72.16%
NEW YORK CITY RETIREES WF	89	4,002	N/A	6,345,436	365,798	6,712,234	6,555,198	286,536	6,841,734	-129,500	7,300,492	108.76%	-16.10%
ORGANIZATION OF STAFF ANALYSTS WF	93	5,748	N/A	8,859,419	1,361,431	10,220,850	7,312,477	1,086,440	8,398,917	1,821,933	19,518,725	190.97%	47.32%
SUPERIOR OFFICERS COUNCIL (POLICE) RWF	106	4,646	1,465	6,765,884	266,378	7,072,260	6,567,781	429,779	7,017,560	54,700	-707,150	-10.00%	-107.71%
SUPERIOR OFFICERS COUNCIL (POLICE) WF/CLRF/CEA	106	2,555	1,465	3,753,178	306,890	4,060,068	4,434,778	272,693	4,707,371	-647,303	4,710,869	116.03%	-10.49%
<b>TOTAL \$3 MILLION TO \$10 MILLION CATEGORY</b>				<b>90,468,479</b>	<b>12,573,019</b>	<b>103,041,498</b>	<b>88,540,748</b>	<b>8,558,778</b>	<b>97,099,526</b>	<b>5,941,972</b>	<b>133,669,621</b>	<b>129.63%</b>	
<b>NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION</b>													
CORRECTION OFFICERS' BENEVOLENT ASSOC WF/CLRF	9	8,026	N/A	13,185,853	384,321	13,570,174	13,091,650	869,577	13,961,127	-390,953	10,937,027	80.60%	-20.25%
DETECTIVES ENDOWMENT ASSOCIATION RWF	15	10,287	N/A	15,733,665	3,469,226	19,202,791	14,356,289	941,160	15,296,449	3,906,342	17,752,472	92.45%	-8.52%
LOCAL 1180 CWA MUNICIPAL MANAGEMENT RWF	29	6,170	N/A	10,338,680	2,927,781	13,266,461	10,206,520	1,668,120	11,874,640	1,391,821	28,794,250	217.06%	114.77%
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSC RWF	72	7,400	1,846	12,065,392	2,025,839	14,081,231	12,966,124	440,177	13,406,301	674,930	4,180,702	29.69%	-70.62%
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOC RWF	81	10,000	1,640	16,367,080	3,957,408	20,324,489	16,778,938	715,775	17,494,713	2,829,776	10,722,982	52.76%	-47.80%
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WF	83	8,950	1,565	14,337,534	3,958,832	18,296,366	15,210,266	920,063	16,130,319	2,166,047	34,664,364	189.41%	87.42%
NEW YORK STATE NURSES ASSOCIATION WF	92	7,102	1,540	10,869,469	1,158,274	12,017,743	11,755,129	867,820	12,612,949	-595,206	10,468,811	87.11%	-13.80%
SERGEANTS BENEVOLENT ASSOC.(POLICE) WF/RWF/CLRF	113	11,212	N/A	17,023,235	948,923	17,972,158	16,302,205	1,024,894	17,327,099	645,059	18,922,604	106.29%	4.19%
LOCAL 1180 CWA MUNICIPAL MANAGEMENT WF/LEGAL/ED	28830	9,271	N/A	15,652,627	2,685,840	18,338,467	14,434,979	2,614,902	16,949,881	1,388,586	18,243,632	102.75%	1.67%
LOCAL 237 TEAMSTERS RWF	44866	8,239	1,340-1,840	15,352,195	1,695,542	16,947,737	12,903,153	1,543,791	14,446,944	2,500,793	10,488,533	61.89%	-38.76%
<b>TOTAL \$10 MILLION TO \$20 MILLION CATEGORY</b>				<b>140,906,630</b>	<b>23,111,987</b>	<b>164,017,617</b>	<b>138,004,153</b>	<b>11,496,269</b>	<b>149,500,422</b>	<b>14,517,195</b>	<b>165,764,267</b>	<b>101.06%</b>	
<b>NYC CONTRIBUTION OVER \$20 MILLION</b>													
DC 37 WF	10	156,616	1,457-1,665	254,052,851	30,852,859	284,905,710	226,819,015	16,637,247	243,456,262	41,449,448	169,381,411	69.45%	-11.74%
LOCAL 371 SOCIAL SERVICE EMPLOYEES WF/LEGAL/EF/ADM	62	16,876	N/A	30,248,445	270,086	30,518,531	23,470,985	2,633,863	26,104,848	4,413,683	8,921,019	29.23%	-56.61%
PATROLMEN'S BENEVOLENT ASSOC RWF	96	23,056	1,465	33,579,170	4,741,051	38,320,221	36,542,935	2,626,491	39,169,426	-849,205	25,423,815	66.36%	-1.50%
PATROLMEN'S BENEVOLENT ASSOC WF/CLRF	97	23,566	1,465	37,137,992	5,140,343	42,278,335	34,620,904	3,815,848	38,436,752	3,841,583	41,188,908	97.42%	-44.63%
LOCAL 2 UNITED FEDERATION OF TEACHERS WF	41	163,777	N/A	249,646,789	10,337,312	259,984,101	245,120,747	21,033,864	266,154,611	-6,170,510	138,295,221	53.19%	-21.04%
LOCAL 237 TEAMSTERS WF	45867	18,573	1,540 - 2,307	33,533,359	4,469,669	38,003,028	35,177,715	2,716,446	37,894,161	108,867	69,135,810	181.92%	170.07%
PROFESSIONAL STAFF CONGRESS CUNY WF/RWF	101	17,487	1,326-1,765	30,865,769	3,449,956	34,316,715	30,796,870	1,381,602	32,178,472	2,137,243	38,276,650	111.54%	65.59%
<b>TOTAL OVER \$20 MILLION CATEGORY</b>				<b>669,064,365</b>	<b>59,261,276</b>	<b>728,326,641</b>	<b>632,549,171</b>	<b>50,845,361</b>	<b>683,394,532</b>	<b>44,931,109</b>	<b>490,622,634</b>	<b>67.36%</b>	
<b>TOTAL SELF-INSURED FUNDS</b>				<b>936,169,834</b>	<b>99,266,755</b>	<b>1,035,436,589</b>	<b>889,276,982</b>	<b>75,597,228</b>	<b>964,874,210</b>	<b>70,561,379</b>	<b>863,814,856</b>	<b>83.43%</b>	

EXHIBIT B  
SURVEY OF BENEFIT FUNDS  
SCHEDULE OF FINANCIAL DATA  
2007

NAME OF FUND	REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	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
<b>INSURED WF &amp; RWF</b>													
<b>NYC CONTRIBUTION UNDER \$100,000</b>													
NYC DEPUTY SHERIFFS ASSOC RWF	12	22	N/A	54,577	12,082	66,659	48,779	5,894	54,673	11,986	145,496	218.27%	0.00%
TOTAL UNDER \$100,000 CATEGORY				<u>54,577</u>	<u>12,082</u>	<u>66,659</u>	<u>48,779</u>	<u>5,894</u>	<u>54,673</u>	<u>11,986</u>	<u>145,496</u>	<u>218.27%</u>	
<b>NYC CONTRIBUTION \$100,000 TO \$300,000</b>													
NYC DEPUTY SHERIFFS ASSOC WF	13	126	N/A	217,734	11,906	229,640	162,287	6,060	168,347	61,293	195,726	85.23%	-69.16%
LOCAL 14A-14B IUCOE WF/RWF	37	75	1,640	146,207	26,746	172,953	61,675	16,622	78,297	94,656	916,906	530.15%	91.83%
TOTAL \$100,000 TO \$300,000 CATEGORY				<u>363,941</u>	<u>38,652</u>	<u>402,593</u>	<u>223,962</u>	<u>22,682</u>	<u>246,644</u>	<u>155,949</u>	<u>1,112,631</u>	<u>276.37%</u>	
<b>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</b>													
LOCAL 333 UNITED MARINE DIVISION WF	60	N/A	1,226	459,842	61,432	511,274	308,409	73,715	382,124	129,150	442,187	86.49%	0.00%
TOTAL \$300,000 TO \$1 MILLION CATEGORY				<u>459,842</u>	<u>61,432</u>	<u>511,274</u>	<u>308,409</u>	<u>73,715</u>	<u>382,124</u>	<u>129,150</u>	<u>442,187</u>	<u>86.49%</u>	
TOTAL INSURED FUNDS				<u>878,360</u>	<u>102,166</u>	<u>980,526</u>	<u>581,160</u>	<u>102,291</u>	<u>683,441</u>	<u>297,086</u>	<u>1,700,314</u>	<u>173.41%</u>	
TOTAL SELF-INSURED AND INSURED FUNDS				<u>937,048,194</u>	<u>99,367,921</u>	<u>1,036,416,115</u>	<u>889,858,132</u>	<u>75,699,519</u>	<u>966,657,661</u>	<u>70,858,464</u>	<u>865,616,170</u>	<u>83.51%</u>	

## EXHIBIT B

SURVEY OF BENEFIT FUNDS  
SCHEDULE OF FINANCIAL DATA  
2007

Page 4

NAME OF FUND	REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	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
<b>ANNUITY FUNDS</b>													
<b>NYC CONTRIBUTION UNDER \$100,000</b>													
NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	11	144	N/A	91,878	71,450	163,328	5,190	0	5,190	168,138	1,056,949	647.13%	-19.48%
LOCAL 333 UNITED MARINE DIVISION ANNUITY FUND	58	870	250	49,041	224,819	273,660	200,144	45,251	245,355	28,265	2,454,971	897.09%	11.62%
<b>TOTAL UNDER \$100,000 CATEGORY</b>				<b>140,919</b>	<b>296,069</b>	<b>436,988</b>	<b>205,334</b>	<b>45,251</b>	<b>250,586</b>	<b>186,403</b>	<b>3,511,920</b>	<b>803.67%</b>	
<b>NYC CONTRIBUTION \$100,000 TO \$300,000</b>													
ASSISTANT DEP WARDENS/DEP WARDENS ASSOC AF	1	159	N/A	149,037	106,947	255,984	525,728	60,632	686,360	-330,376	6,432,623	2512.90%	0.00%
<b>TOTAL \$100,000 TO \$300,000 CATEGORY</b>				<b>149,037</b>	<b>106,947</b>	<b>255,984</b>	<b>525,728</b>	<b>60,632</b>	<b>686,360</b>	<b>-330,376</b>	<b>6,432,623</b>	<b>2512.90%</b>	
<b>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</b>													
CORRECTION CAPTAINS ASSOC ANNUITY FUND	4	891	N/A	613,192	976,467	1,589,659	1,579,458	217,941	1,797,399	-207,740	19,024,340	1196.76%	28.61%
LOCAL 15, 15A, 15C (IUOE) OPERATING MUNI. ENGINEERS AF	117	470	N/A	887,899	1,039,071	1,926,970	644,310	193,692	737,902	1,189,068	17,170,426	891.06%	-4.25%
LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	127	52	N/A	657,661	360,406	1,017,956	351,471	89,469	440,940	577,016	6,002,773	689.69%	-36.63%
<b>TOTAL \$300,000 TO \$1 MILLION CATEGORY</b>				<b>2,158,642</b>	<b>2,376,943</b>	<b>4,634,686</b>	<b>2,475,239</b>	<b>501,002</b>	<b>2,976,241</b>	<b>1,558,344</b>	<b>42,197,539</b>	<b>930.67%</b>	
<b>NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION</b>													
LOCAL 444 SANITATION OFFICERS ANNUITY FUND	63	1,185	N/A	2,838,716	854,037	3,692,753	3,188,675	250,000	3,438,675	254,078	34,007,495	920.93%	46.95%
DOCTORS COUNCIL ANNUITY FUND	124	1,387	N/A	2,732,194	769,839	3,502,033	473,067	140,535	613,592	2,888,441	19,856,821	567.01%	-9.53%
LOCAL 306 SEIU CIVIL SERVICE FORUM ANNUITY FUND	125	968	N/A	1,088,956	648,973	1,737,929	306,038	68,989	375,027	1,362,902	7,894,832	454.27%	-27.52%
LOCAL 891(IUOE) ANNUITY FUND	126	1,140	2,356	2,181,090	787,928	2,969,018	558,469	220,498	778,967	2,190,051	15,726,619	629.65%	-15.49%
LOCAL 246 SEIU NYC ANNUITY FUND	128	2,372	N/A	1,929,032	800,101	2,729,133	392,822	106,019	498,841	2,230,292	14,207,772	520.60%	-16.93%
<b>TOTAL \$1 MILLION TO \$3 MILLION CATEGORY</b>				<b>10,769,988</b>	<b>3,860,878</b>	<b>14,630,866</b>	<b>4,919,061</b>	<b>786,041</b>	<b>5,705,102</b>	<b>8,925,764</b>	<b>91,692,439</b>	<b>626.71%</b>	

## EXHIBIT B

SURVEY OF BENEFIT FUNDS  
SCHEDULE OF FINANCIAL DATA  
2007

Page 5

NAME OF FUND	REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	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
ANNUITY FUNDS (cont'd)													
<u>NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION</u>													
CORRECTION OFFICERS' BENEVOLENT ASSOC AF	8	5,534	N/A	4,043,463	4,310,906	8,354,368	7,631,063	679,104	8,310,167	44,201	64,474,660	771.76%	11.67%
DETECTIVES ENDOWMENT ASSOC ANNUITY FUND	14	5,102	N/A	5,251,062	12,616,800	17,867,862	11,658,597	1,285,469	12,944,066	4,923,796	187,083,825	1047.04%	51.37%
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC AF	76	3,972	783-2,349	3,823,070	12,334,028	16,167,098	7,036,296	327,366	7,362,661	8,794,437	136,061,328	842.11%	21.75%
SUPERIOR OFFICERS COUNCIL (POLICE) AF	104	2,509	N/A	4,751,542	26,900,478	31,652,020	10,514,339	1,021,714	11,536,053	20,115,967	184,609,019	583.25%	-15.68%
SERGEANTS BENEVOLENT ASSOCIATION (POLICE) AF	112	4,655	N/A	5,217,236	21,802,483	27,019,719	7,316,691	666,998	7,983,589	19,036,130	174,999,430	647.67%	-6.36%
LOCAL 30A-D IUOE ENGINEERS ANNUITY FUND	114	1,145	N/A	5,759,884	3,415,057	9,174,941	2,299,805	59,485	2,359,290	6,815,651	65,270,659	711.40%	2.85%
LOCAL 1180 CWA MEMBERS ANNUITY FUND	119	9,271	N/A	4,175,736	3,783,365	7,959,101	1,650,172	235,927	1,786,099	6,173,002	39,748,170	499.41%	-27.80%
DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	121	72,136	261-1,116	4,080,312	6,210,732	10,291,044	2,161,643	771,784	2,933,427	7,357,617	61,623,661	598.81%	-13.43%
LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	123	14,880	478	6,954,840	2,800,153	9,554,793	1,483,586	213,355	1,696,941	7,857,852	40,871,276	427.76%	-38.16%
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY				44,056,945	93,974,001	138,030,946	61,651,092	5,261,201	66,912,293	81,118,653	954,741,928	691.69%	
<u>NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION</u>													
LOCAL 237 TEAMSTERS ANNUITY FUND	43	15,312	N/A	18,330,740	7,616,838	25,847,578	6,917,818	813,080	7,730,898	18,116,680	136,970,102	529.91%	-7.84%
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC AF	71	6,500	1,370	10,422,929	7,136,200	17,559,129	9,517,411	510,176	10,027,587	7,531,542	90,616,388	516.06%	-10.25%
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION AF	82	18,960	N/A	10,144,717	8,188,557	18,333,274	9,031,175	1,116,097	10,146,272	8,187,002	124,980,773	681.72%	18.55%
PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	95	31,401	622	12,417,653	22,350,058	34,767,711	9,689,047	737,386	10,426,433	24,341,278	202,359,699	582.03%	1.22%
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY				51,316,039	46,191,653	96,607,692	35,156,461	3,176,739	38,331,190	58,176,502	554,926,962	676.01%	
TOTAL ANNUITY FUNDS				108,591,670	146,806,491	254,397,061	94,931,905	9,829,866	104,761,771	149,636,290	1,663,503,411	649.97%	
GRAND TOTAL				1,045,639,764	245,173,412	1,290,813,176	984,790,037	85,529,385	1,070,319,422	220,493,754	2,519,018,581	196.15%	

EXHIBIT B  
SURVEY OF BENEFIT FUNDS  
SCHEDULE OF FINANCIAL DATA  
2007

NAME OF FUND	REF	NYC \$ PER FULL TIME MEMBER	NYC CONTRIBUTION REVENUE	NYC % OF TOTAL REVENUE	TOTAL REVENUE	FUND BALANCE
LOCAL 1199 NATIONAL BEN FUND HOSP HEALTH CARE WF(1)	35	\$1,518-1,540	\$3,033,820	0.29%	\$1,030,126,808	\$307,666,122
LOCAL 40 IRON WORKERS WELFARE FUND (1)	118	\$118/MO-128/MO	\$114,600	0.15%	\$75,749,375	\$32,421,641
NYS COURT OFFICERS ASSOCIATION RWF (1)	91	N/A	\$5,464	0.24%	\$2,232,835	\$7,579,369
NYC DISTRICT COUNCIL OF CARPENTERS WF (1)	88	\$9.21-9.75/HR	\$1,199,629	0.32%	\$372,406,652	\$283,592,922
LOCAL 3 IBEW ELECTRICAL WORKERS INDUSTRY AF (1)	49	\$11.08/HR	\$10,115,573	7.50%	\$134,878,288	\$1,112,992,417
DC 9 PAINTING INDUSTRY ANNUITY FUND (LOCAL 1969) (1)	19	\$3.56/DAY	\$265,838	0.64%	\$41,523,362	\$285,502,253
LOCAL 40 IRON WORKERS ANNUITY FUND (1)	111	\$120/DAY	\$938,866	1.56%	\$60,037,469	\$520,046,230
PAVERS & ROAD BUILDERS DISTRICT COUNCIL WF (1)	100	\$4.14-\$4.25/DAY	\$479,890	3.26%	\$14,698,347	\$17,847,150
SURROGATES & SUPREME COURT REPORTERS ASSOC RWF (1)	108	N/A	\$3,598	2.02%	\$178,405	(\$818,796)
LOCAL 806 STRUCTURAL STEEL PAINTERS ANNUITY FUND (2)	120	N/A	\$283,339	3.41%	\$8,299,609	\$51,521,302
NEW YORK STATE COURT CLERKS ASSOCIATION RWF(2)	90	\$930	\$28,598	2.84%	\$1,006,461	\$1,346,165
NYC DISTRICT COUNCIL OF CARPENTERS AF (2)	116	\$6.10/HR	\$8,315,825	3.43%	\$242,479,865	\$1,259,660,991
LOCAL 1 PLUMBING INDUSTRY ANNUITY FUND (2)	27	\$1,500	\$2,631,108	15.31%	\$17,190,166	\$112,088,340
UFT ALBERT SHANKER COLLEGE SCHOLARSHIP FUND (3)	40	N/A	\$1,000,000	96.03%	\$1,041,304	\$314,775
DETECTIVES ENDOWMENT ASSOC CLRF FUND (4)	See #16	\$75	\$384,754	91.62%	\$419,942	\$4,085,921
CAPTAINS ENDOWMENT ASSOC CLRF FUND (4)	See #106	N/A	\$57,351	98.96%	\$57,951	\$260,847
COMMITTEE OF INTERNS AND RESIDENTS EDUCATION FUND (4)	122	N/A	\$1,037,329	86.77%	\$1,195,432	\$1,059,434
LOCAL 1181 CWA SUPERVISORY EMPLOYEES RWF (5)	31	\$1,540	\$336,875			Not Available
LOCAL 1181 CWA SUPERVISORY EMPLOYEES WF (5)	32	\$1,540	\$600,617			Not Available
TOTAL			\$30,833,074			

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) These funds were excluded from our analysis because they failed to submit a Directive #12 filing for 2007.



EXHIBIT C  
SURVEY OF BENEFIT FUNDS  
SCHEDULE OF ADMINISTRATIVE EXPENSES  
2007

NAME OF FUND	REF	TOTAL	RENT	FEES &			TRAVEL &	TELE-	OFFICE	OTHER	INSUR-	REPAIRS	OTHER	RETENTION	INVEST	
		ADMIN. EXP.		SALARIES	COMSSN	LEGAL			ACCT'NG	EQUIP & RENTAL		OFFICE EXPENSE			& MAINT	CUSTODIAL SVS
<b><u>SELF-INSURED WF &amp; RWF</u></b>																
<b><u>NYC CONTRIBUTION \$100,000 TO \$300,000</u></b>																
DISTRICT NO. 1 MEBA BENE. FUND TRUST WF/AF	18	23,367	0	0	11,949	2,695	3,737	0	0	0	0	0	0	0	4,986	
FIRE ALARM DISPATCHERS BENEVOLENT ASSOC WF	23	53,067	13,425	17,211	0	0	5,100	7,837	1,896	3,963	2,634	989	0	112	0	
LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	48	55,348	0	0	28,516	3,000	7,563	8,824	0	0	1,819	4,478	0	2,148	0	
LOCAL 306 MUNICIPAL EMPLOYEES WF	56	25,948	0	0	8,710	7,990	5,288	0	0	0	3,462	0	0	500	0	
LOCAL 832 TEAMSTERS RWF	74	34,851	0	0	32,995	0	1,750	0	0	0	106	0	0	0	0	
LOCAL 858 IBT, (OTB) BRANCH OFFICE MANAGERS WF	79	34,379	2,915	8,892	1,394	9,061	6,988	289	0	362	1,262	3,666	0	550	0	
LOCAL NO. 5 MNCL EMPLOYEES BENEFIT TRUST FUND	84	4,474	0	0	300	0	4,000	0	0	0	0	0	0	174	0	
NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS WF	86	26,559	0	0	13,899	1,600	6,101	0	0	0	-50	3,398	0	1,721	0	
NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS RWF	87	16,216	0	0	5,856	750	6,101	0	0	0	0	1,700	0	1,809	0	
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND RWF	129	31,270	0	0	7,770	4,600	4,000	2,723	0	0	3,654	820	0	7,803	0	
<b>TOTAL \$100,000 TO \$300,000 CATEGORY</b>		<b>305,489</b>	<b>16,340</b>	<b>26,103</b>	<b>112,389</b>	<b>29,486</b>	<b>49,626</b>	<b>17,873</b>	<b>1,896</b>	<b>4,325</b>	<b>9,325</b>	<b>18,513</b>	<b>0</b>	<b>14,827</b>	<b>0</b>	
		100.00%	5.35%	8.54%	36.79%	9.65%	16.24%	5.79%	0.62%	1.42%	3.06%	6.06%	0.00%	4.85%	0.00%	1.53%
<b><u>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</u></b>																
ASSISTANT DEP WARDENS/DEP WARDENS WF/ RWF/CLRF	2	88,692	13,522	20,533	19,688	7,687	8,000	5,040	3,198	1,215	7,305	2,187	0	317	0	
DOCTORS COUNCIL RWF	21	170,729	17,281	49,499	55,344	4,842	7,162	0	633	0	16,885	2,502	0	6,473	0	
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF	34	40,436	0	0	18,191	4,600	2,667	0	0	0	7,238	264	0	7,576	0	
LOCAL 15, 15A, 15C OPERATING ENGINEERS WF/RWF	38	140,735	2,474	84,607	3,600	4,000	10,000	0	0	11,435	4,099	6,900	0	0	13,720	
LOCAL 3 IBEW ELECTRICIANS RWF	50	101,602	1,691	42,621	23,683	2,475	4,600	2,119	1,968	362	7,797	2,285	188	683	11,270	
LOCAL 300 CIVIL SERVICE FORUM RWF	64	115,694	18,800	8,539	50,762	4,600	6,950	5,481	70	1,914	10,916	655	0	165	5,842	
LOCAL 333 UNITED MARINE DIVISION RWF	59	68,015	0	0	0	0	24,200	0	0	0	283	0	0	43,632	0	
LOCAL 832 TEAMSTERS WF	75	161,781	24,000	0	84,076	0	6,500	0	0	1,447	0	0	0	27,974	17,764	
UNITED PROBATION OFFICERS ASSOCIATION RWF	110	173,638	206	0	108,000	2,900	16,000	2,170	510	37,764	4,289	1,025	0	774	0	
<b>TOTAL \$300,000 TO \$1 MILLION CATEGORY</b>		<b>1,061,302</b>	<b>77,944</b>	<b>205,799</b>	<b>363,244</b>	<b>31,004</b>	<b>85,979</b>	<b>15,810</b>	<b>6,379</b>	<b>54,127</b>	<b>58,812</b>	<b>188</b>	<b>87,494</b>	<b>0</b>	<b>58,704</b>	
		100.00%	7.34%	19.39%	34.23%	2.92%	8.10%	1.49%	0.60%	5.10%	5.54%	1.49%	0.02%	8.24%	0.00%	5.63%
<b><u>NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION</u></b>																
CIVIL SERVICE BAR ASSOC WF	3	187,637	936	5,000	164,043	0	9,575	1,066	0	0	1,623	9,471	0	4,934	0	
CORRECTION CAPTAINS ASSOCIATION RWF	5	128,444	10,480	5,503	68,204	4,689	7,000	5,139	3,427	727	15,381	594	0	0	7,320	
CORRECTION CAPTAINS ASSOCIATION WF/CLRF	6	109,467	20,960	11,006	28,364	7,222	7,000	5,139	6,854	1,454	15,211	857	0	0	5,400	
DC 9 PAINTING INDUSTRY WF/RWF (LOCAL 1969)	20	158,631	3,640	56,521	87,894	0	3,159	0	1,346	364	2,601	0	0	0	3,316	
DOCTORS COUNCIL WF	22	297,211	28,513	90,100	92,848	17,130	10,737	877	990	0	30,775	5,252	0	1,712	18,277	
LOCAL 211 ALLIED BUILDING INSPECTORS WF	42	140,498	26,635	34,502	37,953	9,000	14,600	0	3,250	3,139	5,466	6,053	0	0	0	
LOCAL 246 SEIU RWF	46	162,708	14,900	55,502	29,345	5,394	4,900	13,603	2,023	2,199	21,280	3,062	0	0	0	
LOCAL 246 SEIU WELFARE FUND	47	276,228	26,847	110,738	56,193	10,638	4,900	16,124	3,916	2,288	38,966	4,718	0	0	0	
LOCAL 3 IBEW ELECTRICIANS WF	61	218,695	2,294	88,778	42,540	5,025	8,500	6,162	2,719	36	15,474	2,692	3,698	1,008	39,769	
LOCAL 300 CIVIL SERVICE FORUM WF	55	186,712	18,800	17,744	81,412	13,800	6,950	7,666	0	2,008	10,632	1,362	0	19,554	6,785	
LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WF/RWF	57	261,002	3,695	102,047	47,604	28,450	19,900	4,875	2,958	21,534	13,085	4,161	0	0	2,692	
LOCAL 444 SANITATION OFFICERS WF	65	100,938	20,000	3,577	38,981	3,600	11,000	2,617	0	0	1,875	727	0	0	13,681	
1199SEIU LICENSED PRACTICAL NURSES WF	68	212,690	9,972	104,794	60,891	12,000	7,480	1,727	540	0	12,186	3,000	0	0	0	
LOCAL 891 SCHOOL CUSTOD & CUSTOD ENGINEERS WF/RWF	80	397,250	0	0	57,328	22,000	33,000	6,224	1,014	19,597	10,690	4,606	0	177,351	60,607	
NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	85	128,964	0	0	79,445	11,258	8,614	4,191	0	0	144	6,958	0	2,250	16,104	
UNITED PROBATION OFFICERS ASSOCIATION RWF	109	383,064	669	0	240,000	7,175	16,000	5,770	1,430	78,593	8,380	3,075	0	21,972	0	
<b>TOTAL \$1 MILLION TO \$3 MILLION CATEGORY</b>		<b>3,330,029</b>	<b>190,232</b>	<b>691,812</b>	<b>1,202,645</b>	<b>157,281</b>	<b>173,216</b>	<b>81,068</b>	<b>30,467</b>	<b>131,929</b>	<b>203,649</b>	<b>56,588</b>	<b>3,698</b>	<b>228,781</b>	<b>63,527</b>	<b>115,137</b>
		100.00%	5.71%	20.77%	36.12%	4.72%	5.20%	2.43%	0.91%	3.96%	6.12%	1.70%	0.11%	6.87%	1.91%	3.46%



EXHIBIT C  
 SURVEY OF BENEFIT FUNDS  
 SCHEDULE OF ADMINISTRATIVE EXPENSES  
 2007

NAME OF FUND	REF	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMSN	LEGAL	ACCT'NG	TRAVEL & CONF.	TELE- PHONE	OFFICE EQUIP & RENTAL	OTHER OFFICE EXPENSE	INSUR- ANCE	REPAIRS & MAINT	OTHER	RETENTION	INVEST CUSTODIAL SVS
<b>INSURED WF &amp; RWF</b>																
<b>NYC CONTRIBUTION UNDER \$100,000</b>																
NYC DEPUTY SHERIFFS ASSOC RWF	12	5,894	1,200	0	1,294	0	3,400	0	0	0	0	0	0	0	0	0
<b>TOTAL UNDER \$100,000 CATEGORY</b>		<b>5,894</b>	<b>1,200</b>	<b>0</b>	<b>1,294</b>	<b>0</b>	<b>3,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NYC CONTRIBUTION \$100,000 TO \$300,000</b>		<b>100.00%</b>	<b>20.36%</b>	<b>0.00%</b>	<b>21.95%</b>	<b>0.00%</b>	<b>57.69%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
NYC DEPUTY SHERIFFS ASSOC WF	13	6,060	0	0	0	0	3,400	0	0	0	0	0	0	0	0	2,660
LOCAL 14A-14B IUOE WF/RWF	37	16,622	1,643	7,714	287	0	2,000	0	229	0	1,286	3,463	0	0	0	0
<b>TOTAL \$100,000 TO \$300,000 CATEGORY</b>		<b>22,682</b>	<b>1,643</b>	<b>7,714</b>	<b>287</b>	<b>0</b>	<b>5,400</b>	<b>0</b>	<b>229</b>	<b>0</b>	<b>1,286</b>	<b>3,463</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,660</b>
<b>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</b>		<b>100.00%</b>	<b>7.24%</b>	<b>34.01%</b>	<b>1.27%</b>	<b>0.00%</b>	<b>23.81%</b>	<b>0.00%</b>	<b>1.01%</b>	<b>0.00%</b>	<b>6.67%</b>	<b>15.27%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>11.73%</b>
LOCAL 333 UNITED MARINE DIVISION WF	60	73,716	0	0	0	0	16,489	0	0	0	1,427	0	0	66,799	0	0
<b>TOTAL \$300,000 TO \$1 MILLION CATEGORY</b>		<b>73,716</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,489</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,427</b>	<b>0</b>	<b>0</b>	<b>66,799</b>	<b>0</b>	<b>0</b>
		<b>100.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>22.37%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>1.94%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>75.70%</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL INSURED FUNDS</b>		<b>102,291</b>	<b>2,843</b>	<b>7,714</b>	<b>1,681</b>	<b>0</b>	<b>26,289</b>	<b>0</b>	<b>229</b>	<b>0</b>	<b>2,713</b>	<b>3,463</b>	<b>0</b>	<b>66,799</b>	<b>0</b>	<b>2,660</b>
		<b>100.00%</b>	<b>2.78%</b>	<b>7.54%</b>	<b>1.56%</b>	<b>0.00%</b>	<b>24.72%</b>	<b>0.00%</b>	<b>0.22%</b>	<b>0.00%</b>	<b>2.65%</b>	<b>3.39%</b>	<b>0.00%</b>	<b>54.55%</b>	<b>0.00%</b>	<b>2.60%</b>
<b>TOTAL SELF-INSURED AND INSURED FUNDS</b>		<b>76,699,619</b>	<b>7,400,984</b>	<b>32,444,466</b>	<b>14,481,669</b>	<b>1,647,903</b>	<b>1,380,641</b>	<b>470,709</b>	<b>488,937</b>	<b>6,998,821</b>	<b>3,890,632</b>	<b>777,566</b>	<b>661,487</b>	<b>4,048,969</b>	<b>672,854</b>	<b>1,434,202</b>

EXHIBIT C

SURVEY OF BENEFIT FUNDS  
SCHEDULE OF ADMINISTRATIVE EXPENSES  
2007

NAME OF FUND	REF	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMSSN	LEGAL	ACCT'NG	TRAVEL & CONF.	TELE-PHONE	OFFICE EQUIP & RENTAL	OTHER OFFICE EXPENSE	INSUR-ANCE	REPAIRS & MAINT	OTHER	RETENTION	INVEST CUSTODIAL SVS
<b>ANNUITY FUNDS</b>																
<b>NYC CONTRIBUTION UNDER \$100,000</b>																
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	45,251	0	0	22,200	2,390	0	0	0	0	0	0	0	0	0	20,661
<b>TOTAL UNDER \$100,000 CATEGORY</b>		<b>45,251</b>	<b>0</b>	<b>0</b>	<b>22,200</b>	<b>2,390</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20,661</b>
		100.00%	0.00%	0.00%	49.06%	5.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	45.66%
<b>NYC CONTRIBUTION \$100,000 TO \$300,000</b>																
ASSISTANT DFP WARDENS/DFP WARDENS ASSOC AF	1	60,632	0	0	7,200	4,813	4,500	0	0	0	247	3,750	0	0	0	40,122
<b>TOTAL \$100,000 TO \$300,000 CATEGORY</b>		<b>60,632</b>	<b>0</b>	<b>0</b>	<b>7,200</b>	<b>4,813</b>	<b>4,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>247</b>	<b>3,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40,122</b>
		100.00%	0.00%	0.00%	11.87%	7.94%	7.42%	0.00%	0.00%	0.00%	0.41%	6.18%	0.00%	0.00%	0.00%	66.17%
<b>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</b>																
CORRECTION CAPTAINS ASSOC ANNUITY FUND	4	217,941	10,480	5,503	15,000	9,869	8,500	5,139	3,427	727	1,626	6,177	0	0	0	151,493
LOCAL 15, 15A, 15C (IUOE) OPERATING MUNI ENGINEERS AF	117	193,592	4,549	110,429	0	10,000	10,000	0	1,007	8,890	4,086	4,621	0	0	0	39,610
LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	127	89,469	0	0	1,773	7,083	7,500	0	0	0	0	7,900	0	0	0	65,313
<b>TOTAL \$300,000 TO \$1 MILLION CATEGORY</b>		<b>601,002</b>	<b>15,429</b>	<b>116,932</b>	<b>16,773</b>	<b>26,952</b>	<b>26,000</b>	<b>5,139</b>	<b>4,434</b>	<b>9,617</b>	<b>5,712</b>	<b>16,598</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>256,416</b>
		100.00%	3.08%	23.14%	3.35%	5.38%	5.19%	1.03%	0.89%	1.92%	1.14%	3.71%	0.00%	0.00%	0.00%	51.18%
<b>NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION</b>																
LOCAL 444 SANITATION OFFICERS ANNUITY FUND	63	250,000	20,000	0	9,681	3,600	21,500	4,256	0	0	95	13,580	0	0	0	177,289
DOCTORS COUNCIL ANNUITY FUND	124	140,535	0	0	1,171	21,579	12,000	0	0	0	72,611	16,174	0	0	0	17,000
LOCAL 300 SEIU CIVIL SERVICE FORUM ANNUITY FUND	126	68,989	3,210	2,694	6,637	8,260	6,500	0	0	290	0	205	221	1,088	0	40,894
LOCAL 891(IUOE) ANNUITY FUND	126	220,498	0	0	10,644	9,000	20,000	0	0	8,779	4,009	4,623	0	63,840	0	99,603
LOCAL 246 SEIU NYC ANNUITY FUND	128	106,019	0	0	18,000	7,914	5,000	0	0	0	0	881	0	397	0	73,827
<b>TOTAL \$1 MILLION TO \$3 MILLION CATEGORY</b>		<b>786,041</b>	<b>23,210</b>	<b>2,694</b>	<b>45,133</b>	<b>50,343</b>	<b>66,000</b>	<b>4,256</b>	<b>0</b>	<b>9,069</b>	<b>76,715</b>	<b>36,463</b>	<b>221</b>	<b>68,325</b>	<b>0</b>	<b>408,613</b>
		100.00%	2.95%	0.34%	5.74%	6.40%	8.27%	0.54%	0.00%	1.15%	9.76%	4.81%	0.03%	8.31%	0.00%	51.98%

EXHIBIT C

SURVEY OF BENEFIT FUNDS  
SCHEDULE OF ADMINISTRATIVE EXPENSES  
2007

NAME OF FUND	REF	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMSSN	LEGAL	ACCT'NG	TRAVEL & CONF.	TELE- PHONE	OFFICE EQUIP & RENTAL	OTHER OFFICE EXPENSE	INSUR- ANCE	REPAIRS & MAINT	OTHER	RETENTION	INVEST CUSTODIAL SVS
ANNUITY FUNDS (cont'd)																
<u>NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION</u>																
CORRECTION OFFICERS' BENEVOLENT ASSOC AF	8	675,104	0	0	114,714	0	9,400	0	0	0	12,653	0	0	168,343	0	373,994
DETECTIVES ENDOWMENT ASSOC ANNUITY FUND	14	1,285,469	0	41,934	14,631	13,750	20,500	0	1,031	1,700	7,385	15,760	0	-14,968	0	1,183,736
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC AF	76	327,365	22,963	177,984	50,936	25,039	13,893	4,756	2,039	1,245	18,474	8,990	0	1,046	0	0
SUPERIOR OFFICERS COUNCIL (POLICE) AF	104	1,021,714	6,105	58,652	2,400	0	19,800	0	2,026	5,402	38,708	2,739	0	566	0	885,326
SERGEANTS BENEVOLENT ASSOCIATION (POLICE) AF	112	666,998	7,199	44,330	14,177	48,000	31,640	0	0	0	11,856	17,338	247	0	0	492,211
LOCAL 30A-O IUOE ENGINEERS ANNUITY FUND	114	59,486	180	6,323	0	12,000	15,000	0	0	10,983	6,341	9,658	0	0	0	0
LOCAL 1180 CWA MEMBERS ANNUITY FUND	119	235,927	0	0	69,841	11,399	21,500	0	0	0	2,033	0	0	1,434	0	129,720
DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	121	771,784	0	0	0	4,526	16,100	2,483	0	14,377	15,233	21,041	0	187,336	0	510,688
LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	123	213,355	0	0	4,872	9,000	14,500	0	0	0	25,394	10,192	0	0	0	149,397
<b>TOTAL \$3 MILLION TO \$10 MILLION CATEGORY</b>		<b>6,261,201</b>	<b>36,447</b>	<b>328,223</b>	<b>271,571</b>	<b>123,714</b>	<b>162,333</b>	<b>7,239</b>	<b>5,096</b>	<b>33,707</b>	<b>138,017</b>	<b>85,718</b>	<b>247</b>	<b>343,747</b>	<b>0</b>	<b>3,726,072</b>
		100.00%	0.69%	6.24%	5.16%	2.35%	3.09%	0.14%	0.10%	0.64%	2.62%	1.63%	0.00%	6.53%	0.00%	70.80%
<u>NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION</u>																
LOCAL 237 TEAMSTERS ANNUITY FUND	43	813,080	0	0	0	67,987	26,300	5,204	0	148	37,705	43,705	0	102,266	0	539,765
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC AF	71	510,176	17,551	75,262	73,772	15,381	35,004	0	0	0	22,172	0	0	0	0	271,034
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION AF	82	1,115,097	15,803	130,880	14,592	9,700	4,500	1,031	7,995	28,360	3,750	23,809	0	0	0	874,567
PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	95	737,386	6,618	63,499	176	48,900	39,814	0	163	3,743	16,906	21,826	1,491	0	0	535,151
<b>TOTAL \$10 MILLION TO \$20 MILLION CATEGORY</b>		<b>3,176,739</b>	<b>38,972</b>	<b>269,651</b>	<b>88,540</b>	<b>131,068</b>	<b>105,618</b>	<b>6,235</b>	<b>8,168</b>	<b>32,261</b>	<b>80,533</b>	<b>89,340</b>	<b>1,491</b>	<b>102,266</b>	<b>0</b>	<b>2,221,517</b>
		100.00%	1.23%	8.49%	2.79%	4.13%	3.33%	0.20%	0.26%	1.02%	2.54%	2.81%	0.05%	3.22%	0.00%	69.96%
<b>TOTAL ANNUITY FUNDS</b>		<b>9,829,866</b>	<b>114,068</b>	<b>716,600</b>	<b>451,417</b>	<b>339,280</b>	<b>363,451</b>	<b>22,868</b>	<b>17,688</b>	<b>84,644</b>	<b>301,294</b>	<b>232,869</b>	<b>1,959</b>	<b>511,337</b>	<b>0</b>	<b>6,672,501</b>
		100.00%	1.16%	7.29%	4.59%	3.45%	3.70%	0.23%	0.18%	0.86%	3.07%	2.37%	0.02%	6.20%	0.00%	67.88%
<b>GRAND TOTAL</b>		<b>85,529,385</b>	<b>7,615,042</b>	<b>33,160,966</b>	<b>14,932,986</b>	<b>1,887,183</b>	<b>1,743,992</b>	<b>493,677</b>	<b>506,626</b>	<b>6,083,466</b>	<b>4,191,826</b>	<b>1,010,424</b>	<b>663,446</b>	<b>4,560,306</b>	<b>672,854</b>	<b>8,106,703</b>
		100.00%	8.79%	38.77%	17.46%	2.21%	2.04%	0.58%	0.59%	7.11%	4.90%	1.18%	0.78%	6.33%	0.79%	9.48%

EXHIBIT D  
 SURVEY OF BENEFIT FUNDS  
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS  
 AVAILABLE BENEFITS 2007

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
<b>SELF-INSURED</b>					
<b>UNDER \$100,000</b>					
<b>SELF-INSURED</b>					
<b>\$100,000 TO \$300,000 CATEGORY</b>					
LOCAL 858, 187 (OTB) BRANCH OFFICE MANAGERS WELFARE FUND	79	255,890	X	X	Life Insurance Dental Optical Prescription Drugs
NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS RETIREE WELFARE FUND	87	124,170	X	X	Life Insurance Dental Optical Prepaid Legal Hearing Aid
LOCAL 308 MUNICIPAL EMPLOYEES WELFARE FUND	58	82,683	X	X	Life Insurance, Dental Optical Prescription Drugs
LOCAL 832 TEAMSTERS RETIREE WELFARE FUND	74	177,902	X	X	United Medical Insurance Dental Utilization Optical Podiatry Death Benefits Legal Service Plan Membership in Retirees Association
DISTRICT NO. 1 MEGA BENEFICIAL FUND TRUST WF/AF	18	158,238	X	X	Life Insurance Dental Optical Training Severance and Death Payouts Reimbursement of Medical/dental
LOCAL NO. 5 MUNICIPAL EMPLOYEES BENEFIT TRUST FUND	84	44,214	X	X	Life Insurance Optical Plus Dental - Supplemental Optical - Direct Prescription Card
FIRE ALARM DISPATCHERS BENEVOLENT ASSOCIATION WF	23	217,345	X	X	AFLAC Cancer Insurance First UNUM-LTD Dentacare Life Insurance Dental benefit Optical plan Death Benefits Retirement Benefit Drug Plan-Direct Payment
NYC MUNICIPAL STEAMFITTERS & STEAMFITTER HELPERS WELFARE FUND	86	217,555	X	X	Life Insurance Dental Optical Legal Hearing Aid
LOCAL 3,BEW CITY EMPLOYEES WELFARE FUND	48	324,588	X	X	Life Insurance Optical Dental Legal Services Orthotics
LOCAL 1483 CWA BOARD OF ELECTIONS BENEFIT FUND RWF	129	178,988	X	X	Prescription Drugs Prepaid Legal Services Dental Optical

EXHIBIT D  
 SURVEY OF BENEFIT FUNDS  
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS  
 AVAILABLE BENEFITS 2007

FUNDNAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	SELF-		TYPE OF BENEFIT
			INSURED	INSURED	
SELF-INSURED \$300,000 TO \$1 MILLION CATEGORY					
LOCAL 832 TEAMSTERS WELFARE FUND	75	\$31,396	X		Limited Medical Insurance Dental Utilization Disability Wages Prescription Drugs Optician & Eyeglasses Podiatrist Maternity benefits Legal Services Plan Membership in Retirees Assoc
ASST DEPUTY WARDENS / DEPUTY WARDENS ASSOC W/F/ RW/F/ CLRF	2	\$84,430	X		Life Insurance Optical Dental Supplementary Medical Pharmacy Legal Services Maternity Retirement Counseling Civil Legal Defense Hospital Legal Criminal Defense
UNITED PROBATION OFFICERS ASSOCIATION RETIREE WELFARE FUND	110	\$22,867	X		Life Insurance Dental Optical Prescription Drugs Hearing Aids Podiatry Mammography Emergency Room Medical Therapy In-Hospital Indemnity Anesthesia Legal Health & Wellness Prosthetic Appliance Sundry
DOCTORS COUNCIL RETIREE WELFARE FUND	21	\$94,269	X		Dental Claims Psychiatric Optical Physical Examination Hearing Aid Podiatry Legal Services Mammogram Health Reimbursement
LOCAL 3 IBEW ELECTRICIANS RETIREE WELFARE FUND	50	\$51,297	X		Death Dental Prescription Drugs Optical Hearing aid Medical consultation
LOCAL 300 CIVIL SERVICE FORUM RW/F	54	\$22,459	X		Dental Optical Prescription Drugs Repair Legal Services Hearing Aid Death
LOCAL 15, 15A, 15C OPERATING ENGINEERS WELFARE FUND/RW/F	38	\$09,370	X	X	Death Benefit Dental Optical Healthcare Credit Account
LOCAL 333 UNITED MARINE DIVISION RETIREE WELFARE FUND	59	\$81,084	X		Life Insurance Optical Supplemental Dental
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF	34	\$24,430	X	X	Prescription Drugs Prepaid Legal Services Dental Optical

EXHIBIT D  
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS EDUCATION FUNDS  
 AVAILABLE BENEFITS 2007

FUND NAME (BY REVENUE CATEGORY) SELF-INSURED \$1 MILLION TO \$3 MILLION CATEGORY	REF	TOTAL BENEFIT EXPENSE	SELF-INSURED			
			INSURED	INSURED	INSURED	TYPE OF BENEFIT
NYC MUNICIPAL PLUMBERS AND PIPEFITTERS WELFARE FUND	85	977,533	X	X	X	Life Insurance and Disability Dental Optical Ophthalmics Chiropractic Health Club Health Aids
CORRECTION CAPTAINS ASSOC WELFARE FUND/ CLRF	6	1,027,797	X	X	X	Catastrophic Insurance Life Insurance Dental Optical Prescription Drugs Maternity In-hospital Benefits Supplement medical Hearing Aid Legal fees
CORRECTION CAPTAINS ASSOC RETIREE WELFARE FUND	5	1,534,188	X	X	X	Catastrophic Insurance Life Insurance Dental Optical Drug Rider Reimbursement Hearing Aid Benefits Supplemental Medical In-hospital Benefits
LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WF / RWF	57	1,789,719	X	X	X	Dental Claims Optical Claims Prescription Drug Claims Legal Benefits Death Benefits Health Reimbursement Arrangements
LOCAL 31BEW ELECTRICIANS WF	51	1,278,798	X	X	X	Dental Optical Prescription Drugs Disability Death Medical consultations
LOCAL 246 SEIU RETIREE WELFARE FUND	46	987,982	X	X	X	Death Benefit Dental Hearing Aid Optical Prescription Drugs
DOCTORS COUNCIL WELFARE FUND	22	1,228,334	X	X	X	Life Insurance Disability Dental Claims Legal Services Podiatric Care Hearing Aid Optical Maternity 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 2007

FUND NAME (BY REVENUE CATEGORY)	TOTAL BENEFIT EXPENSE	TYPE OF BENEFIT		
		INSURED	INSURED	SELF- INSURED
<b>SELF-INSURED \$1 MILLION TO \$3 MILLION CATEGORY - Cont'd</b>				
1199SEIU LICENSED PRACTICAL NURSES WELFARE FUND	68 1,525,957	X	X	Disability Insurance Premiums Life Insurance Premiums Prescription Drugs Dental Optical Long-Term Disability Other Programs
LOCAL 246 SEIU WELFARE FUND	47 2,013,048	X	X	Death Benefit Dental Optical Prescription Drugs Hearing Aid
UNITED PROBATION OFFICERS ASSOCIATION WELFARE FUND	109 1,142,914	X	X	Life Insurance Dental Optical Prescription Drugs Disability Dental Anesthesia Podiatry Medical Mammography In-Hospital Indemnity Emergency Room Legal 2nd Dental Opinion Program Health Benefit Death
LOCAL 444 SANITATION OFFICERS WELFARE FUND	66 1,573,178	X	X	Life Insurance Dental Optical Prescription Drugs Legal Supplementary Medical
DC 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION WFRWFL (Local 1999)	20 1,978,041	X	X	Group Life and AD&D - CSWF Dental Medical Spending Optical Hearing aids Legal Services
LOCAL 300 CIVIL SERVICE FORUM WFL	55 1,476,692	X	X	Life Insurance Dental Optical Prescription Drugs Prepaid Legal Service Disability Retirement Planning Death Podiatry
LOCAL 211 ALLIED BUILDING INSPECTORS WELFARE FUND / RYWF	42 1,357,737	X	X	Dental Optical Prescription Drugs Hearing Aid Chiropractic/Podiatry Disability Death Benefit Prepaid Legal Services
CIVIL SERVICE BAR ASSOCIATION WELFARE FUND	3 1,278,154	X	X	Life Insurance Disability Prescription drugs Dental Optical Optical Nursery Other Nurse Helpline Hearing Aids
LOCAL 891 SCHOOL CUSTODIAN AND CUSTODIAN ENGINEERS WFRWFL	80 2,019,741	X	X	Group Life Insurance Catastrophic Insurance Dental Optical Prescription Drug Hearing Aid Survivor Continuation Benefits Legal Service Benefits Variable Benefit

EXHIBIT D  
 SURVEY OF BENEFIT FUNDS  
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS  
 AVAILABLE BENEFITS (2007)

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL		INSURED	SELF- INSURED	TYPE OF BENEFIT
		BENEFIT EXPENSE	INSURED			
<u>SELF-INSURED</u> <u>\$1 MILLION TO \$10 MILLION CATEGORY</u>						
LOCAL 444 SANITATION OFFICERS RETIREE WELFARE FUND	64	3,139,871	X	X	X	Life Insurance Dental Optical Supplementary Medical High-Option Rider/Reimb. Drugs
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION WELFARE FUND	77	3,957,276	X	X	X	HIP Premium Supplement Life Insurance Medications Dental Optical Hearing Aids
DETECTIVES ENDOWMENT ASSOCIATION WELFARE FUND	16	8,467,991	X	X	X	Dental Service Organization Medical and Hospitalization Dental Optical Prescription Drugs Catastrophic deductible Hearing Aid Appliances Rider Body Scan
SUPERIOR OFFICERS COUNCIL (POLICE) WELFARE FUND / CLRF/LBA	103	4,434,778	X	X	X	Dental - Comprehensive Catastrophic Health Ins. (GH) Extended Health Ins. (HIP) Dental - Insurance Schedule Prescription Drugs Optical Expediuntives for Defense or Civil
NEW YORK CITY RETIRES WELFARE FUND	89	6,555,198	X	X	X	Life Insurance Prescription Drugs Optical Dental Legal Hearing Aid Podiatry
SUPERIOR OFFICERS COUNCIL (POLICE) RETIREE WELFARE FUND	105	6,587,791	X	X	X	Dental Comprehensive Hospitalization Catastrophic Health (G.H.) Dental Insurance Schedule Prescription Drug Benefits Death Benefit Health Rider Reimbursement Optical Catastrophic Reimbursement
CORRECTION OFFICERS' BENEVOLENT ASSOC RETIREE WELFARE FUND	7	7,838,833	X	X	X	Life Insurance Dental Prescription Drugs Optical Prepaid Legal Services
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION RETIREE WELFARE FUND	78	8,803,888	X	X	X	GH Premium - supplement HIP Premium Supplement Life Insurance Medications Dental expense Optical Hearing Aids Death Benefits

EXHIBIT D  
 SURVEY OF BENEFIT FUNDS  
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS  
 AVAILABLE BENEFITS 2007

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	SELF		TYPE OF BENEFIT
			INSURED	INSURED	
<b>SELF-INSURED</b> <b>\$3 MILLION TO \$10 MILLION CATEGORY - Cont'd</b>					
ORGANIZATION OF STAFF ANALYSTS WELFARE FUND	93	7,312,477	X	X	Long Term Disability Basic Life Insurance Survivor Benefits
			X		Dental
			X		Optical
			X		Major Medical
			X		COBRA Reimbursements
			X		Drug rider Reimbursements
			X		Pension Counseling
LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS RETIREE WELFARE FUND	25	7,870,424	X	X	Dental - DHMO Extended Hospitalization --- ( Extension of Basic Coverage ) Dental Schedule of Allowances
			X		Optical
			X		Hearing Aid
			X		Major Medical Supplemental to Basic Coverage
			X		GHI Rider Reimbursement - ( Medicare Participants )
LOCAL 834 UNIFORMED SANITATIONMEN'S ASSOCIATION WELFARE FUND	73	7,982,341	X	X	Group Life Insurance and accident Dental (Healthplex, Inc ) Prescription Drugs General Medical -- Anesthesia
			X		Optical
			X		Ambulance
			X		Crutches and Wheelchair
			X		Hospital bed and traction
			X		Line of Duty Injury (LUDI)
			X		Consulting Physician - LODI claims
			X		Hearing Aids
			X		Oxygen
LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS WELFARE FUND	25	8,878,929	X	X	Dental - DHMO Group Life
			X		Dental - Schedule of Allowances
			X		Optical
			X		Prescription Drugs
			X		Hearing Aid
			X		Major Medical - Supplement to Basic Coverage
LOCAL 1182 CWA SECURITY BENEFITS FUND WFR/WFA/LEGAL	33	3,310,040	X	X	Life Insurance Disability
			X		Dental
			X		Optical
			X		Prepaid Legal Services
HOUSE STAFF COMMITTEE OF INTERNS & RESIDENTS WELFARE/LEGAL FUND	24	3,542,921	X	X	Long Term Disability Insurance Life Insurance
			X		Dental
			X		Optical
			X		Outpatient Psychiatric Care
			X		Major Medical
			X		Childbirth Education
			X		Circumcision
			X		Maternity & Newborn
			X		Short Term Disability
			X		Conferences & Books WMCC
			X		Osteotics
			X		Prescription Drugs
			X		Hearing Aids
			X		Conferences - HHCC
			X		Smoking Cessation
			X		Newborn Expenses
			X		Legal Services

EXHIBIT D  
 SURETY OF BENEFIT FUNDS  
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS  
 AVAILABLE BENEFITS 2007

FUND NAME (BY REVENUE CATEGORY) \$10 MILLION TO \$20 MILLION CATEGORY	REF	TOTAL		SELF-		TYPE OF BENEFIT
		BENEFIT EXPENSE	INSURED	INSURED	INSURED	
SERGEANTS BENEVOLENT ASSOCIATION (Police) WF/RWF/CLRF	113	16,302,205	X	X		Expanded Medical Dental Prescription Drugs Optical Death Benefit Catastrophic Health Civil Legal Representation Fund
LOCAL 1180 CWA MUNICIPAL MANAGEMENT WELFARE FUND / LEGAL / EDUCATION	2930	14,434,979	X	X		Life Insurance Dental Optical Prescription Drugs Disability Hearing Aid Maternity Prepaid Legal Services Podiatry Court Cost Criminal Telephone Hot Line Workplace Literacy program Urban leadership program Tuition, Reimbursements Central Labor Rehabilitation Book purchases Adult education - classes Quality through participation Medical Reimbursements Other Education - cost Other Legal Examination Preparation Material
LOCAL 64 UNIFORMED FIREFIGHTERS ASSOCIATION RETIREE WELFARE FUND	81	16,778,938	X	X		Life Insurance Group Health Insurance, Inc. (Widows) HIP - widows (COBRA) Dental Dentcare Optical Prescription Drugs Hearing Aid Prescription Drugs (Widows) Maintenance Prescription Drug Program
LOCAL 257 TEAMSTERS RETIREE WELFARE FUND (Includes Fund 65 Local 621 RWF)	4486	12,603,153	X	X		Death Benefit Dental Optical Prescription Drugs Education Program Social Program Hearing Aid Legal Services Supplemental Medical Expense
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WELFARE FUND	83	15,210,265	X	X		Life Insurance GHI GHI - Widows HIP - Extended Coverage HIP - widows (COBRA) US Healthcare Dental Dentcare Optical Prescription Drugs Prescription Drugs (Widows) Surgical Anesthesia Maintenance Prescription Drug Program Hearing Aid UFAU/FOA Welfare Fund
CORRECTION OFFICERS' BENEVOLENT ASSOCIATION WELFARE FUND / CLRF	9	13,091,560	X	X		Life Insurance Premiums Dental Optical Prescription Drugs Prepaid Legal Services Civil Legal Representation Death

EXHIBIT D  
 SURVEY OF BENEFIT FUNDS  
 SCHEDULE OF SELF-INSURED INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS  
 AVAILABLE BENEFITS 2007

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	SELF- INSURED		TYPE OF BENEFIT
			INSURED	INSURED	
<b>SELF-INSURED \$10 MILLION TO \$20 MILLION CATEGORY - Cont'd</b>					
DETECTIVES ENDOWMENT ASSOCIATION RETIREE WELFARE FUND	15	14,365,289	X		Hospital Rider Appliance Rider Catastrophic Catastrophic Dental Optical Prescription Drugs Catastrophic Deductible Medical Co-payment Refunds Hearing Aid Death Benefit
<b>NYS NURSES ASSOCIATION WELFARE FUND</b>					
	92	11,755,129	X		Life/Disability Optical Podiatry & Orthotics Long-term Disability (COBRA) Extended Benefits Hearing Aids Major Medical Prescription Drugs Dental
<b>LOCAL B31 UNIFORMED SANITATIONMEN'S ASSOC RETIREE WELFARE FUND</b>					
	72	12,966,124	X		Dental Prescription Drugs Optical Supplemental Medical
<b>LOCAL 1180 CWA MUNICIPAL MANAGEMENT RETIREE WELFARE FUND</b>					
	29	10,206,520	X		Direct Optical Benefits Dental Prescription Drugs Optical Periton Counseling Hearing Aid Podiatry/benefit Retiree Divison Program General Medical Benefit Clinical Dental Direct Dental Benefits Legal Services Benefits
<b>SELF-INSURED OVER \$20 MILLION CATEGORY</b>					
<b>LOCAL 371 SOCIAL SERVICE EMPLOYEES WFL/LEGAL/EDUCATION/ADMINISTRATIVE</b>					
	62	23,470,985	X		Life Insurance Dental Prescription Drugs Disability Optical Prosthetic Appliances Health & Safety Coordinator Podiatry Burial Diagnostic Exams Periton Counseling Hearing Aids Abortion Civil Matters Criminal Representation Court Costs Tuition Reimbursement Job Related Conferences Dues for Professional Organization Civil Service Exam Prep Courses Ball Bond
<b>PATROLMEN'S BENEVOLENT ASSOCIATION RETIREE WELFARE FUND</b>					
	99	36,542,935	X		Supplemental Hospitalization Dental Prescription Drugs Optical Other Supplemental Benefits Periton Counseling Benefit
<b>PATROLMEN'S BENEVOLENT ASSOCIATION WELFARE FUND / CLRF</b>					
	97	34,620,904	X		Life Insurance Dental Optical Prescription Drugs Catastrophic Benefit Office Visit Co-payment Benefit Other Supplemental Benefits Periton Counseling Legal Services Benefit

EXHIBIT D  
 SURVEY OF BENEFIT FUNDS  
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS  
 AVAILABLE BENEFITS 2007

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL		SELF- INSURED	TYPE OF BENEFIT
		BENEFIT EXPENSE	INSURED		
<b>SELF-INSURED</b>					
<b>OVER \$20 MILLION CATEGORY - Cont'd</b>					
LOCAL 237 TEAMSTERS WELFARE FUND (Includes fund 67, local 621 WF)	4567	35,177,715		X	Death Benefit
				X	Dental
				X	Optical
				X	Prescription Drugs
				X	Short - term Disability
				X	Legal Services Benefits
				X	Hearing Aid & Other
				X	Pre retirement Pension
				X	Training & Education
LOCAL 2 UNITED FEDERATION OF TEACHERS WELFARE FUND	41	245,120,747		X	SLDAC
				X	Retiree - Legal Services
				X	Death Benefit
				X	Dental
				X	Optical
				X	Disability
				X	Hearing Aids
				X	Retiree Program
				X	Prescription Drugs
				X	Optional Rider Reimbursement
				X	Durable Medical Equipment
				X	Medicare Part D
DC 37 WELFARE FUND	10	228,819,015		X	Dental Claims
				X	Disability
				X	Prescription Drugs
				X	Death
				X	Optical Claims
				X	Possibly
				X	Audiology
				X	Medical Evaluations
				X	Health & Pension Services Program
				X	Legal Services
				X	Social Service Crisis Intervention Progi
				X	Dental Centers
				X	Optical Centers
				X	Program Costs
				X	Educational Costs
				X	Tuition Return Program
PROFESSIONAL STAFF CONGRESS CUNY WELFARE FUND / RWPF	101	30,796,870		X	Prescription Drugs
				X	Life Insurance
				X	Nursing & Appliance Rider Hip only
				X	Disability-advie
				X	Major Medical
				X	Basic Health Benefits
				X	Dental
				X	Optical
				X	Well Care Programs
				X	Death Benefits
				X	Hearing Aids
<b>INSURED</b>					
<b>UNDER \$100,000 CATEGORY</b>					
NYC DEPUTY SHERIFFS ASSOCIATION RETIREE WELFARE FUND	12	48,779		X	Group Life & A,D,D Insurance
				X	Optical
				X	Dental
				X	Drugs
<b>INSURED</b>					
<b>\$100,000 TO \$300,000 CATEGORY</b>					
NYC DEPUTY SHERIFFS ASSOCIATION WELFARE FUND	13	162,287		X	Group Life & A,D,D Insurance
				X	Group Dental
				X	Optical Care
				X	Legal, Professional
LOCAL 14-14B IJDE WELFARE FUND/RWF	37	61,675		X	Dental Benefits
				X	Death Benefits
				X	Optical Benefits
<b>INSURED</b>					
<b>\$300,000 TO \$1 MILLION CATEGORY</b>					
LOCAL 333 UNITED MARINE DIVISION WELFARE FUND	80	308,409		X	Life Insurance
				X	Dental
				X	Optical

EXHIBIT E

SURVEY OF BENEFIT FUNDS  
BENEFIT FUND RATIOS  
2007

NAME OF FUND	REF	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
<b>SELF-INSURED WF &amp; RWF</b>											
<b>NYC CONTRIBUTION \$100,000 TO \$300,000</b>											
DISTRICT NO. 1 MEBA BENE. FUND TRUST WF/AF	18	62.15%	-21.93%	7.70%	-32.76%	87.13%	2.07%	12.87%	-12.09%	40.14%	84.65%
FIRE ALARM DISPATCHERS BENEVOLENT ASSOC WF	23	66.98%	0.27%	16.35%	42.79%	80.38%	-5.83%	19.52%	34.02%	16.66%	-23.40%
LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	48	89.64%	34.19%	15.29%	33.54%	85.43%	0.08%	14.57%	-0.48%	-4.93%	-122.67%
LOCAL 306 MUNICIPAL EMPLOYEES WF	66	70.56%	5.63%	22.14%	93.36%	76.11%	-10.84%	23.89%	63.18%	7.29%	-66.48%
LOCAL 832 TEAMSTERS RWF	74	126.82%	89.85%	24.84%	116.94%	83.62%	-2.04%	16.38%	11.89%	-61.66%	-337.62%
LOCAL 858 IBT, (OTB) BRANCH OFFICE MANAGERS WF	79	76.64%	14.58%	10.28%	-10.22%	88.18%	3.28%	11.84%	-19.13%	13.18%	-39.40%
LOCAL NO. 5 MNCPL EMPLOYEES BENEFIT TRUST FUND	84	24.34%	-63.56%	2.46%	-78.62%	90.81%	6.38%	9.19%	-37.23%	73.20%	236.66%
NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS WF	86	66.86%	-14.88%	6.94%	-39.39%	89.12%	4.40%	10.88%	-25.88%	38.20%	66.44%
NYC MUNI. STEAMFITTERS & STEAMFITTER HELPERS RWF	87	64.95%	-2.77%	8.48%	-25.94%	88.45%	3.62%	11.55%	-21.11%	26.67%	22.16%
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND RWF	129	64.27%	-13.76%	9.48%	-17.21%	85.13%	-0.27%	14.87%	1.57%	36.25%	66.67%
<b>TOTAL \$100,000 TO \$300,000 CATEGORY</b>		<b>66.80%</b>		<b>11.45%</b>		<b>85.16%</b>		<b>14.64%</b>		<b>21.75%</b>	
<b>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</b>											
ASSISTANT DEP WARDENS/DEP WARDENS WF/ RWF/CLRF	2	78.71%	1.05%	11.95%	-25.82%	86.82%	4.78%	13.18%	-23.10%	9.34%	55.67%
DOCTORS COUNCIL RWF	21	81.89%	5.14%	23.63%	46.06%	77.68%	-6.26%	22.32%	30.22%	-5.42%	-190.33%
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF	34	78.86%	1.25%	7.34%	-54.44%	91.48%	10.40%	8.52%	-60.29%	13.80%	130.00%
LOCAL 15, 15A, 15C OPERATING ENGINEERS WFRWF	38	90.69%	16.43%	15.77%	-2.11%	85.19%	2.81%	14.81%	-13.69%	-6.46%	-207.67%
LOCAL 3 IBEW ELECTRICIANS RWF	50	69.76%	-23.28%	11.01%	-31.66%	84.44%	1.91%	15.56%	-9.22%	29.23%	387.17%
LOCAL 300 CIVIL SERVICE FORUM RWF	54	53.63%	-31.15%	11.88%	-26.26%	81.87%	-1.19%	18.13%	5.78%	34.49%	474.83%
LOCAL 333 UNITED MARINE DIVISION RWF	69	136.47%	75.21%	15.97%	-0.87%	89.62%	8.04%	10.48%	-38.86%	-62.44%	-974.00%
LOCAL 832 TEAMSTERS WF	76	72.47%	-6.96%	22.06%	36.93%	76.66%	-7.48%	23.34%	36.17%	5.47%	-8.83%
UNITED PROBATION OFFICERS ASSOCIATION RWF	110	84.17%	8.06%	27.95%	73.49%	75.07%	-9.40%	24.93%	45.45%	-12.12%	-302.00%
<b>TOTAL \$300,000 TO \$1 MILLION CATEGORY</b>		<b>77.89%</b>		<b>16.11%</b>		<b>82.86%</b>		<b>17.14%</b>		<b>6.00%</b>	
<b>NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION</b>											
CIVIL SERVICE BAR ASSOC WF	3	86.96%	13.76%	12.62%	16.74%	87.20%	-0.32%	12.80%	2.24%	1.42%	-89.67%
CORRECTION CAPTAINS ASSOCIATION RWF	5	74.99%	-0.75%	5.89%	-45.51%	92.71%	5.98%	7.29%	-41.77%	19.12%	40.38%
CORRECTION CAPTAINS ASSOCIATION WF/CLRF	6	73.00%	-3.39%	7.78%	-28.03%	90.37%	3.30%	9.63%	-23.08%	19.22%	41.12%
OC 9 PAINTING INDUSTRY WF/RWF (LOCAL 1969)	20	124.10%	64.24%	9.95%	-7.96%	92.68%	5.83%	7.42%	-40.73%	-34.05%	-350.00%
DOCTORS COUNCIL WF	22	78.48%	3.86%	18.99%	75.67%	80.52%	-7.96%	19.48%	55.59%	2.54%	-81.35%
LOCAL 211 ALLIED BUILDING INSPECTORS WF	42	82.38%	9.03%	8.52%	-21.18%	90.62%	3.69%	9.38%	-26.08%	9.10%	-33.19%
LOCAL 246 SEIU RWF	46	58.06%	-23.16%	9.16%	-15.26%	86.37%	-1.27%	13.63%	8.87%	32.78%	140.68%
LOCAL 246 SEIU WELFARE FUND	47	70.63%	-6.66%	9.68%	-10.45%	87.93%	0.51%	12.07%	-3.59%	19.80%	45.37%
LOCAL 3 IBEW ELECTRICIANS WF	51	60.10%	-20.46%	10.28%	-4.90%	85.40%	-2.38%	14.60%	16.61%	29.62%	117.47%
LOCAL 300 CIVIL SERVICE FORUM WF	56	79.69%	5.33%	10.06%	-6.94%	88.78%	1.49%	11.22%	-10.38%	10.34%	-24.08%
LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WF/RWF	57	76.56%	1.32%	10.74%	-0.65%	87.70%	0.25%	12.30%	-1.76%	12.70%	-6.75%
LOCAL 444 SANITATION OFFICERS WF	65	62.46%	-17.34%	4.01%	-62.90%	93.97%	7.42%	6.03%	-51.84%	33.63%	146.18%
1199SEIU LICENSED PRACTICAL NURSES WF	68	74.49%	-1.42%	10.38%	-3.98%	87.77%	0.33%	12.23%	-2.32%	15.13%	11.09%
LOCAL 891 SCHOOL CUSTOD & CUSTOD ENGINEERS WF/RWF	80	77.88%	3.07%	15.32%	41.72%	83.66%	-4.48%	16.44%	31.31%	6.80%	-60.07%
NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	85	64.08%	-15.19%	8.45%	-21.83%	88.34%	0.98%	11.66%	-6.87%	27.46%	101.62%
UNITED PROBATION OFFICERS ASSOCIATION WF	109	82.45%	9.12%	27.63%	165.80%	74.90%	-14.38%	25.10%	100.48%	-10.09%	-174.08%
<b>TOTAL \$1 MILLION TO \$3 MILLION CATEGORY</b>		<b>75.56%</b>		<b>10.81%</b>		<b>87.48%</b>		<b>12.52%</b>		<b>13.62%</b>	

EXHIBIT E

SURVEY OF BENEFIT FUNDS  
BENEFIT FUND RATIOS  
2007

Page 2

NAME OF FUND	REF	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
<b>SELF-INSURED WF &amp; RWF (cont'd)</b>											
<b>NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION</b>											
CORRECTION OFFICERS' BENEVOLENT ASSOC RWF	7	90.77%	5.63%	6.34%	-23.71%	93.48%	2.51%	6.62%	-25.99%	2.90%	-49.74%
DETECTIVES ENDOWMENT ASSOCIATION WF	16	90.09%	4.84%	7.39%	-11.07%	92.41%	1.34%	7.69%	-13.85%	2.52%	-56.33%
HOUSE STAFF COMM OF INTERNS & RESIDENTS WF/LEGAL	24	67.68%	-21.35%	12.82%	54.27%	84.05%	-7.83%	15.95%	81.04%	19.60%	239.69%
LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. WF	25	92.22%	7.32%	10.27%	23.59%	89.98%	-1.33%	10.02%	13.73%	-2.48%	-142.98%
LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. RWF	26	78.96%	-8.12%	10.85%	30.67%	87.92%	-3.59%	12.08%	37.12%	10.20%	76.78%
LOCAL 1182 CWA SECURITY BENEFIT FUND RWF/WF/LEGAL	33	77.69%	-9.59%	15.01%	80.63%	83.81%	-8.09%	16.18%	83.77%	7.30%	26.62%
LOCAL 444 SANITATION OFFICERS RWF	64	75.94%	-11.63%	5.24%	-36.94%	93.64%	2.68%	6.46%	-26.67%	18.81%	226.00%
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC WF	73	75.12%	-12.68%	9.85%	18.53%	88.41%	-3.05%	11.59%	31.56%	15.03%	160.49%
LOCAL 864 UNIFORMED FIRE OFFICERS ASSOC WF	77	87.35%	1.65%	5.05%	-39.23%	94.64%	3.67%	6.46%	-38.02%	7.60%	31.72%
LOCAL 864 UNIFORMED FIRE OFFICERS ASSOC. RWF	78	101.19%	17.76%	4.33%	-47.89%	95.90%	5.17%	4.10%	-53.46%	-5.52%	-195.67%
NEW YORK CITY RETIREES WF	89	97.66%	13.66%	4.27%	-48.62%	95.81%	5.07%	4.19%	-52.44%	-1.93%	-133.46%
ORGANIZATION OF STAFF ANALYSTS WF	93	71.54%	-16.75%	10.63%	27.92%	87.06%	-4.63%	12.94%	46.88%	17.83%	209.01%
SUPERIOR OFFICERS COUNCIL (POLICE) RWF	105	93.15%	8.40%	6.08%	-26.84%	93.88%	2.95%	6.12%	-30.53%	0.77%	-86.66%
SUPERIOR OFFICERS COUNCIL (POLICE) WF/CLRF/CEA	106	109.23%	27.12%	6.71%	-19.25%	94.21%	3.31%	6.79%	-34.28%	-15.94%	-376.26%
<b>TOTAL \$3 MILLION TO \$10 MILLION CATEGORY</b>		<b>86.93%</b>		<b>8.31%</b>		<b>91.18%</b>		<b>8.81%</b>		<b>5.77%</b>	
<b>NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION</b>											
CORRECTION OFFICERS' BENEVOLENT ASSOC WF/CLRF	9	96.47%	14.65%	6.41%	-8.56%	93.77%	1.58%	6.23%	-18.99%	-2.89%	-132.54%
DETECTIVES ENDOWMENT ASSOCIATION RWF	15	74.76%	-11.16%	4.90%	-30.10%	93.86%	1.67%	6.16%	-20.03%	20.34%	129.83%
LOCAL 1180 CWA MUNICIPAL MANAGEMENT RWF	29	76.93%	-8.67%	12.67%	79.32%	86.95%	-6.89%	14.05%	82.70%	10.49%	18.53%
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSC RWF	72	92.08%	9.44%	3.13%	-55.35%	96.72%	4.78%	3.28%	-57.36%	4.79%	-45.88%
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOC RWF	81	82.66%	-1.88%	3.52%	-49.79%	95.91%	3.90%	4.09%	-46.81%	13.92%	67.29%
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WF	83	83.13%	-1.20%	6.03%	-28.26%	94.30%	2.16%	5.70%	-25.88%	11.84%	33.79%
NEW YORK STATE NURSES ASSOCIATION WF	92	97.81%	16.25%	7.14%	1.86%	93.20%	0.96%	6.80%	-11.57%	-4.96%	-166.93%
SERGEANTS BENEVOLENT ASSOC.(POLICE) WF/RWF/CLRF	113	90.71%	7.81%	6.70%	-18.69%	94.09%	1.93%	5.81%	-23.15%	3.59%	-59.44%
LOCAL 1180 CWA MUNICIPAL MANAGEMENT WF/LEGAL/ED	28&30	78.71%	-6.46%	13.71%	95.58%	85.16%	-7.75%	14.84%	92.98%	7.57%	-14.46%
LOCAL 237 TEAMSTERS RWF	44&66	76.13%	-9.52%	9.11%	29.96%	89.31%	-3.26%	10.69%	39.01%	14.76%	66.78%
<b>TOTAL \$10 MILLION TO \$20 MILLION CATEGORY</b>		<b>84.14%</b>		<b>7.01%</b>		<b>92.31%</b>		<b>7.89%</b>		<b>8.85%</b>	
<b>NYC CONTRIBUTION OVER \$20 MILLION</b>											
DC 37 WF	10	79.61%	-8.34%	6.84%	-16.33%	93.17%	0.66%	6.83%	-8.20%	14.55%	135.82%
LOCAL 371 SOCIAL SERVICE EMPLOYEES WF/LEGAL/EFIADM	62	76.91%	-11.45%	8.63%	23.64%	89.91%	-2.85%	10.09%	35.62%	14.46%	134.36%
PATROLMEN'S BENEVOLENT ASSOC RWF	96	95.36%	9.80%	6.85%	-1.86%	93.29%	0.79%	6.71%	-9.81%	-2.22%	-136.98%
PATROLMEN'S BENEVOLENT ASSOC WF/CLRF	97	81.89%	-6.71%	9.03%	29.37%	90.07%	-2.69%	9.93%	33.47%	9.09%	47.33%
LOCAL 2 UNITED FEDERATION OF TEACHERS WF	41	94.28%	8.55%	8.09%	15.90%	92.10%	-0.50%	7.90%	6.18%	-2.37%	-138.41%
LOCAL 237 TEAMSTERS WF	45&67	92.57%	6.59%	7.15%	2.44%	92.83%	0.29%	7.17%	-3.63%	0.29%	-95.30%
PROFESSIONAL STAFF CONGRESS CUNY WF/RWF	101	89.76%	3.34%	4.03%	-42.26%	95.71%	3.40%	4.29%	-42.34%	6.23%	0.97%
<b>TOTAL OVER \$20 MILLION CATEGORY</b>		<b>86.86%</b>		<b>6.98%</b>		<b>92.66%</b>		<b>7.44%</b>		<b>6.17%</b>	
<b>TOTAL SELF-INSURED FUNDS</b>		<b>85.88%</b>		<b>7.30%</b>		<b>92.17%</b>		<b>7.83%</b>		<b>6.81%</b>	



EXHIBIT E

SURVEY OF BENEFIT FUNDS  
BENEFIT FUND RATIOS  
2007

NAME OF FUND	REF	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
<u>INSURED WF &amp; RWF</u>											
<u>NYC CONTRIBUTION UNDER \$100,000</u>											
NYC DEPUTY SHERIFFS ASSOC RWF	12	73.18%	0.00%	8.84%	0.00%	89.22%	0.00%	10.78%	0.00%	17.98%	0.00%
TOTAL UNDER \$100,000 CATEGORY		<u>73.18%</u>		<u>8.84%</u>		<u>89.22%</u>		<u>10.78%</u>		<u>17.98%</u>	
<u>NYC CONTRIBUTION \$100,000 TO \$300,000</u>											
NYC DEPUTY SHERIFFS ASSOC WF	13	70.67%	27.04%	2.64%	-53.11%	96.40%	6.17%	3.60%	-60.87%	26.69%	-31.10%
LOCAL 14A-14B IUOE WF/RWF	37	35.66%	-35.90%	9.61%	70.69%	78.77%	-13.25%	21.23%	130.76%	54.73%	41.28%
TOTAL \$100,000 TO \$300,000 CATEGORY		<u>65.81%</u>		<u>5.63%</u>		<u>90.80%</u>		<u>9.20%</u>		<u>38.74%</u>	
<u>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</u>											
LOCAL 333 UNITED MARINE DIVISION WF	60	60.32%	0.00%	14.42%	0.00%	80.71%	0.00%	19.29%	0.00%	25.26%	0.00%
TOTAL \$300,000 TO \$1 MILLION CATEGORY		<u>60.32%</u>		<u>14.42%</u>		<u>80.71%</u>		<u>19.29%</u>		<u>25.26%</u>	
TOTAL INSURED FUNDS		<u>59.27%</u>		<u>10.43%</u>		<u>85.03%</u>		<u>14.97%</u>		<u>30.30%</u>	
TOTAL SELF-INSURED AND INSURED FUNDS		<u>85.86%</u>		<u>7.30%</u>		<u>92.16%</u>		<u>7.84%</u>		<u>6.84%</u>	

## EXHIBIT E

SURVEY OF BENEFIT FUNDS  
BENEFIT FUND RATIOS  
2007

Page 4

NAME OF FUND	REF	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
<b>ANNUITY FUNDS</b>											
<b>NYC CONTRIBUTION UNDER \$100,000</b>											
NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	11	3.18%	-93.23%	0.00%	-100.00%	100.00%	22.04%	0.00%	-100.00%	96.82%	126.96%
LOCAL 333 UNITED MARINE DIVISION ANNUITY FUND	58	73.14%	55.65%	16.54%	59.65%	81.56%	-0.46%	18.44%	2.10%	10.33%	-76.79%
<b>TOTAL UNDER \$100,000 CATEGORY</b>		<b>46.99%</b>		<b>10.36%</b>		<b>81.94%</b>		<b>18.06%</b>		<b>42.66%</b>	
<b>NYC CONTRIBUTION \$100,000 TO \$300,000</b>											
ASSISTANT DFP WARDENS/DFP WARDENS ASSOC AF	1	205.38%	0.00%	23.69%	0.00%	89.66%	0.00%	10.34%	0.00%	-129.06%	0.00%
<b>TOTAL \$100,000 TO \$300,000 CATEGORY</b>		<b>205.38%</b>		<b>23.69%</b>		<b>89.66%</b>		<b>10.34%</b>		<b>-129.06%</b>	
<b>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</b>											
CORRECTION CAPTAINS ASSOC ANNUITY FUND	4	99.36%	82.01%	13.71%	24.07%	87.87%	5.65%	12.13%	-27.93%	-13.07%	-138.03%
LOCAL 15, 16A, 16C (IUOE) OPERATING MUNI. ENGINEERS AF	117	28.25%	-48.25%	10.05%	-9.05%	73.76%	-11.31%	26.24%	55.91%	61.71%	79.65%
LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	127	34.53%	-36.75%	8.79%	-20.45%	79.71%	-4.16%	20.29%	20.56%	56.68%	64.91%
<b>TOTAL \$300,000 TO \$1 MILLION CATEGORY</b>		<b>54.59%</b>		<b>11.05%</b>		<b>83.17%</b>		<b>16.83%</b>		<b>34.37%</b>	
<b>NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION</b>											
LOCAL 444 SANITATION OFFICERS ANNUITY FUND	63	86.35%	156.84%	6.77%	26.07%	92.73%	7.55%	7.27%	-47.24%	6.88%	-88.72%
DOCTORS COUNCIL ANNUITY FUND	124	13.51%	-59.82%	4.01%	-25.33%	77.10%	-10.58%	22.90%	66.18%	82.48%	35.19%
LOCAL 300 SEIU CIVIL SERVICE FORUM ANNUITY FUND	125	17.61%	-47.62%	3.97%	-26.07%	81.60%	-5.36%	18.40%	33.53%	78.42%	28.54%
LOCAL 891(IUOE) ANNUITY FUND	126	18.81%	-44.05%	7.43%	38.38%	71.69%	-16.85%	28.31%	106.44%	73.76%	20.90%
LOCAL 246 SEIU NYC ANNUITY FUND	128	14.39%	-57.20%	3.88%	-27.75%	78.75%	-8.66%	21.25%	54.21%	81.72%	33.95%
<b>TOTAL \$1 MILLION TO \$3 MILLION CATEGORY</b>		<b>33.62%</b>		<b>5.37%</b>		<b>86.22%</b>		<b>13.78%</b>		<b>61.01%</b>	

## EXHIBIT E

SURVEY OF BENEFIT FUNDS  
BENEFIT FUND RATIOS  
2007

Page 5

NAME OF FUND	REF	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
ANNUITY FUNDS (cont'd)											
<u>NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION</u>											
CORRECTION OFFICERS' BENEVOLENT ASSOC AF	8	91.34%	144.09%	8.13%	113.39%	91.83%	1.18%	8.17%	-11.68%	0.63%	-99.10%
DETECTIVES ENDOWMENT ASSOC ANNUITY FUND	14	65.25%	74.37%	7.19%	88.71%	90.07%	-0.76%	9.93%	7.47%	27.66%	-53.11%
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC AF	76	43.54%	16.35%	2.03%	-46.72%	95.55%	5.28%	4.45%	-51.84%	54.43%	-7.38%
SUPERIOR OFFICERS COUNCIL (POLICE) AF	104	33.22%	-11.22%	3.23%	-15.22%	91.14%	0.42%	8.86%	-4.11%	63.66%	8.13%
SERGEANTS BENEVOLENT ASSOCIATION (POLICE) AF	112	27.08%	-27.63%	2.47%	-35.17%	91.65%	0.98%	8.35%	-9.83%	70.46%	19.87%
LOCAL 30A-D IUOE ENGINEERS ANNUITY FUND	114	25.07%	-33.00%	0.66%	-82.94%	97.48%	7.40%	2.52%	-72.73%	74.29%	26.41%
LOCAL 1180 CWA MEMBERS ANNUITY FUND	119	19.48%	-47.94%	2.96%	-22.31%	86.79%	-4.37%	13.21%	42.97%	77.56%	31.97%
DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	121	21.01%	-43.86%	7.60%	96.86%	73.69%	-18.81%	26.31%	184.74%	71.60%	21.66%
LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	123	15.53%	-68.50%	2.23%	-41.47%	87.43%	-3.87%	12.57%	36.04%	82.24%	39.94%
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY		37.42%		3.81%		90.76%		9.24%		58.77%	
<u>NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION</u>											
LOCAL 237 TEAMSTERS ANNUITY FUND	43	26.76%	-26.54%	3.15%	-4.26%	89.48%	-2.44%	10.52%	27.05%	70.09%	16.27%
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC AF	71	64.20%	48.78%	2.91%	-11.56%	94.91%	3.48%	6.09%	-38.53%	42.89%	-28.86%
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION AF	82	49.26%	35.22%	6.08%	84.80%	89.01%	-2.95%	10.99%	32.73%	44.66%	-25.91%
PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	95	27.87%	-23.50%	2.12%	-35.66%	92.93%	1.32%	7.07%	-14.61%	70.01%	16.14%
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY		38.43%		3.29%		91.72%		8.28%		60.28%	
<hr/>											
TOTAL ANNUITY FUNDS		37.32%		3.86%		90.62%		9.38%		58.82%	
<hr/>											
GRAND TOTAL		76.29%		6.63%		92.01%		7.99%		17.08%	

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**

**Trustee Representation Letter**

<b>DIRECTIVE REFERENCE</b>	<b>LEVEL I</b>	<b>LEVEL II</b>
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 <sup>1</sup>	Yes
5.3/9.2	Yes <sup>1</sup>	Yes
5.7	Yes	Yes
6.0	No	Yes

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

**APPENDIX A  
Comptroller's Directive #12**

- 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

<b>DIRECTIVE REFERENCE</b>	<b>LEVEL I</b>	<b>LEVEL II</b>
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 <sup>1</sup>	Yes
9.2	Yes <sup>1</sup>	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, 13<sup>th</sup> 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):			
<b>Total Administrative Expense</b>			
<b>Total Benefit Fund Revenue</b>			
<b>% Administrative/Revenue</b>			

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

**EXPLANATION OF EXPENSE CATEGORIES**

<b>EXPENSE CATEGORY</b>	<b>EXPENSES INCLUDED</b>
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

**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 _____		
<b>EMPLOYERS</b>	<b>NUMBER OF EMPLOYEE AND/OR RETIREE MEMBERS</b>	<b>CONTRIBUTION PER EMPLOYEE AND/OR RETIREE</b>
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**

**AREA**

**UNACCEPTABLE PRACTICE**

- 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

<u>AREA</u>	<u>UNACCEPTABLE PRACTICE</u>
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 2009**

<b><u>Report Number</u></b>	<b><u>Title</u></b>	<b><u>Date Issued</u></b>
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 2009**

<b><u>Report Number</u></b>	<b><u>Title</u></b>	<b><u>Date Issued</u></b>
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
7I 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 2009**

<b><u>Report Number</u></b>	<b><u>Title</u></b>	<b><u>Date Issued</u></b>
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 2009**

<b><u>Report Number</u></b>	<b><u>Title</u></b>	<b><u>Date Issued</u></b>
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 2009**

<b><u>Report Number</u></b>	<b><u>Title</u></b>	<b><u>Date Issued</u></b>
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
FL08-076A	Uniformed Probation Officers Association Welfare Fund	06/30/09
FL08-077A	Uniformed Probation Officers Association Retirement Welfare Fund	06/30/09

**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**  
**2007**  
**FUND NAME**

**AUDITING**

ANDREW L. HULT CPA, P.L.L.C.	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (AF)
ANDREW L. HULT CPA, P.L.L.C.	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (WF)
ANDREW L. HULT 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)
BUCHBINDER TUNICK & COMPANY LLP, CPA	CORRECTION OFFICERS BENEVOLENT ASSOCIATION (RWF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	CORRECTION OFFICERS BENEVOLENT ASSOCIATION (AF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	CORRECTION OFFICERS BENEVOLENT ASSOCIATION (WF/CLRF)
DANIEL E. JELINSKY, CPA	DOCTORS COUNCIL (RWF)
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)

**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**  
**2007**  
**FUND NAME**

**AUDITING (CONTINUED)**

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)
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	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 (WF/RWF/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/EF/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	LOCAL 1180 CWA MEMBERS (AF)
GOULD , KOBRICK & SCHLAPP, P.C., CPA	LOCAL 806 STRUCTURAL STEEL PAINTERS (AF)
GOULD , KOBRICK & SCHLAPP, P.C., CPA	NYS COURT OFFICER ASSOCIATIONS (RWF)

**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**

**2007**  
**FUND NAME**

**AUDITING (CONTINUED)**

GOULD , KOBRICK & SCHLAPP, P.C., CPA	Local 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF
GOULD , KOBRICK & SCHLAPP, P.C., CPA	Local 1183 CWA BOARD OF ELECTIONS BENEFIT FUND RWF
GOULD , KOBRICK & SCHLAPP, P.C., CPA	SURROGATES & SUPREME COURT REPORTERS ASSOCIATION (RWF)
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/EF)
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)
JOSEPH WARREN & CO.CPAs	HOUSE STAFF COMMITTEE OF INTERNS AND RESIDENS WF/LEGAL
JOSEPH WARREN & CO.CPAs	COMMITTEE OF INTERNS AND RESIDENTS EDUCATION FUND
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)

**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**  
**2007**  
**FUND NAME**

APPENDIX D  
(Page 4 of 9)

**AUDITING (CONTINUED)**

MARVIN PASTERNAK, C.P.A.	LOCAL 832 TEAMSTERS (WF)
NOVAK FRANCELLA, LLC, CPA	DISTRICT COUNCIL 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION LOCAL 1969 (AF)
NOVAK FRANCELLA, LLC, CPA	DC 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION LOCAL 1969 (WF/RWF)
NOVAK FRANCELLA, LLC, CPA	LOCAL 1 PLUMBING INDUSTRY (AF)
NOVAK FRANCELLA, LLC, CPA	LOCAL 333 UNITED MARINE DIVISION (RWF)
NOVAK FRANCELLA, LLC, CPA	LOCAL 333 UNITED MARINE DIVISION (WF)
NOVAK FRANCELLA, LLC, CPA	NYC DISTRICT COUNCIL OF CARPENTERS (WF)
NOVAK FRANCELLA, 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
ROCCO J. RICCIARDI, CPA	LOCAL 444 SANITATION OFFICERS (WF)
SCHULTHEIS & PANETTIERI, LLP,CPAs	LOCAL 30A-D INTERNATIONAL UNION OF OPERATING ENGINEERS (AF)
SCHULTHEIS & PANETTIERI, LLP, CPAs	LOCAL 15, 15A, 15C (IUOE) OPERATING MUNICIPAL ENGINEERS (AF)
SCHULTHEIS & PANETTIERI, LLP ,CPAs	LOCAL 14--14B IUOE (WF/RWF)
SCHULTHEIS & PANETTIERI, LLP ,CPAs	LOCAL 15, 15A, 15C OPERATING ENGINEERS (WF/RWF)
SCHULTHEIS & PANETTIERI, LLP ,CPAs	LOCAL 211 ALLIED BUILDING INSPECTORS (WF)
SCHULTHEIS & PANETTIERI, LLP ,CPAs	LOCAL 30A--C OPERATING MUNICIPAL ENGINEERS (WF/RWF)

**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**

**2007**  
**FUND NAME**

**AUDITING (CONTINUED)**

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 3 IBEW 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)
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 , LLC	LOCAL 246 SEIU (RWF)
WENDEL-WALOWITZ , LLC	LOCAL 246 SEIU (WF)
WENDEL-WALOWITZ , LLC	LOCAL 246, SEIU NYC (AF)

**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**  
**2007**  
**FUND NAME**

**LEGAL COUNSEL**

BARNES, IACCARINO, VIRGINIA, AMBER	PAVERS & ROAD BUILDERS DISTRICT COUNCIL (WF)
BARNES, IACCARINO, VIRGINIA, AMBER	LOCAL 1 PLUMBING INDUSTRY (AF)
BRADY, MCGUIRE, & STEINBERG, PC	LOCAL 15 , 15A, 15C 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 30A-C OPERATING MUNICIPAL ENGINEERS (WF/RWF)
GREENBERG BURZICHELLI GREENBERG P.C.	LOCAL 30A-D 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. O'DONNEL, SCHWARTZ, ET AL	UNITED PROBATION OFFICERS ASSOCIATION (WF)
JOEL GLANSTEIN, ESQ. O'DONNEL SCHWARTZ. ET AL	UNITED PROBATION OFFICERS ASSOCIATION (RWF)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 246, SEIU (RWF)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 246, SEIU (WF)



**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**  
**2007**  
**FUND NAME**

**LEGAL COUNCIL (CONTINUED)**

MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 246, SEIU NYC (AF)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 858 IBT, (OTB) BRANCH OFFICE MANAGERS WF
MICHAEL T. MURRAY P.C	PATROLMEN'S BENEVOLENT ASSOCIATION (AF)
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 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/EF/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)

**TYPE OF SERVICE**

**FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS**  
**2007**  
**FUND NAME**

**LEGAL COUNCIL (CONTINUED)**

O'DWYER & BERNSTEIN, LLP	NYC DISTRICT COUNCIL OF CARPENTERS (WF)
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	DOCTORS COUNCIL (AF)
RONALD SHECTMAN, ET AL	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (WF)
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 SECURITY BENEFIT FUND (WF/RWF/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**  
**2007**  
**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, LLP	LOCAL 211 ALLIED BUILDING INSPECTORS (WF)
TAUBMAN KIMELMAN & SOROKA,LLP	LOCAL 444 SANITATION OFFICERS (AF)
TAUBMAN KIMELMAN & SOROKA,LLP	LOCAL 444 SANITATION OFFICERS (RWF)
TAUBMAN KIMELMAN & SOROKA,LLP	LOCAL 444 SANITATION OFFICERS (WF)
WILLIAM I. SHUZMAN	LOCAL 40 IRON WORKERS (AF)
WILLIAM I. SHUZMAN	LOCAL 40 IRON WORKERS (WF)