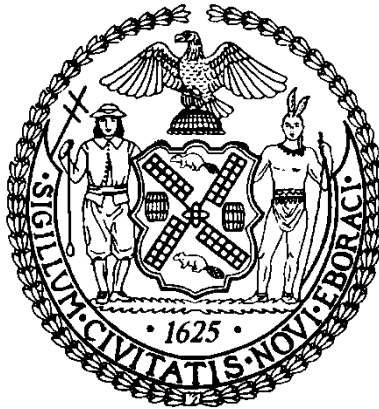


**CITY OF NEW YORK
OFFICE OF THE COMPTROLLER**

**John C. Liu
COMPTROLLER**

FINANCIAL AUDIT

**H. Tina Kim
Deputy Comptroller for Audit**



**Analysis of the
Financial and Operating Practices of
Union-Administered Benefit Funds
With Fiscal Years Ending in
Calendar Year 2008**

FM10-109S

December 30, 2010



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

John C. Liu
COMPTROLLER

December 30, 2010

To the Residents of the City of New York:

My office has analyzed the financial practices of 115 union-administered benefit funds that received approximately \$1.13 billion in City contributions during 2008. Benefit funds provide City employees, retirees, and dependents with a variety of supplemental health benefits not provided under City-administered health insurance plans.

The purpose of this report is to provide a comparative analysis of the overall financial activities of union-administered benefit funds that receive City contributions. The individual analyses contained in this report 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.

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

- 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 expenses of certain funds exceeded their revenues, resulting in operating deficits. Operating deficits could deplete fund reserves, which could ultimately lead to insolvency.

This report contains six recommendations that were addressed to the funds' trustees and three recommendations to the Office of Labor Relations.

If you have any questions concerning this report, please e-mail my audit bureau at audit@Comptroller.nyc.gov.

Sincerely,

A handwritten signature in black ink that reads "JCL".

John C. Liu

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

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REPORT IN BRIEF

The purpose of this report is to provide comparative analysis of the overall financial activities of 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 \$1.13 billion to the 115 union-administered annuity, active, and retiree welfare funds with fiscal years ending during calendar year 2008. 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 \$765 to \$2,344 per employee during 2008.

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 provides 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 report comprises 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 2008. 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 for 115 funds that received City contributions during 2008. 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 a Directive #12 filing since 2005. (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 77 of the 115 funds that received City contributions during each fund's 2008 fiscal year (most of the funds' fiscal years ended in either June or December of 2008), approximately \$1.04 billion in total. Thirty-eight 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.

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, three funds with fiscal year-ends different from their associated welfare funds, one fund that operated less than 12 months, and three fund mergers that occurred during calendar year 2008, were not included in either the computation of category averages or in the financial analyses since they would have distorted the results. In addition, 15 funds were excluded because they incurred substantial losses on their investments that offset their total revenue (putting their revenue in "negative" terms and making a calculation of ratios impossible). Furthermore, two funds were also 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.

As of the end of their 2008 fiscal years, the welfare funds' net assets available for 82 plan benefits totaled \$1.6 billion, and the 31 annuity funds had a net fund balance of approximately \$4.8 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 an indication that these expenses were reduced. Some of the funds cited in our 2007 report for spending higher-than-average amounts on administration remain in that same category in 2008, while other funds were added to this category because their administrative costs increased in 2008. In 2008, \$82.2 million (7.64 percent) of total revenue for all funds was spent on administration, as compared to \$85.5 million (6.63 percent) spent on administration in 2007. 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 13 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 2008, 27 of 65 active and retiree welfare funds in our analysis incurred operating deficits totaling \$31.8 million, which reduced their available reserves. The deficits ranged from \$8,746 to \$12.9 million.

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

- 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 expenses of certain funds exceeded their revenues, resulting in operating deficits. Operating deficits could deplete fund reserves, which could ultimately lead to insolvency.

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	\$7,291,955	\$7,095,548	\$196,407	\$444,364	6.09%	\$6,651,184	91.21%	\$(695,515)	I	I	I
United Probation Officers Association RWF	590,066	800,473	(210,407)	240,733	40.80	559,740	94.86	333,534	56.52	158.52	ST
United Probation Officers Association WF	1,177,403	1,805,911	(628,508)	507,178	43.08	1,298,733	110.30	1,166,185	99.05	185.55	ST
NYC Deputy Sheriffs Association RWF	49,145	91,834	(42,689)	3,500	7.12	88,334	179.74	102,807	209.19	240.83	MT
NYC Deputy Sheriffs Association WF	166,065	214,395	(48,330)	3,770	2.27	210,625	126.83	122,396	73.70	253.25	MT
Local 300 Civil Service Forum WF	1,466,433	1,715,070	(248,637)	179,640	12.25	1,535,430	104.71	1,099,026	74.95	442.02	LT
Local 237 Teamsters WF	25,222,600	38,212,036	(12,989,436)	3,038,547	12.05	35,173,489	139.45	60,649,641	240.46	466.92	LT
Superior Officers Council (Police) WF/CLRF	4,187,239	4,965,833	(778,594)	282,786	6.75	4,683,047	111.84	3,923,192	93.69	503.88	LT
DC 9 Painting Industry WF/RWF (Local 1969)	1,562,116	2,102,866	(540,750)	137,907	8.83	1,964,959	125.79	2,879,489	184.33	532.50	LT
Local 854 Uniformed Fire Officers Association.RWF	8,927,148	8,642,892	284,256	347,771	3.90	8,295,121	92.92	3,385,198	37.92	-	N
Local 371 Social Service Employees WF	28,315,275	27,531,887	783,838	2,838,397	10.02	24,693,490	87.21	9,409,531	33.23	-	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. (It should be noted that subsequent to the scope of this review, House Staff Committee of Interns and Residents Welfare Fund and Local 237 Teamsters Welfare Fund began providing benefits on a member's first day of employment beginning June 2009 and April 2010, respectively.)

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 77 funds reviewed, 17 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 17 funds as well as the specific issues raised in the CPA reports are detailed on pages 37 to 39 of this report.)

Consolidation of Professional Services

Most funds receiving City contributions enter into contracts with various professional providers for services such as accounting-auditing and legal counsel. Many funds use the same professional service provider for similar services. (Appendix D lists the funds using the same providers for similar professional services.) Trustees of funds using the same providers for similar services may reduce their funds' administrative expenses by negotiating future contracts jointly.

Late Submission of Directive #12 Reports

In 2008, 75 of the 113 funds (66.4 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 1985–2010, the Comptroller's Office issued 85 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 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.
- 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. At a minimum, trustees should use the Comptroller's prequalified list of CPAs for accounting and auditing services.
- 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 2008, the annual contributions to 115 union-administered welfare funds ranged from \$765 to \$2,344 per employee per year. The aggregate annual cost to the City (including contributions to annuity funds) was approximately \$1.13 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.

Seventeen funds received between \$1 million and \$3 million in City contributions in 2008, and 39 funds received more than \$3 million each. Of the 39 funds receiving more than \$3 million, 21 funds received more than \$10 million each from the City, accounting for approximately 79 percent of the City's contributions to benefit funds in 2008, as shown on Table I on the next page.

Table I
Funds Receiving More Than \$10 Million* in City Contributions in 2008

<u>Fund Name</u>	<u>Total Revenue</u>	<u>NYC Contributions**</u>
Local 2 United Federation of Teachers WF	\$307,913,139	\$299,212,289
District Council 37 WF	259,807,008	239,050,712
Patrolmen's Benevolent Association WF	42,143,020	36,784,213
Patrolmen's Benevolent Association RWF	39,177,569	34,065,336
Professional Staff Congress CUNY WF/RWF	35,729,104	33,117,955
Local 237 Teamsters WF	25,222,600	30,569,673
Local 371 Social Service Employees WF	28,315,725	27,825,797
Local 1180 CWA Municipal Management WF	13,855,620	17,237,381
Sergeants Benevolent Association (Police) WF/RWF	17,891,793	17,223,657
Local 94 Uniformed Firefighters Association RWF	19,976,804	16,587,814
Detectives Endowment Association RWF	15,548,323	16,157,262
Corrections Officers Benevolent Association WF	15,124,976	14,929,095
Local 237 Teamsters RWF	18,621,757	14,868,573
Local 94 Uniformed Firefighters Association WF	16,230,094	14,005,098
Local 831 Uniformed Sanitationmen's Association RWF	14,606,398	13,779,883
New York State Nurses Association WF	13,282,080	13,350,813
Patrolmen's Benevolent Association AF	6,567,199	12,323,890
Local 1180 CWA Municipal Management RWF	9,604,392	11,275,620
Organization of Staff Analysts WF	10,429,281	10,707,263
Local 831 Uniformed Sanitationmen's Association AF	12,994,501	10,488,178
Local 1 Council of Supervisors & Admin. RWF	<u>9,337,245</u>	<u>10,150,139</u>
Total	<u>\$932,378,628</u>	<u>\$893,710,641</u>

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

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

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

We categorized the 115 funds covered in this report by size, as follows:

Table II
Number and Categories of Benefit Plans in Survey

<u>NYC Contributions</u>	<u>Active and Retiree Plans</u>	<u>Annuity</u>	<u>Total</u>
Less than \$100,000	2	0	2
\$100,000 to \$300,000	6	1	7
\$300,000 to \$ 1 million	9	3	12
\$1 million to \$3 million	17	0	17
\$3 million to \$10 million	12	6	18
\$10 million to \$20 million*	12	2	14
More than \$20 million*	7	0	7
Funds excluded from this analysis because they would have distorted the results	<u>19</u>	<u>19</u>	<u>38</u>
Total	<u>84</u>	<u>31</u>	<u>115</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 39 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 \$998.9 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.)

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

Oversight Mechanisms

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

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

In 1977, the Comptroller's Office 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 2008, 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 77 union-administered active and retiree welfare, education, and annuity funds that received City contributions during the Funds' Fiscal Year 2008.

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

Scope of Analysis

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. This report is based upon Fiscal Year 2008 financial reports and other information filed by the various funds with the City Comptroller's Office, as required by Comptroller's Directive #12.

We reviewed the financial information provided for 115 funds that received City contributions during Fiscal Year 2008. 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 a Directive #12 filing since 2005. (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 77 of 115 funds, which received approximately \$1.04 billion in total City contributions during each fund's 2008 fiscal year (most of the funds' fiscal years ended in either June or December of 2008). Thirty-eight 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 or incurred substantial losses on their investments that offset their total revenue (putting their revenue in "negative" terms and making a calculation of ratios impossible).

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 2008, about \$82.2 million (7.64 percent) of total revenue was spent on administering the funds as compared to \$85.5 million (6.63 percent) in 2007. The largest single component—salaries for administrative and clerical staff totaling \$34.7 million—represented 42.28 percent of total administrative expenses in 2008. Other major administrative expenses included \$7.7 million for rent, \$9.9 million for office expenses, \$705,236 for insurance retention charges, \$3.4 million for investment and custodial services, \$15.4 million for consultant services, and \$3.3 million for legal, accounting, and auditing services.

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

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

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

Current funds' agreements 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 77 funds on administrative costs and the range of such percentages in 2008.

Table III
Average Amount and Percentage of Total Revenue
Spent by 77 Funds on Administration

<u>City Revenue</u>	<u>Insured Active and Retiree Welfare Funds</u>			<u>Self-Insured Active and Retiree Welfare Funds</u>			<u>Annuity Funds</u>		
	<u>Number^(A)</u>	<u>Amount</u>	<u>Percent</u>	<u>Number</u>	<u>Amount</u>	<u>Percent</u>	<u>Number</u>	<u>Amount</u>	<u>Percent</u>
Less than \$100,000	(1)	\$ 3,500	7.12%	(1)	\$ 25,761	26.11%	(0)	N/A	N/A
\$100,000 to \$300,000	(1)	3,770	2.27	(5)	24,821	12.08	(1)	\$ 0*	N/A
\$300,000 to \$1 million	(2)	80,428	20.26	(7)	128,223	18.41	(3)	96,587	14.50%
\$1 million to \$3 million	(0)	N/A	N/A	(17)	208,874	12.20	(0)	N/A	N/A
\$3 million to \$10 million	(0)	N/A	N/A	(12)	547,037	8.46	(6)	319,679	7.08
\$10 million to \$20 million	(0)	N/A	N/A	(12)	1,190,181	8.18	(2)	637,777	6.52
More than \$20 million	(0)	N/A	N/A	(7)	7,582,066	7.19	(0)	N/A	N/A
Overall Average 2008	(4)	\$42,032	16.66%	(61)	\$1,287,203	7.66%	(12)	\$290,282	7.16%
Overall Average 2007	(4)	\$25,573	10.43%	(66)	\$1,145,413	7.30%	(24)	\$409,578	3.86%

N/A – Not Applicable

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

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

Table IV
Ranges of Percentages of Total Revenue
Spent by 77 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	7.12%	26.11%	N/A
\$100,000 to \$300,000	2.27	7.53 to 15.47	0.00%*
\$300,000 to \$1 million	18.70 to 22.38	12.75 to 40.80	9.79 to 16.23
\$1 million to \$3 million	N/A	5.29 to 43.08	N/A
\$3 million to \$10 million	N/A	3.43 to 14.46	2.71 to 61.48
\$10 million to \$20 million	N/A	3.13 to 19.12	4.09 to 11.33
More than \$20 million	N/A	3.89 to 12.05	N/A
Overall Average 2008	16.66%	7.66%	7.16%
Overall Average 2007	10.43%	7.30%	3.86%

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 spent a significant percentage of their revenue on administrative expenses.

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

<u>Fund Name</u>	<u>Category Average</u>	<u>Fund</u>	<u>Percentage Deviation from Category Average</u>
<u>\$300,000 to \$1Million</u>			
Local 333 United Marine Division RWF	20.26%	22.38%	10.46%
Local 333 United Marine Division WF*	20.26%	18.70%	**

* This fund incurred higher than average administrative costs in 2007.

** The \$300,000 to \$1 million category only contained two funds—both with significantly high administrative expenses. The percent deviation from the category average was excluded because the result would have been a negative percentage.

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

<u>Fund Name</u>	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation from Category Average</u>
<u>Under \$100,000</u>			
Local 306 Municipal Employees WF*	26.11	26.11	N/A
<u>\$300,000 to \$1 million</u>			
United Probation Officers Association RWF*	18.41	40.80	121.62
<u>\$1 million to \$3 million</u>			
United Probation Officers Association WF*	12.20	43.08	253.11
Doctors Council WF*	12.20	19.23	57.62
Local 891 School Custodian & Custodian Engineers WF/RWF*	12.20	18.48	51.48
Local 3 IBEW Electricians WF	12.20	18.02	47.70
<u>\$3 million to \$10 million</u>			
House Staff Committee of Interns & Residents WF*	8.46	14.46	70.92
Local 1182 CWA Security Benefit Fund WF/RWF*	8.46	14.17	67.49
Detectives Endowment Association WF	8.46	14.01	65.60
Local 831 Uniformed Sanitationmen's Assoc. WF	8.46	12.31	45.51
<u>\$10 Million to \$20 million</u>			
Local 1180 CWA Municipal Management WF*	8.18	19.12	133.74
Local 1180 CWA Municipal Management RWF*	8.18	17.66	115.89
Local 1 Council of Supervisors & Admin. WF	8.18	11.67	42.67
<u>Over \$20 million</u>			
Local 237 Teamsters WF	7.19	12.05	67.59
Local 371 Social Service Employees WF	7.19	10.02	39.36

N/A – Not Applicable

*These funds also incurred higher-than-average administrative costs in 2007.

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 Expense Percentages</u>		<u>Percentage Increase</u>
	<u>2007</u>	<u>2008</u>	
Local No. 5 Municipal Employees Benefit Trust Fund	2.46%	7.53%	206.10%
Detectives Endowment Association WF	7.39	14.01	89.58
Local 1183 CWA Board of Elections Benefit Fund WF	7.34	13.45	83.24
United Probation Officers Association RWF	27.95	40.80	45.97
District No. 1 MEBA Beneficial Fund Trust WF/AF	7.70	11.17	45.06
Detectives Endowment Association RWF	4.90	6.59	34.49
Local 3 IBEW Electricians RWF	11.01	14.72	33.70
Local 211 Allied Building Inspectors WF	8.52	11.27	32.28
Local 300 Civil Service Forum RWF	11.88	14.81	24.66
Local 891 School Custodian & Custodian Engineers WF/RWF	15.32	18.48	20.63
Local 306 Municipal Employees WF	22.14	26.11	17.93
Local 14A-14B IUOE WF/RWF	9.61	11.13	15.82

Without full audits of the individual funds, it is impossible to determine why these funds' administrative costs increased in 2008.

**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 2008.

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

<u>Fund Name</u>	<u>Administrative Expense Percentages</u>		
	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation from Category Average</u>
<u>\$100,000 to \$300,000</u>			
NYC Deputy Sheriffs Association WF*	2.27%	2.27%	N/A

N/A – Not Applicable

*This fund also had lower than average administrative costs in 2007.

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

<u>Fund Name</u>	<u>Administrative Expense Percentages</u>		
	<u>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation from Category Average</u>
<u>\$100,000 to \$300,000</u>			
Local No. 5 Municipal Employees Benefit Trust Fund*	12.08%	7.53%	(37.67%)
<u>\$300,000 to \$1Million</u>			
Assistant Deputy Wardens/ DEP Wardens WF/ RWF	18.41	12.75	(30.74)
<u>\$1 million to \$3 million</u>			
Local 444 Sanitation Officers WF*	12.20	5.29	(56.64)
Correction Captains Association RWF*	12.20	5.30	(56.56)
Correction Captains Association WF/RWF	12.20	7.52	(38.36)
Local 246 SEIU RWF	12.20	7.96	(34.75)
Local 246 SEIU WF	12.20	8.44	(30.82)
<u>\$3 million to \$10 million</u>			
Correction Officer's Benevolent Association RWF	8.46	3.43	(59.46)
Local 854 Uniformed Fire Officers Association RWF*	8.46	3.90	(53.90)
Local 854 Uniformed Fire Officers Association WF*	8.46	4.56	(46.10)
<u>\$10 million to \$20 million</u>			
Local 831 Uniformed Sanitationmen's Association RWF*	8.18	3.13	(61.74)
Local 94 Uniformed Firefighters Assoc. RWF*	8.18	3.75	(54.16)
Local 94 Uniformed Firefighters Assoc. WF	8.18	5.41	(33.86)
<u>Over \$20 million</u>			
Professional Staff Congress CUNY WF/RWF*	7.19	3.89	(45.90)

*These funds also had lower than average administrative costs in 2007.

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 two funds that significantly reduced the percentage of their revenues spent on administration. These funds reduced their administrative expense percentages between 23.03 and 45.90 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>2007</u>	<u>2008</u>	
Doctors Council RWF	23.53%	18.11%	(23.03%)
Correction Officers Benevolent Association RWF	6.34	3.43	(45.90)

*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 12 annuity funds covered in this report separately from those amounts calculated for active and retiree welfare funds. Table XI highlights 4 of the 12 annuity funds with high administrative cost-to-revenue ratios.

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>
Local 1180 CWA	7.08%	61.48%	768.36%
District Council 37*	7.08	20.97	196.19
Patrolmen's Benevolent Association	6.52	11.33	73.77
Local 246 SEIU	7.08	11.58	63.56

*This fund also incurred significantly higher-than average administrative costs in 2007.

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

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

<u>Revenue Category</u>	<u>Administrative as a Percentage of</u>			
	<u>Insured Active and Retiree Welfare Funds</u>		<u>Self-Insured Active and Retiree Welfare Funds</u>	
	<u>Total Expenses</u>	<u>Total Revenue</u>	<u>Total Expenses</u>	<u>Total Revenue</u>
Less than \$100,000	3.81%	7.12%	22.61%	26.11%
\$100,000 to \$300,000	1.76	2.27	13.04	12.08
\$300,000 to \$1 million	20.39	20.26	18.61	18.41
\$1 million to \$3 million	N/A	N/A	12.29	12.20
\$3 million to \$10 million	N/A	N/A	8.23	8.46
\$10 million to \$20 million	N/A	N/A	8.37	8.18
More than \$20 million	<u>N/A</u>	<u>N/A</u>	<u>7.40</u>	<u>7.19</u>
Overall Average	<u>15.35%</u>	<u>16.66%</u>	<u>7.84%</u>	<u>7.66%</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	179.74%	89.36%
\$100,000 - \$300,000	126.83	80.54
\$300,000 - \$1 million	79.07	80.52
\$1 million - \$3 million	N/A	87.04
\$3 million - \$10 million	N/A	94.32
\$10 million - \$20 million	N/A	89.63
More than \$20 million	N/A	89.89
Overall Average (Not Weighted)	<u>91.83%</u>	<u>90.05%</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, NYC Deputy Sheriffs Association WF 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>Category Average</u>	<u>Actual</u>	<u>Percentage Deviation from Category Average</u>
NYC Deputy Sheriffs Association RWF	179.74%	179.74%	N/A
Detectives Endowment Association WF*	94.32	147.61	56.50%
Local 237 Teamsters WF*	89.89	139.45	55.13
NYC Deputy Sheriffs Association WF*	126.83	126.83	N/A
DC 9 Painting Industry WF/RWF (Local 1969)*	87.04	125.79	44.52
District No. 1 MEBA Beneficial Fund Trust WF/AF	80.54	125.50	55.82
Local 3 IBEW Electricians WF	87.04	114.98	32.10
Local 211 Allied Building Inspectors WF*	87.04	112.68	29.46
Superior Officers Council (Police) WF*	94.32	111.84	18.58
United Probation Officers Association WF*	87.04	110.30	26.72
Local 1180 CWA Municipal Management RWF	89.63	108.72	21.30
Local 1180 CWA Municipal Management WF	89.63	107.98	20.47
Local 300 Civil Service Forum WF	87.04	104.71	20.30

N/A – Not Applicable

*These funds also spent more than the category average in 2007.

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 14A-14B IUOE WF/RWF*	80.54%	46.64%	(42.09%)
Organization of Staff Analysts WF*	89.63	64.98	(27.50)
Local 246 SEIU RWF*	87.04	64.67	(25.70)
Local 237 Teamsters RWF*	89.63	68.20	(23.91)
1199 SEIU Licensed Practical Nurses WF*	87.04	67.59	(22.35)

*These funds also spent less than the category average in 2007.

The benefit expenses for the 13 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>2007 - 2008 Percentage Decrease in Reserve</u>	<u>Ending Fund Balance 2008</u>
<u>Under \$100,000</u>					
NYC Deputy Sheriffs Association RWF*	\$49,145	\$88,334	179.74%	29.34%	\$102,807
<u>\$100,000 to \$300,000</u>					
NYC Deputy Sheriffs Association WF	166,065	210,625	126.83	37.47	122,396
District No. 1 MEBA Bene. Fund Trust WF*	184,353	231,360	125.50	7.76	803,845
<u>\$1 Million to \$3 Million</u>					
Local 3 IBEW Electricians WF*	1,218,305	1,400,793	114.98	6.91	5,546,490
Local 211 Allied Building Inspectors WF*	1,341,652	1,511,791	112.68	5.51	5,508,055
United Probation Officers Association WF	1,177,403	1,298,733	110.30	35.02	1,166,185
Local 300 Civil Service Forum WF	1,466,433	1,535,430	104.71	19.05	1,099,026
DC 9 Painting Industry WF/RWF (Local 1969)	1,562,116	1,964,959	125.79	15.81	2,879,489
<u>\$3 Million to \$10 Million</u>					
Superior Officers Council (Police) WF	4,187,239	4,683,047	111.84	16.72	3,923,192
Detectives Endowment Association WF*	6,088,734	8,987,577	147.61	16.40	19,329,448
<u>\$10 Million to \$20 Million</u>					
Local 1180 CWA Municipal Mgmt WF	13,855,620	14,961,697	107.98	19.35	15,196,459
Local 1180 CWA Municipal Mgmt RWF*	9,604,392	10,441,967	108.72	12.87	25,087,686
<u>Over \$20 Million</u>					
Local 237 Teamsters WF*	25,222,600	35,173,489	139.45	12.27	60,649,641

* These funds also had high reserves (fund balances) in relation to annual revenue (see Tables XVIII and 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 Retiree Welfare Funds</u>		<u>Self-Insured Active and Retiree Welfare Funds</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Less than \$100,000	\$102,807	209.19%	\$ 194,298	196.95%
\$100,000 - \$300,000	122,396	73.70	636,349	309.70
\$300,000 - \$1 million	642,056	161.70	1,763,772	253.22
\$1 million - \$3 million	N/A	N/A	3,197,021	186.76
\$3 million - \$10 million	N/A	N/A	8,173,178	126.37
\$10 million - \$20 million	N/A	N/A	16,901,922	116.23
More than \$20 million	N/A	N/A	78,327,885	74.26
 	<hr/>			
Overall Average	\$377,329	149.53%	\$15,069,970	89.64%
	<hr/> <hr/>			

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 three funds with excess reserves. (See Exhibit B.) The three 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 333 United Marine Division RWF	\$795,457	236.60%
NYC Deputy Sheriffs Association RWF*	102,807	209.19
Local 333 United Marine Division WF	488,654	106.71

*These funds were also identified as having more than 100 percent of reserves to total revenue in 2007.

Using 200 percent of total annual revenue as a reasonable level for reserves for self-insured funds, we identified 20 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*	\$ 5,590,838	857.76%
Local 14A-14B IUOE WF/RWF	983,788	621.27
Local No. 5 Municipal Employees Benefit Trust Fund	286,165	498.93
Local 3 IBEW Electricians WF*	5,546,490	455.26
District No. 1 MEBA Beneficial Fund Trust WF/AF*	803,845	436.04
Local 211 Allied Building Inspectors WF*	5,508,055	410.54
Doctors Council WF*	5,352,246	329.23
Local 444 Sanitation Officers RWF*	10,647,294	326.83
Detectives Endowment Association WF*	19,329,448	317.46
NYC Municipal Plumbers & Pipefitters WF*	4,102,167	314.75
Doctors Council RWF*	2,559,708	264.56
Local 3 IBEW City Employees WF*	841,179	264.16
Local 1180 CWA Municipal Management RWF*	25,087,686	261.21
1199 SEIU Licensed Practical Nurses WF*	5,577,535	252.80
Local 237 Teamsters WF	60,649,641	240.46
Local 94 Uniformed Firefighters Association WF	35,066,617	216.06
Local 854 Uniformed Fire Officers Association WF*	10,237,782	214.22
Local 858 IBT, (OTB) Branch Office Managers WF	632,245	209.47
Organization of Staff Analysts WF	21,816,068	209.18
Local 3 IBEW Electricians RWF*	1,927,397	200.61

*These funds were also identified as having more than 200 percent of reserves to total revenue in 2007.

OPERATING DEFICITS

In 2008, 27 of the 65 active and retiree welfare funds in our analysis incurred operating deficits totaling \$31.8 million, as shown in Table XX. The deficits ranged from \$8,746 to approximately \$12.9 million. One fund, the United Probation Officers Association RWF, depleted its reserves by as much as 38.68 percent as of December 31, 2008.

Table XX
Funds with Operating Deficits and Declining Reserves

<u>FUND NAME</u>	2008 Operating <u>Deficit</u>	2008 <u>Reserves</u>	2007 <u>Reserves</u>	2007–2008 Percentage Decrease in <u>Reserves</u>
Local 237 Teamsters WF	\$12,989,436	\$60,649,641	\$69,135,610	(12.27%)
Local 1180 CWA Municipal Management WF	3,755,389	15,196,459	18,843,532	(19.35)
Detectives Endowment Association WF	3,751,898	19,329,448	23,122,277	(16.40)
Local 1180 CWA Municipal Management RWF	2,533,387	25,087,686	28,794,250	(12.87)
Patrolmen's Benevolent Association RWF*	2,156,723	23,267,092	25,423,815	(8.48)
Detectives Endowment Association RWF	963,689	16,685,459	17,752,472	(6.01)
Superior Officers Council (Police) WF*	778,594	3,923,192	4,710,869	(16.72)
Professional Staff Congress CUNY WF/RWF	647,992	37,628,658	38,276,650	(1.69)
Local 1 Council of Supervisors & Admin. RWF*	640,557	12,884,464	13,525,021	(4.74)
United Probation Officers Association WF*	628,508	1,166,185	1,794,693	(35.02)
DC 9 Painting Industry WF/RWF (Local 1969)*	540,750	2,879,489	3,420,239	(15.81)
Local 3 IBEW Electricians WF	401,973	5,546,490	5,957,967	(6.91)
Sergeants Benevolent Association (POLICE)WF/RWF	334,272	18,588,232	18,922,504	(1.77)
Local 1 Council of Supervisors & Admin. WF*	325,974	12,550,089	12,876,063	(2.53)
Local 211 Allied Building Inspectors WF	321,302	5,508,055	5,829,357	(5.51)
Local 300 Civil Service Forum WF	248,637	1,099,026	1,357,741	(19.05)
United Probation Officers Association RWF*	210,407	333,534	543,941	(38.68)
Local 3 IBEW Electricians RWF	131,553	1,927,397	2,116,982	(8.96)
Local 891 School Custodian & Custodian Engineers WF/RWF	126,196	3,288,433	3,439,646	(4.40)
Local 444 Sanitation Officers RWF	107,364	10,647,294	10,747,304	(0.93)
District No. 1 MEBA Bene. Fund Trust WF/AF	67,601	803,845	871,446	(7.76)
NYC Deputy Sheriffs Association WF	48,330	122,396	195,726	(37.47)
NYC Deputy Sheriffs Association RWF	42,689	102,807	145,496	(29.34)
Local 15, 15A, 15C Operating Engineers WF/RWF*	36,302	5,590,838	5,627,140	(0.65)
Local 333 United Marine Division RWF*	16,953	795,457	812,410	(2.09)
Local 306 Municipal Employees WF	15,266	194,298	209,564	(7.28)
Doctors Council WF	<u>8,746</u>	<u>5,352,246</u>	<u>5,360,992</u>	<u>(0.16)</u>
Total	\$31,830,488	\$291,148,210	\$319,813,707	(8.96%)

* These funds also incurred operating deficits and declining reserves in 2007.

We identified insured and self-insured welfare funds that are either insolvent or have significantly low levels of reserves in relation to their category average. 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 may have current or 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*	\$196,407	(\$695,515)	(9.54%)	126.37%	(107.55%)
Local 831 Uniformed Sanitationmen's Association RWF	483,993	4,664,695	31.94	116.23	(72.52)
Local 371 Social Service Employees WF	783,838	9,409,531	33.23	74.26	(55.25)
Local 854 Uniformed Fire Officers Association RWF*	284,256	3,385,198	37.92	126.37	(69.99)
United Probation Officers Association RWF	(210,407)	333,534	56.52	253.22	(77.68)

*Indicates those funds whose expenses exceeded revenue in 2007.

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 2008, the 65 active and retiree welfare funds in our survey had revenue totaling \$1.03 billion. Expenses for these funds totaled \$1 billion—\$78.7 million for fund administration and \$924.4 million for benefits to members. The \$23.4 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>
United Probation Officers Association WF	\$1,177,403	12.20%	43.08%	87.04%	110.30%
United Probation Officers Association RWF	590,066	18.41	40.80	80.52	94.86
Local 306 Municipal Employees WF	98,651	26.11	26.11	89.36	89.36
Local 14A-14B IUOE WF/RWF*	158,352	12.08	11.13	80.54	46.64
Local 246 SEIU RWF	1,638,931	12.20	7.96	87.04	64.67
Organization of Staff Analysts WF	10,429,281	8.18	9.78	89.63	64.98
1199 SEIU Licensed Practical Nurses WF	2,206,293	12.20	9.87	87.04	67.59
Doctors Council RWF	967,529	18.41	18.11	80.52	69.79

* This fund also had high administrative costs and/or low expenditures for benefits in 2007.

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	\$7,291,955	\$7,095,548	\$196,407	\$444,364	6.09%	\$6,651,184	91.21%	\$(695,515)	I	I	I
United Probation Officers Association RWF	590,066	800,473	(210,407)	240,733	40.80	559,740	94.86	333,534	56.52	158.52	ST
United Probation Officers Association WF	1,177,403	1,805,911	(628,508)	507,178	43.08	1,298,733	110.30	1,166,185	99.05	185.55	ST
NYC Deputy Sheriffs Association RWF	49,145	91,834	(42,689)	3,500	7.12	88,334	179.74	102,807	209.19	240.83	MT
NYC Deputy Sheriffs Association WF	166,065	214,395	(48,330)	3,770	2.27	210,625	126.83	122,396	73.70	253.25	MT
Local 300 Civil Service Forum WF	1,466,433	1,715,070	(248,637)	179,640	12.25	1,535,430	104.71	1,099,026	74.95	442.02	LT
Local 237 Teamsters WF	25,222,600	38,212,036	(12,989,436)	3,038,547	12.05	35,173,489	139.45	60,649,641	240.46	466.92	LT
Superior Officers Council (Police) WF/CLRF	4,187,239	4,965,833	(778,594)	282,786	6.75	4,683,047	111.84	3,923,192	93.69	503.88	LT
DC 9 Painting Industry WF/RWF (Local 1969)	1,562,116	2,102,866	(540,750)	137,907	8.83	1,964,959	125.79	2,879,489	184.33	532.50	LT
Local 854 Uniformed Fire Officers Association.RWF	8,927,148	8,642,892	284,256	347,771	3.90	8,295,121	92.92	3,385,198	37.92	-	N
Local 371 Social Service Employees WF	28,315,275	27,531,887	783,838	2,838,397	10.02	24,693,490	87.21	9,409,531	33.23	-	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.² Thus, these funds are delaying the eligibility of their members for benefits. Consequently, members or their dependents who may be in need of benefits during the fund waiting periods are precluded from obtaining such benefits.

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

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

Subsequent to the scope of this review, House Staff Committee of Interns and Residents Welfare Fund began providing benefits on a member's first day of employment effective June 2009. Local 237 Teamsters Welfare Fund began providing benefits on a member's first day of employment effective April 2010. We commend OLR for taking action and recommend that it should take appropriate action, such as delaying the contributions made by the City to District Council 9 Painting Industry Welfare Fund which remains out of compliance with their Welfare Fund Agreement.

CPA Opinions

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

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

Sixty of the 77 funds reviewed received unqualified opinions, 16 funds received qualified opinions, and one fund received adverse opinions from their independent auditors. The financial statements for 16 of the 17 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	Due to the inadequacy of the New York City retroactive contributions records prior to January 1, 2002, the auditors were unable to form an opinion regarding employer contributions income for the year ended December 31, 2002, or the amounts of employer contributions receivable reported at December 31, 2007.
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 its 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 its 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 its financial statements.
Detectives Endowment Association RWF	Qualified	The Fund excluded post-retirement benefit obligations from its 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 its 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 its 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 its financial statements. The effects of such omission are presumed to be material.

FUND	OPINION	COMMENTS
DC 37 WF	Qualified	The Fund excluded relevant reporting requirements of financial reporting for post-employment benefit plans other than pension plans from its financial statements
CWA Local 1183 Board of Elections Benefit Fund WF/RWF	Qualified	The Fund excluded post-retirement benefit obligations from its financial statements. The effects of such omission are presumed to be material.
Local 237 Teamsters WF	Qualified	The Fund excluded the benefit staff pension plan and the post-retirement staff health care plan from its financial statements.
Local 237 Teamsters RWF	Qualified	The Fund excluded post-retirement benefit obligations, the benefit staff pension plan, and post-retirement staff health care plan from its financial statements.
Local 300 Civil Service Forum RWF	Adverse	The Fund excluded post-retirement benefit obligations from its 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 36 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 2008, 75 of the 113 funds (66.4 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. 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.

Our analysis found that two funds (Fire Alarm Dispatchers Benevolent Association WF 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; 10 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; 22 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 30 funds submitted their Directive #12 reports less than three months after their due dates. Table XXIV list 23 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>
Local 831 Uniformed Sanitationmen's Association AF	03/31/08	12/31/08	03/09/10	433 Days
Fire Alarm Dispatchers Benevolent Association WF	06/30/08	03/31/09	04/09/10	374 Days
NYC District Council of Carpenters WF	06/30/08	03/31/09	03/29/10	363 Days
NYC District Council of Carpenters AF	06/30/08	03/31/09	03/29/10	363 Days
Patrolmen's Benevolent Association (CLRF)	06/30/08	03/31/09	03/26/10	360 Days
New York State Nurses Association WF	06/30/08	03/31/09	03/25/10	359 Days
Local 831 Uniformed Sanitationmen's Association RWF	06/30/08	03/31/09	03/10/10	344 Days
Local 831 Uniformed Sanitationmen's Association WF	06/30/08	03/31/09	03/11/10	345 Days
Sergeants Benevolent Association (Police) AF	06/30/08	03/31/09	03/02/10	336 Days
Sergeants Benevolent Association (Police) WF/RWF	06/30/08	03/31/09	03/02/10	336 Days
United Probation Officers Association RWF	06/30/08	03/31/09	01/27/10	302 Days
United Probation Officers Association WF	06/30/08	03/31/09	01/27/10	302 Days
Local 371 Social Service Employees AF	03/31/08	12/31/08	08/27/09	239 Days
Local 94 Uniformed Firefighters Association AF	12/31/08	09/30/09	05/27/10	239 Days
Superior Officers Council (Police) AF	06/30/08	03/31/09	11/04/09	218 Days
Superior Officers Council (Police) RWF	06/30/08	03/31/09	11/04/09	218 Days
Superior Officers Council (Police) WF/CLRF	06/30/08	03/31/09	11/04/09	218 Days
Local 1199 National Benefit Fund Hospital Health Care WF	12/31/08	09/30/09	04/27/10	209 Days
Local 333 United Marine Division AF	12/31/08	09/30/09	04/12/10	194 Days
Local 40 Iron Workers AF	12/31/08	09/30/09	04/12/10	194 Days
Local 40 Iron Workers WF	12/31/08	09/30/09	04/12/10	194 Days
Local 1 Plumbing Industry AF	12/31/08	09/30/09	04/09/10	191 Days
Local No. 5 Municipal Employees Benefit Trust Fund	12/31/08	09/30/09	04/08/10	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 85 audit reports during Fiscal Years 1985-2010. (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 2010, we issued four reports. A brief summary of the findings of these audits follows:

***Audit Report on the Financial and Operating Practices of the
Superior Officers Council Health & Welfare Fund of the
New York City Police Department,
Report # FL09-099A***

The audit found that the Active Fund generally complied with the procedures and reporting requirements of Directive #12. In addition, except for the Prescription Drug Benefit and the Catastrophic Benefit, the Active Fund generally complied with its benefit-processing and accounting procedures, and those procedures were adequate and proper. Furthermore, the Active Fund's administrative expenses were generally appropriate and reasonable.

However, the audit found some weaknesses in the Active Fund's financial and operating procedures as follows:

- Operating deficits depleted Active Fund reserves. Fiscal year 2006 and 2007 operating deficits of \$308,631, and \$687,933, respectively, have decreased Active Fund reserves by 24.78 percent, from \$5,018,730 on July 1, 2005, to \$4,022,166 on June 30, 2007. If Active Fund operating deficits and depletion of Active Fund reserves continue, the Fund could become insolvent, which would significantly affect its ability to provide benefits to its members.
- Misclassified benefit and administrative expenses. Administrative expenses were understated by \$97,268—36 percent of the Active Fund’s total administrative costs (after the auditors’ adjustment), and benefit expenses were overstated by the same amount.
- Documentation not maintained to support Prescription Drug Benefit and Catastrophic Benefit payments, totaling \$3,123,171—71 percent of the Active Fund’s benefit payments. As a result, the auditors were unable to determine whether these payments were reasonable, appropriate, and for only eligible members and their dependents.
- Questionable benefit payments totaling \$3,330. Of the \$40,072 in claims the auditors reviewed, \$3,330 (8 percent) in payments were made to individuals who are not listed on the City’s Payroll Management System reports and were made without supporting documentation.
- Claims paid for dependents whose eligibility was not documented. Of the 900 benefit claims reviewed, 247 claims were for services provided to individuals who were listed as dependents of eligible members. However, the Active Fund did not have documentation in its files (i.e., birth certificates, marriage licenses) showing that the individuals were, in fact, eligible dependents for 216 (87%) of the 247 claims.
- Unions owe \$1,473. The unions owe the Active Fund \$1,473 for their share of shared telephone expenses—the Captains Union owes \$736.50, and the Lieutenants Union owes \$736.50.
- Employee attendance records not maintained. The Active Fund does not maintain employee attendance records detailing employee time-in and time-out, absence, or lateness to be charged against earned vacation or sick leave. Consequently, the auditors could not confirm that employees were paid for hours they actually worked.

While the Active Fund’s response did not address the audit’s recommendations, Active Fund officials described the actions they have taken to address the audit’s findings.

***Audit Report on the Financial and Operating Practices of the
Superior Officers Council Retiree Health & Welfare Fund of the
New York City Police Department
Report # FL09-100A***

The audit found that the Retiree Fund generally complied with the procedures and reporting requirements of Directive #12. In addition, except for the Hospitalization Benefit and Catastrophic Benefit, the Retiree Fund generally complied with its benefit-processing and accounting procedures, and those procedures were adequate and proper. Furthermore, the Retiree Fund's administrative expenses were generally appropriate and reasonable.

However, the audit found some weaknesses in the Retiree Fund's financial and operating procedures as follows:

- Substantial operating deficits exhausted the Retiree Fund's reserves. Fiscal Year 2003, 2004, 2005, 2006, and 2007, operating deficits of \$937,266, \$995,983, \$972,517, \$810,787, and \$65,198, respectively, have decreased Retiree Fund reserves by 123 percent, from \$3,012,115 on July 1, 2001, to negative net asset balance of \$707,150 on June 30, 2007.
- Benefit and administrative expenses misclassified. Administrative expenses were understated by \$232,882—54 percent of the Retiree Fund's total administrative costs (after the auditors' adjustment), and benefit expenses were overstated by the same amount.
- Documentation not maintained to support Hospitalization Benefit and Catastrophic Benefit payments, totaling \$123,904—two percent of the Retiree Fund's benefit payments. As a result, the auditors were unable to determine whether these payments were reasonable, appropriate, and for only eligible members and their dependents.
- Questionable benefit payments totaling \$80,613. Of the \$473,270 in claims the auditors reviewed, \$80,613 (17 percent) in payments was made to individuals who are not listed on the City contribution reports and were made without supporting documentation.
- Claims paid for dependents whose eligibility was not documented. Of the 786 benefit claims reviewed, 250 claims were for services provided to individuals who were listed as dependents of eligible members. However, the Retiree Fund did not have documentation in its files (i.e., birth certificates, marriage licenses) showing that the individuals were, in fact, eligible dependents for 242 (96.80%) of the 250 claims.
- Unions owe \$1,473. The unions owe the Retiree Fund \$1,473 for their share of shared telephone expenses—the Captains Union owes \$736.50, and the Lieutenants Union owes \$736.50.

- Employee attendance records not maintained. The Retiree Fund does not maintain employee attendance records detailing the employee time-in and time-out, absence, or lateness to be charged against earned vacation or sick leave. Consequently, the auditors could not confirm that employees were paid for hours they actually worked.

While the Retiree Fund's response did not address the audit's recommendations, Retiree Fund officials described the actions they have taken to address the audit's findings.

***Audit Report on the Financial and Operating Practices of the
Municipal Employees Welfare Trust Fund of the
International Union of Operating Engineers Local 30
Report #FK07-104A***

The audit found the Active Fund trustees failed to significantly reduce operating costs to ensure that the Active Fund remained solvent, did not evaluate the effect of benefit reductions it did institute, and ultimately merged with the Retiree Fund to sustain itself. Further, the trustees did not accurately represent the Active Fund's financial condition and did not disclose either the possibility of a merger or the actual merger to fund membership in its annual reports for 2004 and 2005. In this regard, the Active Fund:

- Failed to significantly reduce operating costs to ensure that it remained solvent even though it had severe cash flow problems and was cited for operating deficits, declining reserves, and risk of insolvency for several years by the Comptroller's reports entitled *Analysis of the Financial and Operating Practices of Union-Administered Benefit Funds*. From 2002 through 2005, the Active Fund spent more money than it received and depleted its fund balance until it became insolvent in 2005.
- Did not take any measures to strengthen its financial position until September 2005 when it enacted benefit reductions. Further, the Active Fund did not wait to see the effect of these benefit reductions, consider reducing or eliminating other benefits, or solicit bids from providers to ensure that it received the best price for coverage provided. Instead, in February 2006, the Active Fund merged with the Retiree Fund, which was in sound financial condition.
- Did not accurately represent its financial condition to its membership in its annual reports for 2004 and 2005. The Active Fund did not include its most significant liability—benefit obligations—in its reported fund balances and consequently failed to convey the imminent risk of insolvency in 2004 and the fact that it was insolvent in 2005. Additionally, the Active Fund did not disclose in its annual reports either the possibility of a merger or the actual merger with the Retiree Fund.

The audit also found that the Active Fund did not comply with Comptroller's Directive #12 procedures. The Active Fund misstated administrative and benefit expenses; failed to maintain documentation to support payments for legal benefits; did not maintain eligibility documentation for

all claims paid for members' dependents; could not provide support documentation for all administrative expenses; did not pay all benefits in accordance with Active Fund guidelines; and did not have a written allocation plan for shared administrative expenses and valid agreements with professional service providers.

At the exit conference, Active Fund officials informed the auditors that they considered their actions appropriate and that prior and subsequent to merging the Active and Retiree Funds, they had acted with due care and performed due diligence. The basis for that assertion was that the Retiree Fund:

- Retained separate legal counsel for the Active and Retiree Funds and sought opinions as to the legality of the merger.
- Informed OLR of its intention to merge and asked OLR to advise it if the City had any legal objections.
- Continues to monitor the effects of the merger by keeping separate books and records and analyzing prescription drug costs for the Active and Retiree Funds.

In the Active Fund's response, the Fund attorney stated that the trustees of the Active Fund had acted prudently and in the best interest of their members and complied with the Comptroller's Internal Control and Accountability Directive #12, as required, and requested that the audit reports for both the Active and Retired Funds be adjusted to reflect the additional information and facts provided in the response.

***Audit Report on the Financial and Operating Practices of the
Municipal Retired Employees Welfare Trust Fund of the
International Union of Operating Engineers Local 30
Report #FK07-105A***

The audit found the Retiree Fund trustees did not accurately represent the Fund's financial position in its annual report and did not disclose material facts to members. Additionally, the trustees of the Retiree Fund and the Active Fund—who are the same individuals—approved a merger of the funds that, if not carefully managed, could prove detrimental to the benefits of the retirees in the future. From 2002 through 2005, while the Retiree Fund was prospering, the Active Fund was incurring operating deficits that reduced its fund balance until it became insolvent in 2005. In February 2006, the funds merged, and Retiree Fund reserves were used to pay off Active Fund liabilities. The Retiree Fund did not consult its membership or disclose either the possibility of a merger or the actual merger in its annual report to membership.

The audit also found that during calendar year 2005, the Retiree Fund did not comply with Comptroller's Directive #12 procedures. Additionally, the Retiree Fund misstated administrative and benefit expenses; did not maintain eligibility documentation for all claims paid for members' dependents; did not pay all benefits in accordance with Retiree Fund guidelines; and did not have a written allocation plan for shared administrative expenses and

valid agreements with professional service providers.

At the exit conference, Retiree Fund officials informed the auditors that they considered their actions appropriate and that prior and subsequent to merging the Active and Retiree Funds, they had acted with due care and performed due diligence. The basis for that assertion was that the Retiree Fund:

- Retained separate legal counsel for the Active and Retiree Funds and sought opinions as to the legality of the merger.
- Informed OLR of its intention to merge and asked OLR to advise it if the City had any legal objections.
- Continues to monitor the effects of the merger by keeping separate books and records and analyzing prescription drug costs for the Active and Retiree Funds.
- Structured payment of Active Fund liabilities incurred prior to merger as a loan from the Retiree Fund payable with 1.1 percent interest.
- The Active Fund satisfied the loan on September 30, 2008.

In the Fund's response, the Fund attorney stated that Retired Fund trustees had acted prudently and in the best interest of their members and requested that the audit reports for both the Active and Retired Funds be adjusted to reflect the additional information and facts provided in the response.

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. At a minimum, trustees should use the Comptroller's prequalified list of CPAs for accounting and auditing services.

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 - 2008

<u>Name of Fund Used in this Report</u>	<u>Official Name of Fund</u>
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
Civil Service Bar Association Annuity Fund	Civil Service Bar Association Annuity Trust 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 - 2008

Name of Fund Used in this Report

Local 1199 National Ben Fund Hosp Health Care WF
Local 14 - 14B IUOE WF/RWF
Local 15, 15A, 15C Operating Engineers WF/RWF
Local 15, 15A, 15C (IUOE) Operating Muni. Engineers AF
Local 2 United Federation of Teachers WF
Local 211 Allied Building Inspectors WF
Local 237 Teamsters Annuity Fund
Local 237 Teamsters RWF
Local 237 Teamsters WF
Local 246 SEIU RWF
Local 246 SEIU NYC Annuity Fund
Local 246 SEIU Welfare Fund
Local 3 IBEW City Employees Welfare Fund
Local 3 IBEW Electrical Workers Industry AF
Local 3 IBEW Electricians RWF
Local 3 IBEW Electricians WF
Local 3 NYC Communications Electricians AF
Local 30 A-C Operating Municipal Engineers WF/RWF
Local 30 A-D IUOE Engineers Annuity Fund
Local 300 SEIU Civil Service Forum Annuity Fund
Local 300 Civil Service Forum RWF
Local 300 Civil Service Forum WF
Local 306 Municipal Employees WF
Local 333 United Marine Division Annuity Fund
Local 333 United Marine Division RWF
Local 333 United Marine Division WF
Local 371 Social Service Employees AF
Local 371 Social Service Employees WF/Legal/EF/Admin
Local 40 Iron Workers Annuity Fund
Local 40 Iron Workers Welfare Fund

Official Name of Fund

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
International Union of Operating Engineers Local Union 15, 15A, 15C
Municipal Employees Welfare Fund
Annuity Trust Fund for Municipal Employees of the Operating Engineers Union Local 15, 15A, 15C
United Federation of Teachers Welfare Fund
Allied Building Inspectors Local Union No. 211 I.U.O.E Welfare Fund
Teamsters Local 237 Additional Security Benefit Fund
Teamsters Local 237 Retirees' Benefit Fund
Teamsters Local 237 Welfare Fund
New York City Local 246 Retiree Welfare Fund
New York City, Local 246, S.E.I.U. Annuity Fund
New York City Local 246 Welfare Fund
City Employees Welfare Fund Local Union # 3 I.B.E.W.
Annuity Plan of the Electrical Industry
I.B.E.W. Local 3 New York City Electrical Division Health & Welfare Fund - Retired
I.B.E.W. Local 3 New York City Electrical Division Health & Welfare Fund - Active
I.B.E.W. Local 3 New York City Communications Electricians Annuity Plan
Operating Engineers Union Local 30, 30-A, 30-B AND 30-C Municipal Employees Welfare Trust Fund
Local 30 I.U.O.E. City Employees Annuity Fund
Service Employees International Union, Local 300 Civil Service Forum Annuity Fund
Local 300 S.E.I.U., AFL-CIO Civil Service Forum Retired Employees' Welfare Fund
Local 300 S.E.I.U., AFL-CIO Civil Service Forum Active Employees' Welfare Fund
Local 306 Health and Welfare Fund
Local 333 Beneficial Fund Annuity Plan for New York City Employees
Local 333 Insurance Fund for N.Y.C. Retirees
Local 333 Insurance Fund for N.Y.C. Employees
Social Service Employees Union Local 371 Annuity Fund
Social Service Employees Union Local 371 Welfare Fund/Educational/ Legal/ Administrative
Iron workers Local 40 Annuity Fund
Iron Workers Local 40 Health Fund

SURVEY OF BENEFIT FUNDS
SCHEDULE OF OFFICIAL FUND NAMES – 2008

<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 891(IUOE) Education and Training Fund	International Union of Operating Engineers, Local 891 Education and Training 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 – 2008

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

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2005

REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	NAME OF FUND	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BAL / TOTAL REV	DEVIATION FROM CAT. AVERAGE
SELF-INSURED WF & RWF													
NYC CONTRIBUTION UNDER \$100,000													
56	60	N/A	LOCAL 306 MUNICIPAL EMPLOYEES WF	82,289	16,362	98,651	88,166	26,761	113,917	-16,268	194,298	106.96%	0.00%
TOTAL UNDER \$100,000 CATEGORY				82,289	16,362	98,651	88,166	26,761	113,917	-16,268	194,298	106.95%	
NYC CONTRIBUTION \$100,000 TO \$300,000													
18	142	N/A	DISTRICT NO. 1 MEBA BENE. FUND TRUST WF/AF	212,702	-28,348	184,353	231,360	20,694	261,854	-67,501	803,845	436.04%	40.79%
23	N/A	N/A	FIRE ALARM DISPATCHERS BENEVOLENT ASSOC WF	276,371	49,102	326,473	241,822	60,343	292,165	33,308	476,704	146.16%	-62.81%
37	78	1,640	LOCAL 14A-14B IUOE WFRWF	135,902	22,460	158,362	73,849	17,620	91,469	86,883	981,788	621.27%	100.60%
79	182	N/A	LOCAL 668 IBT (OTB) BRANCH OFFICE MANAGERS WF	293,667	6,268	301,826	229,634	31,228	260,762	41,063	632,245	209.47%	-32.36%
84	30	N/A	LOCAL NO. 5 MNCPL EMPLOYEES BENEFIT TRUST FUND	163,062	-106,706	57,356	50,860	4,319	55,169	2,187	286,165	498.93%	61.10%
TOTAL \$100,000 TO \$300,000 CATEGORY				1,081,604	-64,246	1,027,359	827,416	124,104	951,619	76,840	3,181,747	308.70%	
NYC CONTRIBUTION \$300,000 TO \$1 MILLION													
2	626	1,286	ASSISTANT DEP WARDENS/DEP WARDENS WF/RWF/CLRF	708,933	18,301	727,234	616,169	92,737	707,896	19,338	1,230,969	169.27%	-33.15%
34	445	N/A	DOCTORS COUNCIL RWF	738,889	228,640	967,529	676,191	176,261	850,452	117,077	2,669,708	284.66%	4.48%
34	461	N/A	LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WFRWF	731,833	27,976	759,809	676,647	102,169	877,816	81,793	829,779	82.91%	-87.26%
38	340	N/A	LOCAL 15, 16A, 16C OPERATING ENGINEERS WFRWF	531,692	120,196	651,798	573,706	114,394	688,100	-36,302	6,690,838	867.79%	238.74%
48	249	N/A	LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	317,244	1,194	318,438	269,188	44,890	313,869	4,579	841,179	264.16%	4.32%
64	481	N/A	LOCAL 300 CIVIL SERVICE FORUM WRF	748,195	112,964	861,159	667,600	127,677	785,177	76,982	1,180,406	134.76%	-46.79%
110	351	N/A	UNITED PROBATION OFFICERS ASSOCIATION RWF	698,685	-8,699	690,056	669,740	240,733	800,473	-210,407	333,534	66.52%	-77.66%
TOTAL \$300,000 TO \$1 MILLION CATEGORY				4,376,161	600,872	4,876,833	3,926,212	897,661	4,823,773	67,060	12,346,402	263.22%	
NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION													
3	916	N/A	CIVIL SERVICE BAR ASSOC WF	1,489,797	-8,202	1,480,695	1,248,763	193,228	1,441,991	38,614	1,082,616	73.12%	-60.86%
6	1,616	N/A	CORRECTION CAPTAINS ASSOCIATION RWF	2,096,646	169,609	2,266,364	1,814,364	120,161	1,934,506	331,849	2,736,201	120.82%	-36.31%
6	876	N/A	CORRECTION CAPTAINS ASSOCIATION W/CLRF	1,260,147	149,970	1,400,117	1,167,347	106,277	1,262,824	137,493	2,637,646	181.24%	-2.06%
20	871	1,640	DC 9 PAINTING INDUSTRY WFRWF (LOCAL 1969)	1,661,384	762	1,662,116	1,964,969	137,907	2,102,886	-640,760	2,879,489	184.33%	-1.30%
22	978	N/A	DOCTORS COUNCIL WF	1,336,743	269,941	1,625,684	1,321,876	312,555	1,634,430	-8,746	6,363,266	328.23%	76.28%
42	1,122	1,640	LOCAL 211 ALLIED BUILDING INSPECTORS WF	2,247,174	-906,622	1,341,652	1,511,791	161,163	1,662,964	-321,302	6,608,065	410.64%	119.82%
46	916	1,640	LOCAL 246 SEIU WRF	1,616,992	122,839	1,739,831	1,069,912	130,619	1,190,431	449,600	2,204,862	134.63%	-27.97%
47	1,631	1,640	LOCAL 246 SEIU WELFARE FUND	2,669,130	161,620	2,720,660	2,044,439	229,661	2,274,100	446,560	3,197,265	117.62%	-37.07%
60	813	N/A	LOCAL 3 IBEW ELECTRICIANS RWF	1,191,704	-230,961	960,753	960,889	141,417	1,092,308	-131,663	1,927,397	200.61%	7.42%
61	1,138	N/A	LOCAL 3 IBEW ELECTRICIANS WF	1,746,184	-526,889	1,218,306	1,400,793	219,485	1,620,278	-401,873	6,546,480	456.26%	143.77%
66	907	N/A	LOCAL 300 CIVIL SERVICE FORUM WF	1,411,723	54,710	1,466,433	1,536,430	179,640	1,716,070	-248,637	1,093,026	74.96%	-69.87%
67	1,496	1,640	LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WFRWF	2,470,279	-36,787	2,433,492	1,886,740	247,373	2,136,113	206,379	2,826,196	120.68%	-36.39%
68	1,187	1,630	LOCAL 444 SANITATION OFFICERS WF	1,933,473	-22,692	1,910,881	1,620,010	101,090	1,621,100	289,781	3,316,673	173.67%	-7.06%
68	N/A	1,244	1199SEIU LICENSED PRACTICAL NURSES WF	2,022,270	184,017	2,206,283	1,491,260	217,714	1,708,984	487,326	6,677,536	262.80%	36.36%
68	1,620	1,640	LOCAL 891 SCHOOL CUSTOD & CUSTOD ENGINEERS WFRWF	2,440,044	40,343	2,480,387	2,146,208	468,377	2,606,683	-125,196	3,289,433	132.68%	-29.01%
85	702	765	NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	1,077,294	226,010	1,303,304	973,749	98,118	1,071,887	231,437	4,102,167	314.76%	68.63%
109	806	N/A	UNITED PROBATION OFFICERS ASSOCIATION WF	1,212,992	-36,588	1,177,403	1,298,733	607,178	1,806,911	-628,508	1,166,166	99.06%	-48.98%
TOTAL \$1 MILLION TO \$3 MILLION CATEGORY				29,610,871	-409,621	29,101,350	26,331,230	3,660,863	28,892,083	219,267	64,349,369	186.76%	

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2008

REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	NAME OF FUND	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BAL / TOTAL REV	DEVIATION FROM CAT. AVERAGE
SELF-INSURED WF & RWF (cont'd)													
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION													
7	8,024	N/A	CORRECTION OFFICERS' BENEVOLENT ASSOC RWF	9,292,739	76,901	9,369,640	8,800,378	321,051	9,121,429	248,201	6,516,693	89.55%	-44.95%
16	6,589	N/A	DETECTIVES ENDOWMENT ASSOCIATION WF	8,600,300	-2,411,668	6,088,734	8,981,577	863,055	9,844,632	-3,761,898	19,323,448	317.46%	151.17%
24	1,882	N/A	HOUSE STAFF COMM OF INTERNS & RESIDENTS WF/LEGAL	3,959,036	808,750	4,796,786	3,872,667	693,440	4,566,107	230,679	7,080,924	147.62%	16.82%
26	5,000	1,494	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. WF	9,989,617	-322,690	9,677,027	9,048,170	964,831	10,003,001	-326,974	12,560,089	129.69%	2.63%
33	2,629	N/A	LOCAL 1192 CWA SECURITY BENEFIT FUND RWF/WF/LEGAL	4,369,961	336,467	4,706,428	3,909,380	666,838	4,676,218	130,210	3,301,975	70.18%	-44.48%
64	2,495	1,390	LOCAL 444 SANITATION OFFICERS RWF	3,493,348	-236,674	3,256,774	3,141,993	223,145	3,365,138	-107,364	10,647,294	326.83%	168.63%
73	6,600	1,500	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC WF	9,738,233	183,397	9,921,630	8,067,877	1,221,447	9,279,324	642,306	14,266,971	143.79%	13.76%
77	2,651	1,475	LOCAL 864 UNIFORMED FIRE OFFICERS ASSOC WF	4,131,305	647,839	4,779,144	3,722,325	217,791	3,940,027	838,117	10,237,782	214.22%	69.62%
78	4,726	1,536	LOCAL 864 UNIFORMED FIRE OFFICERS ASSOC. RWF	7,044,955	1,882,193	8,927,148	8,296,121	347,771	8,642,892	284,256	3,385,198	37.92%	-69.99%
89	3,807	N/A	NEW YORK CITY RETIREES WF	5,820,114	-1,310,306	4,609,808	4,037,214	338,007	4,375,221	234,587	7,635,079	163.46%	28.36%
105	4,737	1,465	SUPERIOR OFFICERS COUNCIL (POLICE) RWF	6,914,976	376,980	7,291,956	6,661,184	444,364	7,095,648	196,407	-686,516	-9.64%	-107.66%
106	2,605	1,465	SUPERIOR OFFICERS COUNCIL (POLICE) WF/CLF/CEA	3,811,794	376,445	4,187,239	4,083,047	282,786	4,365,833	-778,594	3,923,192	93.59%	-26.98%
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY				77,207,376	405,935	77,613,312	73,206,934	6,664,448	79,771,380	-2,168,068	98,078,131	128.37%	
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION													
9	6,336	N/A	CORRECTION OFFICERS' BENEVOLENT ASSOC WF/CLRF	14,829,095	195,881	15,024,976	13,001,038	1,094,475	14,095,513	1,029,463	11,966,490	79.12%	-31.93%
16	10,617	N/A	DETECTIVES ENDOWMENT ASSOCIATION RWF	15,167,252	-808,939	15,648,323	15,487,201	1,024,811	16,512,012	-863,689	16,685,469	107.31%	-7.67%
26	6,940	900-1,340	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. RWF	10,160,139	-812,894	9,337,245	8,989,480	1,089,312	9,877,802	-640,557	12,884,464	137.99%	18.77%
29	6,163	N/A	LOCAL 1180 CWA MUNICIPAL MANAGEMENT RWF	11,275,620	-1,671,228	9,604,392	10,441,987	1,895,912	12,137,779	-2,533,387	25,087,888	261.21%	124.74%
72	7,600	1,773	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC RWF	13,779,863	825,515	14,605,378	13,664,576	467,930	14,122,406	483,993	4,664,895	31.94%	-72.52%
81	10,160	1,640	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOC RWF	16,667,814	3,366,990	19,976,804	17,101,927	760,127	17,861,964	2,124,860	12,861,837	64.38%	-44.61%
83	8,885	1,666	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WF	14,006,098	2,224,956	16,230,094	14,901,456	878,123	15,779,678	460,618	35,056,617	216.06%	86.89%
92	7,102	1,640	NEW YORK STATE NURSES ASSOCIATION WF	13,360,613	-667,333	13,282,080	11,332,302	863,165	12,185,487	1,096,613	11,568,925	87.03%	-25.12%
93	6,895	N/A	ORGANIZATION OF STAFF ANALYSTS WF	10,707,263	-777,982	10,429,281	8,777,328	1,019,498	7,796,828	2,632,455	21,818,068	209.18%	79.97%
113	11,346	N/A	SERGEANTS' BENEVOLENT ASSOC.(POLICE) WF/RWF/CLRF	17,223,657	668,136	17,891,793	17,166,912	1,069,153	18,228,066	-334,272	16,586,232	103.69%	-10.62%
28&30	9,468	N/A	LOCAL 1180 CWA MUNICIPAL MANAGEMENT WF/LEGAL/ED	17,237,361	-3,367,761	13,869,600	14,981,697	2,649,312	17,611,009	-3,756,399	16,196,459	109.68%	-6.64%
44&86	8,458	1,340-1,940	LOCAL 237 TEAMSTERS RWF	14,868,673	3,753,184	18,621,757	12,899,968	1,700,664	14,400,612	4,221,245	16,446,127	86.32%	-24.01%
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY				170,272,698	4,235,165	174,508,763	159,414,760	14,282,172	170,896,922	3,811,841	202,623,059	116.23%	
NYC CONTRIBUTION OVER \$20 MILLION													
10	158,280	1,457-1,665	DC 37 WF	239,050,712	20,765,296	259,807,008	238,207,624	18,132,125	256,339,749	3,467,259	209,715,688	80.72%	8.70%
62	17,130	N/A	LOCAL 374 SOCIAL SERVICE EMPLOYEES WF/LEGAL/JEF/ADM	27,825,797	498,928	28,316,725	24,693,490	2,838,397	27,531,887	783,838	9,409,531	33.23%	-66.26%
80	23,280	1,465	PATROLMEN'S BENEVOLENT ASSOC RWF	34,085,338	6,112,233	39,177,659	30,745,325	2,866,967	41,334,292	-2,166,723	23,267,092	69.39%	-20.02%
97	22,911	1,485	PATROLMEN'S BENEVOLENT ASSOC WF/CLRF	36,784,213	6,368,807	42,143,020	34,766,619	3,237,210	37,993,729	4,149,291	41,564,711	96.63%	32.82%
41	166,621	N/A	LOCAL 2 UNITED FEDERATION OF TEACHERS WF	299,212,289	8,700,850	307,913,139	287,137,100	21,848,712	278,885,812	28,927,327	166,060,472	63.93%	-27.38%
45&67	18,434	1,540-2,344	LOCAL 237 TEAMSTERS WF	30,669,673	-5,347,073	25,222,500	35,173,489	3,038,647	38,212,035	-12,989,436	60,645,641	240.46%	223.61%
101	18,281	1,375-1,816	PROFESSIONAL STAFF CONGRESS CUNY WF/RWF	33,117,955	2,611,149	35,729,104	34,986,691	1,390,605	36,377,096	-647,992	37,628,658	106.32%	41.89%
TOTAL OVER \$20 MILLION CATEGORY				700,625,875	37,682,180	738,308,166	663,700,138	63,074,463	716,774,601	21,633,564	548,295,193	74.26%	
TOTAL SELF-INSURED FUNDS													
				983,166,874	42,377,669	1,026,633,433	923,494,836	78,619,360	1,092,014,195	23,519,238	919,268,189	89.64%	

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2008

REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	NAME OF FUND	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BAL / TOTAL REV AVERAGE	DEVIATION FROM CAT. AVERAGE
<u>INSURED WF & RWF</u>													
<u>NYC CONTRIBUTION UNDER \$100,000</u>													
12	23	N/A	NYC DEPUTY SHERIFFS ASSOC RWF	62,893	-3,748	49,145	88,334	3,600	91,934	-42,689	102,807	209.19%	0.00%
			TOTAL UNDER \$100,000 CATEGORY	<u>62,893</u>	<u>-3,748</u>	<u>49,145</u>	<u>88,334</u>	<u>3,600</u>	<u>91,934</u>	<u>-42,689</u>	<u>102,807</u>	<u>209.19%</u>	
<u>NYC CONTRIBUTION \$100,000 TO \$300,000</u>													
13	122	N/A	NYC DEPUTY SHERIFFS ASSOC WF	177,937	-11,872	166,065	210,625	3,770	214,396	-48,330	122,396	73.70%	0.00%
			TOTAL \$100,000 TO \$300,000 CATEGORY	<u>177,937</u>	<u>-11,872</u>	<u>166,065</u>	<u>210,625</u>	<u>3,770</u>	<u>214,396</u>	<u>-48,330</u>	<u>122,396</u>	<u>73.70%</u>	
<u>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</u>													
69	198	1,640/1,490	LOCAL 333 UNITED MARINE DIVISION RWF	321,914	14,384	336,198	277,908	76,246	354,154	-16,953	785,467	236.60%	46.32%
60	295	1,475	LOCAL 333 UNITED MARINE DIVISION WF	451,164	6,767	457,931	350,043	85,611	435,654	22,277	488,654	106.71%	-34.01%
			TOTAL \$300,000 TO \$1 MILLION CATEGORY	<u>772,978</u>	<u>21,151</u>	<u>794,129</u>	<u>627,951</u>	<u>161,857</u>	<u>789,808</u>	<u>5,324</u>	<u>1,274,121</u>	<u>161.70%</u>	
<u>TOTAL INSURED FUNDS</u>													
				<u>1,003,808</u>	<u>5,631</u>	<u>1,009,339</u>	<u>926,908</u>	<u>168,126</u>	<u>1,095,034</u>	<u>-86,695</u>	<u>1,509,314</u>	<u>149.63%</u>	
<u>TOTAL SELF-INSURED AND INSURED FUNDS</u>													
				<u>984,159,682</u>	<u>42,383,090</u>	<u>1,026,542,772</u>	<u>924,421,743</u>	<u>78,587,486</u>	<u>1,003,109,229</u>	<u>23,433,543</u>	<u>920,777,603</u>	<u>89.70%</u>	

EXHIBIT B

SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2008

REF	NUMBER OF NYC MEMBERS	NYC \$ PER FULL TIME MEMBER	NAME OF FUND	NYC CONTRIBUTION REVENUE	OTHER REVENUE	TOTAL REVENUE	BENEFIT EXPENSES	ADMIN EXPENSES	TOTAL EXPENSES	EXCESS OF REVENUE OVER EXPENSES	FUND BALANCE	FUND BAL / TOTAL REV	DEVIATION FROM CAT. AVERAGE
ANNUITY FUNDS													
NYC CONTRIBUTION \$100,000 TO \$300,000													
11	124	N/A	NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	105,862	-90,487	16,375	27,748	0	27,748	-11,373	1,045,578	6386.20%	0.00%
			TOTAL UNDER \$100,000 CATEGORY	105,862	-90,487	16,375	27,748	0	27,748	-11,373	1,045,578	6386.20%	
NYC CONTRIBUTION \$300,000 TO \$1 MILLION													
125	810	N/A	LOCAL 300 SEIU CIVIL SERVICE FORUM ANNUITY FUND	896,040	-229,331	666,709	326,194	106,488	432,682	234,027	8,128,859	1219.26%	36.89%
127	62	N/A	LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	704,951	116,523	821,474	423,751	133,304	557,055	264,429	7,032,012	866.01%	-3.89%
130	906	N/A	Civil Service Bar Association Annuity Fund	444,713	65,863	510,576	221,632	45,968	271,600	238,966	2,641,766	617.42%	-41.91%
			TOTAL \$300,000 TO \$1 MILLION CATEGORY	2,045,714	-46,965	1,998,749	971,577	285,760	1,257,337	737,422	17,802,627	990.68%	
NYC CONTRIBUTION \$1 MILLION TO \$10 MILLION													
76	4,020	1,432-2,349	LOCAL 864 UNIFORMED FIRE OFFICERS ASSOC AF	3,862,976	4,402,644	8,265,620	8,039,843	294,047	8,333,890	21,830	135,307,762	1631.35%	36.16%
119	9,458	N/A	LOCAL 1180 CWA MEMBERS ANNUITY FUND	4,207,060	-3,840,005	367,055	1,336,420	226,668	1,562,078	-1,195,033	38,628,384	10624.16%	778.38%
121	70,835	281-1,930	DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	4,320,783	-202,343	4,118,440	2,238,263	883,833	3,102,088	1,016,354	52,639,915	1620.96%	28.94%
123	17,003	584	LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	7,504,551	2,684,818	10,189,369	1,893,483	275,375	2,169,858	8,019,511	48,890,887	479.82%	-69.95%
124	1,142	N/A	DOCTORS COUNCIL ANNUITY FUND	4,095,279	-1,073,308	3,021,971	509,591	138,128	647,717	2,374,254	23,484,505	777.13%	-35.14%
128	1,989	N/A	LOCAL 246 SEIU NYC ANNUITY FUND	3,927,961	-2,891,361	1,036,600	614,614	120,037	734,651	401,969	14,809,731	1409.38%	17.63%
			TOTAL \$1 MILLION TO \$10 MILLION CATEGORY	28,008,700	-919,645	27,089,055	14,632,004	1,918,976	16,460,980	10,638,975	324,551,184	1198.13%	
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION													
71	6,600	1,370	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC AF	10,488,178	2,608,323	12,994,601	10,217,454	631,681	10,749,135	2,245,366	92,631,109	712.85%	-51.05%
96	31,694	622	PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	12,323,890	-6,765,691	6,667,199	9,468,718	743,872	10,202,591	-3,636,392	182,256,462	2827.61%	101.02%
			TOTAL \$10 MILLION TO \$20 MILLION CATEGORY	22,812,068	-3,250,368	19,651,700	19,676,173	1,275,653	20,951,726	-1,300,026	284,898,561	1466.36%	
TOTAL ANNUITY FUNDS													
				52,973,344	-4,307,465	48,665,879	35,207,502	3,483,389	38,690,891	9,974,998	629,295,948	1291.04%	
GRAND TOTAL													
				1,037,133,026	38,976,636	1,076,208,661	969,626,246	82,170,876	1,041,800,120	33,400,641	1,649,073,461	144.07%	

EXHIBIT B
SURVEY OF BENEFIT FUNDS
SCHEDULE OF FINANCIAL DATA
2008

NAME OF FUND	REF	NYC \$ PER FULLTIME MEMBER	NYC CONTRIBUTION REVENUE	NYC % OF TOTAL REVENUE	TOTAL REVENUE	FUND BALANCE
LOCAL 1199 NATIONAL BEN FUND HOSP HEALTH CARE WF (1)	35	\$1,636 - \$1,640	3,135,750	0.29%	1,076,882,364	284,437,842
LOCAL 40 IRON WORKERS WELFARE FUND (1)	118	\$118-\$128/MO	130,813	0.15%	86,112,847	46,587,184
NYC COURT OFFICERS ASSOCIATION RWF (1)	91	N/A	3,942	0.19%	2,227,508	7,927,799
NYC DISTRICT COUNCIL OF CARPENTERS WF (1)	68	\$3.74-\$10.00/HR	1,271,131	0.31%	404,242,612	334,680,277
LOCAL 3 IBEW ELECTRICAL WORKERS INDUSTRY AF (1)	49	\$11.08/HR	10,478,035	10.05%	104,159,312	1,161,210,988
DC 9 PAINTING INDUSTRY ANNUITY FUND (LOCAL 1969) (1) (6)	18	\$3.56/DAY	428,069	-5.85%	(7,316,918)	254,516,000
LOCAL 40 IRON WORKERS ANNUITY FUND (1) (6)	111	\$120/DAY	973,200	-3.85%	(24,854,749)	454,389,939
PAVERS & ROAD BUILDERS DISTRICT COUNCIL WF (1)	100	\$4.14-\$4.22/DAY	476,724	2.18%	21,898,786	19,790,402
SURROGATES & SUPREME COURT REPORTERS ASSOC RWF (1)	108	N/A	3,925	2.03%	193,053	466,845
LOCAL 806 STRUCTURAL STEEL PAINTERS ANNUITY FUND (2)	120	N/A	630,412	87.03%	724,369	47,847,869
NEW YORK STATE COURT CLERKS ASSOCIATION RWF (2)	90	930	23,250	2.17%	1,072,590	1,445,808
NYC DISTRICT COUNCIL OF CARPENTERS AF (2)	116	\$6.60/HR	8,897,450	5.52%	162,932,490	1,340,886,844
LOCAL 1 PLUMBING INDUSTRY ANNUITY FUND (2) (6)	27	\$1,500	2,658,870	-29.37%	(9,053,380)	86,202,893
UFT ALBERT SHANKER COLLEGE SCHOLARSHIP FUND (3)	40	N/A	1,000,000	96.46%	1,036,791	432,588
DETECTIVES ENDOWMENT ASSOC CLRF FUND (4)	15	575	383,250	94.09%	407,343	3,932,895
CAPTAINS ENDOWMENT ASSOC CLRF FUND (4)	106	N/A	56,967	95.39%	69,723	272,290
COMMITTEE OF INTERNS AND RESIDENTS EDUCATION FUND (4)	122	N/A	1,232,795	81.58%	1,346,002	1,185,639
LOCAL 1181 CWA SUPERVISORY EMPLOYEES RWF (6)	31	N/A	440,239			Not Available
LOCAL 1181 CWA SUPERVISORY EMPLOYEES WF (5)	32	N/A	716,524			Not Available
LOCAL 891 (IUOE) ANNUITY FUND (6)	126	N/A	2,582,764	-1567.87%	(165,786)	14,916,786
LOCAL 237 TEAMSTERS AF (8)	43	N/A	10,106,023	-133.68%	(12,047,019)	117,074,587
LOCAL 444 SANITATION OFFICERS AF (6)	63	N/A	4,094,857	-956.70%	(428,021)	31,886,609
SUPERIOR OFFICERS COUNCIL(POLICE) AF (6)	104	N/A	5,573,784	-110.65%	(5,037,518)	172,545,785
LOCAL 30A-D (IUOE) ENGINEERS AF (6)	114	N/A	5,755,865	-60.73%	(9,477,410)	52,769,675
LOCAL 15, 15A, 15C (IUOE) OPERATING MUNICIPAL ENGINEERS AF (6)	117	N/A	516,373	-283.01%	(182,460)	16,757,569
SERGEANTS BENEVOLENT ASSOCIATION (POLICE) ANNUITY FUND (6)	112	N/A	5,167,516	-34.33%	(6,116,295)	180,778,484
NYC MUNICIPAL STEAMFITTERS & STEAMFITTER HELPERS RWF (6)	87	N/A	137,331	-287.51%	(47,786)	588,954
LOCAL 333 UNITED MARINE DIVISION AF (6)	58	N/A		0.00%	(64,783)	2,236,787
ASSISTANT DEPUTY WARDENS /DEPUTY WARDENS ASSOCIATION AF (6)	1	N/A	148,385	-13.20%	(1,123,707)	4,891,367
CORRECTION CAPTAINS ASSOCIATION AF (6)	4	N/A	883,194	-31.98%	(2,760,913)	14,486,201
CORRECTION OFFICERS' BENEVOLENT ASSOCIATION AF (6)	8	N/A	5,600,827	-148.55%	(3,678,817)	51,617,243
DETECTIVES ENDOWMENT ASSOCIATION AF (6)	14	N/A	5,474,398	-15.98%	(34,255,581)	141,161,090
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION AF (9)	82	\$4.02-\$6.02/DAY	9,171,892	-82.62%	(14,547,806)	102,610,111
NYC MUNICIPAL STEAMFITTERS & STEAMFITTER HELPERS WF (6)	86	N/A	192,794	-88.83%	(317,029)	1,237,762
LOCAL 891 (IUOE) EDUCATION AND TRAINING FUND (7)	131	\$200	112,722	100.00%	112,222	68,477
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND RWF (8)	129	N/A	90,732	91.27%	99,413	0
LOCAL 832 TEAMSTERS WF (5) (9)	75	\$1,640	387,620	-237.28%	(163,359)	795,425
LOCAL 832 TEAMSTERS RWF (9)	74	\$1,640	133,848	100.00%	133,948	(88,603)
TOTAL			94,540,783			

N/A - 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 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 failed to submit a Directive #12 filing for 2008.
- (6) These funds incurred a substantial loss on their investments that offset their total revenue, putting their revenue in the negative.
- (7) This fund began operating on August 5, 2008, resulting in a fiscal operating year of less than 12 months.
- (8) This fund merged with its respective active welfare fund during the fiscal year.
- (9) These funds terminated all program benefits on June 30, 2008 and then merged with another benefit fund during calendar year 2008.

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2008

REF	NAME OF FUND	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMISSION	LEGAL	ACCTG	TRAVEL & CONF.	TELEPHONE	OFFICE EQUIP. & RENTAL	OTHER OFFICE EXPENSE	INSURANCE	REPAIRS & MAINT	OTHER	RETENTION	INVEST CUSTODIAL SVS	
SELF-INSURED WF & RWF																	
NYC CONTRIBUTION UNDER \$100,000																	
56	LOCAL 306 MUNICIPAL EMPLOYEES WF	26,761	0	0	9,330	7,892	5,211	0	0	0	0	2,799	0	429	0	0	
	TOTAL UNDER \$100,000 CATEGORY	26,761	0	0	9,330	7,892	5,211	0	0	0	0	2,799	0	429	0	0	
NYC CONTRIBUTION \$100,000 TO \$300,000																	
18	DISTRICT NO. 1 MESA BENE. FUND TRUST W/AF	20,694	0	0	12,874	0	3,720	0	0	0	0	0	0	0	0	0	4,000
23	FIRE ALARM DISPATCHERS BENEVOLENT ASSOC WF	60,343	12,286	14,085	0	4,218	2,738	2,406	3,988	928	0	56	0	56	0	3,094	
37	LOCAL 14A-14B IUOE WFRWF	17,820	1,670	8,261	337	143	2,600	0	187	0	1,083	3,439	0	0	0	0	
79	LOCAL 868 IBT, (DTB) BRANCH OFFICE MANAGERS WF	31,228	3,180	9,636	684	7,776	350	71	744	2,262	0	563	0	0	0	0	
84	LOCAL NO. 6 MNCPL EMPLOYEES BENEFIT TRUST FUND	4,318	0	0	319	0	4,000	0	0	0	0	0	0	0	0	0	
	TOTAL \$100,000 TO \$300,000 CATEGORY	124,104	17,136	31,951	20,789	7,819	18,213	4,668	2,925	2,477	5,816	6,618	0	609	0	7,094	
NYC CONTRIBUTION \$300,000 TO \$1 MILLION																	
2	ASSISTANT DEP WARDENS/DEP WARDENS WF/RWF/CLRF	92,737	16,264	20,867	21,136	7,600	8,000	6,092	3,629	186	8,660	2,133	0	490	0	0	
21	DOCTORS COUNCIL RWF	176,261	19,485	64,612	44,166	4,780	7,449	0	220	0	23,206	2,164	0	6,721	0	12,468	
34	LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF/RWF	102,169	0	0	62,609	9,000	18,226	3,108	0	0	3,612	0	0	16,717	0	0	
38	LOCAL 15, 15A, 16C OPERATING ENGINEERS WFRWF	114,394	2,585	70,279	0	4,000	10,000	120	1,163	2,760	3,343	6,247	101	0	0	13,806	
48	LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	44,690	0	0	22,168	3,000	7,093	7,281	0	0	1,414	2,886	0	766	0	0	
64	LOCAL 300 CIVIL SERVICE FORUM RWF	127,877	19,684	9,286	51,748	4,600	13,069	9,204	0	1,762	11,201	646	1,316	182	0	5,010	
110	UNITED PROBATION OFFICERS ASSOCIATION RWF	240,733	216	0	108,000	2,338	18,000	1,819	612	101,100	8,698	2,060	0	0	0	0	
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	897,661	57,144	154,843	299,707	35,216	79,817	26,822	5,614	105,778	60,034	16,216	1,416	23,868	0	31,266	
NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION																	
3	CIVIL SERVICE BAR ASSOC WF	193,228	869	6,000	160,693	0	12,000	406	0	0	1,921	9,107	0	2,332	0	0	
5	CORRECTION CAPTAINS ASSOCIATION RWF	120,161	10,843	8,604	63,478	5,112	8,260	5,423	3,457	813	6,171	748	0	31	0	7,320	
6	CORRECTION CAPTAINS ASSOCIATION WF/CLRF	106,277	21,866	17,288	23,188	7,968	9,760	6,422	6,914	1,226	4,877	1,166	0	273	0	5,400	
20	DC 9 PAINTING INDUSTRY WFRWF (LOCAL 1969)	137,907	3,540	60,993	60,821	0	742	0	868	1,924	3,784	0	0	0	0	5,265	
22	DOCTORS COUNCIL WF	312,666	34,448	99,792	77,766	19,619	11,167	1,266	366	0	45,337	4,316	0	2,532	0	27,066	
42	LOCAL 211 ALLIED BUILDING INSPECTORS WF	161,163	29,680	36,237	41,300	9,000	14,600	3,308	3,003	6,063	8,082	0	0	0	0	0	
46	LOCAL 246 SEIU RWF	130,519	17,628	47,222	31,619	8,000	4,900	10,673	2,077	2,084	5,162	3,383	0	0	0	0	
47	LOCAL 246 SEIU WELFARE FUND	229,681	28,846	80,405	64,303	10,600	4,900	11,624	3,637	1,662	27,796	6,089	0	0	0	0	
60	LOCAL 3 IBEW ELECTRICIANS RWF	141,417	1,367	49,386	38,400	2,476	6,260	6,269	1,956	0	22,261	2,137	861	0	0	10,418	
61	LOCAL 3 IBEW ELECTRICIANS WF	219,486	242	96,366	46,996	6,025	4,716	2,872	1,867	6,768	2,676	0	9,633	0	0	36,036	
65	LOCAL 300 CIVIL SERVICE FORUM WF	179,640	20,286	18,789	76,442	13,800	13,060	9,379	0	1,781	16,766	1,308	1,316	236	0	7,480	
67	LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WFRWF	247,373	3,696	86,860	64,266	36,000	20,636	6,320	16,079	9,288	8,224	0	0	0	0	4,860	
66	LOCAL 444 SANITATION OFFICERS WF	101,090	20,000	7,879	39,360	3,600	11,000	2,279	0	0	980	656	0	0	0	15,348	
58	1189SEIU LICENSED PRACTICAL NURSES WF	217,714	10,478	96,584	78,082	12,000	8,200	8,609	664	0	1,877	692	0	0	0	0	
80	LOCAL 891 SCHOOL CUSTOD & CUSTOD ENGINEERS WFRWF	468,377	0	0	61,340	22,000	33,000	4,981	876	20,664	8,214	4,243	0	218,300	68,180	16,579	
86	NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	98,118	0	0	61,404	9,368	8,000	6,622	0	1,316	4,394	0	0	0	0	17,014	
109	UNITED PROBATION OFFICERS ASSOCIATION WF	607,178	2,014	0	240,000	8,413	16,000	4,866	1,834	204,274	17,263	3,075	0	9,449	0	0	
	TOTAL \$1 MILLION TO \$3 MILLION CATEGORY	3,660,863	208,809	701,304	1,198,348	170,771	189,896	88,668	31,628	266,177	187,682	59,176	1,976	243,686	80,900	140,034	
	100.00%	3,660,863	5.82%	19.76%	33.76%	4.81%	6.35%	2.60%	0.89%	7.19%	6.14%	1.67%	0.08%	6.86%	2.28%	3.94%	

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2008

REF	NAME OF FUND	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMISSN	LEGAL	ACCTG	TRAVEL & CONF	TELEPHONE	OFFICE EQUIP & RENTAL	OTHER EXPENSE	INSUR-ANCE	REPAIRS & MAINT	OTHER	RETENTION	CUSTODIAL SVS	INVEST SVS	
SELF-INSURED WF & RWF (cont'd)																		
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION																		
7	CORRECTION OFFICERS' BENEVOLENT ASSOC RWF	321,061	0	0	83,092	0	26,000	0	0	0	9,096	0	0	203,873	0	0	0	0
16	DETECTIVES ENDOWMENT ASSOCIATION WF	863,056	0	445,484	247,425	26,600	13,260	0	2,669	16,829	37,608	4,518	0	0	67,057	0	0	2,815
24	HOUSE STAFF COMM OF INTERNS & RESIDENTS WF/LEGAL	693,440	10,708	288,679	107,612	17,438	36,429	14,087	474	30,960	25,120	20,332	0	119,205	0	0	0	32,366
26	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. WF	954,831	66,086	482,165	235,263	7,200	26,937	6,060	6,060	27,065	32,659	20,178	426	6,177	0	0	0	40,475
33	LOCAL 1182 CWA SECURITY BENEFIT FUND RWF/W/LEGAL	666,838	61,027	267,687	176,698	19,400	12,000	13,633	6,937	28,480	17,831	13,397	0	24,510	0	0	0	25,372
64	LOCAL 444 SANITATION OFFICERS RWF	223,146	20,000	24,708	81,890	3,900	2,074	0	2,796	0	0	5,626	0	0	0	0	0	61,661
73	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC WF	1,221,447	142,353	364,644	131,016	56,448	13,008	0	6,189	40,677	138,796	13,296	111,791	8,462	170,683	0	0	36,206
77	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC WF	217,701	16,515	118,519	0	16,027	13,417	3,528	1,435	0	7,728	4,063	0	0	37,481	0	0	0
78	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC. RWF	347,771	26,744	193,474	2,400	24,035	16,362	6,303	2,460	890	12,268	3,100	0	0	61,766	0	0	0
89	NEW YORK CITY RETIREES WF	338,007	0	632	294,564	2,560	11,663	18,532	0	0	2,514	4,688	0	3,044	0	0	0	0
106	SUPERIOR OFFICERS COUNCIL (POLICE) RWF	444,364	14,823	124,714	263,103	0	8,400	442	3,893	8,734	12,812	6,462	0	2,181	0	0	0	1,154
108	SUPERIOR OFFICERS COUNCIL (POLICE) WF/CLRF/CEA	282,788	14,823	124,641	104,194	0	8,400	442	3,893	8,734	10,528	6,462	0	716	0	0	0	0
TOTAL \$3 MILLION TO \$10 MILLION CATEGORY		6,564,446	373,069	2,426,227	1,737,047	171,198	193,866	64,417	31,670	161,280	309,444	89,931	112,215	368,167	326,976	200,048	0	3,066
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION																		
9	CORRECTION OFFICERS' BENEVOLENT ASSOC WF/CLRF	1,094,476	0	0	341,638	0	46,000	0	0	0	16,807	0	0	692,030	0	0	0	0
16	DETECTIVES ENDOWMENT ASSOCIATION RWF	1,024,811	0	294,951	588,684	8,600	13,260	0	2,669	4,893	21,265	3,838	0	21,367	60,945	0	0	13,449
26	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. RWF	1,089,312	76,966	661,829	269,496	7,200	21,648	342	6,882	31,626	40,577	17,486	496	11,946	0	0	0	44,003
29	LOCAL 1180 CWA MUNICIPAL MANAGEMENT ASSOC RWF	1,696,812	177,502	664,804	33,270	20,876	32,144	27,349	200,534	140,724	12,492	22,555	83,178	0	0	0	0	76,130
72	LOCAL 931 UNIFORMED SANITATIONMEN'S ASSOC RWF	467,830	16,042	103,353	228,182	20,008	48,986	0	6,000	16,300	4,777	481	0	0	0	0	0	12,691
81	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOC RWF	760,127	37,043	231,710	298,397	9,700	12,000	3,601	9,265	56,933	18,496	4,463	76	29,726	0	0	0	40,827
83	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WF	878,123	37,044	343,082	229,376	18,000	12,000	3,915	9,485	34,469	21,934	5,647	74	0	0	0	0	163,057
92	NEW YORK STATE NURSES ASSOCIATION WF	863,166	64,760	75,250	317,238	15,000	12,285	17,436	7,000	10,600	21,670	9,316	0	246,416	0	0	0	56,407
93	ORGANIZATION OF STAFF ANALYSTS WF	1,019,498	180,864	635,028	241,706	0	16,275	0	8,882	238	19,268	17,217	0	32	0	0	0	0
113	SERGEANTS BENEVOLENT ASSOC.(POLICE) WF/CLRF	1,069,153	16,667	499,378	399,927	48,000	21,000	0	32,592	39,418	4,444	0	0	8,727	0	0	0	0
28&30	LOCAL 1180 CWA MUNICIPAL MANAGEMENT WF/LEGAL	2,649,312	161,917	1,109,367	464,773	37,576	26,875	56,028	29,419	417,774	183,923	25,650	0	114,739	0	0	0	21,274
44&66	LOCAL 237 TEAMSTERS RWF	1,700,564	131,629	1,010,761	275,603	35,866	21,719	23,212	6,604	12,822	165,743	9,434	0	0	0	0	0	13,281
TOTAL \$10 MILLION TO \$20 MILLION CATEGORY		14,282,172	898,403	6,429,303	3,669,142	233,109	271,821	136,676	112,667	820,602	887,600	110,717	23,260	981,744	297,360	440,169	0	3,086
NYC CONTRIBUTION OVER \$20 MILLION																		
10	DC 37 WF	18,132,125	1,366,002	8,452,650	160,618	449,434	186,601	69,471	66,666	3,523,668	1,641,982	180,837	79,447	1,842,160	0	0	0	164,902
82	LOCAL 371 SOCIAL SERVICE EMPLOYEES WF/LEGAL/CIAD/M	2,896,397	283,602	1,594,023	260,690	88,278	46,760	8,260	26,081	131,888	156,906	47,552	0	177,100	0	0	0	29,377
96	PATROLMEN'S BENEVOLENT ASSOC RWF	2,688,967	436,614	1,200,198	659,474	64,430	81,887	0	11,903	73,822	68,363	46,031	31,079	0	0	0	0	16,276
97	PATROLMEN'S BENEVOLENT ASSOC WF/CLRF	3,237,210	537,643	1,816,670	363,176	124,469	102,675	0	14,359	96,823	60,771	61,606	39,131	0	0	0	0	31,988
41	LOCAL 2 UNITED FEDERATION OF TEACHERS WF	21,848,712	3,283,860	10,083,714	5,661,328	83,475	70,038	538,308	107,040	588,631	638,621	86,113	348,461	73,031	0	0	0	229,194
46&67	LOCAL 237 TEAMSTERS WF	3,038,547	19,977	1,614,431	736,312	109,391	40,938	10,868	14,713	106,905	160,763	44,746	56,992	64,862	0	0	0	164,540
101	PROFESSIONAL STAFF CONGRESS CUNY WF/IRWF	1,380,606	165,500	961,816	46,363	69,187	36,000	7,527	10,035	12,639	48,438	16,918	0	0	0	0	0	47,062
TOTAL OVER \$20 MILLION CATEGORY		53,074,463	6,083,098	25,632,402	7,990,669	878,664	546,689	824,662	248,796	4,513,266	2,666,744	481,901	563,110	2,147,133	0	0	0	672,339
TOTAL SELF-INSURED FUNDS																		
TOTAL SELF-INSURED FUNDS		78,619,360	7,535,668	34,336,040	15,081,212	1,604,871	1,303,402	945,422	432,990	6,868,660	3,911,119	767,367	681,918	3,745,616	705,236	1,490,959	0	1,276

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2008

REF	NAME OF FUND	TOTAL ADMIN. EXP. 100.00%	RENT 9.72%	SALARIES 43.73%	COMMISSN 19.22%	LEGAL 2.04%	ACCTG 1.66%	TRAVEL & CONE. 1.20%	TELE. PHONE 0.65%	OFFICE EQUIP. & RENTAL EXPENSE 7.46%	OTHER OFFICE EXPENSE 4.88%	INSUR. AMCE 0.96%	REPAIRS & MAINT 0.88%	OTHER 4.77%	RETENTION 0.90%	CUSTODIAL SVS 1.90%	
	<u>INSURED WF & RWF</u>																
	<u>NYC CONTRIBUTION UNDER \$100,000</u>																
	NYC DEPUTY SHERIFFS ASSOC RWF	12	3,600	600	0	0	2,900	0	0	0	0	0	0	0	0	0	0
	TOTAL UNDER \$100,000 CATEGORY		3,600	600	0	0	2,900	0	0	0	0	0	0	0	0	0	0
	<u>NYC CONTRIBUTION \$100,000 TO \$300,000</u>																
	NYC DEPUTY SHERIFFS ASSOC WF	13	3,770	0	0	0	3,600	0	0	0	0	0	0	270	0	0	0
	TOTAL \$100,000 TO \$300,000 CATEGORY		3,770	0	0	0	3,600	0	0	0	0	0	0	270	0	0	0
	<u>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</u>																
	LOCAL 333 UNITED MARINE DIVISION RWF	69	75,246	0	0	0	23,175	0	0	161	2,938	2,938	0	48,971	0	0	0
	LOCAL 333 UNITED MARINE DIVISION WF	80	85,611	2,635	66,168	0	18,625	0	2,460	0	2,500	2,938	0	396	0	0	0
	TOTAL \$300,000 TO \$1 MILLION CATEGORY		160,856	2,635	66,168	0	41,700	0	2,460	0	2,661	5,876	0	49,366	0	0	0
	TOTAL INSURED FUNDS		168,126	3,235	66,168	0	48,100	0	2,460	0	2,661	6,878	0	49,636	0	0	0
	<u>TOTAL SELF-INSURED AND INSURED FUNDS</u>		78,697,486	7,638,883	34,391,198	15,091,212	1,604,871	1,351,602	945,422	6,858,660	3,913,780	773,233	691,318	3,756,261	705,236	1,490,969	

EXHIBIT C

SURVEY OF BENEFIT FUNDS
SCHEDULE OF ADMINISTRATIVE EXPENSES
2008

REF	NAME OF FUND	TOTAL ADMIN. EXP.	RENT	SALARIES	FEES & COMMISSIONS	LEGAL	ACCTG	TRAVEL & CONE.	TELEPHONE	OFFICE EQUIP. & RENTAL	OTHER OFFICE EXPENSE	INSUR. AMCE	REPAIRS & MAINT	OTHER	RETENTION	INVEST CUSTODIAL SVS	
	ANNUITY FUNDS																
	NYC CONTRIBUTION \$100,000 TO \$200,000																
11	NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	TOTAL UNDER \$100,000 CATEGORY	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	NYC CONTRIBUTION \$300,000 TO \$1 MILLION																
125	LOCAL 300 SEIU CIVIL SERVICE FORUM ANNUITY FUND	106,488	3,387	3,082	6,480	13,918	24,496	8,964	0	287	0	207	235	1,334	0	46,116	
127	LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	133,304	0	0	12,168	7,065	64,896	0	0	0	0	7,809	0	0	0	0	51,287
130	Civil Service Bar Association Annuity Fund	49,958	0	0	36,670	0	8,600	0	0	0	247	3,651	0	0	0	0	0
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	289,760	3,387	3,082	64,168	20,973	89,993	8,964	0	287	247	11,667	235	1,334	0	96,403	
	NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION																
76	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC AF	294,047	26,330	165,800	60,620	20,759	15,662	1,137	1,738	974	5,682	6,712	0	-147	0	0	0
119	LOCAL 1180 CWA MEMBERS ANNUITY FUND	226,668	0	0	69,841	11,869	12,000	0	0	0	606	0	0	1,434	0	130,018	
121	DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	863,833	0	0	15,130	16,239	3,123	0	0	16,926	12,800	20,616	0	246,708	0	534,291	
123	LOCAL 371 SOCIAL SERVICE EMPLOYEES AF	276,376	0	0	4,828	12,000	21,000	0	0	0	26,988	9,946	0	0	0	201,612	
124	DOCTORS COUNCIL ANNUITY FUND	138,126	0	0	6,688	22,327	12,800	0	0	0	66,487	14,617	0	0	0	47,000	
128	LOCAL 246 SEIU NYC ANNUITY FUND	120,037	0	0	18,000	8,580	5,000	0	0	0	8,321	0	0	27	0	80,109	
	TOTAL \$3 MILLION TO \$10 MILLION CATEGORY	1,918,076	26,330	165,800	149,874	90,656	81,801	4,260	1,738	16,900	112,454	60,212	0	247,022	0	963,030	
	NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION																
71	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC AF	631,681	17,561	76,637	74,368	16,186	36,004	0	0	0	22,169	0	0	0	0	288,766	
95	PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	743,872	5,947	100,482	1,811	9,600	41,723	0	477	3,746	17,127	21,122	1,978	0	0	519,679	
	TOTAL \$10 MILLION TO \$20 MILLION CATEGORY	1,276,653	23,498	179,099	76,179	24,796	76,727	0	477	3,746	39,296	21,122	1,978	0	0	828,636	
	NYC CONTRIBUTION \$20 MILLION TO \$50 MILLION																
	TOTAL ANNUITY FUNDS	3,483,389	62,216	347,951	279,241	136,424	247,621	13,214	2,216	20,933	167,997	93,001	2,213	248,366	0	1,868,068	
	GRAND TOTAL	82,170,876	7,691,108	34,739,189	16,370,463	7,741,295	1,659,023	958,636	437,665	5,679,493	4,066,777	866,234	694,131	4,043,607	705,236	3,379,027	
		100.00%	9.36%	42.28%	18.71%	2.12%	1.96%	1.17%	0.53%	7.16%	4.95%	1.06%	0.84%	4.92%	0.86%	4.11%	

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED UNDER \$100,000					
LOCAL 306 MUNICIPAL EMPLOYEES WELFARE FUND	56	88,156	X	X	Life Insurance, Dental Optical Prescription Drugs
SELF-INSURED \$100,000 TO \$300,000 CATEGORY					
LOCAL 858, IBT (OTB) BRANCH OFFICE MANAGERS WELFARE FUND	79	229,534	X	X	Life Insurance Dental Optical Prescription Drugs
NYC MUNICIPAL STEAMFITTERS AND STEAMFITTER HELPERS RETIREE WELFARE FUND	87	137,134	X	X	Life Insurance Dental Optical Prepaid Legal Hearing Aid Death Benefits
LOCAL 832 TEAMSTERS RETIREE WELFARE FUND	74	127,216	X	X	Limited Medical Insurance Dental Utilization Optical Podiatry Death Benefits Legal Service Plan Membership in Retirees Association
DISTRICT No 1 MEBA BENEFICIAL FUND TRUST WF/AF	18	231,360	X	X	Life Insurance Dental Optical Training Severance and Death Payouts Reimbursement of Medical/dental
LOCAL NO. 5 MUNICIPAL EMPLOYEES BENEFIT TRUST FUND	84	50,850	X	X	Death Benefits Optical Plus Dental - Supplemental Optical - Direct Prescription Card
FIRE ALARM DISPATCHERS BENEVOLENT ASSOCIATION WF	23	241,822	X	X	AFLAC Cancer Insurance First UNUM-Ltd Dentcare New England Financial life Insurance North Western Mutual Life Insurance Dental benefit Optical plan Death Benefits Life Insurance Drug Plan-Direct Payment Other Benefits
NYC MUNICIPAL STEAMFITTERS & STEAMFITTER HELPERS WELFARE FUND	86	223,945	X	X	Life Insurance and Disability Dental Optical PrepaidLegal

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$100,000 TO \$300,000 CATEGORY - Cont'd					
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND RWF	129	112,235		X	Prescription Drugs
				X	Prepaid Legal Services
				X	Dental
				X	Optical
SELF-INSURED					
\$300,000 TO \$1 MILLION CATEGORY					
LOCAL 832 TEAMSTERS WELFARE FUND	75	470,573	X		Limited Medical Insurance
				X	Dental Utilization
				X	Disability Wages
				X	Prescription Drugs
				X	Optician & Eyeglasses
				X	Podiatrist
				X	Maternity benefits
ASST DEPUTY WARDENS / DEPUTY WARDENS ASSOC WF/ RWF/ CLRF	2	815,159	X		Life Insurance
				X	Optical
				X	Dental
				X	Supplementary Medical
				X	Pharmacy
				X	Legal Services
				X	Maternity
				X	Retirement Counselling
				X	Civil Legal Defense
				X	Legal Criminal Defense
UNITED PROBATION OFFICERS ASSOCIATION RETIREE WELFARE FUND	110	559,740		X	Life Insurance
				X	Dental
				X	Optical
				X	Prescription Drugs
				X	Hearing Aids
				X	Podiatry
				X	Mammography
				X	Emergency Room
				X	Medical
				X	Therapy
				X	In-Hospital Indemnity
				X	Anesthesia
				X	Legal
				X	Health & Wellness
				X	Prosthetic Appliance
				X	Sundry
DOCTORS COUNCIL RETIREE WELFARE FUND	21	675,191		X	Dental Claims
				X	Psychiatric
				X	Optical
				X	Physical Examination
				X	Hearing Aid
				X	Podiatry
				X	Legal Services
				X	Mammogram
				X	Health Reimbursement

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
<u>\$300,000 TO \$1 MILLION CATEGORY - Cont'd</u>					
LOCAL 3 IBEW ELECTRICIANS RETIREE WELFARE FUND	50	950,889		X	Death
				X	Dental
				X	Prescription Drugs
				X	Optical
				X	Hearing aid
				X	Medical consultation
				X	Drug Rider Reimbursement
				X	Orthotic
LOCAL300 CIVIL SERVICE FORUM RWF	54	657,600		X	Dental
				X	Optical
				X	Prescription Drugs
				X	Prepaid Legal Services
				X	Hearing Aid
				X	Death
LOCAL 15, 15A, 15C OPERATING ENGINEERS WELFARE FUND/RWF	38	573,706	X		Death Benefit
			X		Dental
				X	Optical
				X	Healthcare Supplemental
LOCAL 333 UNITED MARINE DIVISION RETIREE WELFARE FUND	59	277,908	X		Life Insurance
				X	Optical
				X	Supplemental Dental
LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WF	34	575,647		X	Prescription Drugs
				X	Prepaid Legal Services
				X	Dental
				X	Optical
LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	48	269,169	X		Life Insurance
				X	Optical
				X	Dental
				X	Legal Services
				X	Orthotics
SELF-INSURED					
<u>\$1 MILLION TO \$3 MILLION CATEGORY</u>					
NYC MUNICIPAL PLUMBERS AND PIPEFITTERS WELFARE FUND	85	973,749	X		Life Insurance and Disability
				X	Dental
				X	Optical
				X	Health Club
				X	Hearing Aids
CORRECTION CAPTAINS ASSOC. WELFARE FUND/ CLRF	6	1,157,347	X		Catastrophic Insurance
			X		Life Insurance
			X	X	Dental
				X	Optical
				X	Prescription Drugs
				X	Maternity
				X	In-hospital Benefits
				X	Supplement medical
				X	Hearing Aid

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$1 MILLION TO \$3 MILLION CATEGORY - Cont'd					
CORRECTION CAPTAINS ASSOC RETIREE WELFARE FUND	5	1,814,354	X		Catastrophic Insurance
			X		Life Insurance
			X	X	Dental
				X	Optical
				X	Drug Rider Reimbursement
				X	Hearing Aid Benefits
				X	Supplemental Medical
				X	In-hospital Benefits
LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS WF / RWF	57	1,888,740	X	X	Dental Claims
				X	Optical Claims
				X	Prescription Drug Claims
				X	Legal Benefits
				X	Death Benefits
				X	Health Reimbursement Arrangements
LOCAL 3 IBEW ELECTRICIANS WF	51	1,400,793		X	Dental
				X	Optical
				X	Prescription Drugs
				X	Long Term Disability
				X	Death
				X	Medical consultations
				X	Orthotics
LOCAL 246 SEIU RETIREE WELFARE FUND	46	1,059,912		X	Dental
				X	Hearing Aid
				X	Optical
				X	Prescription Drugs
DOCTORS COUNCIL WELFARE FUND	22	1,321,875	X		Life Insurance
				X	Disability
				X	Dental Claims
				X	Legal Services
				X	Podiatric Care
				X	Hearing Aid
				X	Optical
				X	Maternity / Adoption
				X	Psychiatric
				X	Physical Examination
				X	Mammogram
				X	Health Reimbursement
				X	Nursing
1199 SEIU LICENSED PRACTICAL NURSES WELFARE FUND	68	1,491,250	X		Disability Insurance Premiums
			X		Life Insurance Premiums
				X	Prescription Drugs
				X	Dental
				X	Optical
				X	Long-term Disability
				X	Other Programs
LOCAL 246 SEIU WELFARE FUND	47	2,044,439		X	Death Benefit
				X	Dental
				X	Optical
				X	Prescription Drugs
				X	Hearing Aid

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$1 MILLION TO \$3 MILLION CATEGORY - Cont'd					
UNITED PROBATION OFFICERS ASSOCIATION WELFARE FUND	109	1,298,733		X	Life Insurance X Dental X Optical X Prescription Drugs X Disability X Podiatry X Medical X Mammography X In Hospital Indemnity X Emergency Room X Legal X Health and Wellness X Death X Hearing Aid X Bereavement Benefits X Education Seminar
LOCAL 444 SANITATION OFFICERS WELFARE FUND	65	1,520,010	X		Life Insurance X Dental X Optical X Prescription Drugs X Legal X Supplementary Medical
DC 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION WF/RWF(Local 1969)	20	1,964,959			Group Life and AD&D - CSWF X Dental X Medical Spending X Optical X Hearing aids X Legal Services
LOCAL 300 CIVIL SERVICE FORUM WF	55	1,535,430	X		Life Insurance X Dental X Optical X Prescription Drugs X Prepaid Legal Service X Disability X Retirement Planning X Death X Podiatry X Hearing aids
LOCAL 211 ALLIED BUILDING INSPECTORS WELFARE FUND / RWF	42	1,511,791		X	Dental X Optical X Prescription Drugs X Hearing Aid X Disability X Death Benefit X Prepaid Legal Services
CIVIL SERVICE BAR ASSOCIATION WELFARE FUND	3	1,248,753	X	X	Life Insurance Disability X Prescription drugs X Dental X Optical X Nursery X Other X Nurse Helpline X Hearing Aids

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$1 MILLION TO \$3 MILLION CATEGORY - Cont'd					
LOCAL 891 SCHOOL CUSTODIAN AND CUSTODIAN ENGINEERS WF/RWF	80	2,148,206	X X		Group Life Insurance Catastrophic Insurance Dental Optical Prescription Drug Hearing Aid Survivor Continuation Benefits Legal Service Benefits Variable Benefit
SELF-INSURED					
\$3 MILLION TO \$10 MILLION CATEGORY					
LOCAL 444 SANITATION OFFICERS RETIREE WELFARE FUND	64	3,141,993	X		Life Insurance Dental Optical Supplementary Medical High -Option Rider
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION WELFARE FUND	77	3,722,326	X X		HIP Premium Supplement Life Insurance Medications Dental Optical Hearing Aids
DETECTIVES ENDOWMENT ASSOCIATION WELFARE FUND	16	8,987,577	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 / CLR/ LBA	106	4,683,047	X X X		Dental - Comprehensive Catastrophic Health Ins. (GHI) Extended Health Ins , (HIP) Dental -Insurance Schedule Prescription Drugs Optical Hearing Aid Catastrophic Reimbursement
NEW YORK CITY RETIREES WELFARE FUND	89	4,037,214	X		Life Insurance Prescription Drugs Optical Dental Legal Hearing Aid Podiatry
CORRECTION OFFICERS' BENEVOLENT ASSOC RETIREE WELFARE FUND	7	8,800,378	X X		Life Insurance Dental Prescription Drugs Optical Prepaid Legal Services

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$3 MILLION TO \$10 MILLION CATEGORY - Cont'd					
SUPERIOR OFFICERS COUNCIL (POLICE) RETIREE WELFARE FUND	105	6,651,184	X		Dental Comprehensive Hospitalization Catastrophic Health (G.H.I.) Dental Insurance Schedule Prescription Drug Benefits Death Benefit Health Rider Reimbursement Optical Catastrophic Reimbursement
LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION RETIREE WELFARE FUND	78	8,295,121	X		GHI Premium - supplement HIP Premium Supplement Life Insurance Medications Dental expense Optical Hearing Aids Death benefits
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOCIATION WELFARE FUND	73	8,057,877	X		Group Life Insurance and accident Dental (HealthPlex, Inc.) Prescription Drugs General Medical - Anesthesia Optical Crutches and Wheelchair Hospital bed and traction Line of Duty Injury (LODI) Consulting Physician - LODI claims
LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS WELFARE FUND	25	9,048,170	X		Dental - DHMO Group Life Dental - Schedule of Allowances Optical Prescription Drugs Hearing Aid Major Medical - Supplement to Basic Coverage Survivor Benefits - 5 years coverage
LOCAL 1182 CWA SECURITY BENEFITS FUND WF/RWF/LEGAL	33	3,909,380	X		Life Insurance Disability Dental Optical Prescription Drugs Prepaid Legal Services
HOUSE STAFF COMMITTEE OF INTERNS & RESIDENTS WELFARE/LEGAL FUND	24	3,872,667	X		Long Term Disability Insurance Life Insurance Dental Optical Outpatient Psychiatric Care Major Medical Childbirth Education Circumcision Conferences & Books WMC Obstetrics Prescription Drugs Conferences - HHC Smoking Cessation Newborn Expenses

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$10 MILLION TO \$20 MILLION CATEGORY					
SERGEANTS BENEVOLENT ASSOCIATION (Police) WF/RWF/CLRF	113	17,158,912	X		Expanded Medical Dental Prescription Drugs Optical Death Benefit Catastrophic Health Civil Legal Representation Fund Body Scan
LOCAL 1180 CWA MUNICIPAL MANAGEMENT WELFARE FUND / LEGAL / EDUCATION	28/30	14,961,697	X		Life Insurance Dental Optical Prescription Drugs Disability Hearing Aid Maternity Prepaid Legal Services Podiatry Court Cost Clinical Telephone Hot Line Workplace literacy program Urban leadership program Tuition Reimbursements Central Labor Rehabilitation Book purchases Quality through participation Medical Reimbursements Other Legal
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION RETIREE WELFARE FUND	81	17,101,827	X 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 Surgical Assistance Program
LOCAL 237 TEAMSTERS RETIREE WELFARE FUND (includes Fund 68, Local 621 RWF)	44/66	12,899,958		X	Death Benefit Dental Optical Prescription Drugs Education Program Social Program Hearing Aid Legal Services Supplemental Medical Benefit
CORRECTION OFFICERS' BENEVOLENT ASSOCIATION WELFARE FUND / CLRF	9	13,001,038	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 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$10 MILLION TO \$20 MILLION CATEGORY - Cont'd					
LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WELFARE FUND	83	14,901,455	X		Life Insurance
			X		GHI
			X		GHI Widows
			X		HIP- Extended Coverage
			X		HIP- widows (COBRA)
			X		US Healthcare
				X	Dental
				X	Dentcare
				X	Optical
				X	Prescription Drugs
				X	Prescription Drugs (Widows)
				X	Surgical Anesthesia
				X	Maintenance Prescription Drug Program
				X	Hearing Aid
				X	UFA/UFOA Welfare Fund
				X	Obstetrical
				X	Anesthesia
DETECTIVES ENDOWMENT ASSOCIATION RETIREE WELFARE FUND	15	15,487,201	X		Hospital Rider
			X		Appliance Rider
			X		Catastrophic
			X	X	Dental
				X	Optical
				X	Prescription Drugs
				X	Catastrophic Deductible
				X	Medical Co-payment Refunds
				X	Hearing Aid
				X	Death Benefit
NYS NURSES ASSOCIATION WELFARE FUND	92	11,332,302	X		Life/Disability
				X	Optical
				X	Podiatry & Orthotics
				X	Long-Term Disability
				X	(COBRA) Extended Benefits
				X	Hearing Aids
				X	Major Medical
				X	Prescription Drugs
				X	Dental
				X	Retirement Counseling
LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC RETIREE WELFARE FUND	72	13,684,575		X	Dental
			X		Prescription Drugs
				X	Optical
				X	Supplemental Medical
LOCAL 1180 CWA MUNICIPAL MANAGEMENT RETIREE WELFARE FUND	29	10,441,967		X	Direct Optical Benefits
				X	Dental
				X	Prescription Drugs
				X	Optical
				X	Pension Counseling
				X	Hearing Aid
				X	Podiatry benefit
				X	Retiree Division Program
				X	General Medical Benefit
				X	Clinical benefit
				X	Direct Dental Benefits
				X	Legal Service Benefits

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
\$10 MILLION TO \$20 MILLION CATEGORY - Cont'd					
ORGANIZATION OF STAFF ANALYSTS WELFARE FUND	93	6,777,328	X		Long Term Disability
			X		Basic Life Insurance
				X	Survivor Benefits
				X	Dental
				X	Optical
				X	Major Medical
				X	COBRA Reimbursements
				X	Drug Under Reimbursements
				X	Pension Counseling
				X	Civil Service Exam
				X	Other
LOCAL 1 COUNCIL OF SUPERVISORS & ADMINISTRATORS RETIREE WELFARE FUND	26	8,888,490	X		Dental - DHMO
			X		Extended Hospitalization -- (Extension of Basic Coverage)
				X	Dental Schedule of Allowances
				X	Optical
				X	Hearing Aid
				X	Major Medical Supplemental to Basic Coverage
				X	GHI Rider Reimbursement -- (Medicare Participants)
SELF-INSURED					
OVER \$20 MILLION CATEGORY					
LOCAL 371 SOCIAL SERVICE EMPLOYEES WF/ LEGAL / EDUCATION / ADMINISTRATIVE	62	24,693,490	X		Life Insurance
				X	Dental
				X	Prescription Drugs
				X	Disability
				X	Optical
				X	Prosthetic Appliances
				X	Podiatry
				X	Bunai
				X	Diagnostic Exams
				X	Pension Counseling
				X	Hearing Aids
				X	Abortion
				X	Civil Matters
				X	Criminal Representation
				X	Court Costs
				X	Tuition Reimbursements
				X	Fees for Job Related Conferences
				X	Dues for Professional Organization
				X	Civil Service Exam Prep Courses
				X	Bail Bond Imprest Acct replenishments
PATROLMEN'S BENEVOLENT ASSOCIATION RETIREE WELFARE FUND	98	38,745,325	X		Supplemental Hospitalization
				X	Dental
				X	Prescription Drugs
				X	Optical
				X	Other Supplemental Benefits

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
OVER \$20 MILLION CATEGORY - Cont'd					
PATROLMEN'S BENEVOLENT ASSOCIATION WELFARE FUND / CLRF	97	34,756,519	X		Life Insurance X Dental X Optical X Prescription Drugs X Catastrophic Benefit X Office Visit Co-payment Benefit X Other Supplemental Benefits X Pension Counseling X Legal Services Benefit
LOCAL 237 TEAMSTERS WELFARE FUND (includes fund 67, local 821 WF)	45/67	35,173,489			X Death Benefit X Dental X Optical X Prescription Drugs X Short-term Disability X Legal Services Benefits X Hearing Aid X Pension Counseling X College Guidance Counseling
LOCAL 2 UNITED FEDERATION OF TEACHERS WELFARE FUND	41	257,137,100	X X		SLOAC Retiree - Legal Service X Death Benefit X Dental X Optical X Disability X Hearing Aids X Retiree Program X Prescription Drugs X Prescription Appliances / Other X Optional Rider Reimbursement X Durable Medical Equipment X Medicare Part D
DC 37 WELFARE FUND	10	238,207,624			X Dental Claims X Disability X Prescription Drugs X Rebates and Reimbursements prescription drugs, net X Death X Optical Claims X Podiatry X Audiology X Health & Pension Services Program X Legal Services X Social Service Crisis Intervention Program X Dental Centers X Optical Centers X Program Costs X Educational Costs X Tuition Refund Program X Other

EXHIBIT D
 SURVEY OF BENEFIT FUNDS
 SCHEDULE OF SELF-INSURED, INSURED WELFARE AND RETIREE WELFARE FUNDS, EDUCATION FUNDS
 AVAILABLE BENEFITS 2008

FUND NAME (BY REVENUE CATEGORY)	REF	TOTAL BENEFIT EXPENSE	INSURED	SELF- INSURED	TYPE OF BENEFIT
SELF-INSURED					
OVER \$20 MILLION CATEGORY - Cont'd					
PROFESSIONAL STAFF CONGRESS CUNY WELFARE FUND / RWF	101	34,986,591	X	X	Prescription Drugs
			X		Life Insurance
			X		Disability-active
			X	X	Major Medical
			X		Basic Health Benefits
			X	X	Dental
				X	Optical
				X	Well Care Programs
				X	Death Benefits
				X	Hearing Aids
INSURED					
UNDER \$100,000 CATEGORY					
NYC DEPUTY SHERIFFS ASSOCIATION RETIREE WELFARE FUND	12	88,334	X		Group Life & A D D. Insurance
			X		Optical
			X		Dental
				X	Drugs, Reimbursements
INSURED					
\$100,000 TO \$300,000 CATEGORY					
NYC DEPUTY SHERIFFS ASSOCIATION WELFARE FUND	13	210,625	X		Group Life & A D D Insurance
			X		Group Dental
			X		Optical Care
				X	Legal, Professional
LOCAL 14 -14B IUOE WELFARE FUND/RWF	37	73,849	X		Dental Benefits
				X	Death Benefits
				X	Optical Benefits
INSURED					
\$300,000 TO \$1 MILLION CATEGORY					
LOCAL 333 UNITED MARINE DIVISION WELFARE FUND	60	350,043	X		Life Insurance
			X		Dental
				X	Optical

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2008

REF	NAME OF FUND	BEN EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	
SELF-INSURED WF & RWE												
NYC CONTRIBUTION UNDER \$100,000												
56	LOCAL 306 MUNICIPAL EMPLOYEES WF	89.36%	0.00%	26.11%	0.00%	77.39%	0.00%	22.61%	0.00%	-16.47%	0.00%	
	TOTAL UNDER \$100,000 CATEGORY	89.36%		26.11%		77.39%		22.61%		-16.47%		
NYC CONTRIBUTION \$100,000 TO \$300,000												
18	DISTRICT NO. 1 MEBA BENE. FUND TRUST WFI/AF	125.60%	56.82%	11.17%	-7.63%	91.83%	6.80%	8.17%	-37.35%	-36.67%	-696.89%	
23	FIRE ALARM DISPATCHERS BENEVOLENT ASSOC WF	74.30%	-7.76%	16.47%	28.06%	82.77%	-4.82%	17.23%	32.13%	10.23%	38.62%	
37	LOCAL 14A-14B (UOE) WFI/WF	46.84%	-42.09%	11.13%	-7.86%	80.74%	-7.15%	19.26%	47.70%	42.24%	472.36%	
79	LOCAL 668 1BT. (OTB) BRANCH OFFICE MANAGERS WF	76.06%	-6.67%	10.36%	-14.32%	88.02%	1.22%	11.98%	-8.13%	13.60%	84.28%	
84	LOCAL NO. 8 MNCPL EMPLOYEES BENEFIT TRUST FUND	88.66%	10.08%	7.63%	-37.67%	92.17%	5.99%	7.83%	-39.96%	3.81%	-48.37%	
	TOTAL \$100,000 TO \$300,000 CATEGORY	80.64%		12.08%		86.96%		13.04%		7.38%		
NYC CONTRIBUTION \$300,000 TO \$1 MILLION												
2	ASSISTANT OEP WARDENS/DEP WARDENS WFI RWF/CLRF	84.69%	6.05%	12.75%	-30.74%	86.90%	6.77%	13.10%	-29.61%	2.66%	148.60%	
21	DOCTORS COUNCIL RWF	69.79%	-13.33%	18.11%	-1.63%	79.39%	-2.68%	20.61%	10.75%	12.10%	1030.84%	
34	LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND WFI/WF	76.78%	-6.89%	13.46%	-26.94%	84.93%	4.35%	16.07%	-10.02%	10.77%	906.54%	
38	LOCAL 15, 16A, 16C OPERATING ENGINEERS WFI/WF	88.02%	9.31%	17.55%	-4.87%	83.38%	2.46%	16.62%	-10.69%	-6.67%	-820.56%	
44	LOCAL 3 IBEW CITY EMPLOYEES WELFARE FUND	84.63%	4.96%	14.03%	-23.79%	86.78%	5.37%	14.24%	-23.48%	1.44%	34.68%	
54	LOCAL 300 CIVIL SERVICE FORUM RWF	76.36%	-5.17%	14.81%	-19.56%	83.76%	2.90%	16.26%	-12.68%	8.82%	724.30%	
110	UNITED PROBATION OFFICERS ASSOCIATION RWF	94.86%	17.61%	40.80%	121.62%	69.93%	-14.08%	30.07%	61.68%	-36.68%	-3432.71%	
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	80.52%		18.41%		81.39%		18.61%		1.07%		
NYC CONTRIBUTION \$1 MILLION TO \$3 MILLION												
3	CIVIL SERVICE BAR ASSOC WF	84.34%	-3.10%	13.05%	6.97%	88.60%	-1.27%	13.40%	9.03%	2.61%	248.00%	
6	CORRECTION CAPTAINS ASSOCIATION RWF	80.06%	-8.02%	6.30%	-56.66%	93.79%	6.93%	6.21%	-49.47%	14.64%	1862.00%	
6	CORRECTION CAPTAINS ASSOCIATION WFI/CLRF	82.86%	-6.03%	7.62%	-38.36%	91.86%	4.60%	8.34%	-32.14%	9.82%	1209.33%	
20	DC 9 PAINTING INDUSTRY WFI/WF (LOCAL 1869)	125.79%	44.62%	8.83%	-27.92%	93.44%	8.53%	6.66%	-46.62%	-34.62%	-4718.00%	
22	DOCTORS COUNCIL WF	81.31%	-6.69%	19.23%	67.82%	80.86%	-7.79%	19.12%	56.67%	-0.54%	-172.00%	
42	LOCAL 271 ALLIED BUILDING INSPECTORS WF	112.68%	29.46%	11.27%	-7.62%	90.94%	3.66%	9.08%	-28.04%	-23.96%	-3283.33%	
46	LOCAL 246 SEIU RWF	64.87%	-26.70%	7.99%	-34.75%	89.04%	1.52%	10.96%	-10.82%	27.37%	3649.33%	
47	LOCAL 246 SEIU WELFARE FUND	76.16%	-13.66%	8.44%	-30.82%	89.90%	2.60%	10.10%	-17.82%	16.41%	2088.00%	
50	LOCAL 3 IBEW ELECTRICIANS RWF	98.97%	13.71%	14.72%	20.86%	87.06%	-0.76%	12.95%	6.37%	-13.69%	-1926.33%	
51	LOCAL 3 IBEW ELECTRICIANS WF	114.98%	32.10%	18.02%	47.70%	88.45%	-1.44%	13.65%	10.25%	-32.98%	-4498.67%	
65	LOCAL 300 CIVIL SERVICE FORUM WF	104.71%	20.30%	12.25%	0.41%	89.63%	2.08%	10.47%	-14.81%	-16.96%	-2361.33%	
57	LOCAL 300A-C OPERATING MUNICIPAL ENGINEERS WFI/WF	80.86%	-7.33%	10.66%	-13.44%	88.42%	0.81%	11.68%	-6.78%	8.77%	1089.33%	
86	LOCAL 444 SANITATION OFFICERS WF	79.64%	-6.62%	6.29%	-66.64%	93.76%	6.90%	6.24%	-49.23%	16.18%	1921.33%	
68	1199SEIU LICENSED PRACTICAL NURSES WF	67.69%	-22.35%	9.87%	-18.10%	87.26%	3.86%	12.74%	22.64%	2906.33%		
80	LOCAL 891 SCHOOL CUSTOD & CUSTOD ENGINEERS WFI/WF	86.81%	-0.49%	18.48%	61.48%	82.41%	-6.04%	17.59%	43.12%	-5.09%	-778.67%	
86	NYC MUNICIPAL PLUMBERS & PIPEFITTERS WF	74.71%	-14.17%	7.53%	-38.28%	90.86%	3.69%	9.15%	-25.66%	17.76%	2268.00%	
109	UNITED PROBATION OFFICERS ASSOCIATION WF	110.30%	26.72%	43.08%	263.11%	71.92%	-18.00%	28.08%	128.48%	-63.38%	-7217.33%	
	TOTAL \$1 MILLION TO \$3 MILLION CATEGORY	87.04%		12.20%		87.71%		12.28%		0.75%		

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2008

REF	NAME OF FUND	BEN EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	
SELF-INSURED WF & RWF (cont'd)												
NYC CONTRIBUTION \$3 MILLION TO \$10 MILLION												
7	CORRECTION OFFICERS' BENEVOLENT ASSOC RWF	93.92%	-0.42%	3.43%	-59.45%	98.48%	6.13%	3.52%	-57.23%	2.65%	-196.32%	
16	DETECTIVES ENDOWMENT ASSOCIATION WF	147.81%	66.60%	14.01%	66.60%	91.33%	-0.46%	8.67%	6.35%	-61.62%	2116.65%	
24	HOUSE STAFF COMM OF INTERNS & RESIDENTS WF/LEGAL	80.73%	-14.41%	14.46%	70.82%	94.81%	-7.56%	16.19%	84.57%	4.81%	-273.02%	
25	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. WF	93.60%	-0.87%	9.87%	16.67%	90.46%	-1.44%	9.65%	16.04%	-3.37%	21.22%	
33	LOCAL 1182 CWA SECURITY BENEFIT FUND RWF/W/ILEGAL	83.95%	-11.84%	14.17%	67.48%	86.43%	-5.91%	14.67%	77.04%	2.77%	-199.64%	
64	LOCAL 444 SANITATION OFFICERS RWF	90.45%	2.26%	6.68%	-19.03%	86.43%	1.74%	6.63%	-19.44%	-3.30%	18.71%	
73	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC WF	81.22%	-13.89%	12.31%	46.61%	88.84%	-6.37%	13.16%	69.80%	6.47%	-332.73%	
77	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC WF	77.89%	-17.42%	4.56%	-46.10%	94.47%	2.94%	6.53%	-32.81%	17.66%	-731.65%	
78	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOC. RWF	92.92%	-1.48%	3.90%	-53.90%	96.98%	4.69%	4.02%	-51.15%	3.18%	-214.39%	
89	NEW YORK CITY RETIREES WF	87.68%	-7.16%	7.33%	-13.38%	92.27%	0.66%	7.73%	-6.08%	6.09%	-283.08%	
105	SUPERIOR OFFICERS COUNCIL (POLICE) RWF	91.21%	-3.30%	6.09%	-28.01%	93.74%	2.16%	6.26%	2.77%	2.69%	-198.76%	
108	SUPERIOR OFFICERS COUNCIL (POLICE) WF/CLRF/CEA	111.84%	18.58%	6.78%	-20.21%	94.31%	2.17%	6.69%	-30.86%	-18.69%	568.71%	
	TOTAL \$3 MILLION TO \$10 MILLION CATEGORY	94.32%		8.46%		91.77%		8.23%		-2.78%		
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION												
9	CORRECTION OFFICERS' BENEVOLENT ASSOC WF/CLRF	86.96%	-4.09%	7.24%	-11.49%	92.24%	0.87%	7.76%	-7.29%	6.81%	212.39%	
15	DETECTIVES ENDOWMENT ASSOCIATION RWF	99.61%	11.13%	6.59%	-19.44%	93.79%	2.36%	6.21%	-26.61%	-6.20%	-384.40%	
25	LOCAL 1 COUNCIL OF SUPERVISORS & ADMIN. RWF	95.19%	6.20%	11.67%	42.67%	89.08%	-2.78%	10.92%	30.47%	-6.86%	-144.68%	
29	LOCAL 1180 CWA MUNICIPAL MANAGEMENT RWF	108.72%	21.30%	17.66%	116.89%	89.03%	-6.11%	13.97%	66.91%	-26.38%	-1370.05%	
72	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC RWF	93.66%	4.37%	3.13%	-61.74%	98.76%	6.60%	3.24%	-81.29%	3.31%	61.83%	
81	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOC RWF	86.61%	-4.49%	3.75%	-54.16%	95.80%	4.55%	4.20%	-49.82%	10.64%	368.07%	
83	LOCAL 94 UNIFORMED FIREFIGHTERS ASSOCIATION WF	91.81%	2.43%	6.41%	-33.86%	94.44%	3.07%	6.66%	-33.67%	2.78%	27.62%	
92	NEW YORK STATE NURSES ASSOCIATION WF	86.32%	-4.61%	8.42%	-21.52%	93.00%	1.60%	7.00%	-16.37%	8.26%	278.90%	
93	ORGANIZATION OF STAFF ANALYSTS WF	64.88%	-27.50%	8.76%	19.66%	85.92%	-6.14%	13.08%	66.27%	26.24%	1057.80%	
113	SERGEANTS BENEVOLENT ASSOC.(POLICE) WFRWF/CLRF	95.89%	6.98%	5.98%	-28.89%	94.13%	2.73%	6.87%	-29.67%	-1.87%	-186.78%	
28430	LOCAL 1180 CWA MUNICIPAL MANAGEMENT WF/LEGAL	107.98%	20.47%	18.12%	133.74%	84.96%	-7.28%	15.04%	79.69%	-27.10%	-1343.12%	
44866	LOCAL 237 TEAMSTERS RWF	68.20%	-23.91%	9.13%	11.61%	88.19%	-3.76%	11.81%	41.10%	22.67%	939.81%	
	TOTAL \$10 MILLION TO \$20 MILLION CATEGORY	89.63%		8.16%		91.63%		6.37%		2.18%		
NYC CONTRIBUTION OVER \$20 MILLION												
10	OC 37 WF	91.69%	2.00%	8.98%	-2.92%	92.83%	0.36%	7.07%	-4.46%	1.33%	-64.45%	
62	LOCAL 371 SOCIAL SERVICE EMPLOYEES WF/LEGAL/JE/ADM	87.21%	-2.98%	10.02%	39.36%	89.89%	-3.16%	10.31%	39.32%	2.77%	-5.14%	
96	PATROLMEN'S BENEVOLENT ASSOC RWF	98.90%	10.02%	6.61%	-8.67%	93.74%	1.23%	6.26%	-16.41%	-6.50%	-288.36%	
97	PATROLMEN'S BENEVOLENT ASSOC WF/CLRF	82.47%	-8.25%	7.68%	6.82%	91.48%	-1.21%	8.62%	16.14%	9.85%	237.33%	
41	LOCAL 2 UNITED FEDERATION OF TEACHERS WF	83.61%	-7.10%	7.10%	-1.25%	92.17%	-0.46%	7.83%	6.81%	9.39%	221.68%	
45867	LOCAL 237 TEAMSTERS WF	139.45%	66.13%	12.05%	67.69%	92.05%	-0.59%	7.95%	7.43%	-61.60%	-1662.70%	
101	PROFESSIONAL STAFF CONGRESS CUNY WFRWF	97.92%	8.93%	3.89%	-45.90%	96.16%	3.87%	3.82%	-46.38%	-1.81%	-161.99%	
	TOTAL OVER \$20 MILLION CATEGORY	89.88%		7.19%		92.80%		7.40%		2.92%		
TOTAL SELF-INSURED FUNDS												
		90.06%		7.66%		92.16%		7.84%		2.29%		

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2008

REF	NAME OF FUND	BEN EXPI		ADM EXPI		DEVIA		BEN EXP		ADM EXP		DEVIA		EXCESS		DEVIA	
		TOTAL REV	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	TOTAL EXP	FROM CAT. AVERAGE	TOTAL EXP	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE	TOTAL REV	FROM CAT. AVERAGE
	<u>INSURED WF & RWF</u>																
	NYC CONTRIBUTION UNDER \$100,000																
12	NYC DEPUTY SHERIFFS ASSOC RWF	179.74%	0.00%	7.12%	0.00%	96.19%	0.00%	3.81%	0.00%	-86.86%	0.00%						
	TOTAL UNDER \$100,000 CATEGORY	<u>179.74%</u>		<u>7.12%</u>		<u>96.19%</u>		<u>3.81%</u>		<u>-86.86%</u>							
	<u>NYC CONTRIBUTION \$100,000 TO \$300,000</u>																
13	NYC DEPUTY SHERIFFS ASSOC WF	126.83%	0.00%	2.27%	0.00%	98.24%	0.00%	1.76%	0.00%	-29.10%	0.00%						
	TOTAL \$100,000 TO \$300,000 CATEGORY	<u>126.83%</u>		<u>2.27%</u>		<u>98.24%</u>		<u>1.76%</u>		<u>-29.10%</u>							
	<u>NYC CONTRIBUTION \$300,000 TO \$1 MILLION</u>																
59	LOCAL 333 UNITED MARINE DIVISION RWF	82.66%	4.64%	22.38%	10.48%	78.89%	-1.16%	21.31%	4.61%	-5.04%	4.61%						
60	LOCAL 333 UNITED MARINE DIVISION WF	76.44%	-3.33%	18.70%	-7.70%	80.36%	0.93%	18.65%	-3.63%	4.86%	-3.63%						
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	<u>79.07%</u>		<u>20.25%</u>		<u>79.61%</u>		<u>20.33%</u>		<u>0.67%</u>							
	<u>TOTAL INSURED FUNDS</u>	<u>91.83%</u>		<u>16.65%</u>		<u>84.65%</u>		<u>16.35%</u>		<u>-8.69%</u>							
	<u>TOTAL SELF-INSURED AND INSURED FUNDS</u>	<u>90.05%</u>		<u>7.67%</u>		<u>92.16%</u>		<u>7.84%</u>		<u>2.28%</u>							

EXHIBIT E

SURVEY OF BENEFIT FUNDS
BENEFIT FUND RATIOS
2008

REF	NAME OF FUND	BEN EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	BEN EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	ADM EXP/ TOTAL EXP	DEVIATION FROM CAT. AVERAGE	EXCESS/ TOTAL REV	DEVIATION FROM CAT. AVERAGE	
ANNUITY FUNDS												
NYC CONTRIBUTION \$100,000 TO \$300,000												
11	NYC DEPUTY SHERIFFS ASSOC ANNUITY FUND	169.45%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	-69.46%	0.00%	
	TOTAL UNDER \$100,000 CATEGORY	169.45%		0.00%		100.00%		0.00%		-69.46%		
NYC CONTRIBUTION \$300,000 TO \$1 MILLION												
126	LOCAL 309 SEIU CIVIL SERVICE FORUM ANNUITY FUND	48.93%	0.88%	16.97%	10.14%	76.39%	-2.13%	24.61%	7.14%	36.10%	-4.85%	
127	LOCAL 3 NYC COMMUNICATIONS ELECTRICIANS AF	61.58%	6.11%	16.23%	11.93%	76.07%	-1.25%	23.93%	4.18%	32.19%	-12.74%	
130	Civil Service Bar Association Annuity Fund	43.41%	-10.70%	9.79%	-32.48%	81.60%	5.93%	16.40%	-19.90%	48.80%	26.86%	
	TOTAL \$300,000 TO \$1 MILLION CATEGORY	48.61%		14.50%		77.03%		22.87%		36.89%		
NYC CONTRIBUTION \$2 MILLION TO \$10 MILLION												
76	LOCAL 664 UNIFORMED FIRE OFFICERS ASSOC AF	96.22%	79.35%	3.62%	-60.28%	96.47%	9.20%	3.63%	-69.73%	0.20%	-99.34%	
119	LOCAL 1180 CWA MEMBERS ANNUITY FUND	384.10%	678.86%	61.48%	766.36%	86.65%	-3.16%	14.46%	23.95%	-325.68%	-929.08%	
121	DISTRICT COUNCIL 37 AFSCME ANNUITY FUND	64.35%	1.30%	20.97%	196.19%	72.15%	-18.33%	27.86%	138.85%	24.68%	-37.16%	
123	LOCAL 374 SOCIAL SERVICE EMPLOYEES AF	18.66%	-66.37%	2.71%	-81.72%	87.26%	-1.22%	12.74%	9.28%	78.70%	108.41%	
124	DOCTORS COUNCIL ANNUITY FUND	16.86%	-68.67%	4.67%	-36.45%	76.67%	-10.95%	21.33%	82.95%	78.57%	100.08%	
128	LOCAL 246 SEIU NYC ANNUITY FUND	49.64%	-7.47%	11.58%	93.66%	81.09%	-9.21%	18.91%	62.18%	38.78%	-1.25%	
	TOTAL \$2 MILLION TO \$10 MILLION CATEGORY	63.65%		7.08%		88.34%		11.86%		39.27%		
NYC CONTRIBUTION \$10 MILLION TO \$20 MILLION												
71	LOCAL 831 UNIFORMED SANITATIONMEN'S ASSOC AF	76.63%	-21.81%	4.09%	-37.27%	96.06%	1.21%	4.95%	-18.72%	17.28%	-543.04%	
96	PATROLMEN'S BENEVOLENT ASSOC ANNUITY FUND	144.03%	43.19%	11.33%	73.77%	92.71%	-1.28%	7.29%	19.70%	-66.36%	678.62%	
	TOTAL \$10 MILLION TO \$20 MILLION CATEGORY	106.69%		6.62%		93.91%		6.09%		-7.11%		
TOTAL ANNUITY FUNDS												
		72.35%		7.18%		91.00%		9.00%		20.60%		
GRAND TOTAL												
		89.25%		7.64%		92.11%		7.89%		3.11%		

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
- D - Multi-Employer Analysis 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

- 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

DIRECTIV E REFERENC E	LEVEL I	LEVEL II
5.0	Yes	Yes
5.3	Yes	Yes
5.3	Yes	Yes
5.3	Yes	Yes
5.4	Yes	Yes
5.3/9.1	Yes ¹	Yes
5.3/9.2	Yes ¹	Yes
5.7	Yes	Yes
6.0	No	Yes
6.1.1	No	Yes
6.1.2	No	Yes
6.1.3	No	Yes
6.1.4	No	Yes
6.1.5	No	Yes
6.1.6	No	Yes
6.1.7	No	Yes
3.8/6.1.8	No	Yes
3.7/6.1.9	No	Yes
3.7.2/6.1.10	No	Yes
6.1.11	No	Yes
6.1.12	No	Yes
3.5/3.9/6.1.13	No	Yes
6.1.14	No	Yes
6.1.15	No	Yes
7.0/6.1.16	No	Yes
3.6/6.1.17	No	Yes
5.5/6.1.18	No	Yes

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

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
- D - Multi-Employer Analysis Schedule

DIRECTIVE REFERENCE	LEVEL I	LEVEL II
7.0/6.1.16	Yes	Yes
7.0	Yes	No
8.0	Yes	Yes
9.1	Yes	Yes
9.2	Yes	Yes
9.3	Yes	Yes
9.4	Yes	Yes

4.3 Filing Address

All filings required by the Directive must be submitted to:

Mr. Henry Lockworth
The City of New York
Office of the Comptroller
Bureau of Financial Audit
1 Centre Street, 13th Floor, Room 1300 North
New York, N.Y. 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.

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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.

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.

ADMINISTRATIVE EXPENSE SCHEDULE

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

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

EXPLANATION OF EXPENSE CATEGORIES

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

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		

MULTI-EMPLOYER ANALYSIS SCHEDULE

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

COMMONLY FOUND UNACCEPTABLE PRACTICES OF WELFARE FUND

<u>AREA</u>	<u>UNACCEPTABLE PRACTICE</u>
• Benefit processing system weaknesses	<ul style="list-style-type: none">- 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	<ul style="list-style-type: none">- 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	<p>Expenses are allocated between funds and related entities without:</p> <ul style="list-style-type: none">- 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

<u>AREA</u>	<u>UNACCEPTABLE PRACTICE</u>
• Documentation for expenses	<ul style="list-style-type: none">- 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	<p>Funds do not follow the following guidelines:</p> <ul style="list-style-type: none">- 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

<u>AREA</u>	<u>UNACCEPTABLE PRACTICE</u>
	<ul style="list-style-type: none">- 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.
<ul style="list-style-type: none">• Internal Controls	<p>Funds do not maintain an adequate set of accounting records, including the following:</p> <ul style="list-style-type: none">- general ledger.- cash disbursements journal.- cash receipts journal. <p>Funds do not:</p> <ul style="list-style-type: none">- stamp paid on all vouchers (indicating date and check number).- segregate incompatible duties between personnel.- prohibit writing checks to cash or bearer.
<ul style="list-style-type: none">• Significant Operating Deficits	<ul style="list-style-type: none">- Substantial operating deficits have exhausted the fund's reserve.- Funds maintain inadequate level of reserves

COMMONLY FOUND UNACCEPTABLE PRACTICES OF WELFARE FUND

AREA

UNACCEPTABLE PRACTICE

High Administrative Expenses

- A significant larger percentage of total revenue was spent on administrative expenses, in comparison to other similar funds.

• Postretirement benefits

- The Funds financial statements do not present the Plan's obligation to provide health and welfare benefits to participants after retirements (postretirement benefit obligations) as required by generally accepted accounting principles. The effects of the omission of postretirement benefit obligation information of the Plan's financial statements are presumed to be material.

• Other

- Cost savings analyses are not performed prior to major purchases (i.e. computer).

- Work logs are not maintained by professionals to determine actual work performed and time spent.

Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2010

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

Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2010

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

Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2010

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

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

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<u>Report Number</u>	<u>Title</u>	<u>Date Issued</u>
FL01-085F	Board of Elections Local 1183 Communication Workers of America Retiree Fund	06/22/01
FL01-084F	Board of Elections Local 1183 Communication Workers of America Welfare Fund	06/22/01
FL02-083A	Communication Workers Association Local 1182 Security Benefits Fund	04/12/02
FL02-085A	Detectives Endowment Association Health Benefit Fund-Active Employees	04/23/02
FL02-086A	Detectives Endowment Association Health Benefit Fund-Retirees	04/26/02
FL03-087A	Local 300 SEIU Civil Service Forum Welfare Fund	06/10/03
FL03-088A	Local 300 SEIU Civil Service Forum Retired Employees Welfare Fund	06/10/03
FL03-086A	Sergeant Benevolent Association Health and Welfare Fund	06/30/03
FL03-151A	Local 444 Sanitation Officers Security Benefit Fund	06/30/03
FL04-093A	Local 721 Licensed Practical Nurses Welfare Fund	06/30/04
FL04-094A	Uniformed Fire Officers Association Family Protection Plan	06/30/04
FL04-095A	Uniformed Fire Officers Association Retired Fire Officers Family Protection Plan	06/30/04
FL05-088A	Municipal Employees Welfare Fund of the International Union of Operating Engineers Local Union 15, 15A and 15C	03/29/06
FL05-090A	Local 333 Insurance Fund for New York City Employees	06/26/07
FL05-091A	Local 333 Retirement Insurance Fund for New York City Retirees	06/26/07
FL08-076A	Uniformed Probation Officers Association Welfare Fund	06/30/09
FL08-077A	Uniformed Probation Officers Association Retirement Welfare Fund	06/30/09
FL09-099A	Superior Officers Council Health & Welfare Fund Of the New York City Police Department	09/30/09
FL09-100A	Superior Officers Council Retiree Health & Welfare Fund of the New York City Police Department	09/30/09

Comptroller's Audit Reports on Benefit Funds
Issued in Fiscal Years 1985 to 2010

FK07-104A	Municipal Employees Welfare Trust Fund of the International Union of Operating Engineers Local 30	12/22/09
FK07-105A	Municipal Retired Employees Welfare Trust Fund of the International Union of Operating Engineers Local 30	12/22/09

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2008

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 864 UNIFORMED FIRE OFFICERS ASSOCIATION (WF)
ANDREW L. HULT CPA, P.L.L.C.	LOCAL 854 UNIFORMED FIRE OFFICERS ASSOCIATION (RWF)
ARMAO, COSTA, & RICCIDARI, CPAs, PC	LOCAL 15, 15A, 15C (IUOE) OPERATING MUNICIPAL ENGINEERS (AF)
ARMAO, COSTA, & RICCIDARI, CPAs, PC	LOCAL 15, 15A, 15C OPERATING ENGINEERS (WF/RWF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	LOCAL 237 TEAMSTERS (AF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	PROFESSIONAL STAFF CONGRESS CUNY (WF/RWF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	LOCAL 237 TEAMSTERS (RWF)
BUCHBINDER TUNICK & COMPANY LLP, CPA	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	LOCAL 891 (IUOE) EDUCATION AND TRAINING FUND
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)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2008

FUND NAME

AUDITING (CONTINUED)

ERNST & YOUNG, L.L.P	PATROLMEN'S BENEVOLENT ASSOCIATION (AF)
ERNST & YOUNG, L.L.P	PATROLMEN'S BENEVOLENT ASSOCIATION (RWF)
ERNST & YOUNG, L.L.P	PATROLMEN'S BENEVOLENT ASSOCIATION (WF/CLRF)
FURMAN & HAUSWIRTH, CPA	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) (AF)
FURMAN & HAUSWIRTH, CPA	SERGEANTS BENEVOLENT ASSOCIATION (POLICE) (WF/RWF/CLRF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CIVIL SERVICE BAR ASSOCIATION (WF)
GOULD, KOBRICK & SCHLAPP, P.C., CPA	CIVIL SERVICE BAR ASSOCIATION (AF)
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
GOULD, KOBRICK & SCHLAPP, P.C., CPA	DETECTIVES ENDOWMENT ASSOCIATION 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)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

APPENDIX D
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2008

FUND NAME

AUDITING (CONTINUED)

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)
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)
KLEIMAN & WEINSHANK, LLP, CPA	CAPTAINS ENDOWMENT ASSOCIATION CLRF

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2008

FUND NAME

AUDITING (CONTINUED)

LOOZIS & WEGENER, CPA	NEW YORK CITY DEPUTY SHERIFFS ASSOCIATION (WF)
LOOZIS & WEGENER, CPA	NEW YORK CITY DEPUTY SHERIFFS ASSOCIATION (AF)
LOOZIS & WEGENER, CPA	NEW YORK CITY DEPUTY SHERIFFS ASSOCIATION (RWF)
MARVIN PASTERNAK, C.P.A.	LOCAL 832 TEAMSTERS (RWF)
MARVIN PASTERNAK, C.P.A.	LOCAL 832 TEAMSTERS (WF)
NOVAK FRANCELLA, LLC, CPA	DISTRICT COUNCIL 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION LOCAL 1969 (AF)
NOVAK FRANCELLA, LLC, CPA	DC 9 PAINTING INDUSTRY CIVIL SERVICE DIVISION LOCAL 1969 (WFRWF)
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	LOCAL 333 UNITED MARINE DIVISION (AF)
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 (WFRWF/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)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2008

FUND NAME

AUDITING (CONTINUED)

SCHULTHEIS & PANETTIERI, LLP, CPAS	LOCAL 30A-D INTERNATIONAL UNION OF OPERATING ENGINEERS (AF)
SCHULTHEIS & PANETTIERI, LLP, CPAS	LOCAL 14-14B IUOE (WF/RWF)
SCHULTHEIS & PANETTIERI, LLP, CPAS	LOCAL 211 ALLIED BUILDING INSPECTORS (WF)
SCHULTHEIS & PANETTIERI, LLP, CPAS	LOCAL 30A-C OPERATING MUNICIPAL ENGINEERS (WF/RWF)
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 868 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

2008

FUND NAME

LEGAL COUNSEL

BARNES, IACCARINO, VIRGINIA, AMBINDER, ET AL	PAVERS & ROAD BUILDERS DISTRICT COUNCIL (WF)
BARNES, IACCARINO, VIRGINIA, AMBINDER, ET AL	LOCAL 1 PLUMBING INDUSTRY (AF)
BARNES, IACCARINO, VIRGINIA, AMBINDER, ET AL	LOCAL 806 STRUCTURAL STEEL PAINTERS (AF)
BARNES, IACCARINO & SHEPHERD	LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND (WF)
BARNES, IACCARINO & SHEPHERD	LOCAL 1183 CWA BOARD OF ELECTIONS BENEFIT FUND (RWF)
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)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2008

FUND NAME

LEGAL COUNCIL (CONTINUED)

JOEL GLANSTEIN, ESQ. O'DONNELL, SCHWARTZ, ET AL	UNITED PROBATION OFFICERS ASSOCIATION (WF)
JOEL GLANSTEIN, ESQ. O'DONNELL 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)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 246, SEIU NYC (AF)
MEYER, SUOZZI, ENGLISH & KLEIN PC	LOCAL 858 1BT, (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 (WFRWF/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)

TYPE OF SERVICE

FUNDS USING COMMON PROFESSIONAL SERVICE PROVIDERS

2008

FUND NAME

LEGAL COUNCIL (CONTINUED)

MIRKIN & GORDON, P.C.	LOCAL 891 IUOE (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

2008

FUND NAME

LEGAL COUNCIL (CONTINUED)

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