

# UNITED FOOD AND COMMERCIAL WORKERS & EMPLOYERS

ARIZONA HEALTH & WELFARE TRUST

## SUMMARY ANNUAL REPORT

January 1, 2005 – December 31, 2005

### December 2006

This is a Summary of the Annual Report of the United Food and Commercial Workers & Employers Arizona Health & Welfare Trust, Employer Identification Number 23-7244353, a Labor-Management Health Benefits Trust, for the period January 1, 2005 through December 31, 2005. The Annual Report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The United Food and Commercial Workers & Employers Arizona Health & Welfare Trust has committed itself to pay all Medical, Dental, Vision, Prescription Drug, and Disability claims and certain Death claims incurred under the terms of this plan.

The plan had a contract with Trustmark Insurance Co. and Standard Insurance Co. to pay certain Death claims, Accidental Death and Dismemberment claims. The total premiums paid for the plan year ending December 31, 2005 was \$388,405.

The value of the net plan assets, after subtracting liabilities of the plan of \$13,232,782, was \$7,875,784 as of December 31, 2005 compared to \$8,066,467 as of January 1, 2005. During the plan year, the plan experienced a decrease in its net assets of \$190,683. This decrease 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 \$101,986,757, including employer contributions of \$99,910,616, employee contributions of \$1,574,348, and earnings from investments of \$501,793.

Plan expenses were \$102,177,440. These expenses included \$5,304,257 in administrative expenses and \$96,873,183 in benefits paid to participants and beneficiaries.

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. Transactions in excess of 5% of plan assets;
4. 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 Southwest Service Administrators, Inc., the plan Contract Administrator, Suite 250, 2400 W. Dunlap Ave., Phoenix, AZ 85021, telephone number (602) 249-3582. The charge to cover copying costs will be \$4.00 for the full annual report, or 20¢ 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 (Southwest Service Administrators, Inc., Suite 250, 2400 W. Dunlap Ave., Phoenix, AZ 85021), at the principal office of UFCW Local 99, at each employer establishment in which at least 50 participants covered by the plan are customarily working, and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Request to the Department should be addressed to Public Disclosure Room, N5638, Pension & Welfare Benefit Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.