

OLFBP



Ohio Laborers' Fringe Benefit Programs Newsletter

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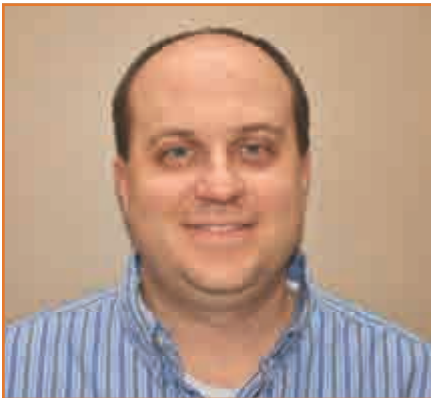
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**BONUS CHECK
for Retirees!**



MESSAGE FROM THE ADMINISTRATIVE MANAGER

Is the glass half-empty or half-full?

That question has been asked for centuries and has come to define a person's view of the world. Is that person a pessimist that believes the glass is half empty, wondering what happened to the other half and worried that the remaining half may also disappear? Or is that person an optimist, encouraged that the glass has some liquid and excited about the prospects of the glass becoming full? Here at OLFBP, we have to take a different approach – not just consider an optimistic approach or just a pessimistic approach, but rather consider both approaches and be “realistic” about the consequences of both. Why is the glass only filled to 50%? What could cause the glass to empty? What could be done to make the glass overflow?

Optimism

By many accounts, 2013 was a fantastic year for the funds administered by OLFBP. Both the LDC&C Pension Fund of Ohio and OLDC-OCA Insurance Fund hours reported increased by more than 5% over the prior year. In fact, hours reported are at their highest levels since before the global recession that started in 2008. The financial markets also had a good year – allowing the Pension Fund to achieve an investment return in excess of 15%. And claims paid by the Insurance Fund were lower than anticipated. These and other factors led the Laborers' District Council of Ohio to put expected hourly contribution increases to the Pension and Insurance Funds on hold for a year – resulting in a full \$1.00 to the contractual wage rate.

The good news didn't stop there. After a thorough assessment of the Pension Fund's funding status, the Board of Trustees elected to reward retirees with a one-time bonus check of up to \$1,200 in May (*see more details on page 4*).

Pessimism

The pessimist would say “Sure, things have been great, but watch out!” The financial markets' strong performances have been surprising to many experts, and may be unsustainable in the future. And now, one of the funding streams for work in Ohio is under extreme pressure. The federal highway trust fund, paid for with a gasoline tax, is set to run out of money in August, meaning the federal government will not be able to pay for maintaining and building highways. Unless, that is, the politicians in Washington DC can work together and come up with a solution. And what are the chances of that?

The Patient Protection Act will continue to have an impact on the Insurance Fund with new taxes coming due (\$63 for every man, woman, and child enrolled in the Fund), and new limits the will cost the Fund more dollars.

Add in to that the political fights that could be cause for concern. Right to work (for less) actions are on-going in Ohio, which could impact the Funds in the future. The politicians in Washington couldn't work together to find a light switch in a dark room. And this summer and fall will most likely host a nasty fight between the incumbent governor of Ohio and his Democratic challenger.

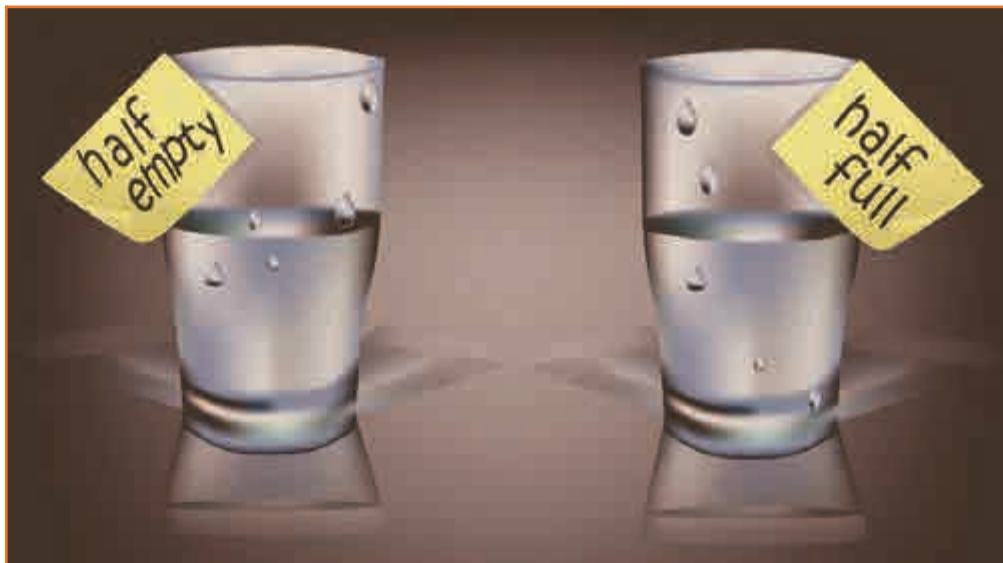
Realism

At OLFBP, we realize that we have very little (if any) influence on most of the factors that affect the Funds. But what we can do is be aware of the issues, challenges, and threats and do our best to position the Funds to weather the storms that are sure to come our way. The Pension Fund is diversified so that it can perform well when markets are good, but be somewhat protected when those markets don't perform well. We are also constantly on the lookout for savings opportunities in the Insurance Fund. Whether it is new vendors, new products, or other ideas that can save the Fund money, our pursuit of such things to present to the Insurance Fund Board of Trustees is ongoing.

We are sure there will be bumps in the road. And there are bound to be good times ahead as well. But no matter what happens, we are here to serve you, the member. Feel free to call us anytime (1-800-236-6437), connect with us via our website (www.olfbp.com), or find us (and "Like" us) on Facebook (www.facebook.com/OLFBP).

Have a great and safe summer!

Matt Archer



PENSION FUND UPDATES

Bonus Checks Issued to Retirees!

Great news for retirees: The Board of Trustees for the LDC&C Pension Fund of Ohio recently approved a one-time bonus check for retirees. This is the first increase or extra monies the retirees have received since 2007. The bonus check was issued to eligible members and beneficiaries in May. The bonus check was equal to the lesser of \$1,200 or the pensioner's regular monthly payment.

To be eligible for the bonus check, benefit recipients had to have a pension effective date of December 2013 or earlier, be entitled to receive a pension benefit for the month of April 2014, and be living on the date of payment of the bonus check. **Thanks to all retirees** for making the Fund and the trade what it is today. We wouldn't be here without you and your hard work and sacrifice.



Pension Fund Certified Green Zone!

In April, the Pension Fund mailed its Annual Funding Notice, required by the Department of Labor, showing a **funded percentage of 103.8%** for 2013. This rate keeps the Fund in the **"Green Zone"** for another year. In fact, the Fund has been in the Green Zone every year since the Pension Protection Act was introduced in 2006. As noted in the Summer 2013 OLFBP Newsletter, the funded percentage is a measurement that looks at a fund's financial health, stability, and sustainability.

In comparison, only 65% of multiemployer plans are in the Green Zone, while 8% are in the Yellow Zone, and 27% in the Red Zone. Plans in the Yellow and Red Zones may be forced to make benefit cuts to improve or rehabilitate their funding status. Additionally, the average funded percentage is 88%, compared to your Fund's 103.8%. As you can see from these statistics, your Pension Fund is doing comparatively quite well.

Source: Segal Consulting's Survey of Calendar-Year Plans' 2014 Zone Status

250 Hours Rule for Disability Pensions - Minor Plan Language Change

The Board of Trustees recently amended the wording of the 250 hour rule for both the Occupational and Permanent and Total Disability Pension Benefits. Following this minor language change, the rule now reads: **"The Fund has received 250 hours of contributions in the calendar year in which his disability occurred or in the calendar year immediately preceding the year in which his disability occurred."** The rule previously read, "has earned at least 250 Hours of Service with this Fund in the calendar year..."



We are looking for **Wellness Success Stories** to be featured in future OLFBP Newsletters. Have you quit smoking? Made it to your goal weight? Finally ran the distance? **If you've accomplished something that you're proud of and would like to share to help inspire others**, please contact us. To share your success, please email bgaston@olfbp.com or call Brian Gaston, Communications Manager, at (800) 236-6437



If you are ready to retire, you can set up a **Benefit Counseling** appointment at your Local. A representative from the OLFBP Fund Office will help you with the paperwork, explain all of the options available, and answer your questions.



If you move, please **update your address** and contact information with the OLFBP Fund Office. Members can call, write, or fax any changes. Updating your address at your Local does not change it at the Fund Office.



Welcome to OLFBP's newest employee, **Mike Ossing**, IT Specialist.



Follow OLFBP on Facebook to be the first to hear about benefit changes, better understand the pension and insurance benefits you have, and learn more about your health and the industry.

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RETIREE SPOTLIGHT

KENNY YUKO - LOCAL 860

Kenny Yuko grew up in Euclid, Ohio and graduated from high school in 1968. He then attended both Cuyahoga Community College and Kent State University before entering the workforce. He began his career as a clothing buyer for a department store, but he soon found his true passion with union organizing.

Kenny served with Laborers' Local 860 for 30 years, including 25 years as union organizer, before retiring from the LDC&C Pension Fund in 2004. During his long career, he received multiple awards for his efforts, including the "2000 Organizing Award" from LIUNA. His organizing stance was quite simple - give people pensions, insurance benefits, and the quality of life they deserve.

Shortly after retiring from the Laborers, Kenny started the next chapter in his working life - politics. He believes his experience as an organizer prepared him perfectly for his second career. **"I changed hats, but the song I sang was the same - get better, higher paying jobs."** Kenny ran for State Representative in 2004 with the goals of protecting working families, promoting health care access, and improving Ohio's economic climate. He won convincingly and was subsequently re-elected for three more terms, before being forced out of office by term limits in 2013. But Kenny isn't done with politics and serving Ohioans yet; he is now pursuing a seat in the Ohio State Senate - District 25. He recently won the Democratic primary race and will face his Republican counterpart in the November election.

Kenny did a lot during his time as State Representative, but two causes stand out. First, his support and championing of MS Awareness led to the month of March being designated as MS Awareness Month in the State of Ohio. In recognition of this and other efforts, Kenny was named "Legislator of the Year" by the Ohio Health Advocacy Network in 2006. Second, Kenny was one of the driving forces in bringing casinos to Ohio's four largest cities. Not only did his efforts help bring the casinos, it brought several quality jobs to Ohio, both in constructing and staffing the casinos. Because of his outstanding dedication to the causes he cares about, Kenny has received numerous awards and recognitions, highlighted by the **AFL-CIO Lifetime Achievement Award** for his years of service to the community.

Kenny now resides in Richmond Heights with his wife Pam. He has two children and two granddaughters.



Kenny with Local 860 brothers supporting Union Rights.

FEATURED APPRENTICE

ED FREDRITZ - LOCAL 574

Most people go through their teenage years trying to decide what they want to be when they grow up. Many people try one thing and then another until they find their niche, and some people never find a career that satisfies them. Ed Fredritz, on the other hand, knew exactly what he wanted to do at a young age. He wanted to be a Laborer. Now in his fourth and final year in the Ohio Laborers Apprenticeship Program, Ed is doing just that.

Like many young people, Ed wasn't a big fan of school, so he knew college wasn't in his future. He became interested in Laboring through discussions with an older cousin, who is a Laborer Foreman. Growing up on a farm, Ed developed a strong work ethic and an appreciation for being outside. His cousin helped him realize that Laboring was a career that may suit him quite well. He could be outside, work hard, and not have to go to college for four years to graduate and get a low paying entry level job. **Ed always liked "playing in the dirt," so why not get a job where he can get paid to do it.**

Once he decided Laboring was his chosen path, Ed had another dilemma. Should he have his cousin try to help him land a job with his employer, or should he join the Laborers' Apprenticeship Program? The decision was simple for him. He didn't want his future co-workers to think he got a job just because who he was related to; instead, Ed Fredritz wants to make a name for himself. Another reason he chose to join the Apprenticeship Program was the required schooling. This sounds odd for someone who never liked school, but Ed knew the classroom requirements of being an Apprentice would push him to get the skills and knowledge necessary to become a successful, well-rounded Laborer. So, he entered into the Apprenticeship Program in 2011. Since then, he has completed all of the required classes, but still plans to take more in the future. Ed is partial to the way the instructors teach at the Drexel J. Thrash Training Center. He says they do a good job of breaking a task down to its simple core and then building it up to the total, complete skill.

Since becoming an Apprentice, Ed has worked nearly exclusively with Beaver Excavating. He shows up to work every day and does what he is told. But this isn't enough for this young man with a plan. With hopes of one day becoming a Foreman or Superintendent, he acknowledges he still has a lot to learn. He wants to better understand, without having to ask, what needs done tomorrow. He wants to get the big picture of the project and understand all its working parts, not just what he is responsible for on any given day. With a strong work ethic and his thirst for knowledge, the future seems bright for Mr. Fredritz.

On a more personal level, Ed enjoys hunting and riding four wheelers. Per Ed, "Nothing beats sitting in a tree stand." His love for being outside and hunting wasn't even derailed by the coldest winter of his life; he was still outside hunting a few days when it was below zero this past winter. Additionally, he has taken his experience as a high school wrestler and is giving back by coaching youth wrestling in Carey, Ohio.





FOCUS on WELLNESS

BREAK THE HABIT QUIT SMOKING

Everyone knows that smoking is bad for your health, but still, over 42 million American adults continue to smoke, and 2,000 more young Americans become smokers every day. Breaking the habit and the addiction is a difficult battle for most smokers, but a battle that many smokers are willing to fight. In fact, nearly **70% of smokers report they would like to quit smoking and over 40% have tried to quit within the last year.**

If at First You Don't Succeed, Try, Try Again

The success rate for quit attempts is low; however, the more times you try to quit smoking, the better chance you have to meet your goal. Reports vary, but it takes the average person 7 - 9 quit attempts before being successful. So don't get discouraged if you don't succeed the first few tries; you're not alone. Only 7% of smokers are able to quit cold turkey without the help from tobacco cessation products. However, with the addition of cessation drugs, the quit rate jumps to approximately 25% of smokers being able to quit for six months or more. One promising statistic: **Americans who have quit smoking now**

outnumber current smokers. So, if nearly 50 million Americans have quit smoking, you can too.

Set a Game Plan to Quit Smoking

Once you make up your mind that you want to try to quit smoking, you need to set a game plan to help you stay the course. Quitting is hard, but following these tips can help:

Set a Quit Date - Pick a date within the next two weeks and avoid a day where you know you will be stressed or more tempted to smoke. You should try to avoid starting on a day when you are going to be consuming alcohol.

Tell Your Family and Friends and Ask Them to Help - Quitting smoking is easier when you have support. Let your friends and family know you are planning to quit and what they can do to help. You could even ask another smoker to quit with you.

Anticipate and Plan for Challenges - Quitting smoking is the most difficult during the first few weeks. You will deal with uncomfortable feelings, temptations to smoke,

withdrawal symptoms, and cigarette cravings. An important part of preparing to quit is anticipating these challenges. You should plan ahead and come up with a list of activities you can do when you get a craving.

Remove Cigarettes and Other Tobacco From Your Home, Car, and Work - You should get rid of all your cigarettes, matches, lighters, and ashtrays. Removing things that remind you of smoking will help you quit.

Talk to Your Doctor About Quit Options - Doctors and pharmacists should be able to answer your questions, give you advice, and tell you where to get quit smoking help. If you plan on using smoking cessation medications, remember to have them available on your quit day.

Free Smoking Cessation Medications

The OLDC-OCA Insurance Fund may be able to help you quit. Through your prescription drug benefit, you can now get both over-the-counter and prescription **smoking cessation medications for free**. To get the over the counter drugs at no cost, you must have a prescription for them. Additionally, you should discuss with your doctor or pharmacy your best alternatives and the generic options available.

The Benefits of Quitting Start Immediately

Within 20 Minutes	Your heart rate will start to lower to a more normal level.
Two Hours	Your heart rate and blood pressure will decrease to normal levels.
12 Hours	Carbon monoxide levels decrease and your blood oxygen levels will increase to normal.
1 Day	Your risk of having a heart attack will start to decline.
2 Days	You will have a better sense of smell and taste.
3 Days	Nicotine will be completely out of your body.
2 - 3 Weeks	Your lung function will improve and you will be able to breathe easier.
1 - 9 Months	Your lungs will begin to repair and your withdrawal symptoms will go away.
1 year	Your risk of heart disease is cut in half.
5 - 15 years	Your risk of suffering a stroke is the same as someone who doesn't smoke.
10 years	Your risk of dying from lung cancer will be cut in half.

Scary Smoking Facts

- **Smokers die approximately 10 years earlier than non-smokers.**
- Over 16 million Americans suffer from a smoking related disease.
- Cigarette smoking is responsible for approximately 20% of the deaths in the United States.
- Smoking causes more deaths each year than all of these combined: human immunodeficiency virus (HIV), illegal drug use, alcohol use, motor vehicle injuries, and firearm-related incidents.
- **Lung cancer kills more women each year than breast cancer.**
- Smoking harms nearly every organ in the body.
- Smoking causes infertility and impotence.
- At least 250 chemicals found in cigarette smoke are known to be harmful to your health, including: arsenic, cyanide, formaldehyde, and ammonia.

Sources: Centers for Disease Control and Prevention, American Cancer Society, American Lung Association, National Cancer Institute, Healthline.com, U.S. Department of Health and Human Services





RETIREE INSURANCE

WHAT'S BEST FOR YOU AND YOUR FAMILY?

Every person and family is unique and has different needs when it comes to retiree health insurance. The Retiree Insurance offered by the OLDC-OCA Insurance Fund may meet your needs and be the perfect plan for you and your family. But in some cases, another plan may fit your needs better. Also, the plan that is right for you today, may not be in the future. One thing is clear though - the better you understand the retiree health insurance options available, the better equipped you will be to make decisions about your insurance coverage.

First, in order **to be eligible for Retiree Insurance through the OLDC-OCA Insurance Fund, you must be eligible for Class 1 insurance (active members) under the Fund when you retiree.** Additionally, you must be receiving a pension benefit from the LDC&C Pension Fund of Ohio, the LIUNA Industrial Pension Fund, the Laborers' Local 265 Pension Fund, or other acceptable affiliated pension fund. Once you apply for your pension benefit and it is determined you are eligible for Retiree Insurance, OLFBP will send you an application with the Retiree Insurance options available from the Insurance Fund.

OLDC-OCA Retiree Insurance Costs

The monthly amount due for Retiree Insurance with the OLDC-OCA Insurance Fund depends on many different factors: the number of pension credits you earned, individual or family coverage, your age, and the age of your covered dependents (if any). First, your monthly **unsubsidized self-pay rate** is determined based on the table below¹:

Retirees less than age 65:	
Member only:	\$578
Member, Spouse, & Dependents (all under age 65, all primary):	\$1203
Member, Spouse, & Dependents (spouse secondary or over age 65):	\$994
Retirees age 65 and over:	
Member only:	\$379
Member, Spouse, (No Dependents) (both over age 65):	\$785
Member, Spouse, & Dependents (spouse and/or Dependents under age 65 and primary):	\$994

Once your monthly unsubsidized self-pay rate is determined, your subsidy percentage (discount amount) is calculated based on the number of pension credits you have earned with the LDC&C Pension Fund (*or other eligible pension fund*). In general, **the more pension credits you earn, the cheaper your Retiree Insurance will be. Your monthly self-pay rate is reduced 2% for each pension credit you have earned.** For example, if you have 20 pension credits, the appropriate unsubsidized rate from the table on the previous page would be reduced by 40% (20 credits X 2%).

Spousal Coverage Options

Whether or not you cover you spouse under the OLDC-OCA Retiree Insurance is up to you to decide. If your spouse is working and has insurance, you may or may not want to cover your spouse depending on the comparative costs. If you don't cover your spouse when you initially retire, **you can always add your spouse to your Retiree Insurance coverage at a later time.** Additionally, if your spouse has other insurance coverage, you could also add him/her to your Retiree Insurance as secondary coverage.

Comparing Your Options

OLFBP always recommends you shop around for insurance coverage prior to making your decision on which insurance plan is your best option. When comparing plans, make sure you are comparing apples to apples. Just because a monthly premium is lower, it doesn't mean that plan is a better choice. Make sure you review the entire plan, not just the cost. **You should always review the following when comparing plans: annual deductibles, coinsurance rates, copayments, network size, and prescription coverage.** Pay special attention to deductibles; many plans have really high deductibles compared to the Laborers' Plan.

With the development of the Health Insurance Marketplace, finding available plans to compare to your OLDC-OCA Retiree Insurance has never been easier. The Marketplace allows you to go to one site and review many different coverage options. You may even be able to receive a subsidy in the Marketplace depending your income.

One tool that allows you to easily compare insurance plans is the Summary of Benefits and Coverage (SBC).

Did You Know?

The OLDC-OCA Insurance Fund covers over 3,700 individuals (retirees and spouses) under its Retiree Insurance. Retirees are projected to pay approximately \$10 million in monthly premiums for insurance coverage with the Fund in 2014; however, retiree insurance expenses are expected to be over \$22 million for the Fund. Contractor contributions for active members subsidize the remaining 55% of expenses.

Under health care reform, all plans are required to provide an SBC for individuals to review. The SBC provides all of the basic information about an insurance plan and gives you a couple coverage examples including estimated costs for certain conditions.

After comparing plans, **if you decide to cancel your OLDC-OCA Retiree Insurance, you can NOT go back on the Plan at a later time.** You lose it forever, unless you return to work and reestablish your eligibility through working hours.

Becoming Medicare Eligible

When you (or your spouse) turn age 65 or become disabled and go on Medicare, **Medicare becomes your primary insurance and your coverage with the OLDC-OCA Insurance Fund drops to secondary** (*unless you are still on Class 1 active insurance*). Again, OLFBP strongly encourages you to shop around and compare costs and coverage options when Medicare becomes primary. There are several secondary plans available, and your OLDC-OCA Retiree Insurance may or may not be the best fit for you and your family.

Additionally when going on Medicare and moving to secondary coverage, Monumental Life/NEBCO will become your claims administrator, not Anthem. Additionally, when transitioning from primary coverage to secondary, your monthly premium will be reduced accordingly (*see table on previous page*). You will also need to send a copy of your Medicare card to the Fund Office showing you elected both Parts A and B of Medicare. If you enroll in Medicare Advantage (Part C) or Medicare Part D (not offered by the Fund), you will not be eligible for the OLDC-OCA Retiree Insurance.

¹ Monthly Retiree Insurances rates are subject to change at the discretion of the Board of Trustees.



CONTRACTOR CORNER

FASB DISCLOSURES & OTHER REMINDERS

Disclosures about an Employer's Participation in a Multiemployer Plan

Many contractors need certain information regarding the Pension Fund and its financial health and stability. Under the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2011-09, the following information is generally needed. If additional information is needed, please contact the Contractor Relations Department at the OLFBP Fund Office for assistance.

General Plan Information

Legal name of pension plan: Laborers' District Council and Contractors' Pension Fund of Ohio

Employer identification number (EIN) of the plan sponsor: 31-6129964

Plan number: 001

Date of most current annual report (Form 5500 for U.S. plans): October 15, 2013

Is the annual report filing publicly available? Yes

Pension Zone Status

Pension Protection Zone Status certified by plan actuary:

2013: Green Zone

2012: Green Zone

2011: Green Zone

Is extended amortization utilized? Yes, but had no impact on Zone Status determination.

Is a funding improvement plan (FIP) or Rehabilitation Plan (RP) required to be implemented based upon the Pension Protection Zone Status?

FIP: No

RP: No

Contributions

<u>Year</u>	<u>Amount contributed by all participating employers:</u>	<u>Surcharge Imposed?</u>
2013	\$51,092,611	No
2012	\$46,315,462	No
2011	\$42,176,299	No

To determine the amount contributed to the LDC&C Pension Fund of Ohio by your company, please review your contribution records. If you are unable to determine the amount, please contact the Contractor Relations Department at OLFBP for assistance.

Agreements and Minimum Funding Commitments

Are there future minimum contribution requirements? NO

Description of any minimum funding commitments: Not applicable

Expiration date of collective bargaining agreements. *Please select applicable agreement(s) below.*

(If the agreement for your company is not listed below, please review your records, contact the Local you are signatory with, or contact the Contractor Relations Department at OLFBP.)

<u>Agreement</u>	<u>Expiration Date</u>
Heavy Highway	4/30/2016
Building Local 83	5/31/2018
Building Local 125	5/31/2015
Building Local 134	4/30/2018
Building Local 245	4/30/2016
Building Local 265	5/31/2014*
Building Local 329	4/30/2015
Building Local 423	5/31/2017
Building Local 480	4/30/2015
Building Local 500	6/30/2017
Building Local 530	5/31/2016
Building Local 534	5/31/2017
Building Local 574	4/30/2017
Building Local 639	5/31/2015
Building Local 758	4/30/2016
Building Local 809	6/30/2015
Building Local 894	5/31/2016
Building Local 935	5/31/2015
Building Local 1015	4/30/2017
Building Local 1216	4/30/2015
Building Local 1410	5/31/2019

Monthly Remittance Address Change

Effective June 1, 2014, OLFBP changed the mailing address for remitting monthly contributions reports and payments:

Ohio Laborers' Fringe Benefit Programs
 PO Box 790
 Westerville, OH 43086

Future contribution report forms will contain this new address. Please updated your records accordingly.

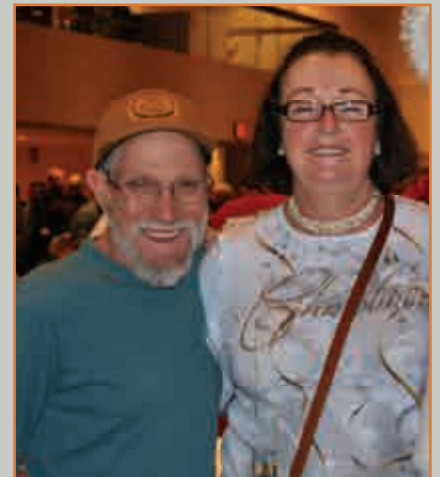
Reminder

New Employee Notices

Employers are required to distribute the Marketplace Employee Notice to all new employees within 14 days of their start date. You can visit olfbp.com to get a copy of the Ohio Laborer specific form or to follow links to the generic forms provided for your non-laboring employees.

* Negotiations/agreement not finalized as of print date of this document.

2013 LABORERS' DISTRICT COUNCIL RETIREE CHRISTMAS PARTY



Retirees with Terry O'Sullivan, LIUNA General President, and Ralph Cole, LDC Business Manager.











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Retirees at the
LDC Christmas Party