

***Teamsters Health and Welfare Fund of
Philadelphia and Vicinity***

Financial Statements

For the Years Ended December 31, 2015 and 2014

**TEAMSTERS HEALTH AND WELFARE FUND OF PHILADELPHIA AND VICINITY
TABLE OF CONTENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

REPORT OF INDEPENDENT AUDITORS	1 - 2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5 - 11
REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTAL INFORMATION	12
SUPPLEMENTAL INFORMATION	
Schedules of Benefit Administration Expenses	13
Schedules of Administrative Expenses	14

REPORT OF INDEPENDENT AUDITORS

Board of Trustees
Teamsters Health and Welfare Fund of
Philadelphia and Vicinity
6981 North Park Drive, Suite 400
Pennsauken, NJ 08109

Report on the Financial Statements

We have audited the accompanying financial statements of Teamsters Health and Welfare Fund of Philadelphia and Vicinity, which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014 and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Fund's 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 from 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.

REPORT OF INDEPENDENT AUDITORS

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Teamsters Health and Welfare Fund of Philadelphia and Vicinity as of December 31, 2015 and 2014, and the changes in its financial status for the years then ended, in accordance with accounting principles generally accepted in the United States of America.



A Professional Corporation
Bethesda, MD
July 18, 2016

TEAMSTERS HEALTH AND WELFARE FUND OF PHILADELPHIA AND VICINITY
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Investments - at fair value	\$ 68,323,048	\$ 73,144,244
Receivables		
Employers' contributions	8,357,090	7,468,231
Participants' contributions (COBRA)	81,352	70,206
Dividends	47,718	55,061
	<u>8,486,160</u>	<u>7,593,498</u>
Cash	<u>2,930,442</u>	<u>3,513,225</u>
Deposits	<u>1,150,000</u>	<u>1,150,000</u>
Other assets	<u>113,736</u>	<u>116,194</u>
TOTAL ASSETS	<u>81,003,386</u>	<u>85,517,161</u>
LIABILITIES		
Accounts payable and accrued expenses	289,254	298,507
Deferred revenue	593,559	852,623
Transitional reinsurance fee payable	794,156	1,151,766
	<u>1,676,969</u>	<u>2,302,896</u>
TOTAL LIABILITIES	<u>1,676,969</u>	<u>2,302,896</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 79,326,417</u>	<u>\$ 83,214,265</u>

TEAMSTERS HEALTH AND WELFARE FUND OF PHILADELPHIA AND VICINITY
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
ADDITIONS		
Contributions		
Employers	\$ 111,705,277	\$ 105,157,505
Participants (COBRA)	<u>1,199,290</u>	<u>1,231,365</u>
	<u>112,904,567</u>	<u>106,388,870</u>
Investment income		
Net appreciation (depreciation) in fair value of investments	(2,251,374)	2,050,793
Dividends	<u>1,622,836</u>	<u>1,924,919</u>
	(628,538)	3,975,712
Investment expenses	<u>(161,267)</u>	<u>(198,336)</u>
	<u>(789,805)</u>	<u>3,777,376</u>
TOTAL ADDITIONS	<u>112,114,762</u>	<u>110,166,246</u>
DEDUCTIONS		
Benefits paid		
Death	355,345	403,512
Dental	5,710,942	6,006,433
Disability	1,265,230	1,318,925
Medical	78,510,889	73,815,036
Prescription drug	<u>22,486,448</u>	<u>21,941,345</u>
	108,328,854	103,485,251
Benefit administration expenses	4,258,774	4,467,344
Administrative expenses	<u>3,414,982</u>	<u>3,343,023</u>
TOTAL DEDUCTIONS	<u>116,002,610</u>	<u>111,295,618</u>
NET DECREASE	(3,887,848)	(1,129,372)
NET ASSETS AVAILABLE FOR BENEFITS AT BEGINNING OF YEAR	<u>83,214,265</u>	<u>84,343,637</u>
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u><u>\$ 79,326,417</u></u>	<u><u>\$ 83,214,265</u></u>

TEAMSTERS HEALTH AND WELFARE FUND OF PHILADELPHIA AND VICINITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

NOTE 1: PLAN DESCRIPTION

General

The Teamsters Health and Welfare Fund of Philadelphia and Vicinity (the Fund) covers all eligible employees working for employers who have a collective bargaining agreement with a Teamsters local union which is party to the Fund and under which the employers have agreed to make contributions to the Fund on the employees' behalf in accordance with negotiated hourly rates.

The Fund is a multiemployer, defined benefit health and welfare plan that was established under the terms of collective bargaining agreements between the employers and Teamsters local unions (the local unions), located in central and northeast portions of Pennsylvania, along the eastern shore of Maryland, Maine, New York and Ohio. The Fund is generally non-contributory, but does provide for participant contributions under the Consolidated Omnibus Budget Reconciliation Act (COBRA). The Fund provides health and other benefits to eligible participants who are covered under collective bargaining agreements, or other written agreements, with the local unions. The Fund is administered by a Board of Trustees (Trustees) with equal representation by the employers and the local unions and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Information about eligibility, benefit provisions, and the priority order of participants' claims to the assets of the Fund upon termination, is contained in the Summary Plan Description. Copies are available from the Fund Administrator.

Benefits

The Fund provides health benefits (medical, dental and prescription drug), short-term disability and death benefits for covered employees and their beneficiaries and covered dependents. Generally, to be eligible for benefits, an employee must be employed by a contributing employer or employers and be working within the jurisdiction of a local union which is a party to the Fund either 15 days in the month that is two months prior to the month of medical treatment or 180 days in the 12-month period that is two months prior to the month of medical treatment. Alternatively, some employees enjoy benefit eligibility during the same month that an employer remits a stated contractual amount of contributions. Retired participants are entitled to death benefits to be paid to their beneficiaries provided their employer has not decertified and/or has not ceased participation in the Fund in favor of another group health program at the time of death.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Fund's accounting policies reflect practices common to employee benefit plans and conform with accounting principles generally accepted in the United States of America. Significant accounting policies are summarized as follows.

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 reported amounts of assets, liabilities and benefit obligations including claims payable and disclosure of contingent assets and liabilities at the date of the financial statements and changes therein during the reporting period. Actual results could differ from those estimates.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Investment Valuation and Income Recognition

Investments consist of mutual funds, which are valued based on quoted market prices. Dividends are recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized and unrealized gains and losses on the value of investments are recognized in net appreciation (depreciation) in fair value of investments on the statements of changes in net assets available for benefits.

Contributions from Employers

These amounts are based upon remittance reports filed by the employers. Contributions receivable at year end are substantially determined from employer remittance reports received subsequent to year end, but which cover hours worked during the respective years. Management believes all contributions receivable are collectible and no allowance for uncollectible accounts has been provided.

The Trustees have established a policy requiring audits of payroll records of employers who are selected by random sampling and judgmental methods. Special audits include those performed on employers that have withdrawn from the Fund and those performed at the request of covered employers. These audits are conducted on employers' payroll records based upon reports filed with the Fund for the calendar year prior to the audit date. These audits are in addition to the Fund's normal verification procedures applied to contributions reports filed for the current year.

Contributions from Participants (COBRA)

Participants who become ineligible for coverage under the Fund's eligibility requirements can continue their coverage through COBRA. Contribution amounts are determined by the Fund's actuary in accordance with COBRA regulations. Deferred revenue is recorded when participants pay premiums prior to December 31 attributable to the following year.

Current and Postemployment Benefit Obligations

Fund obligations at December 31 for health claims incurred by active participants but not paid as of that date and for accumulated eligibility of participants are estimated by management based on the calculation performed by the Fund's independent consulting actuary in accordance with accepted actuarial principles. Such estimated amounts are included in Note 7 at present value.

Postretirement Benefit Obligations

The postretirement benefit obligation represents the actuarial present value of those estimated future death benefits that are attributed to employee services rendered to December 31. Postretirement benefits include future death benefits expected to be paid to or for (1) currently retired or terminated employees and their beneficiaries and dependents, (2) active employees and their beneficiaries and dependents after retirement from services with participants employers and (3) future death benefits under total disability claims. Prior to an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement obligation that is attributed to that employee's service rendered to the valuation date. The actuarial present value of the expected postretirement benefit obligation is determined with the assistance of the actuary and is the amount that results from applying actuarial assumptions to estimate future annual death benefits to participants and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability or withdrawal) between the valuation date and the expected date of payment.

NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Transitional Reinsurance Program

Section 1341 of the Affordable Care Act established a transitional reinsurance program to stabilize premiums in the individual market inside and outside of the marketplaces. The expense is recognized ratably through the year as coverage occurs. At December 31, 2015, and December 31, 2014, \$794,156 and \$1,151,766 respectively, is accrued as transitional reinsurance fee payable on the Plan's statements of net assets available for benefits and is included in benefit administration expenses on the Plan's statements of changes in net assets available for benefits.

Subsequent Events

In preparing these financial statements, management of the Fund has evaluated events and transactions that occurred after December 31, 2015 for potential recognition or disclosure in the financial statements. These events and transactions were evaluated through July 18, 2016, the date that the financial statements were available to be issued.

NOTE 3: INVESTMENTS

Investments held as of December 31, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Mutual funds	<u>\$ 68,323,048</u>	<u>\$ 73,144,244</u>

The cost of investments at December 31, 2015 and 2014 was \$71,113,368 and \$70,244,723, respectively.

The fair value of individual investments that represent 5% or more of the Fund's net assets are as follows:

SEI Core Fixed Income Fund	\$ 7,184,003	\$ 14,777,492
SEI Large Capital Disciplined Equity Fund	\$ 10,199,156	\$ 14,021,397
SEI World Equity Ex-US Fund	\$ 9,395,317	\$ 10,205,038
SEI Small/Mid Capital Equity Fund	N/A	\$ 4,581,880
SEI Dynamic Asset Allocation Fund	\$ 7,348,055	\$ 5,756,389
SEI Opportunistic Income Fund	\$ 7,137,202	\$ 7,241,761
SEI Limited Duration Bond Fund	\$ 7,161,472	N/A

During 2015 and 2014, the Fund's investments, including investments bought and sold, as well as held during the year appreciated (depreciated) in value as follows:

Investments at fair value as determined by quoted market prices		
Mutual funds	<u>\$ (2,251,374)</u>	<u>\$ 2,050,793</u>

The Fund invests in mutual funds managed by SEI, the custodian. Transactions in such investments qualify as party-in-interest transactions that are exempt from prohibited transaction rules.

NOTE 4: FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, establish a fair value reporting hierarchy and define three broad levels of inputs (the assumptions that market participants would use in pricing the asset or liability) as noted below:

NOTES TO FINANCIAL STATEMENTS

NOTE 4: FAIR VALUE MEASUREMENTS - continued

Level 1

Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2

Inputs are quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. For the year ended December 31, 2015, there were no transfers in or out of levels 1, 2 or 3.

A description of the valuation methodology is included in Note 2 and the methodology was not changed during the year ended December 31, 2015.

As of December 31, 2015 and 2014, assets measured at fair value on a recurring basis are summarized by level within the fair value hierarchy as follows:

	2015			Total Fair Value
	Level 1	Level 2	Level 3	
Mutual funds	\$ 68,323,048	\$ -	\$ -	\$ 68,323,048

	2014			Total Fair Value
	Level 1	Level 2	Level 3	
Mutual funds	\$ 73,144,244	\$ -	\$ -	\$ 73,144,244

NOTE 5: TAX STATUS

The Trust established to hold the Fund's assets received an exemption letter from the Internal Revenue Service dated June 17, 1953, stating that the Trust, as then designed, was tax-exempt under the provisions of Section 501(c)(9) of the Internal Revenue Code (the Code) as a Voluntary Employee Beneficiary Association. Subsequent to this exemption letter from the Internal Revenue Service, the Fund was amended and/or restated. Once qualified, the Fund and Trust are required to operate in conformity with the Code to maintain the tax-exempt status of the Trust. The Fund's Administrator believes the Fund is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Fund, as amended, is qualified and the related trust is tax-exempt. Therefore, no provision for income taxes has been made in these financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 5: TAX STATUS - continued

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken and recognize a tax liability if the Fund has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Fund, and has concluded that as of December 31, 2015, there are no uncertain positions taken or expected to be taken that would require recognition in the financial statements. The Fund is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods.

NOTE 6: RISKS AND UNCERTAINTIES

The Fund 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 these securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Fund contributions are determined and the actuarial present values of benefit obligations are reported based on certain assumptions pertaining to interest rates, health care inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amount reported and disclosed in the financial statements.

NOTE 7: BENEFIT OBLIGATIONS

Benefit obligations as of December 31, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Amounts currently payable to or for participants, beneficiaries and dependents		
Claims payable and claims incurred but not reported	\$ 11,681,329	\$ 11,286,575
Accumulated eligibility credits and postemployment benefits, net of amounts currently payable		
Accumulated eligibility credits	<u>19,219,610</u>	<u>19,100,494</u>
Postretirement benefit obligations		
Current retirees	5,553,326	6,468,768
Other participants fully eligible for benefits	675,076	1,335,723
Other participants not fully eligible for benefits	39,429	167,991
Death benefits under total disability claims	<u>1,050,481</u>	<u>1,336,178</u>
	<u>7,318,312</u>	<u>9,308,660</u>
Total benefit obligations	<u>\$ 38,219,251</u>	<u>\$ 39,695,729</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7: BENEFIT OBLIGATIONS - continued

Changes in benefit obligations for the years ended December 31, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Amounts currently payable to or for participants, beneficiaries and dependents		
Balance at beginning of year	\$ 11,286,575	\$ 10,516,247
Claims incurred during the year	108,723,608	104,255,579
Claims paid (including disability)	<u>(108,328,854)</u>	<u>(103,485,251)</u>
Balance at end of year	<u>11,681,329</u>	<u>11,286,575</u>
Accumulated eligibility credits and postemployment benefits, net of amounts currently payable		
Balance at beginning of year	19,100,494	17,606,200
Benefits earned and other changes in Accumulated eligibility credits	<u>119,116</u>	<u>1,494,294</u>
Balance at end of year	<u>19,219,610</u>	<u>19,100,494</u>
Postretirement benefit obligations		
Balance at beginning of year	9,308,660	9,050,613
Increase (decrease) during the year attributable to benefits earned and other changes	<u>(1,990,348)</u>	<u>258,047</u>
Balance at end of year	<u>7,318,312</u>	<u>9,308,660</u>
Total benefit obligations at end of year	<u>\$ 38,219,251</u>	<u>\$ 39,695,729</u>

The following significant assumptions were used as of December 31, 2015 and 2014:

- Discount rate - 4.53% and 4.16% for 2015 and 2014, respectively.
- Retirement rates: 2015 and 2014

<u>Age</u>	<u>Rates</u>	
55	50	%
56 - 61	10	%
62	25	%
63	40	%
64 - 65	30	%
66	50	%
67 - 69	25	%
70	100	%

- Mortality rates - For 2015 and 2014, the RP-2014 Combined Employee and Healthy Annuitant Fully Generational Tables for males and females were used. For 2015 and 2014, the PBGC Disabled Males and Females with OASDI Table was used for Disabled Participants.

NOTES TO FINANCIAL STATEMENTS

NOTE 7: BENEFIT OBLIGATIONS - continued

- Accumulated eligibility credits liability - Amount is equal to the value of benefits earned by active participants that would be provided during periods of unemployment when employer contributions would not otherwise provide coverage of benefits.

The foregoing assumptions are based upon the presumption that the Fund will continue. Were the Fund to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the postretirement benefit obligation.

NOTE 8: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of the Fund's net assets available for benefits per the accompanying 2015 and 2014 financial statements to the Form 5500:

	<u>2015</u>	<u>2014</u>
Net assets available for benefits per the financial statements	\$ 79,326,417	\$ 83,214,265
Benefit obligations	<u>(11,681,329)</u>	<u>(11,286,575)</u>
Net assets available for benefits per Form 5500	<u>\$ 67,645,088</u>	<u>\$ 71,927,690</u>

The following is a reconciliation of health benefits per the financial statements to the Form 5500 for the year ended December 31, 2015:

Benefits paid per the financial statements	\$ 108,328,854
Reported benefit obligations at end of year	11,681,329
Reported benefit obligations at beginning of year	<u>(11,286,575)</u>
Benefit payments per Form 5500	<u>\$ 108,723,608</u>

NOTE 9: RELATED PARTY TRANSACTIONS

The Fund and the Teamsters Pension Trust Fund of Philadelphia and Vicinity maintain a corporation known as Administrative Service Professionals, Inc. (ASP). The Fund owns seventy-two percent of ASP. ASP provides administrative services to the Fund based on a rate, per member, per month. During 2015 and 2014, the Fund paid ASP \$2,912,000 and \$2,947,000, respectively, which is included in administrative expenses. As of December 31, 2015 and 2014, the Fund did not have any outstanding liabilities to ASP.

The Fund does not consolidate financial information concerning ASP into its financial statements as such information is considered immaterial to its financial status and changes in its financial status.

NOTE 10: CONCENTRATIONS OF CREDIT RISK

The Fund maintains its cash in bank deposit accounts and its investments in custodial accounts the balances of which, at times, may exceed federally insured limits. The Fund has not experienced any losses on such accounts and does not believe that it is exposed to any significant financial risk on cash or investments.

REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTAL INFORMATION

Board of Trustees
Teamsters Health and Welfare Fund of
Philadelphia and Vicinity
6981 North Park Drive, Suite 400
Pennsauken, NJ 08109

We have audited the financial statements of Teamsters Health and Welfare Fund of Philadelphia and Vicinity as of and for the years ended December 31, 2015 and 2014, and our report thereon dated July 18, 2016 which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of benefit administration expenses and administrative expenses are presented for purposes of additional analysis and are not a required part of the financial statements. 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 audit 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.



A Professional Corporation
Bethesda, MD
July 18, 2016

**TEAMSTERS HEALTH AND WELFARE FUND OF PHILADELPHIA AND VICINITY
SCHEDULES OF BENEFIT ADMINISTRATION EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
BENEFIT ADMINISTRATION EXPENSES		
Behavioral health	\$ 271,182	\$ 265,907
Claims editing	58,557	66,665
Disease management	508,185	405,703
Hospital/surgical	2,507,979	2,482,987
PCORI fees	37,997	37,150
Prescription drug	80,718	57,166
Transitional reinsurance fee	794,156	1,151,766
	<u>\$ 4,258,774</u>	<u>\$ 4,467,344</u>

TEAMSTERS HEALTH AND WELFARE FUND OF PHILADELPHIA AND VICINITY
SCHEDULES OF ADMINISTRATIVE EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

ADMINISTRATIVE EXPENSES	<u>2015</u>	<u>2014</u>
Actuarial and consulting	\$ 135,000	\$ 45,000
Administrator fee - ASP	2,912,000	2,947,000
Auditing and accounting	61,850	62,000
Data processing equipment rental and supplies	38,994	41,312
Dental consulting	17,550	20,280
Dues and subscriptions	803	1,452
Educational conferences and trustees' meetings	22,900	21,093
Insurance	5,313	5,387
Legal	61,767	53,360
Office and supplies	17,323	21,428
Payroll audit - legal services	44,721	22,496
Postage	82,221	88,077
Printing	14,540	14,138
	<u>\$ 3,414,982</u>	<u>\$ 3,343,023</u>