TEAMSTERS HEALTH AND WELFARE FUND OF PHILADELPHIA AND VICINITY

Financial Statements

December 31, 2023 and 2022

With Independent Auditor's Report

withum

ADVISORY TAX AUDIT

Teamsters Health and Welfare Fund of Philadelphia and Vicinity
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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Teamsters Health and Welfare Fund of Philadelphia and Vicinity:

Opinion

We have audited the financial statements of Teamsters Health and Welfare Fund of Philadelphia and Vicinity, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974, which comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, 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.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, information regarding the Teamsters Health and Welfare Fund of Philadelphia and Vicinity's net assets available for benefits as of December 31, 2023 and 2022, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Teamsters Health and Welfare Fund of Philadelphia and Vicinity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Fund, and determining that the Fund's transactions that are presented and disclosed in the financial statements are in conformity with the Fund's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Teamsters Health and Welfare Fund of Philadelphia and Vicinity's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Teamsters Health and Welfare Fund of Philadelphia and Vicinity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Withum Smith + Brown, PC

August 5, 2024

Teamsters Health and Welfare Fund of Philadelphia and Vicinity
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	2023	2022
Assets		
Investments - at fair value	$ 143,186,693	$ 138,047,281
Receivables		
Employers' contributions	7,442,294	7,768,644
Participants' contributions (COBRA)	46,608	45,097
Interest	248,681	-
Dividends	379,526	303,865
Total receivables	8,117,109	8,117,606
Cash	9,814,621	7,663,635
Deposits	1,930,613	1,762,178
Other assets	148,780	149,209
Total assets	163,197,816	155,739,909
Liabilities		
Accounts payable and accrued expenses	244,105	261,655
Deferred revenue	890,981	555,658
Total liabilities	1,135,086	817,313
Net assets available for benefits	$ 162,062,730	$ 154,922,596

The Notes to Financial Statements are an integral part of these statements.

Teamsters Health and Welfare Fund of Philadelphia and Vicinity
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2023 and 2022

	2023	2022
Additions		
Contributions		
Employers	$ 114,624,008	$ 114,111,822
Participants (COBRA)	607,484	219,427
Total contributions	115,231,492	114,331,249
Investment income		
Net depreciation (appreciation) in fair value of investments	8,895,631	(27,386,084)
Dividends	4,152,223	3,991,798
	13,047,854	(23,394,286)
Investment expenses	(138,428)	(145,721)
Net investment loss (income)	12,909,426	(23,540,007)
Total additions	128,140,918	90,791,242
Deductions		
Benefits paid		
Medical	84,850,200	84,618,424
Prescription drug	20,453,976	17,397,978
Dental	4,533,263	4,626,249
Disability	835,400	894,475
Death	448,620	453,364
Vision	241,120	239,366
Total benefits paid	111,362,579	108,229,856
Benefit administration expenses	4,996,906	4,874,777
Administrative expenses	4,641,299	4,290,816
Total deductions	121,000,784	117,395,449
Change in net assets available for benefits	7,140,134	(26,604,207)
Net assets available for benefits		
Beginning of year	154,922,596	181,526,803
End of year	$ 162,062,730	$ 154,922,596

The Notes to Financial Statements are an integral part of these statements.

1. PLAN DESCRIPTION

General

The Teamsters Health and Welfare Fund of Philadelphia and Vicinity (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"), primarily located in southeastern Pennsylvania, New Jersey and Delaware. The Fund covers all eligible employees working for employers who have a collective bargaining agreement with local unions 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 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, prescription drug, behavioral health and substance abuse treatment, vision, and life insurance), 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.

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.

Basis of Presentation

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance 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.

Investment Valuation and Income Recognition
Investments are reported at fair value. Fair value is 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. Investment policies, guidelines and procedures have been established by the Trustees of the Fund and may be modified or amended only at the direction of the Trustees. See Note 4 for discussion of fair value measurements.

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 (depreciation) appreciation in fair value of investments on the statements of changes in net assets available for benefits.

Contributions from Employers and Deferred Revenue
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, which cover hours worked during the respective years. Management believes all contributions receivable are collectible and no allowance for uncollectible accounts has been provided. Deferred revenue represents cash received for contributions for the portion not yet earned based on the work period.

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. Contribution revenue is recognized in the period the benefits are provided to the participant.

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 actuary in accordance with accepted actuarial principles. Such estimated amounts are included in Note 3 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.

Rebates Receivable

Rebates due from the Fund's pharmacy benefit manager are recorded when earned and netted with benefits paid on the statements of changes in net assets available for benefits.

Expenses

Expenses incurred in connection with the administration of the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits. Certain investment-related expenses are included in net appreciation (depreciation) in fair value of investments. Benefits paid represent pension benefits paid to eligible participants or beneficiaries. Administrative expenses represent costs associate with the general operation of the Plan.

Accounting Pronouncements Currently Adopted

In June 2016, the Financial Accounting Standards Board (“FASB”) issued an Accounting Standards Update (“ASU”) amending the accounting for credit losses on financial statements. This methodology replaced the incurred loss methodology with the expected credit losses using a wide range of reasonable and supportable information. The amendment affects loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposure and other financial instruments recorded at amortized cost.

The Fund adopted the new standard effect January 1, 2023, using the modified retrospective approach. Upon adoption, there was no cumulative-effect adjustment to the opening balance of 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, 2023 for potential recognition or disclosure in the financial statements. These events and transactions were evaluated through August 5, 2024, the date that the financial statements were available to be issued, and no items have come to the attention of management that require recognition or disclosure.

3. BENEFIT OBLIGATIONS

Benefit obligations as of December 31, 2023 and 2022 are as follows:

	2023	2022
Amounts currently payable to or for participants, beneficiaries and dependents		
Claims payable and claims incurred but not reported	$ 13,557,000	$ 13,447,800
Accumulated eligibility credits and postemployment benefits, net of amounts currently payable		
Accumulated eligibility credits	21,033,000	21,576,500
Postretirement benefit obligations		
Current retirees	4,212,000	4,325,800
Other participants fully eligible for benefits	511,700	522,200
Other participants not fully eligible for benefits	61,600	60,800
Death benefits under total disability claims	516,500	535,200
	5,301,800	5,444,000
Total benefit obligations	$ 39,891,800	$ 40,468,300

Changes in benefit obligations for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
Amounts currently payable to or for participants, beneficiaries and dependents		
Balance at beginning of year	$ 13,447,800	$ 14,912,000
Claims incurred during the year	111,471,779	106,765,656
Claims paid (including disability)	(111,362,579)	(108,229,856)
Balance at end of year	13,557,000	13,447,800
Accumulated eligibility credits and postemployment benefits, net of amounts currently payable		
Balance at beginning of year	21,576,500	19,870,900
Benefits earned and other changes in accumulated eligibility credits	(543,500)	1,705,600
Balance at end of year	21,033,000	21,576,500
Postretirement benefit obligations		
Balance at beginning of year	5,444,000	7,003,100
Decrease during the year attributable to benefits earned and other changes	(170,300)	(152,800)
Increase (decrease) due to changes in actuarial assumptions	28,100	(1,406,300)
Balance at end of year	5,301,800	5,444,000
Total benefit obligations at end of year	$ 39,891,800	$ 40,468,300

The following significant assumptions were used as of December 31, 2023 and 2022:

- Discount rate – 4.65% and 4.70% for 2023 and 2022, respectively.

- Retirement rates: 2023 and 2022

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

Mortality rates:

- Health Participants: Headcount weighted PRI-2012 employee retiree mortality rates, projected generationally from 2012 with Scale MP-2020.

- Disabled Participants: Headcount weighted PRI-2012 disabled retiree mortality rates, projected generationally from 2012 with Scale MP-2020.

- 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 or benefits.

Changes in actuarial assumptions for postretirement benefit obligations noted include the change in discount rate from 4.70% to 4.65% in accordance with corporate AAA bond rates as of the measurement date. 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.

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:

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.

Following is a description of the valuation methodology used for assets measured at fair value. The valuation methodology used at December 31, 2023 was not changed from the methodology used at December 31, 2022.

Registered investment companies: Shares in mutual funds are valued based on quoted market prices.

Limited partnerships and multi-strategy hedge funds: Carried at the net asset value (“NAV”), or its equivalent, of the shares or interest held by the Fund at year end, which is based on the fair value of the underlying securities and bonds. The NAV, as provided by the investment advisor, is used as a practical expedient to estimate fair value.

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. For the years ended December 31, 2023 and 2022, there were no transfers in or out of Level 3.

As of December 31, 2023 and 2022, assets measured at fair value on a recurring basis are summarized by level within the fair value hierarchy as follows:

	2023			
	Level 1	Level 2	Level 3	Total
Registered investment companies	$ 138,478,997	$ -	$ -	$ 138,478,997
Total investments in the fair value hierarchy	$ 138,478,997	$ -	$ -	138,478,997
*Investments measured at net asset value				4,707,696
Total investments at fair value				$ 143,186,693

	2022			
	Level 1	Level 2	Level 3	Total
Registered investment companies	$ 134,549,479	$ -	$ -	$ 134,549,479
Total investments in the fair value hierarchy	$ 134,549,479	$ -	$ -	134,549,479
*Investments measured at net asset value				3,497,802
Total investments at fair value				$ 138,047,281

*Funds are valued using net asset value and have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to line items presented in the statements of net assets available for benefits.

Investment policies, guidelines, and procedures have been established by the Trustees of the Fund and may be modified or amended only at the direction of the Trustees. In establishing and determining the reasonableness of investment valuations, the Fund enlists the assistance of independent appraisers, fiduciaries, and investment managers who review the performance of investments to ensure adherence to those policies, guidelines, and procedures.

Investments are monitored by management, as assisted by the Fund's independent fiduciary, to review pricing models and methodologies, to analyze changes in fair value from period to period, to report valuations and changes in valuations to the Trustees, and to verify compliance with the presentation of investments in accordance with generally accepted accounting principles.

As of December 31, 2023 and 2022, the fair values of the following investments have been determined using the NAV per unit of the investment:

	Fair Value		Unfunded Commitments	
	2023	**2022**	**2023**	**2022**
Multi-strategy hedge funds				
Blackstone BSOF Parallel Offshore Fund Ltd. (a)	$ 229,237	$ 222,697	$ 1,788,882	$ 2,000,000
Limited partnerships				
Banner Ridge Secondary Fund IV (Offshore), LP (b)	4,478,459	3,275,105	2,516,258	3,122,888
	$ 4,707,696	$ 3,497,802	$ 4,305,140	$ 5,122,888

a) The fund is organized for the primary purpose to achieve attractive, risk-adjusted returns by investing in a portfolio of assets that may be sourced by Blackstone Alternative Solutions and/or managed certain managers or advisors that invest or trade in a wide variety of securities and financial instruments. Redemption payments may be in cash or in-kind or in any combination of the foregoing. Payments of redemption proceeds will generally be made at the earliest practicable date following the Consolidated Fund’s receipt of proceeds from the liquidation of the applicable investment.

b) The fund is organized for the purpose of purchasing, selling, investing and trading in securities primarily issued by investment funds that are managed by independent portfolio managers through secondary and primary transactions. Redemption is not allowed for this investment.

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.

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, 2023 and 2022, 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. In addition, there have been no tax related interest or penalties for the periods presented in these financial statements. Should such penalties and interest be incurred, the Fund’s policy is to recognize them as administrative expenses.

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.

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 amounts reported and disclosed in the financial statements.

Financial instruments that subject the Fund's concentrations of credit risk include cash, accounts receivable and investments. While management of the Fund attempts to limit any financial exposure by maintaining accounts at high quality financial institutions, cash and investment balances exceed the federally insured limit of $250,000 and $500,000, respectively. Any loss incurred or lack of access to such funds could have a significant adverse impact on the Fund's financial condition results of operations, and cash flows. Credit risk associated with accounts receivable is considered limited due to the large number of employers that make up the receivable balance and historical high collection rate of receivables.

7. 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 72% of ASP. ASP provides administrative services to the Fund for a negotiated fixed amount, based upon the number of members. During 2023 and 2022, the Fund paid ASP $3,797,000 and $3,576,000, respectively, which is included in administrative expenses on the statements of changes in net assets available for benefits.

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 2023 and 2022 financial statements to net assets per Form 5500:

	2023	2022
Net assets available for benefits per the financial statements	$ 162,062,730	$ 154,922,596
Benefit obligations	(13,557,000)	(13,447,800)
Net assets per Form 5500	$ 148,505,730	$ 141,474,796

The following is a reconciliation of health benefits per the financial statements to Form 5500 for the year ended December 31, 2023:

Benefits paid per the financial statements	$ 111,362,579
Reported benefit obligations at end of year	13,557,000
Reported benefit obligations at beginning of year	(13,447,800)
Benefit payments per Form 5500	$ 111,471,779

SUPPLEMENTARY INFORMATION

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ADVISORY TAX AUDIT

REPORT ON SUPPLEMENTARY INFORMATION

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Teamsters Health and Welfare Fund of Philadelphia and Vicinity:

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, 2023 and 2022, and have issued our report thereon dated August 5, 2024, which contained an unmodified opinion on those financial statements.

Our audits were performed for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of Benefit Administration Expenses and Administrative Expenses for the years ended December 31, 2023 and 2022 are presented for the 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 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.

WithumSmith+Brown, PC

August 5, 2024

Teamsters Health and Welfare Fund of Philadelphia and Vicinity
Schedules of Benefit Administration Expenses
Years Ended December 31, 2023 and 2022

	2023	2022
Benefit administration expenses		
Hospital/surgical	$ 2,635,672	$ 2,339,493
Prescription drug	993,907	805,824
Disease management	457,140	444,512
Behavioral health	383,179	362,602
Call a doctor	276,737	242,868
Claims editing	206,039	637,673
Patient-Centered Outcomes Research Institute (PCORI) fees	44,232	41,805
Total benefit administration expenses	$ 4,996,906	$ 4,874,777

See Independent Auditor's Report on Supplementary Information.

Teamsters Health and Welfare Fund of Philadelphia and Vicinity
Schedules of Administrative Expenses
Years Ended December 31, 2023 and 2022

	2023	2022
Administrative expenses		
Administrator fee - ASP	$ 3,797,000	$ 3,576,000
Legal	191,119	198,590
Actuarial and consulting	141,353	84,583
Postage	98,753	86,201
Payroll audit - legal services	79,799	20,855
Insurance	75,447	62,173
Auditing and accounting	65,000	59,750
Data processing equipment rental and supplies	64,396	48,400
Office and supplies	48,174	45,004
Educational conferences and trustees' meetings	42,661	58,503
Printing	32,634	46,207
Dues and subscriptions	4,963	4,550
Total administration expenses	$ 4,641,299	$ 4,290,816

See Independent Auditor’s Report on Supplementary Information.