

SUMMARY ANNUAL REPORT

For DISTRICT COUNCIL 1707 LOCAL 95 HEAD START EMPLOYEES WELFARE FUND

This is a summary of the annual report of the DISTRICT COUNCIL 1707 LOCAL 95 HEAD START EMPLOYEES WELFARE FUND, EIN 13-3819669, Plan No. 501, for period January 01, 2016 through December 31, 2016. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has contracts with Amalgamated Life Insurance Company and Dent Care Delivery Systems to pay dental and stop loss claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2016 were \$536,721.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$2,916,992 as of December 31, 2016, compared to \$22,277,582 as of January 01, 2016. During the plan year the plan experienced a decrease in its net assets of \$19,360,590 in part due to a reduction in its accounts receivable, (please see note Additional Explanation). This decrease includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$12,850,986, including employer contributions of \$12,434,192, employee contributions of \$30,030, realized gains of \$108,863 from the sale of assets, and earnings from investments of \$277,901.

Plan expenses were \$32,211,576. These expenses included \$804,808 in administrative expenses, \$16,525,340 in benefits paid to participants and beneficiaries, and \$14,881,428 in other expenses.

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- information on payments to service providers;
- assets held for investment;
- transactions in excess of 5% of the plan assets;
- insurance information, including sales commissions paid by insurance carriers;

To obtain a copy of the full annual report, or any part thereof, write or call the office of BD OF TRUSTEES OF DISTRICT COUNCIL 1707 LOCAL 95 EMPLOYEES WELFARE FD at 420 WEST 45TH STREET, 3RD FLOOR, NEW YORK, NY 10036, or by telephone at (212) 343-1660. The charge to cover copying costs will be \$0.00 for the full annual report, or \$0.00 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (BOARD OF TRUSTEES OF DISTRICT COUNCIL 1707 LOCAL 95 EMPLOYEES WELFARE FUND, 420 WEST 45TH STREET, 3RD FLOOR, NEW YORK, NY 10036) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, and 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Additional Explanation

The District Council 1707 Local 95 Head Start Employees Welfare Fund (the Fund) had initiated litigation in the Federal District Court, Southern District of New York (the Court) against the City of New York seeking collection of health insurance premium increases due plus interest for underpayment of premiums being paid to the Fund by the City of New York.

On September 29, 2017, the Court dismissed the Fund's claim and the Fund has written off its receivable for these premiums owed which is the \$14,881,428 other expenses amount noted in the basic Financial Statement section of this Summary Annual Report.