

# Locals 302 and 612 of the International Union of Operating Engineers Trust Funds

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Administered by  
Welfare & Pension Administration Service, Inc.

## SUMMARY ANNUAL REPORT FOR

### LOCALS 302 AND 612 OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS CONSTRUCTION INDUSTRY HEALTH AND SECURITY PLAN

This is a summary of the annual report of the Locals 302 and 612 of the International Union of Operating Engineers Construction Industry Health and Security Plan, EIN 91-6028570, Plan No. 501 for the year ended March 31, 2021. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Board of Trustees of Locals 302 and 612 of the International Union of Operating Engineers Construction Industry Health and Security Plan has committed itself to pay certain medical, prescription, vision and weekly disability benefits incurred under the terms of the plan.

#### Insurance Information

The plan has contracts with Delta Dental of Washington, Willamette Dental of Washington, Inc., United of Omaha Life Insurance Company and Kaiser Foundation Health Plan of Washington to pay certain dental, medical, life and accidental death and dismemberment benefit claims incurred under the terms of the plan. Premiums paid for the plan year ending March 31, 2021 totaled \$2,501,631.

Because the contract with United of Omaha Life Insurance Company is a so called "experience-rated" contract, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending March 31, 2021, the premiums paid under such "experience-rated" contract were \$1,213,589 and the total of all benefit claims paid under the experience-rated contract during the plan year was \$563,525.

#### Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$286,133,695, as of March 31, 2021, compared to \$258,148,685 as of April 1, 2020. During the plan year the plan experienced an increase in its net assets of \$27,985,010. This increase includes unrealized appreciation or 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 \$187,093,760, including employer contributions of \$120,466,737, employee contributions of \$15,436,757, realized losses of \$283,768 from the sale of assets, earnings from investments of \$39,287,506, and other income of \$12,186,528.

Plan expenses were \$159,108,750. These expenses included \$7,994,772 in administrative expenses and \$151,113,978 in benefits paid to participants and beneficiaries. (Administrative expenses include administration fees, investment fees, auditing fees, attorney fees, banking fees, consulting fees, and miscellaneous 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:

1. An accountant's report;
2. Financial information and information on payments to service providers;
3. Assets held for investment;
4. Transactions in excess of 5% of plan assets; and
5. 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 Welfare & Pension Administration Service, Inc. who is the plan administrator, at PO Box 34203, Seattle, Washington 98124, telephone (206) 441-7314 or (877) 441-1212. The charge to cover copying costs will be \$31.00 for the full annual report or \$.25 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, 2815 Second Avenue, Suite 300, Seattle, Washington 98121, and at the U.S. Department of Labor in Washington, DC, 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, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

### Additional Explanation:

To comply with the Department of Labor instructions, the Plan's obligations for non-vested accumulated eligibility credits of \$70,414,000 as of March 31, 2021 and \$69,569,000 as of March 31, 2020, were not included on the Form 5500 and have not been included in this Summary Annual Report. The exclusion of the accumulated eligibility credits obligation increased net assets, reflected in this Summary Annual Report, as of March 31, 2021, by \$70,414,000 and \$69,569,000 at March 31, 2020, and decreased the benefits paid to participants and beneficiaries, reflected in this Summary Annual Report by \$845,000.

### **NOTICE OF PRIVACY PRACTICES**

In accordance with regulations issued under the Health Insurance Portability and Accountability Act of 1996, the Trust has developed a Notice of Privacy Practices which describes how medical information about you may be used and disclosed, how you can get access to this medical information, and your rights in regard to such health information. If you would like to obtain a copy of the Notice, please contact: Claims Manager, Welfare & Pension Administration Service, Inc., PO Box 34203, Seattle, WA 98124, (206) 441-7314, (877) 441-1212, or Fax (206) 441-9110, or you can access the website at [www.engineerstrust.com](http://www.engineerstrust.com)

### **NOTICE REGARDING YOUR RIGHTS UNDER THE WOMEN'S HEALTH & CANCER RIGHTS ACT OF 1998**

Pursuant to the Women's Health and Cancer Rights Act of 1998, the Plan provides benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Consult your Plan booklet or contact the Trust Administration Office at (206) 441-7314 or (877) 441-1212 if you have questions.