INDUSTRY AND LOCAL 338 WELFARE FUND

FOR BOARD OF TRUSTEES PURPOSES ONLY

YEARS ENDED JUNE 30, 2017 AND 2016

Schultheis & Panettieri LLP
Accountants and Consultants

INDUSTRY AND LOCAL 338 WELFARE FUND

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2017 AND 2016

INDUSTRY AND LOCAL 338 WELFARE FUND

YEARS ENDED JUNE 30, 2017 AND 2016

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Independent Auditor's Report

Board of Trustees
Industry and Local 338 Welfare Fund

Report on the Financial Statements

We have audited the accompanying financial statements of the Industry and Local 338 Welfare Fund (the "Plan") which comprise the statements of net assets available for benefits and plan benefit obligations as of June 30, 2017 and 2016, and the related statements of changes in net assets available for benefits and plan benefit obligations for the years ended June 30, 2017 and 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of the Plan as of June 30, 2017 and 2016, and the changes in financial status for the years ended June 30, 2017 and 2016 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information on pages 14 through 17 is presented for purposes of additional analysis and is not a required part of the financial statements. The supplemental information on pages 14 through 15 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Schultheis & Panettieri LLP

Hauppauge, New York
December 5, 2017

INDUSTRY AND LOCAL 338 WELFARE FUND

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

JUNE 30, 2017 AND 2016

	2017	2016
Assets		
Investments at fair value		
Registered investment companies	$ 8,362,093	$ 7,539,101
Receivables		
Employers' contributions	232,765	313,623
Accrued interest/dividends	9,903	8,652
Cash	139,142	139,872
Other assets	8,207	6,488
Total assets	8,752,110	8,007,736
Liabilities		
Accounts payable	55,989	63,010
Related organizations	36,452	49,840
Withdrawal liability payable	168,643	173,548
Total liabilities	261,084	286,398
Net assets available for benefits	$ 8,491,026	$ 7,721,338

See Notes to Financial Statements

INDUSTRY AND LOCAL 338 WELFARE FUND

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
Additions to net assets attributed to:		
Investment income		
Net appreciation in fair value of investments	$ 138,140	$ 43,833
Interest/dividends	150,941	151,745
Total investment income	289,081	195,578
Less investment expenses	(18,411)	(17,642)
Net investment income	270,670	177,936
Contributions		
Participants'	12,059	10,525
Employers'	2,239,224	2,376,617
Total additions	2,521,953	2,565,078
Deductions from net assets attributed to:		
Benefits paid to or for participants		
Health care	1,423,226	1,352,861
Stop loss insurance premiums	101,152	94,606
Group insurance premiums	26,280	26,598
Total benefits paid	1,550,658	1,474,065
Administrative expenses	201,607	192,392
Total deductions	1,752,265	1,666,457
Net increase	769,688	898,621
Net assets available for benefits		
Beginning of year	7,721,338	6,822,717
End of year	$ 8,491,026	$ 7,721,338

See Notes to Financial Statements

INDUSTRY AND LOCAL 338 WELFARE FUND

STATEMENTS OF PLAN BENEFIT OBLIGATIONS

JUNE 30, 2017 AND 2016

	2017	2016
Amounts currently payable		
Claims payable, claims incurred but not reported, and premiums due to insurers	$ 95,000	$ 101,000
Postemployment benefit obligations		
Accumulated eligibility credits	121,000	119,000
Plan's total benefit obligations	$ 216,000	$ 220,000

See Notes to Financial Statements

INDUSTRY AND LOCAL 338 WELFARE FUND

STATEMENTS OF CHANGES IN PLAN BENEFIT OBLIGATIONS

YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
Amounts currently payable		
Balance at beginning of year	$ 101,000	$ 230,500
Claims reported and approved for payment	1,544,658	1,344,565
Total benefits paid	(1,550,658)	(1,474,065)
Balance at end of year	95,000	101,000
Postemployment benefit obligations		
Balance at beginning of year	119,000	166,000
Net change during year:		
Accumulated eligibility credits	2,000	(47,000)
Balance at end of year	121,000	119,000
Plan's total benefit obligations at end of year	$ 216,000	$ 220,000

INDUSTRY AND LOCAL 338 WELFARE FUND

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2017 AND 2016

Note 1 - Description of Plan and Significant Accounting Policies

The following description of the Industry and Local 338 Welfare Fund (the "Plan") provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

The Plan first became effective June 26, 1950 and is a welfare benefit plan established under an Agreement and Declaration of Trust pursuant to collective bargaining agreements between the Milk Drivers and Dairy Employees Local Union No. 338 and its successors, Teamsters Local 445, Teamsters Local 693 and Teamsters Local 697 (the "Unions") and various employers in the milk industry in the state of New York. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Management has evaluated subsequent events through the date of the auditor's report, the date the financial statements were available to be issued.

Purpose

The purpose of the Plan is to provide health and other benefits to eligible participants.

Benefits

Benefits are paid by means of a self insured trust and group insurance contracts. The benefits include, but are not limited to, life insurance, accidental death and dismemberment, weekly disability, hospital, surgical, medical, major medical, dental, optical and prescription drug benefits for eligible participants.

Actual benefits, including conditions and limitations thereto, are governed by the provisions of the Plan.

Note 1 - Description of Plan and Significant Accounting Policies (cont'd)

Participants consist of the following classes:

Active participants and dependents

Plan coverage is available to participants who are in a collective bargaining unit represented by the Union and who work for employers who contribute to the Plan.

Coverage for benefits, other than weekly disability, generally begins on the first day of the month after completion of 30 consecutive days of covered employment. However, if the collective bargaining agreement between the employer and the Union have different eligibility rules, those rules apply.

Eligibility for the Plan's weekly disability benefit begins as soon as the participant starts working for a contributing employer.

Inactive participants and surviving dependents

Participants who fail to meet eligibility requirements may pay to extend coverage for a maximum period of 18 months. Qualifying spouses and dependents may pay to extend coverage for a maximum period of up to 36 months.

Plan termination

The Trustees expect and intend to continue the Plan indefinitely, but reserve the right to amend or terminate it as provided for by the applicable Trust Agreement and Plan provisions. If the Plan is terminated, trust assets will be used to pay all expenses under the terms of the Plan in the order of priority specified in the Plan and as otherwise required by law.

Basis of accounting

The financial statements are presented on the accrual basis of accounting.

Investment valuation and income recognition

The Plan's investments are stated at fair value. See "Fair value measurements" footnote for additional information.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/(depreciation) includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Note 1 - Description of Plan and Significant Accounting Policies (cont'd)

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Administrative expense allocation

The administrative office is occupied by the Plan and its related Pension Fund. Certain expenses not specifically applicable to a particular entity are allocated based on the estimated benefit received by each entity. Amounts reported as receivable from related organizations or payable to related organizations generally include balances for shared expenses.

Reimbursements received from related organizations for the years ended June 30, 2017 and 2016 were $13,879 and $0, respectively.

Other Plan benefits

Estimated claims payable, claims incurred but not reported, and premiums due to insurers are based on payments made in the subsequent plan year which pertain to prior plan years.

Plan obligations for accumulated eligibility of active participants are estimated annually at June 30, based on historical claims cost data and projected claims for active participants' future claims. Such estimated amounts are reported in the accompanying statement of the Plan's benefit obligations at present value. Although the Plan has calculated and reported an obligation for accumulated eligibility, this amount is based on the assumption that the Plan will continue in its current form and that the Trustees will continue to provide benefits to active participants. However, such benefits do not vest, and the Trustees reserve the right to amend the Plan to modify or discontinue benefits. The amount reported as the accumulated eligibility obligation represents the estimated present value of those estimated future benefits that are attributed by the terms of the Plan to active participants' service rendered through June 30th.

Note 2 - Fair value measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Note 2 - Fair value measurements (cont'd)

Level 1 inputs to the valuation methodology are unadjusted quoted prices, in active markets, for identical assets that the Plan has the ability to access.

Level 2 inputs to the valuation methodology include: quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, inputs other than quoted prices that are observable for the asset, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 inputs are generally based on the best information available which may include the reporting entity's own assumptions and data.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Registered investment companies: Valued at the closing price reported in the active market in which the securities are traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth, by level within the fair value hierarchy, the Plan's investments, as of June 30, 2017, with fair value measurements on a recurring basis:

	2017	Level 1	Level 2	Level 3
Investments at fair value as determined by quoted market price				
Registered investment companies	$ 8,362,093	$ 8,362,093	$ -	$ -
Total assets in the fair value hierarchy	$ 8,362,093	$ 8,362,093	$ -	$ -

Note 2 - Fair value measurements (cont'd)

The following table sets forth, by level within the fair value hierarchy, the Plan's investments, as of June 30, 2016, with fair value measurements on a recurring basis:

	2016	Level 1	Level 2	Level 3
Investments at fair value as determined by quoted market price				
Registered investment companies	$ 7,539,101	$ 7,539,101	$ -	$ -
Total assets in the fair value hierarchy	$ 7,539,101	$ 7,539,101	$ -	$ -

Note 3 - Cash

At times throughout the year the Plan may have, on deposit in banks, amounts in excess of FDIC insurance limits. The Plan has not experienced any losses in such accounts and the Trustees believe it is not exposed to any significant credit risks.

Note 4 - Party-in-interest transactions

Certain Plan investments are held by the manager of the investment, therefore, transactions relating to those investments qualify as exempt party-in-interest transactions and are identified as such on the supplemental schedules of investments.

Note 5 - Risks and uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

INDUSTRY AND LOCAL 338 WELFARE FUND

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2017 AND 2016

Note 6 - Employers' contributions

In accordance with collective bargaining agreements and participation agreements, employers are required to make contributions to the Plan on behalf of employees performing covered work. For the years ended June 30, 2017 and 2016, one employer contributed approximately 37% and 38% of the total contributions, respectively.

Note 7 - Benefit obligations compared to net assets available for benefits

	2017	2016
Net assets available for benefits	$ 8,491,026	$ 7,721,338
Plan's total benefit obligations	216,000	220,000
Net assets available for benefits over Plan's total benefit obligations	$ 8,275,026	$ 7,501,338

Note 8 - Reconciliation of financial statements to Form 5500

For financial statement purposes, claims payable, claims incurred but not reported, and premiums due to insurers are presented on the Statement of Plan's Benefit Obligations. This differs from the reporting requirements of the Department of Labor which requires that these liabilities be shown on the Statement of Net Assets Available for Benefits.

The following is a reconciliation of the net assets available for benefits reported on the financial statements to the net assets available for benefits reported on Form 5500:

	2017	2016
Net assets available for benefits per the financial statements	$ 8,491,026	$ 7,721,338
Less: amounts currently payable	95,000	101,000
Net assets available for benefits as reported on Form 5500	$ 8,396,026	$ 7,620,338

The net increase (decrease) in net assets available for benefits is also affected by the difference in the reporting requirements related to benefit obligations. For financial statement purposes the change in benefit liabilities between two years is shown on the Statement of Changes in Plan Benefit Obligations. For Form 5500 purposes this change is included in benefits paid.

For financial statement purposes, investment expenses are reported as a reduction of investment income. The reporting requirements of the Department of Labor require these fees be shown as administrative expenses.

Note 8 - Reconciliation of financial statements to Form 5500 (cont'd)

The following is a reconciliation of the reclassifications:

	Per Financial Statements	Reclassification	Per Form 5500
Investment income (loss)	$ 270,670	$ 18,411	$ 289,081
Contributions	2,251,283	-	2,251,283
Total additions	2,521,953	18,411	2,540,364
Benefits paid to or for participants	1,550,658	(6,000)	1,544,658
Administrative expenses	201,607	18,411	220,018
Total deductions	1,752,265	12,411	1,764,676
Net increase (decrease)	$ 769,688	$ 6,000	$ 775,688

Note 9 - Tax status

The trust funding the Plan has received an exemption letter from the IRS dated March 01, 1953, stating that the trust is tax exempt under the provisions of Section 501(c)(9) of the Internal Revenue Code ("IRC"). The Plan and trust are required to operate in conformity with the IRC to maintain the tax exempt status of the trust. The Trustees believe that the Plan, including amendments, is being operated in compliance with the applicable requirements of the IRC and, therefore, believe the related trust is tax exempt.

INDUSTRY AND LOCAL 338 WELFARE FUND

SCHEDULE OF REGISTERED INVESTMENT COMPANIES

JUNE 30, 2017

EIN 13-1818220, PLAN NO. 501
FORM 5500, SCHEDULE H, LINE 4I - ASSETS HELD FOR INVESTMENT PURPOSES AT END OF YEAR

(a)	(b) ISSUER	(c) - DESCRIPTION REGISTERED INVESTMENT COMPANIES NO. OF SHARES	(d) COST	(e) CURRENT VALUE
*	SEI DAILY INCOME TRUST GOVERNMENT FUND	1,247,156	$ 1,247,156	$ 1,247,156
*	SEI SMALL CAP FUND	7,753	130,094	141,656
*	SEI LARGE CAP INDEX FUND	1,630	281,240	300,021
*	SEI LARGE CAP FUND	10,653	215,310	221,041
*	SEI WORLD EQUITY EX-US FUND	31,362	353,849	398,303
*	SEI CORE FIXED INCOME FUND	205,996	2,162,310	2,117,636
*	SEI EMERGING MARKETS DEBT FUND	7,436	74,564	75,924
*	SEI HIGH YIELD BOND FUND	16,052	151,086	145,915
*	SEI OPPORTUNISTIC INCOME FUND	84,978	691,986	706,170
*	SEI ULTRA SHORT DURATION BOND FUND	69,575	697,326	695,746
*	SEI DYNAMIC ASSET ALLOCATION FUND	12,182	200,667	227,682
*	SEI LIMITED DURATION BOND	209,322	2,092,488	2,084,843
			$ 8,298,076	$ 8,362,093

* PARTY-IN-INTEREST

INDUSTRY AND LOCAL 338 WELFARE FUND

SCHEDULE OF REPORTABLE TRANSACTIONS

YEAR ENDED JUNE 30, 2017

EIN 13-1818220, PLAN NO. 501

FORM 5500, SCHEDULE H, PAGE 4, PART IV, ITEM 4J - SCHEDULE OF REPORTABLE TRANSACTIONS DURING THE YEAR

(a) IDENTITY OF PARTY INVOLVED	(b) DESCRIPTION OF ASSET	(c) PURCHASE PRICE	(d) SELLING PRICE	(e) LEASE RENTAL	(f) EXPENSE INCURRED WITH TRANSACTION	(g) COST OF ASSET	(h) CURRENT VALUE OF ASSET ON TRANSACTION DATE	(i) NET GAIN OR (LOSS)
*	SEI U.S. MANAGED VOL FUND	$ -	$ 438,566	$ -	$ -	$ 392,628	$ 438,566	$ 45,938
*	SEI GLOBAL MGD VOLATILITY FD	-	473,513	-	-	418,510	473,513	55,003
*	SEI DAILY INCOME TRUST GOVT FD	2,883,385	-	-	-	-	2,883,385	-
*	SEI DAILY INCOME TRUST GOVT FD	-	1,636,229	-	-	1,636,229	1,636,229	-
*	SEI PRIME OBLIG FUND	82,423	-	-	-	-	82,423	-
*	SEI PRIME OBLIG FUND	-	786,173	-	-	786,173	786,173	-

* Party-in-interest

INDUSTRY AND LOCAL 338 WELFARE FUND

SCHEDULES OF HEALTH CARE BENEFITS

YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
Hospital	$ 503,280	$ 463,086
Medical	430,084	385,720
Prescription drug	311,969	326,681
Dental	76,388	62,842
Optical	5,809	5,569
Counseling	3,319	3,295
Health claim administration fees	92,377	105,668
Total health care benefits	$ 1,423,226	$ 1,352,861

INDUSTRY AND LOCAL 338 WELFARE FUND

SCHEDULES OF ADMINISTRATIVE EXPENSES

YEARS ENDED JUNE 30, 2017 AND 2016

	2017	2016
Third party administration	$ 66,660	$ 52,919
Office	1,776	1,710
Printing and postage	1,880	503
Legal	14,396	29,958
Accounting	36,000	36,000
Payroll audits	8,243	1,060
Consulting	50,000	50,850
Insurance	3,840	3,980
Conferences and meetings	5,962	2,209
Withdrawal liability	12,850	13,203
Total administrative expenses	$ 201,607	$ 192,392

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December 05, 2017

Board of Trustees
c/o Ms. Alicia Cochran
Industry and Local 338 Welfare Fund
Associated Administrators, LLC
911 Ridgebrook Rd
Sparks, MD 21152

<u>Re: Communication of Financial Statement Audit Matters - June 30, 2017</u>

We have audited the financial statements of Industry and Local 338 Welfare Fund (the “Plan”) for the year ended June 30, 2017, and have issued our report thereon. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you for the current year. Professional standards also require that we communicate to you the following information related to our audit.

<u>Significant Audit Findings</u>

Qualitative Aspects of the Organization’s Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are disclosed in the notes to the financial statements. No new significant accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. It is our judgment that the estimates included in the financial statements are not significant.

Significant Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Misstatements detected as a result of audit procedures do not include journal entries based on information provided by management, since they were recorded by us merely as a convenience to us or management.

Management has corrected all misstatements identified during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated as of the audit opinion letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Supplemental Schedules Required Under the DOL's Rules and Regulations for Reporting and Disclosure Under ERISA

With respect to the supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Supplemental Schedules

With respect to other supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the Plan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Schultheis & Panettieri LLP

SCHULTHEIS & PANETTIERI, LLP

INDUSTRY & LOCAL 338 WELFARE FUND
JULY 1, 2017 THROUGH JUNE 30, 2018
CASH OPERATING STATEMENT

	JULY	AUGUST	SEPTEMBER	JULY - SEPTEMBER	YEAR TO DATE
Remittances					
Employer Contributions *	152,620.80	169,870.00	198,140.80	520,631.60	520,631.60
COBRA	1,514.70	1,514.70	1,004.28	4,033.68	4,033.68
Payroll Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audit Interest	0.00	0.00	0.00	0.00	0.00
Interest- Delinquent Employer	667.60	0.00	605.32	1,272.92	1,272.92
Interest Income- BNY Mellon	0.00	0.00	0.00	0.00	0.00
Dividend Income	10,943.05	9,534.88	10,001.83	30,479.76	30,479.76
SEI Investments Realized G/L	3,751.21	0.00	0.00	3,751.21	3,751.21
SEI Investments Unrealized G/L	39,303.89	27,806.16	21,279.93	88,389.98	88,389.98
SEI Fund Rebate	0.00	2,343.43	0.00	2,343.43	2,343.43
NY Labor Health Care Rebate	0.00	0.00	0.00	0.00	0.00
NY Taxes Refund	0.00	0.00	0.00	0.00	0.00
Total Income	**208,801.25**	**211,069.17**	**231,032.16**	**650,902.58**	**650,902.58**
Benefit Expenses *					
Benefits Paid	0.00	4,292.80	(38.00)	4,254.80	4,254.80
Anthem- Medical	131,877.22	87,828.46	69,261.81	288,967.49	288,967.49
Anthem- Retention	5,754.60	5,796.30	5,254.20	16,805.10	16,805.10
Anthem- HealthLink Fees	608.00	620.00	540.00	1,768.00	1,768.00
Anthem- NY Taxes	1,226.96	1,075.50	957.04	3,259.50	3,259.50
Medco Claims	34,615.04	16,551.38	69,464.20	120,630.62	120,630.62
Admin. Fee	401.30	412.88	414.54	1,228.72	1,228.72
SIDS Dental Claims	9,103.00	6,490.00	1,239.00	16,832.00	16,832.00
Admin. Fee	346.15	337.55	331.10	1,014.80	1,014.80
NVA Optical Claims	159.00	351.00	294.00	804.00	804.00
Admin. Fee	16.12	42.85	35.42	94.39	94.39
Amalgamated: Life Insurance	556.95	542.85	532.28	1,632.08	1,632.08
Disability	1,659.00	1,617.00	1,585.00	4,861.00	4,861.00
Teamster Center Services	301.55	297.85	290.45	889.85	889.85
Stop Loss Insurance	9,022.44	8,798.28	8,630.16	26,450.88	26,450.88
Total Benefit Expenses	**195,647.33**	**135,054.70**	**158,791.20**	**489,493.23**	**489,493.23**
Administrative Expenses *					
AA, LLC- Admin. Fees	5,720.00	5,720.00	5,720.00	17,160.00	17,160.00
Legal Fees	0.00	0.00	54.13	54.13	54.13
Consulting Fees	12,500.00	0.00	0.00	12,500.00	12,500.00
SEI Invest./Custody Fees	0.00	7,070.51	0.00	7,070.51	7,070.51
Fiduciary Liability Insurance	2,912.00	0.00	0.00	2,912.00	2,912.00
Year End Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audits	0.00	0.00	0.00	0.00	0.00
Fidelity Bond Insurance	0.00	0.00	0.00	0.00	0.00
Convention & Seminars	0.00	0.00	0.00	0.00	0.00
Printing & Stationery	0.00	0.00	90.13	90.13	90.13
Postage	0.00	62.88	7.50	70.38	70.38
Office Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Bank Charges	60.00	60.00	30.00	150.00	150.00
Travel Expenses	0.00	0.00	0.00	0.00	0.00
Meeting Expenses	0.00	0.00	123.53	123.53	123.53
Dues & Membership	0.00	0.00	0.00	0.00	0.00
Withdrawal Liability	1,479.58	1,479.58	1,479.58	4,438.74	4,438.74
NY Labor Health Care Dues	0.00	0.00	0.00	0.00	0.00
PCORI Fee	0.00	0.00	0.00	0.00	0.00
Transitional Reinsurance Fee	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Total Admin. Expenses	**22,671.58**	**14,392.97**	**7,504.87**	**44,569.42**	**44,569.42**
TOTAL EXPENSES	**218,318.91**	**149,447.67**	**166,296.07**	**534,062.65**	**534,062.65**
INCREASE/(DECREASE)	**(9,517.66)**	**61,621.50**	**64,736.09**	**116,839.93**	**116,839.93**

FUND RESERVE AS OF 9/30/17: $8,490,208.48

* Cash to Accrual

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
JULY 31, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION		AMOUNT
1919	FUND OFFICE WITHDRAWAL LIABILITY 7/17		1,479.58
	NVA OPTICAL CLAIMS 6/17-7/17		547.42
	ANTHEM EMPIRE- MEDICAL CLAIMS 7/17		140,696.18
	MEDCO RX CLAIMS 6/17-7/17		73,339.70
	SIDS DENTAL CLAIMS 6/17-7/17		11,143.00
		TOTAL PAYMENTS	**227,205.88**

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
AUGUST 31, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION		AMOUNT
1928	FUND OFFICE WITHDRAWAL LIABILITY 8/17		1,479.58
	ANTHEM EMPIRE- MEDICAL CLAIMS 8/17		94,244.76
	MEDCO RX CLAIMS 8/17		16,964.26
	SIDS DENTAL CLAIMS 7/17-8/17		4,870.00
		TOTAL PAYMENTS	**117,558.60**

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
SEPTEMBER 30, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION	AMOUNT
1934	FUND OFFICE WITHDRAWAL LIABILITY 9/17	1,479.58
	NVA OPTICAL CLAIMS 7/17-8/17	367.12
	ANTHEM EMPIRE- MEDICAL CLAIMS 9/17	76,282.97
	MEDCO RX CLAIMS 9/17	77,720.24
	SIDS DENTAL CLAIMS 8/17	2,848.00
	TOTAL PAYMENTS	**158,697.91**

INDUSTRY AND LOCAL 338 PENSION & WELFARE FUNDS
NUMBER OF ACTIVE MEMBERS & RETIREES
RECEIVING BENEFITS
JANUARY 2017 - DECEMBER 2017

MONTH	WELFARE	COBRA
January-17	158	3
February-17	158	3
March-17	163	3
April-17	159	3
May-17	158	3
June-17	155	3
July-17	138	3
August-17	137	3
September-17	157	2
October-17		
November-17		
December-17		

Local 338 Welfare Fund Employer Contribution Rates							
Employer	**Employer #**	**Wel Count**	**Contract Effective Date**	**Contract Expiration Date**	**Current Weekly Welfare Rate**	**Current CBA on file**	**Which Union?**
College of New Rochelle	**9**	**21**	9/1/2009	*8/31/2013*		No	445
			9/1/2009		179.20		
Currently in negotiations			9/1/2010		219.20		
			9/1/2011		259.20		
			9/1/2012		279.20		
Culinart, Inc.	**60**	**21**	1/1/2014	*12/31/2016*		No	445
			1/1/2014		290.00		
Currently in negotiations			1/1/2015		290.00		
			1/1/2016		290.00		
First Student/Orange County Transit (Valley Central)	**57**	**3**	9/1/2016	8/31/2019		Yes	445
			1/1/2017		280.00		
			1/1/2018		280.00		
			1/1/2019		280.00		
First Student (Kingston)	**59**	**2**	9/1/2015	8/31/2018		Yes	445
			1/1/2016		290.00		
			1/1/2017		290.00		
			1/1/2018		300.00		
First Student/Orange County Transit (Wallkill)	**51**	**5**	9/1/2016	8/31/2019		Yes	445
			1/1/2017		280.00		
			1/1/2018		280.00		
			1/1/2019		280.00		
First Student (Pine Bush)	**58**	**6**	4/1/2014	*3/31/2017*		No	445
			1/1/2014		302.00		
			1/1/2015		302.00		
			1/1/2016		314.00		

Employer	Employer #	Wel Count	Contract Effective Date	Contract Expiration Date	Current Weekly Welfare Rate	Current CBA on file	Which Union?
L.P. Transportation	**43**	**28**	8/16/2016	8/15/2019		Yes	445
			8/16/2016		280.00		
			8/16/2017		280.00		
			8/16/2018		280.00		
Mondelez International was Kraft Foods Globals Inc.	**49**	**59**	9/1/2016	8/31/2019		Yes	445
			9/1/2016		280.00		
			9/1/2017		280.00		
			9/1/2018		308.00		
Paraco Gas Corp.	**54**	**8**	2/1/2015	1/31/2018		Yes	445
			2/1/2015		280.00		
			2/1/2016		288.00		
			2/1/2017		296.00		
PreCast Concrete	**55**	**5**	1/1/2016	12/31/2017		No	445
			7/1/2016		266.40		
			1/1/2017		290.40		

Local 338 Delinquency Log

Delinquencies as of 9/30/17

Employer	Month(s) Delinquent
College of New Rochelle	8/17 *
Orange County Transit (Valley Central)	7/17-8/17 **
Orange County Transit (Wallkill)	7/17-8/17 **

Late Fees

	Welfare	Total Balance Owed	Month(s) Owed
Culinart, Inc.	$51.94	$51.94	7/15
College of New Rochelle	$3,701.88	$3,701.88	3/16-9/16, 11/16, 9/17-10/17
Suburban Propane	$34.00	$34.00	2/13-3/13
Paraco Gas Corp.	$102.14	$102.14	3/13, 6/13, 9/17
Precast Concrete Sales Co.	$5.62	$5.62	3/13
Orange County Transit (Valley Central)	$108.60	$108.60	7/17-10/17
Orange County Transit (Wallkill)	$181.01	$181.01	7/17-10/17

Status of Withdrawal Liability Payments as of 9/30/17

Employer	Start Date	Amount of W/L Pymt Mthly	Total # of Pymts Required	Pymts Made to Date	Past Due?	Employer ID#	Date of withdrawal
Local 338 Welfare Fund	3/1/2014	$1,479.58	240	43	No	36	6/30/2013

* College of New Rochelle Paid August Contributions on 10/10/17
** Orange County Transit (Valley Central) Paid July & August Contributions on 10/3/17
** Orange County Transit (Wallkill) Paid July & August Contributions on 10/3/17

INDUSTRY AND LOCAL 338

WELFARE FUND

FIRST QUARTER 2017-18

ADMINISTRATIVE MANAGER'S REPORT

UNAUDITED STATEMENT

INDUSTRY & LOCAL 338 WELFARE FUND
AUGUST 2017
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
COLLEGE OF NEW ROCHELLE	$ 279.20	21	$ 29,316
FIRST STUDENT/ORANGE COUNTY TRANSIT (VALLEY)	$ 280.00	3	$ 3,360
FIRST STUDENT/ORANGE COUNTY TRANSIT (WALLKILL)	$ 280.00	6	$ 6,720
FIRST STUDENT (KINGSTON)	$ 290.00	2	$ 2,320
FIRST STUDENT (PINE BUSH)	$ 314.00	7	$ 8,792
KRAFT FOODS GLOBAL	$ 280.00	55	$ 61,040
LP TRANSPORTATION	$ 280.00	27	$ 37,240
CULINART	$ 290.00	3	$ 4,350
PRECAST CONCRETE	$ 290.40	5	$ 7,260
PARACO GAS	$ 296.00	8	$ 9,472
SUB TOTAL		**137**	**$ 169,870**

COBRA/RETIREE CONTRIBUTIONS

COBRA	$ 510.42	3	$ 1,515
SUB TOTAL		**3**	**$ 1,515**

TOTAL CONTRIBUTIONS	**$ 171,385**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
SEPTEMBER 2017
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
COLLEGE OF NEW ROCHELLE	$ 279.20	21	$ 23,453
FIRST STUDENT/ORANGE COUNTY TRANSIT (VALLEY)	$ 280.00	3	$ 4,200
FIRST STUDENT/ORANGE COUNTY TRANSIT (WALLKILL)	$ 280.00	6	$ 8,120
FIRST STUDENT (KINGSTON)	$ 290.00	2	$ 2,900
FIRST STUDENT (PINE BUSH)	$ 314.00	6	$ 9,420
KRAFT FOODS GLOBAL	$ 280.00	58	$ 79,520
LP TRANSPORTATION	$ 280.00	28	$ 29,680
CULINART	$ 290.00	20	$ 23,200
PRECAST CONCRETE	$ 290.40	5	$ 5,808
PARACO GAS	$ 296.00	8	$ 11,840
SUB TOTAL		**157**	**$ 198,141**

COBRA/RETIREE CONTRIBUTIONS

COBRA	$ 510.42	2	$ 1,004
SUB TOTAL		**2**	**$ 1,004**

TOTAL CONTRIBUTIONS	**$ 199,145**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
JULY 2017
EXPENSES

BENEFIT EXPENSES *

BENEFIT	RATE	EXPENSE	COMMENT
BENEFITS PAID		$ -	
ANTHEM- MEDICAL		$ 131,877	
ANTHEM- RETENTION		$ 5,755	
ANTHEM- HEALTHLINK FEES		$ 608	
ANTHEM- NY TAXES		$ 1,227	
MEDCO CLAIMS		$ 34,615	
MEDCO ADMIN		$ 401	
SIDS DENTAL CLAIMS		$ 9,103	
SIDS ADMIN	$ 2.15	$ 346	
NVA OPTICAL CLAIMS		$ 159	
NVA ADMIN		$ 16	
AMALGAMATED LIFE		$ 557	
AMALGAMATED DISABILITY	$ 10.50	$ 1,659	
TEAMSTER CENTER	$ 1.85	$ 302	
STOP LOSS INSURANCE	$ 56.04	$ 9,022	
SUB TOTAL		**$ 195,647**	

ADMINISTRATIVE EXPENSES *

AA, LLC ADMIN FEES		$ 5,720	
LEGAL FEES		$ -	
CONSULTING FEES		$ 12,500	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ 2,912	
YEAR END AUDIT		$ -	
PAYROLL AUDITS		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ -	
POSTAGE		$ -	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 60	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
WITHDRAWAL LIABILITY		$ 1,480	
NY LABOR HEALTH CARE		$ -	
PCORI FEE		$ -	
TRANS. REINSURANCE FEE		$ -	
MISCELLANEOUS		$ -	
SUB TOTAL		**$ 22,672**	

TOTAL EXPENSES	**$ 218,319**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
AUGUST 2017
EXPENSES

BENEFIT EXPENSES *

BENEFIT	RATE	EXPENSE	COMMENT
BENEFITS PAID		$ 4,293	
ANTHEM- MEDICAL		$ 87,828	
ANTHEM- RETENTION		$ 5,796	
ANTHEM- HEALTHLINK FEES		$ 620	
ANTHEM- NY TAXES		$ 1,075	
MEDCO CLAIMS		$ 16,551	
MEDCO ADMIN		$ 413	
SIDS DENTAL CLAIMS		$ 6,490	
SIDS ADMIN	$ 2.15	$ 338	
NVA OPTICAL CLAIMS		$ 351	
NVA ADMIN		$ 43	
AMALGAMATED LIFE		$ 543	
AMALGAMATED DISABILITY	$ 10.50	$ 1,617	
TEAMSTER CENTER	$ 1.85	$ 298	
STOP LOSS INSURANCE	$ 56.04	$ 8,798	
SUB TOTAL		**$ 135,054**	

ADMINISTRATIVE EXPENSES *

AA, LLC ADMIN FEES		$ 5,720	
LEGAL FEES		$ -	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ 7,071	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR END AUDIT		$ -	
PAYROLL AUDITS		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ -	
POSTAGE		$ 63	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 60	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
WITHDRAWAL LIABILITY		$ 1,480	
NY LABOR HEALTH CARE		$ -	
PCORI FEE		$ -	
TRANS. REINSURANCE FEE		$ -	
MISCELLANEOUS		$ -	
SUB TOTAL		**$ 14,394**	

TOTAL EXPENSES	**$ 149,448**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
SEPTEMBER 2017
EXPENSES

BENEFIT EXPENSES *

BENEFIT	RATE	EXPENSE	COMMENT
BENEFITS PAID		$ (38)	
ANTHEM- MEDICAL		$ 69,262	
ANTHEM- RETENTION		$ 5,254	
ANTHEM- HEALTHLINK FEES		$ 540	
ANTHEM- NY TAXES		$ 957	
MEDCO CLAIMS		$ 69,464	
MEDCO ADMIN		$ 415	
SIDS DENTAL CLAIMS		$ 1,239	
SIDS ADMIN	$ 2.15	$ 331	
NVA OPTICAL CLAIMS		$ 294	
NVA ADMIN		$ 35	
AMALGAMATED LIFE		$ 532	
AMALGAMATED DISABILITY	$ 10.50	$ 1,585	
TEAMSTER CENTER	$ 1.85	$ 290	
STOP LOSS INSURANCE	$ 56.04	$ 8,630	
SUB TOTAL		**$ 158,790**	

ADMINISTRATIVE EXPENSES *

AA, LLC ADMIN FEES		$ 5,720	
LEGAL FEES		$ 54	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR END AUDIT		$ -	
PAYROLL AUDITS		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ 90	
POSTAGE		$ 8	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 30	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ 124	
DUES & MEMBERSHIP		$ -	
WITHDRAWAL LIABILITY		$ 1,480	
NY LABOR HEALTH CARE		$ -	
PCORI FEE		$ -	
TRANS. REINSURANCE FEE		$ -	
MISCELLANEOUS		$ -	
SUB TOTAL		**$ 7,506**	

TOTAL EXPENSES	**$ 166,296**

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
2017-18
QUARTERLY RECAP

INCOME	FIRST 2017	SECOND 2017	THIRD 2018	FOURTH 2018	TOTAL
EMPLOYER CONTRIBUTIONS *	$ 520,632	$ -	$ -	$ -	$ 520,632
COBRA/RETIREE CONTRIBUTIONS	$ 4,034	$ -	$ -	$ -	$ 4,034
PAYROLL AUDIT & INTEREST	$ -	$ -	$ -	$ -	$ -
INTEREST & DIVIDENDS	$ 31,753	$ -	$ -	$ -	$ 31,753
SEI INV REALIZED/UNREALIZED G/L	$ 92,141	$ -	$ -	$ -	$ 92,141
SEI FUND REBATE	$ 2,343	$ -	$ -	$ -	$ 2,343
NY LABOR HEALTH CARE REBATE	$ -	$ -	$ -	$ -	$ -
NY TAXES REFUND	$ -	$ -	$ -	$ -	$ -
NET ADJUSTMENT PER CUSTODIAN	$ -	$ -	$ -	$ -	$ -
MISCELLANEOUS	$ -	$ -	$ -	$ -	$ -
TOTAL INCOME	**$ 650,903**	**$ -**	**$ -**	**$ -**	**$ 650,903**

EXPENSES *	FIRST 2017	SECOND 2017	THIRD 2018	FOURTH 2018	TOTAL
BENEFITS PAID	$ 4,255	$ -	$ -	$ -	$ 4,255
ANTHEM- MEDICAL	$ 288,967	$ -	$ -	$ -	$ 288,967
ANTHEM- RETENTION	$ 16,805	$ -	$ -	$ -	$ 16,805
ANTHEM- HEALTHLINK FEES	$ 1,768	$ -	$ -	$ -	$ 1,768
ANTHEM- NY TAXES	$ 3,259	$ -	$ -	$ -	$ 3,259
MEDCO CLAIMS	$ 120,630	$ -	$ -	$ -	$ 120,630
MEDCO ADMIN	$ 1,229	$ -	$ -	$ -	$ 1,229
SIDS DENTAL CLAIMS	$ 16,832	$ -	$ -	$ -	$ 16,832
SIDS ADMIN	$ 1,015	$ -	$ -	$ -	$ 1,015
NVA OPTICAL CLAIMS	$ 804	$ -	$ -	$ -	$ 804
NVA ADMIN	$ 94	$ -	$ -	$ -	$ 94
AMALGAMATED LIFE	$ 1,632	$ -	$ -	$ -	$ 1,632
AMALGAMATED DISABILITY	$ 4,861	$ -	$ -	$ -	$ 4,861
TEAMSTER CENTER	$ 890	$ -	$ -	$ -	$ 890
STOP LOSS INSURANCE	$ 26,450	$ -	$ -	$ -	$ 26,450
ADMINISTRATIVE EXPENSE	$ 44,572	$ -	$ -	$ -	$ 44,572
TOTAL EXPENSE	**$ 534,063**	**$ -**	**$ -**	**$ -**	**$ 534,063**
SURPLUS (DEFICIT)	**$ 116,840**	**$ -**	**$ -**	**$ -**	**$ 116,840**

	FIRST 2017	SECOND 2017	THIRD 2018	FOURTH 2018	AVG. TOTAL
TOTAL ACTIVE PARTICIPANTS	432				432

FUND RESERVE AS OF 9/30/17: $8,490,208.48

* Cash to Accrual

UNAUDITED SATEMENT

INDUSTRY & LOCAL 338 WELFARE FUND
JULY 1, 2017 THROUGH JUNE 30, 2018
CASH OPERATING STATEMENT

	JULY	AUGUST	SEPTEMBER	JULY - SEPTEMBER	YEAR TO DATE
Remittances					
Employer Contributions *	152,620.80	169,870.00	198,140.80	520,631.60	520,631.60
COBRA	1,514.70	1,514.70	1,004.28	4,033.68	4,033.68
Payroll Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audit Interest	0.00	0.00	0.00	0.00	0.00
Interest- Delinquent Employer	667.60	0.00	605.32	1,272.92	1,272.92
Interest Income- BNY Mellon	0.00	0.00	0.00	0.00	0.00
Dividend Income	10,943.05	9,534.88	10,001.83	30,479.76	30,479.76
SEI Investments Realized G/L	3,751.21	0.00	0.00	3,751.21	3,751.21
SEI Investments Unrealized G/L	39,303.89	27,806.16	21,279.93	88,389.98	88,389.98
SEI Fund Rebate	0.00	2,343.43	0.00	2,343.43	2,343.43
NY Labor Health Care Rebate	0.00	0.00	0.00	0.00	0.00
NY Taxes Refund	0.00	0.00	0.00	0.00	0.00
Total Income	**208,801.25**	**211,069.17**	**231,032.16**	**650,902.58**	**650,902.58**
Benefit Expenses *					
Benefits Paid	0.00	4,292.80	(38.00)	4,254.80	4,254.80
Anthem- Medical	131,877.22	87,828.46	69,261.81	288,967.49	288,967.49
Anthem- Retention	5,754.60	5,796.30	5,254.20	16,805.10	16,805.10
Anthem- HealthLink Fees	608.00	620.00	540.00	1,768.00	1,768.00
Anthem- NY Taxes	1,226.96	1,075.50	957.04	3,259.50	3,259.50
Medco Claims	34,615.04	16,551.38	69,464.20	120,630.62	120,630.62
Admin. Fee	401.30	412.88	414.54	1,228.72	1,228.72
SIDS Dental Claims	9,103.00	6,490.00	1,239.00	16,832.00	16,832.00
Admin. Fee	346.15	337.55	331.10	1,014.80	1,014.80
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Admin. Fee	16.12	42.85	35.42	94.39	94.39
Amalgamated: Life Insurance	556.95	542.85	532.28	1,632.08	1,632.08
Disability	1,659.00	1,617.00	1,585.00	4,861.00	4,861.00
Teamster Center Services	301.55	297.85	290.45	889.85	889.85
Stop Loss Insurance	9,022.44	8,798.28	8,630.16	26,450.88	26,450.88
Total Benefit Expenses	**195,647.33**	**135,054.70**	**158,791.20**	**489,493.23**	**489,493.23**
Administrative Expenses *					
AA, LLC- Admin. Fees	5,720.00	5,720.00	5,720.00	17,160.00	17,160.00
Legal Fees	0.00	0.00	54.13	54.13	54.13
Consulting Fees	12,500.00	0.00	0.00	12,500.00	12,500.00
SEI Invest./Custody Fees	0.00	7,070.51	0.00	7,070.51	7,070.51
Fiduciary Liability Insurance	2,912.00	0.00	0.00	2,912.00	2,912.00
Year End Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audits	0.00	0.00	0.00	0.00	0.00
Fidelity Bond Insurance	0.00	0.00	0.00	0.00	0.00
Convention & Seminars	0.00	0.00	0.00	0.00	0.00
Printing & Stationery	0.00	0.00	90.13	90.13	90.13
Postage	0.00	62.88	7.50	70.38	70.38
Office Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Bank Charges	60.00	60.00	30.00	150.00	150.00
Travel Expenses	0.00	0.00	0.00	0.00	0.00
Meeting Expenses	0.00	0.00	123.53	123.53	123.53
Dues & Membership	0.00	0.00	0.00	0.00	0.00
Withdrawal Liability	1,479.58	1,479.58	1,479.58	4,438.74	4,438.74
NY Labor Health Care Dues	0.00	0.00	0.00	0.00	0.00
PCORI Fee	0.00	0.00	0.00	0.00	0.00
Transitional Reinsurance Fee	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Total Admin. Expenses	**22,671.58**	**14,392.97**	**7,504.87**	**44,569.42**	**44,569.42**
TOTAL EXPENSES	**218,318.91**	**149,447.67**	**166,296.07**	**534,062.65**	**534,062.65**
INCREASE/(DECREASE)	**(9,517.66)**	**61,621.50**	**64,736.09**	**116,839.93**	**116,839.93**

FUND RESERVE AS OF 9/30/17: $8,490,208.48

* Cash to Accrual

INDUSTRY & LOCAL 338 WELFARE FUND
JULY 1, 2017 THROUGH JUNE 30, 2018
CASH OPERATING STATEMENT

	JULY	AUGUST	SEPTEMBER	JULY - SEPTEMBER	YEAR TO DATE

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
JULY 31, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION	AMOUNT
1919	FUND OFFICE WITHDRAWAL LIABILITY 7/17	1,479.58
	NVA OPTICAL CLAIMS 6/17-7/17	547.42
	ANTHEM EMPIRE- MEDICAL CLAIMS 7/17	140,696.18
	MEDCO RX CLAIMS 6/17-7/17	73,339.70
	SIDS DENTAL CLAIMS 6/17-7/17	11,143.00
	TOTAL PAYMENTS	**227,205.88**

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
AUGUST 31, 2017

WELFARE FUND CHECKING

CHECK	DESCRIPTION	AMOUNT
1928	FUND OFFICE WITHDRAWAL LIABILITY 8/17	1,479.58
	ANTHEM EMPIRE- MEDICAL CLAIMS 8/17	94,244.76
	MEDCO RX CLAIMS 8/17	16,964.26
	SIDS DENTAL CLAIMS 7/17-8/17	4,870.00
	TOTAL PAYMENTS	**117,558.60**

INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
SEPTEMBER 30, 2017

WELFARE FUND CHECKING		
CHECK	DESCRIPTION	AMOUNT
1934	FUND OFFICE WITHDRAWAL LIABILITY 9/17	1,479.58
	NVA OPTICAL CLAIMS 7/17-8/17	367.12
	ANTHEM EMPIRE- MEDICAL CLAIMS 9/17	76,282.97
	MEDCO RX CLAIMS 9/17	77,720.24
	SIDS DENTAL CLAIMS 8/17	2,848.00
	TOTAL PAYMENTS	**158,697.91**

Local 338 Delinquency Log

Delinquencies as of 9/30/17

Employer	Month(s) Delinquent
College of New Rochelle	8/17 *
Orange County Transit (Valley Central)	7/17-8/17 **
Orange County Transit (Wallkill)	7/17-8/17 **

Late Fees

	Welfare	Total Balance Owed	Month(s) Owed
Culinart, Inc.	$51.94	$51.94	7/15
College of New Rochelle	$3,701.88	$3,701.88	3/16-9/16, 11/16, 9/17-10/17
Suburban Propane	$34.00	$34.00	2/13-3/13
Paraco Gas Corp.	$102.14	$102.14	3/13, 6/13, 9/17
Precast Concrete Sales Co.	$5.62	$5.62	3/13
Orange County Transit (Valley Central)	$108.60	$108.60	7/17-10/17
Orange County Transit (Wallkill)	$181.01	$181.01	7/17-10/17

Status of Withdrawal Liability Payments as of 9/30/17

Employer	Start Date	Amount of W/L Pymt Mthly	Total # of Pymts Required	Pymts Made to Date	Past Due?	Employer ID#	Date of withdrawal
Local 338 Welfare Fund	3/1/2014	$1,479.58	240	43	No	36	6/30/2013

* College of New Rochelle Paid August Contributions on 10/10/17
** Orange County Transit (Valley Central) Paid July & August Contributions on 10/3/17
** Orange County Transit (Wallkill) Paid July & August Contributions on 10/3/17

Local 338 Welfare Fund Employer Contribution Rates							
Employer	**Employer #**	**Wel Count**	**Contract Effective Date**	**Contract Expiration Date**	**Current Weekly Welfare Rate**	**Current CBA on file**	**Which Union?**
College of New Rochelle	**9**	**21**	9/1/2009	*8/31/2013*		No	445
			9/1/2009		179.20		
Currently in negotiations			9/1/2010		219.20		
			9/1/2011		259.20		
			9/1/2012		279.20		
Culinart, Inc.	**60**	**21**	1/1/2014	*12/31/2016*		No	445
			1/1/2014		290.00		
Currently in negotiations			1/1/2015		290.00		
			1/1/2016		290.00		
First Student/Orange County Transit (Valley Central)	**57**	**3**	9/1/2016	8/31/2019		Yes	445
			1/1/2017		280.00		
			1/1/2018		280.00		
			1/1/2019		280.00		
First Student (Kingston)	**59**	**2**	9/1/2015	8/31/2018		Yes	445
			1/1/2016		290.00		
			1/1/2017		290.00		
			1/1/2018		300.00		
First Student/Orange County Transit (Wallkill)	**51**	**5**	9/1/2016	8/31/2019		Yes	445
			1/1/2017		280.00		
			1/1/2018		280.00		
			1/1/2019		280.00		
First Student (Pine Bush)	**58**	**6**	4/1/2014	*3/31/2017*		No	445
			1/1/2014		302.00		
			1/1/2015		302.00		
			1/1/2016		314.00		

Employer	Employer #	Wel Count	Contract Effective Date	Contract Expiration Date	Current Weekly Welfare Rate	Current CBA on file	Which Union?
L.P. Transportation	**43**	**28**	8/16/2016	8/15/2019		Yes	445
			8/16/2016		280.00		
			8/16/2017		280.00		
			8/16/2018		280.00		
Mondelez International was Kraft Foods Globals Inc.	**49**	**59**	9/1/2016	8/31/2019		Yes	445
			9/1/2016		280.00		
			9/1/2017		280.00		
			9/1/2018		308.00		
Paraco Gas Corp.	**54**	**8**	2/1/2015	1/31/2018		Yes	445
			2/1/2015		280.00		
			2/1/2016		288.00		
			2/1/2017		296.00		
PreCast Concrete	**55**	**5**	1/1/2016	12/31/2017		No	445
			7/1/2016		266.40		
			1/1/2017		290.40		

INDUSTRY AND LOCAL 338 PENSION & WELFARE FUNDS
NUMBER OF ACTIVE MEMBERS & RETIREES
RECEIVING BENEFITS
JANUARY 2017 - DECEMBER 2017

MONTH	WELFARE	COBRA
January-17	158	3
February-17	158	3
March-17	163	3
April-17	159	3
May-17	158	3
June-17	155	3
July-17	138	3
August-17	137	3
September-17	157	2
October-17		
November-17		
December-17		

INDUSTRY & LOCAL 338 WELFARE FUND
JULY 2017
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
COLLEGE OF NEW ROCHELLE	$ 279.20	21	$ 23,453
FIRST STUDENT/ORANGE COUNTY TRANSIT (VALLEY)	$ 280.00	3	$ 2,520
FIRST STUDENT/ORANGE COUNTY TRANSIT (WALLKILL)	$ 280.00	6	$ 5,456
FIRST STUDENT (KINGSTON)	$ 290.00	2	$ 2,320
FIRST STUDENT (PINE BUSH)	$ 314.00	7	$ 8,792
KRAFT FOODS GLOBAL	$ 280.00	56	$ 61,880
LP TRANSPORTATION	$ 280.00	26	$ 28,280
CULINART	$ 290.00	4	$ 4,640
PRECAST CONCRETE	$ 290.40	5	$ 5,808
PARACO GAS	$ 296.00	8	$ 9,472
SUB TOTAL		**138**	**$ 152,621**

COBRA/RETIREE CONTRIBUTIONS

COBRA	$ 510.42	3	$ 1,515
SUB TOTAL		**3**	**$ 1,515**

TOTAL CONTRIBUTIONS	**$ 154,136**

* Cash to Accrual

NAME: **SS#:**
REGARDING:

Industry and Local 338 Welfare Fund

LOCAL: 338
STATUS: Full Time

ISSUE: Hospital/Medical – Excluded Services #M18/100-1675

FUND RULE:
"**Infertility Treatment**
Following are covered medical and surgical procedures and services, and limitations:
- Artificial insemination,
- Intrauterine insemination,
- Dilation and curettage (D&C), including any required inpatient or outpatient hospital care that would correct malformation, disease or dysfunction resulting in infertility,
- Services in relation to diagnostic tests and procedures necessary to determine infertility, or in connection with any surgical or medical procedures to diagnose or treat infertility."

(Industry and Local 338 Welfare Fund SPD, Pages 61-62)

"**Exclusions and Limitations**
Medically Unnecessary Services
Services, treatment or supplies not medically necessary in [the Fund's] judgment."
(Industry and Local 338 Welfare Fund SPD, Pages 79-81)

SUMMARY:

Date(s) of Service:	October 2, 2017
Claim Received:	October 11, 2017 through October 19, 2017
Claim Denied:	October 24, 2017 through October 26, 2017
Appeal Received:	January 9, 2018

The **billing agent for the provider,** Reproductive Medicine Associates, is appealing for payment of claims for the participant's spouse that were denied. The provider's billing agent states that the provider called Anthem on July 24, 2017 and was advised that "unlimited" in-vitro fertilization was covered and that authorization was not required.

Fund records indicate Reproductive Medicine Associates and Anesthesia Associates of Southern Connecticut submitted claims in connection with an in-vitro fertilization cycle on October 2, 2017 with the diagnosis "Unspecified female infertility." The claims were denied because in-vitro fertilization is not a covered benefit of the Plan.

Fund records further indicate that a letter was previously received from the participant on July 10, 2017 regarding coverage of in-vitro fertilization. A Fund office representative called the participant on July 21, 2017 and advised that in-vitro fertilization is not covered, however, the Plan does provide coverage for artificial and intrauterine insemination as well as testing necessary to determine infertility. The Fund office can confirm receiving a subsequent call from Reproductive Medicine Associates on July 24, 2017 regarding "verifying benefits" for CPT codes 58970 (follicle puncture for oocyte retrieval) and 58974 (intrauterine embryo transfer) and a call from Anthem on July 26, 2017 inquiring "if infertility injection S0126 (follitropin alfa, 75 iu) is covered." The Fund office also received a call from the participant's spouse on September 21, 2017 regarding "infertility." The participant's spouse was advised at that time that "infertility" treatment is covered. There is no record of in-vitro fertilization being discussed during that call.

ACTION: **Approved** ☐ **Denied** ☐ **Tabled** ☐
COMMENTS:

Segal Select Insurance

Industry and Local 338 Pension Fund and Industry & Local 338 Welfare Fund

FIDELITY BOND INSURANCE

Policy No. **CH82422482FB**

January 14, 2018

Segal Select Insurance

333 West 34th Street New York, NY 10001-2402
T 212.251.5000 www.segalsi.com

MEMORANDUM

To: Alicia Cochran

From: Angie Begazo

Date: January 14, 2018

Re: Industry and Local 338 Pension Fund and Industry & Local 338 Welfare Fund
Fidelity Bond Insurance
Policy No. CH82422482FB

Thank you for the opportunity to provide a quotation for this renewal of Fidelity Bond coverage.

We recommend renewing coverage with the incumbent carrier, Chubb, based on the broad scope of coverage and competitive premium.

We recommend renewing primary coverage with incumbent carrier, Chubb, based on the broad scope of coverage including automatically covering losses caused by "any natural person handling ERISA Plan assets and is required to be bonded by ERISA.

Carrier	Total 3-Year Premium	Limits of Liability	Response
Chubb	$10,838 ($3,612 per installment) **(premium may change subject to supplemental application)**	$3-million	**RECOMMENDED—**Key decision variables: broad scope of coverage and continuity.

Additional information is available in the attached sections outlined on the next page. Please advise us of the Trustees' decision at the earliest convenience, but not later than February 12 2018. If we have not received contrary instructions from you, we will bind coverage with the recommended insurer to avoid a lapse in coverage.

If you have any questions, please contact us at:

Broker: Angie Begazo at (212) 251-5421 or abegazo@segalsi.com
Senior Vice President: Matt Jackson at (212) 251-5387 or mjackson@segalsi.com

cc: John Urbank

Table of Contents

Industry and Local 338 Pension Fund and Industry & Local 338 Welfare Fund
Fidelity Bond Insurance
Policy No: CH82422482FB
January 14, 2018

Limits of Liability and Premium

Limits of Liability

Since the inception of ERISA, new technology has been introduced, risk issues have evolved, and fund assets have increased. Further, inflation has devalued ERISA's original bond limit requirement of 10 percent of handled assets up to $500,000. A DOL Field Assistance Bulletin, available here, confirms that nothing precludes a Fund from purchasing a higher bond limit than what is required.

Most bonds provide coverage on a "per occurrence" basis, which means that the bond's limits of liability applies anew to each unrelated loss sustained during the bond's term. If more than one Fund is covered on the same bond, the limit must equal at least the sum of each Fund's individual required limit.

> ***The information contained within this memo discusses legal issues and does not purport to have addressed all the decision issues trustees may need to discuss. Pursuing the strategies discussed herein may represent a change in the purchase of a plan's ERISA bond, especially its internal and external agent ERISA bonds. This may also result in significantly higher premium costs. Segal Select recommends that the trustees carefully consider these options and seek legal counsel's advice before pursuing them. Segal Select does not provide legal services or practice law and cannot provide legal opinions or binding interpretations of coverage. Segal Select emphasizes that plan trustees must rely on their legal counsel for authoritative legal advice on all questions concerning compliance with ERISA and DOL regulations.***

Premium

At this renewal, Chubb quoted a premium increase of 24% ($2,120). The increase is due to the addition of the new social engineering coverage which is about 10% of the increased premium. However, once the supplemental application is received and accepted, based on the information, the premium may be revised.

Comparison of Policy Terms and Conditions

Terms of Expiring Policy and Proposed Renewal Policies[1]

	Expiring Terms	Renewal Terms
DESCRIPTION	**Chubb**	**Chubb (Recommended)**
Policy Terms and Conditions		
• Rating by A.M. Best[2]	A++	A++
• Policy Period	2/15/2015 to 2/15/2018	2/15/2018 to 2/15/2021
• Limits of Liability	$3-million	$3-million
• Total 3-Year Premium	$8,718 ($2,906 per installment)	$10,838 ($3, ,612 per installment)
• Deductible (FOR NON-ERISA COVERAGES ONLY)	$2,500	$5,000
Coverages/ Endorsements[3]		
• ERISA Fraud & Dishonesty	✓	✓
• 3rd Party Forgery	✓	✓
• 3rd Party Computer Fraud	✓	✓
• 3rd Party Funds Transfer Fraud	✓	✓
• Expense Coverage	✓ $10,000 sublimit	✓ $10,000 sublimit
• Outside Agents Coverage[4]	✓	✓
• Loss Discovered	✓	✓
• Extended Discovery Period	As is practical and no later than 90 days	As is practical and no later than twelve (12) calendar months
• Pension Protection Act Enhancement	✓	✓
• Social Engineering Coverage	×	✓ $50,000 sublimit $10,000 Retention

✓ Included in the policy × Not included

1 Please note that this chart is not a bill for payment, and you should not make any remittance from it. A bill will be issued separately upon receipt of binding instructions. These policy summaries are not legal interpretations of coverage. Fidelity Bond is a legal contract that Plan Counsel should review.

2 Segal Select Insurance can recommend all insurance carriers with an A.M. Best "A" rating or better.

3 See attached glossary beginning on page 8 for definitions of selected coverage terminology appearing in this table.

Carrier Subjectivities

This section summarizes the additional information the carrier will require in order to bind coverage.

- Chubb:

  Complete the following sections of the application.

  - General Section
  - Fiduciary Information (Section 2)
  - Section IV & V on the application

Recommendation

Our recommendation is based on the following:

Scope of Coverage

The Chubb bond automatically covers losses caused by “natural persons while in the service of any Employee Benefit Plan (included as Insured herein) as fiduciary, trustee, administrator, officer or employee and any other natural person required to be bonded by Title 1 of the Employee Retirement Income Security Act of 1974” if coverage for Outside Agents (TPA, Investment Managers, etc.) is desired. The Chubb bond does not require maintaining a list of Outside Agents.

We also recommend the continued purchase of coverage for third party exposures commonly present in Fund administration: Forgery, Computer Fraud, and Funds Transfer Fraud. Given the increasing involvement of computers and fund transfer activities in the operation of benefit plans, Segal Select always recommends these third party coverages.

The carrier also continues to provide a $10,000 sublimit for Expense coverage for costs incurred to establish the existence and amount of covered loss. Please be advised that Chubb’s coverage applies to all losses.

For this renewal, Chubb has included coverage for Social Engineering which covers losses resulting from a fraudulent instruction by someone impersonating a Fund employee or Vendor to part with money or securities from your account. Chubb has provided a sublimit and a deductible that applies specifically for this coverage in the chart above.

Supplemental Information for Insureds

The following material is presented in an effort to provide a better understanding of the offered coverage. While all Fidelity Bond insurance policies follow a similar format, substantial differences exist between carriers. Fidelity Bond coverage is a contract between the Insureds and the Insurer. Segal Select Insurance recommends Trustees familiarize themselves with the policy's basic coverage features, especially those that require action on your part, and that plan counsel review all Fidelity Bond policies. Of course, as your broker, we are always available for your questions.

Notice of Claim

The policy language requires that the carrier be notified as soon as practicable if the insured discovers any potential loss. Within this context, it is important to note that the policy's definition of Discovery is broad and subject to terms and conditions under the policy. Failure to notify under these terms could jeopardize coverage under the policy.

All electronic claim notifications to be processed by Segal Select Insurance Services, Inc. **must** be sent to claims@segalsi.com. Please copy me on any notification, but Segal Select Insurance Services, Inc. is not responsible for the processing of any electronic claim notification if it is not addressed to claims@segalsi.com.

Insured's Obligation to Notice the Insurer

In addition to an obligation to notice the insurer of any claim or circumstance as soon as practicable, the policy will, or may, obligate the Insured to provide notice to the insurer in other instances.

Please note that insurance coverage cannot be bound or changed via email or voicemail message unless confirmed by a licensed broker.

Compensation

Information about our how we are compensated is available here.

Learn More

For more information about Segal Select Insurance and our services, visit us online at www.segalsi.com.

Proposal Advisory

This proposal is a convenient outline of coverage forms, limits of insurance, policy endorsements and other terms and conditions provided to you in this quote memo.

Please review with legal counsel quotes/policies for specific terms, conditions, limitations and exclusions tht will govern in the event of a loss.

In evaluating your exposures for loss, we have depended upon the information provided by you. If there are other areas that you think need to be evaluated prior to binding coverage, please immediately brng these items to our attention.

This quote memo does not amend, or otherwise affect, the provisions of coverage of any resulting insurance policy issued by any insuance company to you. It is your responsibility to check the policy or policies being purchased for accuracy.

This proposal is not a representation that coverage does or does not exist for any particular claim or loss under any policy. Coverage depends on the applicable provisions of the actual policy issued the facts and circumstances involved in each claims or loss and any applicable law.

Please advise if you have any questions for us.

Glossary of Terms

The statements below are not legal definitions. In all instances, the definitions contained within the policy will control coverage.

Employee	The definition includes funds, fiduciary, trustees, administers, officers and employees. In addition, the Chubb bond includes language covering losses caused by “natural persons while in the service of any Employee Benefit Plan (included as Insured herein) as fiduciary, trustee, administrator, officer or employee and any other natural person required to be bonded by Title 1 of the Employee Retirement Income Security Act of 1974.”
Expense Coverage	A sublimit of reasonable expenses associated with investigative or computer violation expenses resulting from a direct loss other than internal business expenses such as employee remuneration.
Computer Fraud	Losses resulting from third party “hacking” into the Insured’s computer system to steal money, securities, or other property. The policy will also respond if a bank holding money, securities, or other property of the Insured is “hacked” and such an event results in a loss to the Insured. The ERISA bond automatically provides this coverage for losses caused by employees, directors, or Trustees of the Fund.
Forgery	Losses resulting from a third party forging or altering a check drawn on the Insured. The ERISA bond automatically provides this coverage for losses caused by employees, directors or trustees of the Fund.
Funds Transfer Fraud	Losses resulting from a third party providing fraudulent instructions directing a financial institution to transfer, pay, or deliver funds from your account. The ERISA bond automatically provides this coverage for losses caused by employees, directors or trustees of the Fund.
Loss Discovered	Losses are adjusted based on the limit and coverage in force when the loss is discovered, regardless of when the loss was sustained.
Outside Agents	e.g., Third Party Administrators, Investment Managers, etc. – Understanding which coverage is being purchased is important – Here’s why. On the Chubb bond, Outside Agents do not need to be scheduled. The policy includes language covering losses caused by “any natural person who handles ERISA plan assets and who is required to be bonded by ERISA.” Each natural person, rather than the collective outside entity, is considered when determining related claims.
Social Engineering Coverage	Losses resulting from a fraudulent instruction by someone impersonating a fellow employee or vendor to part with money or securities from your account.

PROTECTING YOUR FUNDS FROM VARIOUS RISKS

Segal Select Insurance

Benefit funds have various risk exposures because of the many functions they perform. One of the mechanisms to help manage risk is the purchase of insurance protection that permits the transfer of fund and trustee risk to an insurance carrier.

CORE PRODUCTS FOR FUNDS OF ALL TYPES

Fiduciary Liability Insurance
Protects trustees from allegations of breach of fiduciary duty

Fidelity Bond
Protection from costs associated with employee dishonesty, theft and third party crime losses

Cyber Liability Insurance
Protects funds from costs associated with cyber risks

Employment Practices Liability Insurance (EPLI)
Protection for allegations of employment wrongdoing

DOES THE FUND OWN PROPERTY, HOST EVENTS, AND CONDUCT TRAVEL?

Property & Casualty
Protects and provides liability in case the fund is found legally responsible causing injuries or damages to others

Event Cancellation Insurance
Protects from unforeseen losses related to hosting events

Travel Accident Insurance
Protects for losses due to accidental death and dismemberment during business travel

DOES THE FUND PROVIDE SERVICE TO OTHERS?

Miscellaneous Errors
Protects against allegations of errors and omissions

Employed Lawyers
Protects a funds' in-house attorneys from legal advice allegations

Medical Professional Insurance
Protects for allegations of wrongful practices and services

Retiree Representatives
Protection designed for MPRA representatives for errors and omissions

DOES THE FUND MANAGE TRAINING FACILITIES?

Educators Liability
Protects against claims alleging improper or insufficient training

Directors and Officers
Protects for various operational exposures related to managing a training facility

Media
Protects against various personal injury allegations

Student Accident
Responds to injury of students, volunteers or participants

To learn more about Segal Select Insurance Services, visit our website at www.segalsi.com or contact Diane McNally, Senior Vice President, Senior Consultant and Principal at 212.251.5146, dmcnally@segalsi.com or Matthew Jackson, RPLU, Senior Vice President, Consultant at 212.251.5387, mjackson@segalsi.com.