



SW Washington Chapter
NECA

LOCAL UNION 76 I.B.E.W. JOINT TRUST FUNDS

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L.U. 76, IBEW

2008-2009 SUMMARY ANNUAL REPORT of the IBEW HEALTH & WELFARE TRUST OF SOUTHWEST WASHINGTON

This is a summary of the annual report of the IBEW Health & Welfare Trust of Southwest Washington, EIN #23-7158640, for the year beginning July 1, 2008 and ending June 30, 2009. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information:

The Plan has or had contracts with Group Health Cooperative of Puget Sound, Washington Dental Service, Vision Service Plan and Regence Medical Life Insurance Co., to pay medical, dental, vision, life and AD&D claims incurred under the terms of the Plan. The total premiums paid for the Plan Year ending June 30, 2009 were \$2,559,020. The Plan also offered a self insured medical program, known as IBEW PPO Plan, using the First Choice Health Network of care providers. The direct cost of claims and claim processing administration fees was \$11,110,885. The claims run-out (cost of claims incurred, but not received) at the end of the Plan Year is estimated at \$1,257,604. In addition, the Plan provides weekly time loss benefits on a self-insured basis. During the Plan Year disbursements for weekly time loss benefits were \$129,671.

Washington Dental Service and Vision Service Plan are “experience-rated” contracts and premium costs are affected by, among other things, the number and size of claims. The total insurance premium paid to both plans for the Plan Year ending June 30, 2009 under such “experience-rated” plans was \$1,885,881. Benefit claims paid under the Washington Dental Service Plan totaled \$1,623,637 and under the Vision Service Plan \$113,810 for the Plan Year.

Basic Financial Statement:

The value of Plan assets, after subtracting liabilities of the Plan, was \$3,680,204 as of June 30, 2009, compared to \$6,230,891 as of July 1, 2008. During the Plan Year the Plan experienced a decrease in its net assets of \$2,550,687. This decrease includes unrealized gains or losses in the value of the Plan’s assets, which is the difference between the market value at the beginning of the year and market value at the end of the year for those investments held at the beginning of the year, and also, includes the difference between the cost of the investment and the market value at the end of the year for those assets purchased during this plan year.

The dollar bank liability, future coverage costs based upon individual member bank balances, was established as \$6,001,119 as of June 30, 2009. During the Plan Year, the Plan had total income of \$12,764,334 including employer contributions of \$10,243,330, net reciprocity contributions of \$227,621 and a net loss in earnings from investments of (\$191,362), employee self-pay contributions of \$2,251,511, collections through attorneys of \$12,509, prescription rebates of \$204,183 and miscellaneous contributions of \$16,542.

Plan expenses were \$14,091,423. These expenses included \$11,110,960 in claims expense and administration fees for claim processing, \$129,671 for disability payments in excess of allocated premium, \$291,772 in Trust operating expenses and \$2,559,020 in premium cost. In addition, there was an increase in the dollar bank liability of \$1,223,598 for the Plan Year.

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:

- 1) An accountant's report;
- 2) Assets held for investment;
- 3) Insurance information including sales commissions paid by insurance carriers;
- 4) Schedule of transactions in excess of 5% of plan assets;
- 5) Fiduciary information.

To obtain a copy of the full annual report, or any part thereof, write or call the office of the Plan Administrator, Employee Benefit Administrators, Inc., P.O. Box 1747, Duvall, WA 98019, (800) 460 2940. The charge to cover copying costs will be \$5.00 plus postage for the full annual report, or \$0.25 per page for any part thereof plus postage.

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 provided 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, 27032 NE Dorothy Street, Duvall, WA 98019, at your Local Union office, and at the U. S. Department of Labor in Washington, D.C. Requests to the Department should be addressed to Public Disclosure Room, N5507, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.