

# St. Paul Electrical Industry Administrative Service Corporation



## Summary Annual Report • June 2005

This is a combined Summary Annual Report for all of the benefit plans negotiated for by Local #110 IBEW and St. Paul Chapter NECA. You are receiving this report because you are listed as a participant or a beneficiary of at least one of the following plans.



### St. Paul Electrical Construction Pension Fund

This is the Summary Annual Report for the St. Paul Electrical Construction Pension Fund (EIN 41-6046858) which consists of the Defined Benefit Plan, the Supplemental Pension Plan and the 401(k) Plan. The period covered by this report is October 1, 2003 through September 30, 2004. The annual report has been filed

with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA). Benefits under the Plans are provided through the Pension Fund which is administered by the Board of Trustees.

### Basic Financial Statement for the Defined Benefit Plan

Plan expenses were \$6,268,266. These expenses included \$781,504 in administrative expenses and \$5,486,762 in benefits paid to participants and beneficiaries. A total of 2891 persons were participants in, or beneficiaries of, the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of the plan assets, after subtracting liabilities of the plan, was \$99,404,258 as of September 30, 2004 compared to \$88,354,714 as of October 1, 2003. During the plan year, the plan experienced an increase in its net assets of \$11,049,544.

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 costs of assets acquired during the year. The plan had total income of \$17,317,810, including employer contributions of \$7,425,868, gains of \$5,489,149 from the sale of assets, and earnings from investments of \$4,362,124. Administrative expenses as a percentage of assets available for benefits were 0.78% compared to 0.75% in 2003 (i.e. less than 1% each year).

### Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

### Basic Financial Statement For the Supplemental Pension Plan

Plan expenses were \$4,439,814. These expenses included \$495,465 in administrative expenses and \$3,944,349 in benefits paid to participants and beneficiaries. A total of 2586 persons were participants in, or beneficiaries of, the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$90,972,427 as of September 30, 2004, compared to \$83,052,579 as of October 1, 2003. During the plan year the plan experienced an increase in its net assets of

\$7,919,848. 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. The plan had total income of \$12,359,662, including employer contributions of \$4,820,350, gains of \$4,136,461 from the sale of assets, and gains from investments of \$3,380,979. Administrative expenses as a percentage of assets available for benefits were 0.54% compared to 0.51% in 2003 (i.e. less than 1% for each year).

# Minimum Funding Standards

The contributions required by the collective bargaining agreements are adequate to meet the minimum funding standards of ERISA.

## Basic Financial Statement For the 401(k) Plan

Plan expenses were \$3,204,232. These expenses included \$166,267 in administrative expenses and \$3,037,965 in benefits paid to participants and beneficiaries. A total of 1798 persons were participants in, or beneficiaries of, the plan at the end of the plan year.

The value of the plan assets, after subtracting liabilities of the Plan, were \$62,272,682 as of September 30, 2004, compared to \$54,957,820 as of October 1, 2003.

During the Plan year, the Plan experienced an increase in its net assets of \$7,314,862. The increase includes unrealized appreciation or depreciation in the value of the

Plan's 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 costs of assets acquired during the year.

The plan had total income of \$10,519,094 including participant contributions of \$4,740,284, \$0 from the sale of assets, and earnings from investments of \$5,712,197. Administrative expenses as a percentage of assets available for benefits were 0.26% compared to 0.36% in 2003 (i.e. less than 1% each year).



## ST. PAUL ELECTRICAL CONSTRUCTION MEDICAL REIMBURSEMENT PLAN

This is a summary of the annual report of the Medical Reimbursement Plan (EIN 41-365924) for the period October 1, 2003 through September 30, 2004. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan has a contract with Delta Dental Plan of Minnesota to pay certain dental claims incurred under the terms of the Plan. The total of all benefit claims paid under the contract during the Plan year were \$2,097,728.

## Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$7,041,531 as of September 30, 2004, compared to \$7,551,887 as of October 1, 2003. During the plan year the plan experienced a decrease in its net assets of \$510,356. This 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

\$21,587,937 including employer contributions \$19,401,837 employee contributions of \$1,780,618, realized loss of \$11,702 from the sale of assets, and earnings from investments of \$393,780.

Plan expenses were \$22,098,293. These expenses included \$759,318 in administrative expenses, and \$21,338,975 in benefits paid to participants and beneficiaries. Administrative expenses as a percentage of benefits paid were 3.55% compared to 3.08% in 2003.

## Women's Health and Cancer Rights Act Annual Notice

On October 21, 1998 the federal government passed the Women's Health and Cancer Rights Act of 1998. As part of our plan's compliance with this Act, we are required to provide you with this annual notice outlining the coverage that this law requires our plan to provide.

Our group health plan has always provided coverage for medically-necessary mastectomies. This coverage includes procedures to reconstruct the breast on which the mastectomy was performed, as well as the cost of necessary prostheses (implants, special bras, etc.) and treatment of any physical complications resulting from any stage of the mastectomy. However, as a result of this federal law, the plan now provides coverage for surgery and reconstruction of the other breast to achieve a symmetrical appearance and any complications that could result from that surgery.

The following benefits must be provided if benefits are provided for a mastectomy:

1. Coverage for reconstruction of the breast on which the mastectomy is performed.
2. Coverage for surgery and reconstruction of the other breast to produce a symmetrical appearance with the breast on which the mastectomy is performed.
3. Coverage for prostheses and physical complications resulting from any stage of the mastectomy, including lymphedemas.

These benefits are subject to the same deductible, copays and coinsurance that apply to mastectomy benefits under the plan.

# ST. PAUL ELECTRICAL WORKERS RETIREMENT MEDICAL FUNDING PLAN

This is a summary of the annual report of the Retirement Medical Funding Plan (EIN 41-1334004) for the period October 1, 2003 through September 30, 2004. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The value of plan assets, after subtracting liabilities of the plan, was \$19,724,050 as of September 30, 2004, compared to \$14,928,752 as of October 1, 2003. During the plan year the plan experienced an increase in its net assets of \$4,795,298. 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 \$6,687,238 including employer contributions of \$5,237,229, gains on the sale of assets of \$455,154 and earnings from investments of \$960,719.

Plan expenses were \$1,891,940. These expenses included \$234,834 in administrative expenses, and \$1,657,106 in benefits paid to participants and beneficiaries. Administrative expenses as percentage of assets available for benefits were 1.19% compared to 1.67% in 2003.



# ST. PAUL ELECTRICAL WORKERS REGULAR VACATION AND HOLIDAY PLAN

This is a summary of the annual report of the Vacation and Holiday Plan (EIN 41-6219001) for the period October 1, 2003 through September 30, 2004. The annual report has

been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

## Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, is \$10,722,051 as of September 30, 2004, compared to \$11,324,991 as of October 1, 2003. During the plan year the plan experienced \$602,940 reduction in its net assets. This includes unrealized appreciation or depreciation in the value of the 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 \$11,144,593 including employer contributions of \$10,711,630, gains on the sale of assets of \$82,457 and earnings from investments of \$350,506.

Plan expenses were \$11,747,533. These expenses included \$137,019 in administrative expenses and \$11,610,514 in net benefits paid to participant and beneficiaries. Administrative expenses as a percentage of benefits paid were 1.18% compared to 1.67% in 2003.



# Information About Your Rights Under ERISA

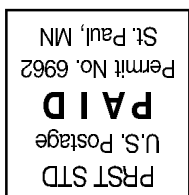
You have the right to receive a copy of any of the full annual reports or any parts thereof, on request. The items listed below are included in those reports:

1. An accountant's report;
2. Assets held for investment; and
3. Transactions in excess of 5 percent of plan assets.

To obtain a copy of any of the full annual reports or any parts thereof, write the office of the Plan Administrator (who is designated to act for the plan Trustees), Suite 130, 1330 Conway Street, St. Paul, MN 55106 (651)776-IBEW (4239). The charge to cover copying costs will be \$10.00 for each 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, Suite 130, 1330 Conway Street, St. Paul, MN 55106 (651)776-IBEW (4239), and at the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to Public Disclosure Room, N4677, Pension and Welfare Benefit Programs, U.S. Department of Labor, 200 Constitution Avenue, N.W. Washington, D.C. 20210.



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