

ARIZONA SHEET METAL TRUST FUNDS

HEALTH AND WELFARE

ADMINISTRATIVE OFFICE

PENSION

2400 W. Dunlap Ave., Suite 250
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December 30, 2010

TO: Arizona Sheet Metal Retirees Participating in the Health & Welfare Trust

FROM: Board of Trustees

SUBJECT: Increase in monthly contribution to Health & Welfare Fund

DATE: Effective February 1, 2011

It should come as no surprise that the healthcare industry continues to see increases in medical costs. As Trustees, our main objective is to provide you and your dependents with some level of protection against the expense of a catastrophic illness or injury. The cost to continue to provide you with this protection requires an increase in your monthly self-payment.

Your benefit is heavily subsidized by the Fund. To give you an idea of just how much, during the 12-months ending September 30, 2010, the Fund provided approximately \$1.2 million in subsidy to offset the cost of your Plan. This subsidy is provided in order to keep your monthly self-payments as low as possible.

Effective, the following rates will apply to all participants that retired prior to February 1, 2002:

Early Retirees\$442.00 Per/Mo

A Retiree on Medicare and a Spouse not on Medicare\$221.00 Per/Mo

Retiree not on Medicare and a Spouse on Medicare\$221.00 Per/Mo

Retiree and Spouse on Medicare\$146.00 Per/Mo

The rates for participants that retired after February 1, 2002 are as follows:

RETIREE AND SPOUSE UNDER AGE 65

At the Time You Retired, Years to Attain Age 65					
Years of Service	10	8	6	4	2
10 -15	\$1,051	\$1,041	\$1,029	\$1,018	\$996
16 – 20	\$941	\$908	\$886	\$863	\$831
21 – 25	\$775	\$753	\$719	\$687	\$665
26 – 29	\$609	\$575	\$553	\$520	\$498
30+	\$442	\$442	\$442	\$442	\$442

ONE RETIREE/SPOUSE OVER AGE 65 –ONE UNDER AGE 65

At the Time You Retired, Years to Attain Age 65					
Years of Service	10	8	6	4	2
10 -15	\$928	\$920	\$909	\$899	\$880
16 – 20	\$831	\$802	\$783	\$762	\$734
21 – 25	\$685	\$666	\$636	\$606	\$587
26 – 29	\$538	\$508	\$488	\$459	\$440
30+	\$391	\$391	\$391	\$391	\$391

BOTH RETIREE AND SPOUSE ON MEDICARE \$287

We appreciate your continued diligence in the use of PPO Providers and when possible, the use of generic prescription medications. In our combined effort, we will be able to keep this Plan available for many years to come.

If you have any questions, please contact the Administration Office at (602) 249-3582.

Sincerely,

Board of Trustees