

## QUARTERLY STATEMENT

As of September 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

Tri-State Electrical Benefit Association Health and Life Plan &amp; Trust

established under the Laws of the State of OHIO, made to the

INSURANCE DEPARTMENT OF THE STATE OF

PURSUANT TO THE LAWS THEREOF

Established 1-1-85 Commenced Business 1-1-87

Statutory Home Office 586 Kings Run Drive, Cincinnati, OH 45232  
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office Same  
(Street and Number)  
Same (Area Code) (Telephone Number)  
(City or Town, State and Zip Code)

Mail Address Same (Street and Number or P.O. Box)  
(City, or Town, State and Zip Code)

Primary Location of Books and Records Same  
(Street and Number)  
Same (Area Code) (Telephone Number)  
(City or Town, State and Zip Code)

Quarterly Statement Contact Person and Phone Number (include extension) Gary Wilson (513) 542-0400

## OFFICERS

Chairperson Kevin Bertke  
Secretary \_\_\_\_\_ Vice-Presidents \_\_\_\_\_  
Treasurer \_\_\_\_\_

## TRUSTEES

Kevin Bertke (chair)  
Jeffrey Heitker  
Kathy Wiethe  
Jim Wessel  
Renee Sorter-Plavsic  
Gary Wilson

State of Ohio  
County of Hamilton ss

Kevin Bertke Chairperson, Secretary, Treasurer  
of the Tri-State Electrical Benefit Association being duly sworn, each deposes and says that they  
are the above described officers of the trust carrying on the business of a MEWA, and that on the quarter ending 9-30-02,  
all of the herein described assets were the absolute property of the MEWA, free and clear from any liens or claims thereon, except as herein  
stated, and that this quarterly statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a  
full and true statement of all the assets and liabilities and of the condition and affairs of the MEWA as of the quarter ending  
9-30-02, and of its income and deductions therefrom for the calendar period ended on that date, and have been completed  
in accordance with the quarterly statement instructions and accounting practices and procedures prescribed by the Ohio Department of  
Insurance, according to the best of their information, knowledge and belief, respectively.

Kevin Bertke  
Chairperson Secretary Treasurer

(a) Is this an original filing? Yes  No

(b) If no: (i) state the amendment number \_\_\_\_\_

(ii) date filed \_\_\_\_\_

(iii) number of pages attached \_\_\_\_\_

Subscribed and sworn to before me this  
11th day of November, 2002  
Linda A. McCormick

RECEIVED

NOTARY PUBLIC (Seal)

**LINDA A. MCCORMICK**  
Notary Public, State of Ohio  
My Commission Expires Mar 30, 2003

**NOV 15 2002**

**QERS.**

ASSETS	1 Current Period	December 31, 2001
1. Bonds.....		
2. Stocks.....		
2.1 Preferred Stocks.....		
2.2 Common Stocks.....	494,207	504,859
3. Mortgage loans on real estate.....		
4. Real estate, less \$.....encumbrances.....		
5. Collateral loans.....		
6.1 Cash on hand and on deposit.....	437,408	226,384
6.2 Short-term investments.....		
7. Aggregate write-ins for invested assets.....		
7A. Subtotals, cash and invested assets (Lines 1 to 7).....	931,615	731,243
8. Premium due and unpaid.....	310,204	219,180
9. Funds held by or deposited with reinsurance companies.....		
10. Reinsurance recoverables on loss and loss adjustment payments.....		
10.1 Reinsurance recoverable on unpaid losses.....		
11. Federal income tax recoverable.....		
12. Interest and other investment income due and accrued.....		
13. Receivable from parent, subsidiaries and affiliates.....		
14. Electronic data processing equipment.....		
15. Aggregate write-ins for other than invested assets.....		
16. TOTALS (Lines 7A through 15)	1,241,819	950,423
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 7 FOR INVESTED ASSETS</b>		
0701.....		
0702.....		
0703.....		
0704.....		
0705.....		
0798 Summary of remaining write-ins for Line 7 from overflow page.....		
0799 Totals (Lines 0701 through 0705 plus 0798)(Page 2, Line 7)		
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 15 FOR OTHER THAN INVESTED ASSETS</b>		
1501.....		
1502.....		
1503.....		
1504.....		
1505.....		
1598 Summary of remaining write-ins for Line 15 from overflow page.....		
1599 Totals (Lines 1501 through 1505 plus 1598)(Page 2, Line 15)		

NOTE: The lines on this page to agree with Exhibit 1, Column 4.

<b>LIABILITIES, SURPLUS AND SPECIAL FUNDS</b>		<b>1</b> Current Period	<b>2</b> December 31, 2001
1. Claims unpaid (Par 2A, Col.4, Line 5).....		469,000	503,000
2. Unpaid claims adjustment expenses (Part 3, Line 22b, Col. 2).....		18,000	18,000
3. Unearned premiums (Part 1, Line 5, Col. 8).....			
4. Unearned premiums (Part4, Line 9, Col. 4).....			
5. (a) Taxes, licenses and fees due or accrued (excluding Federal income taxes).....			
(b) Federal income taxes (Including \$ _____ net deferred tax liabilities).....			
(c) Stop loss, excess, or reinsurance premium due and unpaid.....			
(d) Other expenses due or accrued.....			
6 Premium deposits made by applicants rejected or not as yet accepted as members or subscribers.....			
7. Borrowed money \$.....and interest thereon \$.....			
8. Amounts withheld or retained for account of others.....		2,115	18,336
9. Stop loss, excess, or reinsurance received but not yet due.....			
10. Provision for unauthorized reinsurance.....			
11. Aggregate write-ins for other liabilities.....			
12. Total liabilities (Lines 1 to 11).....		489,115	539,336
<b>SURPLUS AND SPECIAL FUNDS</b>			
13. Surplus.....			
14. Aggregate write-ins for surplus and special funds.....		752,704	411,087
15. Total (Line 13 plus Line 14; Page 4, Line 21).....		752,704	411,087
16. <b>TOTALS</b> (Lines 12 plus 15)		1,241,819	950,423
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 11 FOR OTHER LIABILITIES</b>			
1101.....			
1102.....			
1103.....			
1104.....			
1105.....			
1198 Summary of remaining write-ins for Line 11 from overflow page.....			
1199 Totals (Lines 1101 through 1105 plus 1198)(Page 3, Line 11).....			
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 14 FOR SURPLUS AND SPECIAL FUNDS</b>			
1401 Surplus reserves - unpaid claims and claims processing .....		752,704	411,087
1402.....			
1403.....			
1404.....			
1405.....			
1498 Summary of remaining write-ins for Line 14 from overflow page.....			
1499 Totals (Lines 1401 through 1405 plus 1498)(Page 3, Line 14).....		752,704	411,087

See accountants compilation report.

UNDERWRITING AND INVESTMENT EXHIBIT	1	2
	Current Year to Date	Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 5, Col. 9).....	2,548,507	3,020,933
2. Claims incurred (Part 2, Line 5, Col. 9).....	1,849,284	2,238,678
3. Expenses incurred (Part 3, Line 21, Col. 2, 3, 4) :		
(a) Claim adjustment.....	150,618	234,936
(b) Administrative.....	15,630	30,439
(c) Soliciting.....		
4. Individual stop loss, excess, or reinsurance expense (Net of incurred Recoveries).....	178,562	238,484
5. Aggregate stop loss, excess, or reinsurance expense (Net of incurred Recoveries).....		
5A Aggregate write-ins for underwriting deductions.....		
6. Total underwriting deductions (Lines 2 through 5).....	2,194,094	2,742,537
7. Net underwriting gain or (loss)(Line 1 minus Line 6).....	354,413	278,396
<b>INVESTMENT INCOME</b>		
8. Net investment income earned (Part 4, Line 14, Col. 8).....	8,202	21,967
9. Net realized capital gains or (losses) (Part 4A, Line 10, Col.6).....		
10. Net investment gain or (loss)(Line 8 plus line 9).....	8,202	21,967
<b>OTHER INCOME</b>		
11. Aggregate write-ins for other income.....	16,167	2,363
12. Net gain or (loss) before federal income taxes (Lines 7+10+11).....	378,782	302,726
13. Federal income taxes incurred.....		
14. Net gain or (loss) (to Line 16) (Line 12 minus Line 13).....	378,782	302,726
<b>SURPLUS AND SPECIAL FUNDS</b>		
15. Surplus and special funds December 31, previous year (Page 4, Line 21, Col. 2).....	411,087	153,260
<b>GAINS AND (LOSSES)</b>		
16. Net gain or (loss)(from Line 14).....	378,782	302,726
17. Net unrealized capital gains or (losses)(Part 4A, Line 11, Col.6).....	(19,291)	(18,296)
18. Change in non-admitted assets (Exhibit 2, Line 9, Col.3).....	(17,874)	(26,603)
19. Aggregate write-ins for changes to surplus and special funds.....		
20. Change in surplus and special funds for the year (Lines 16 through 19).....	341,617	257,827
21. Surplus and special funds December 31, current year (Line 15 plus Line 20).....	752,704	411,087
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 11 FOR OTHER INCOME</b>		
1101 ...Other income.....	13,914	2,363
1102 ...Finance charges.....	2,253	
1103.....		
1104.....		
1105.....		
1198 Summary of remaining write-ins for Line 11 from overflow page.....		
1199 Totals (Lines 1101 through 1105 plus 1198)(Page 4, Line 11).....	16,167	2,363
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 19 FOR CHANGES TO RESERVES AND SPECIAL FUNDS</b>		
1901.....		
1902.....		
1903.....		
1904.....		
1905.....		
1998 Summary of remaining write-ins for Line 19 from overflow page.....		
1999 Totals (Lines 1901 through 1905 plus 1998)(Page 4, Line 19).....		

See accountants compilation report.

QUARTERLY STATEMENT OF SEPTEMBER 30, 2002 OF THE The Tri-State Electrical Benefit Association Health & Life Plan & Trust

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 1**

Line of business*	Premiums Written Direct Business	Premiums Written Reinsurance Assumed	Total Premiums Written (Cols. 1+2)	4 Unearned Premiums December 31 Previous Year	5 Unearned Premiums December 31 Current Year (Part 1A)	6 Reserve for Rate Credits and Retrospective Returns Based on Experience	7 Total Reserve for Unearned Premiums (Cols. 5+6)	8 Premiums Earned (Cols. 3+4-7)	Informational Only
									9 Reinsurance Premiums Ceded
1. Hospital.....	2,548.507		2,548.507						2,548.507
2. Medical.....									
3. Dental.....									
4. Other.....									
5. Totals.....	2,548.507		2,548.507						2,548.507

**PART 1A--UNEARNED PREMIUMS**

Premium Mode	Premiums in Force December 31 Current Year	Amount of Premiums or Fees Unearned	
		1	2
1. Quarterly premiums.....			
2. Monthly premiums.....			
3. Advanced premiums.....			
4. Totals.....			

\* If you are unable to break out hospital and medical premiums, please put the combined total and a notation that the amount applies to both lines of business.

See accountants compilation report.

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2-CLAIMS PAID AND INCURRED**

1 Line of Business	2 Claims Paid	3 Claims Unpaid Current Year (Col.4, Part 2A)	4 Claims Unpaid Previous Year	5 Claims Incurred (Cols. 2+3-4)
1. Hospital.....)				
2. Medical.....)	1,865,993	469,000	503,000	1,831,993
3. Dental.....)				
4. Other.....)	17,292			17,292
5. Totals.....)	1,883,285	469,000	503,000	1,849,285

**PART 2 A-CLAIMS UNPAID**

1 Line of Business	2 Reported Claims In Process of Adjustment	3 Estimated Incurred But Unreported	4 Total Claims Unpaid
1. Hospital.....)	300,987	168,013	469,000
2. Medical.....)			
3. Dental.....)			
4. Other.....)			
5. Totals.....)	300,987	168,013	469,000

**PART 2B-ANALYSIS OF CLAIMS UNPAID-PREVIOUS YEAR**

1 Line of Business	Claims Paid Year to Date		Claims Unpaid as of Current Period		6 Total Claims Incurred to date on Claims Incurred in Prior Years (Columns 2+4)	7 Reported Liability on Unpaid Claims as of December 31 Previous Year
	2 On Claims Incurred Prior to January 1 of Current Year	3 On Claims Incurred During the Year	4 On Claims Unpaid as of Dec. 31 of Previous Year	5 On Claims Incurred During the Year		
1. Hospital.....)	482,067	1,383,925	20,933	448,067	503,000	503,000
2. Medical.....)						
3. Dental.....)						
4. Other.....)						
5. Totals.....)	482,067	1,383,925	20,933	448,067	503,000	503,000

\* Part 2B, Column 4 and column 5 must equal Part 2A Total of column 4

## EXHIBIT 1-ANALYSIS OF ASSETS

	1 Ledger Assets	2 Non-Ledger Including Excess of Market (or Amortized) Over Book Value	3 Assets Not Admitted Including Excess of Book Over Market (or Amortized Value)	4 Net Admitted Assets (Col. 1 + 2 - 3)
1. Bonds (Schedule D).....				
2. Stocks (Schedule D).....				
2.1 Preferred Stocks.....				
2.2 Common Stocks.....		494,207		494,207
3. Mortgage loans on real estate (Schedule B).....				
(a) First liens.....				
(b) Other than first liens.....				
4. Real estate, less encumbrances (Schedule A).....				
5. Collateral loans (Schedule C).....				
6.1 Cash on hand and on deposit.....				
(a) Cash in company's office.....				
(b) Cash on deposit (Schedule E).....		437,408		437,408
6.2 Short-term investments (Schedule DA).....				
7. Aggregate write-ins for invested assets.....				
7A. Subtotals, cash and invested assets.....		931,615		931,615
8. Premium due and unpaid.....		310,204		310,204
9. Funds held by or deposited with reinsurance companies.....				
10. Reinsurance recoverables on loss and loss adjustment payments (Schedule S, Col.1).....				
10A. Reinsurance recoverable on unpaid losses.....				
11. Federal income tax recoverable.....				
12. Interest and other investment income due and accrued.....				
13. Receivable from parent, subsidiaries and affiliates.....				
14. Electronic data processing equipment.....				XXX
15. Equipment, furniture and supplies.....				XXX
16. Third party reimbursements receivable.....				XXX
17. Assessments and penalties due and unpaid.....				XXX
18. Prepaid Expenses.....				XXX
19. Loans on personal security, endorsed or not.....				
20. Aggregate write-ins for other than invested assets.....				
21. TOTALS (Lines 1 through 20).....		1,241,819		1,241,819
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 7 FOR INVESTED ASSETS</b>				
0701.....				
0702.....				
0703.....				
0704.....				
0705.....				
0798. Summary of remaining write-ins for Line 7 from overflow page.....				
0799. Totals (Lines 0701 through 0705 plus 0798)(Exhibit 1, Line 7).....				
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 20 FOR OTHER THAN INVESTED ASSETS</b>				
2001.....				
2002.....				
2003.....				
2004.....				
2005.....				
2098. Summary of remaining write-ins for Line 20 from overflow page.....				
2099. Totals (Lines 2001 through 2005 plus 2098)(Exhibit 1, Line 20).....				

## EXHIBIT 2-ANALYSIS OF NON-ADMITTED ASSETS

Excluding Excess of Book Over Market (or Amortized) Values and Exhibit 1, Line 12, Column 3

	1 End of Previous Year	2 End of Current Period	3 Change for Year (Increase) or Decrease (Column 1 minus Column 2)
1. Uncollected Premiums.....			
2. Deposits in suspended depositories, less estimated amount recoverable.....			
3. Equipment, furniture and supplies.....			
4. Loans on personal security, endorsed or not.....			
5. Third Party reimbursements receivable.....			
6. Assessments and penalties due and unpaid.....			
7. Prepaid expenses.....			
8. Aggregate write-ins for assets not admitted.....			
9. Total change (Column 3)(Carry to Page 4, Line 18).....	XXX	XXX	
<b>DETAILS OF WRITE-INS AGGREGATED AT LINE 8 FOR ASSETS NOT ADMITTED</b>			
0801.....			
0802.....			
0803.....			
0804.....			
0805.....			
0898. Summary of remaining write-ins for Line 8 from overflow page.....			
0899. Totals (Lines 0801 through 0805 plus 0898)(Exhibit 2, Line 8).....			

See accountants compilation report.

## GENERAL INTERROGATORIES

1. (a) Where any of the stocks, bonds or other assets of the MEWA loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes  No  X  
(b) If "yes", please give full and complete information relating thereto.

.....  
.....

2. (a) Have any changes been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the MEWA? Yes  No  X

(b) If "Yes", date of change:  
If not previously filed, furnish herewith a certified copy of the instrument as amended.

3. Have there been any substantial changes in the organizational chart, managers, officers or Trustees since year end? Yes  No  X  
If "yes", attach an explanation.

4. (a) If the MEWA is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved since the last filed statement? Yes  No  X

(b) If "yes", attach an explanation.

5. (a) Have any of the MEWA's primary reinsurance contracts been canceled since the last filed statement? Yes  No  X  
(b) If "yes", give full and complete information thereto.

.....  
.....

6. (a) What is the number of employer groups as of the current period?

(b) What is the number of enrollees as of the current period?

24

742

# ANDREW, LITTNER LLC.

CERTIFIED PUBLIC ACCOUNTANTS

## COMPIILATION REPORT

Tri-State Electrical Benefit Association  
Health and Life Plan and Trust  
Cincinnati, Ohio

We have compiled the statements of assets and liabilities, surplus and special funds as of September 30, 2002 and December 31, 2001 and the related statement of underwriting and investment exhibit for the nine month period and the year then ended included in the prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting in the form prescribed by the State of Ohio, Department of Insurance information that is the representation of the Trust whose financial statements are presented. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial statements and supplementary information are presented in accordance with the requirements of the State of Ohio, Department of Insurance which differ from generally accepted accounting principles. Accordingly, the financial statements and supplementary information are not designed for those who are not informed about such differences.

*Andrew, Littner LLC.*  
Certified Public Accountants

November 1, 2002

2368 VICTORY PARKWAY, SUITE 100 - CINCINNATI, OHIO 45206-2810  
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