



FOX VALLEY & VICINITY LABORERS

HEALTH AND WELFARE AND PENSION FUNDS

**TRUSTEES OF THE FOX VALLEY & VICINITY
LABORERS PENSION FUND**
2371 BOWES ROAD, STE 500
ELGIN, IL 60123-5523

NOTICE TO EMPLOYERS AND SPONSORING UNIONS

FOX VALLEY & VICINITY LABORERS PENSION FUND

BOARD OF TRUSTEES

WELFARE FUND

Management:

Michael Shales, Chairman

John P. Bryan

Al Orosz

Union:

Martin D. Dwyer, Secretary

Vernon A. Bauman

Mark A. Castelvechi

PENSION FUND

Management:

Michael Shales, Chairman

John P. Bryan

Al Orosz

Union:

Vernon A. Bauman, Secretary

Martin D. Dwyer

David B. Sheahan

The Pension Protection Act of 2006 requires every multiemployer retirement plan to provide a summary of certain information from Form 5500 to sponsoring unions and contributing employers. These reports, generally referred to as Section 104(d) Reports, are due 30 days after the due date (including extensions) of the Form 5500. Therefore, in compliance with the Pension Protection Act, we are providing this Notice

This is a summary of the Form 5500, Schedule R, Retirement Plan information for the Fox Valley & Vicinity Laborers Pension Fund, (EIN 36-6147409) for the year ended May 31, 2017 (2016 plan year). The Form 5500 has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Effective June 1, 2016, the union agreement stipulates that employers who employ members of the Local Unions 582 and 1035 are required to contribute to the plan an amount equal to \$12.28 per hour worked by the employee. Only the first \$8.48 per hour of contributions is considered for benefit accruals.

Active participants who are age 65 with 5 or more years of service or age 60 with 10 or more years of service are entitled to monthly pension benefits equal to \$50 per year of past service, up to a maximum of 15 years, plus 6.7% of total employer contributions made between June 1, 1965 and May 31, 1984, plus 5% of total employer contributions made between June 1, 1984 and May 31, 2005, plus 3% of total employer contributions made between June 1, 2005 and May 31, 2010, plus 1.5% of total employer contributions made on or after June 1, 2010.

The Plan permits early retirement at ages 50-59; however, the amounts received are reduced by 4% for each year under the age of 60. Active Participants with at least 30 years of service are entitled to an unreduced pension regardless of age. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. An employee who fails to be credited with at least 100 hours of service during a plan year will incur a break-in-service (500 hours if the employee first participated in the plan on or after June 1, 2004). Applicable definitions are as follows:

1. **Years of Service** - The number of years for which a participant receives credit on the records of the Fund.
2. **Past Service** - A participant's years of service prior to June 1, 1965.
3. **Future Service** - A participant's years of service subsequent to June 1, 1965.

In addition, the Plan provides a Supplemental Lump Sum Retirement Benefit. This benefit is available to active participants who retire on or after June 1, 1999 with at least 20 years of cumulative service. The lump sum benefit will be calculated at the rate of \$1,000 for each year of service with the Plan.

There were 222 employers obligated to contribute to the plan for the 2016 plan year. The employers who contributed more than five percent of the total contributions to the plan during the 2016 plan year were:

<u>Employer</u>	<u>Total Contribution</u>	<u>CBA Expiration Date</u>	<u>Contribution Rate In Effect On June 1, 2016</u>
Plote Construction Inc.	\$1,771,842	5/31/2017	\$12.28/hr
Northern Pipeline Construction	\$1,517,184	5/31/2017	\$12.28/hr

There were no participants in each of the 2016, 2015 and 2014 plan years for whom no contributions were made by an employer.

During the 2015 plan year, no employer withdrew from the plan and was assessed a withdrawal liability. The plan did not receive a transfer of assets and liabilities during the 2016 plan year.

As of June 1, 2016, the Plan was certified by the Plan's actuary that it was in neither endangered status nor in critical status under the Pension Protection Act of 2006.

The Plan did not seek an amortization extension from the Internal Revenue Service in accordance with Internal Revenue Code Section 431(d) and did not use the shortfall funding method for the year.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual report, the summary plan description, any summary of material modifications of the plan, and the funding improvement plan, upon request. Recipients are not entitled to receive more than one copy of these documents during a twelve-month period, and the plan administrator may charge a reasonable amount to cover costs of copying mailing and furnishing these materials.

To obtain a copy of the full annual report, or any part thereof, write or call the office of the Board of Trustees of the Fox Valley & Vicinity Laborers Pension Fund, 2371 Bowes Road, Suite 500, Elgin, IL 60123-5523, and phone (847) 742-0900.