
Sheet Metal Workers' Local 265
Fringe Benefit Funds
205 Alexandra Way, Carol Stream, IL 60188-2080
Telephone: (630) 668-7260 FAX: (630) 668-7338

SUMMARY ANNUAL REPORT

FOR SHEET METAL WORKERS LOCAL 265 WELFARE FUND

This is a summary of the annual report of the SHEET METAL WORKERS LOCAL 265 WELFARE FUND, EIN 36-2356062, Plan No. 501, for the period July 1, 1999 through June 30, 2000. The annual report has been filed with the U.S. Department of Labor's Pension and Welfare Benefits Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

SHEET METAL WORKERS LOCAL 265 WELFARE FUND has committed itself to pay all claims incurred under the terms of the plan.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$10,473,825 as of June 30, 2000, compared to \$8,504,618 as of July 1, 1999. During the plan year the plan experienced an increase in its net assets of \$1,969,207. This increase includes unrealized appreciation and 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 \$14,236,612 including employer contributions of \$13,142,977, employee contributions of \$375,647, and earnings from investments of \$717,988.

Plan expenses were \$12,267,405. These expenses included \$1,532,647 in *administrative expenses and \$10,734,758 in benefits paid to participants and beneficiaries.

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. assets held for investment;
3. transactions in excess of 5% of the plan assets;
4. financial information and information on payments to service providers; and
5. information regarding any common or collective trusts, pooled separate accounts; master trusts or 103-12 investment entities in which the plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call SHEET METAL WORKERS LOCAL 265 WELFARE FUND, 205 ALEXANDRA WAY, CAROL STREAM, IL 60188, (630) 668-7260. The charge to cover copying costs will be \$7.50 for the full annual report, or 25 cents 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.

***ADMINISTRATIVE EXPENSES
YEAR ENDED JUNE 30, 2000**

<u>EXPENSE CLASSIFICATION</u>	Amount
ACCOUNTING AND AUDIT EXPENSE	\$ 31,711
UTILIZATION MANAGEMENT REVIEW FEES (MEDICAL PRE-CERTIFICATION)	53,167
COMPUTER PROGRAMMING AND MAINTENANCE	22,943
CONSULTING AND ACTUARIAL	58,578
DEPRECIATION	24,082
DUES AND SUBSCRIPTIONS	1,832
INSURANCE	9,656
INVESTMENT MANAGEMENT FEES	914
LEGAL EXPENSE	49,822
OFFICE AND PRINTING	23,165
POSTAGE	28,802
BLUE CROSS BLUE SHIELD PREFERRED PROVIDERS FEES	917,406
RENT AND UTILITIES	56,348
SALARIES, PAYROLL TAX AND FRINGE BENEFITS (NET OF REIMBURSEMENTS)	204,190
SEMINARS, CONFERENCES, AND MEETINGS	2,590
TAX, DISABILITY PAYROLL	32,703
TELEPHONE	5,912
TEMPORARY HELP	<u>8,826</u>
TOTAL	\$1,532,647 =====