SUMMARY ANNUAL REPORT
For
B.A.C. LOCAL NO. 3 HEALTH AND WELFARE TRUST FUND
July 15, 2020

This is a summary of the annual report of the B.A.C Local No. 3 Health and Welfare Trust Fund, EIN 23-7034407, a multi-employer Trust, for the year beginning July 1, 2018 and ending June 30, 2019. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

SELF-FUNDED BENEFIT INFORMATION

The Trust maintains a portion of its medical, prescription drug, dental and vision benefits under a self-funded program.

INSURANCE INFORMATION

The following brief description of the Trust benefits are provided for general information purposes only. Participants should refer to the plan document for more complete information.

The Trust has contracts with Mutual of Omaha to pay certain life insurance and accidental death and dismemberment claims. The Trust also maintains a medical plan under contract with Kaiser Foundation Health Plan for standard medical coverage for participants and dependents. Retiree medical coverage is provided by United Healthcare. Delta Dental provides Dental benefits. Stop loss benefits are provided by HCC Insurance Company. The total insurance premiums charged to the Trust for the year ended June 30, 2019 were $7,342,020.

BASIC FINANCIAL STATEMENT

The value of Trust assets, after subtracting liabilities of the Trust, was $13,695,205 as of June 30, 2019, compared to $12,332,399 as of June 30, 2018. During the Trust year the Trust experienced an increase in its net assets of $1,362,806. This increase included unrealized appreciation or depreciation in the value of Trust assets; that is, the difference between the value of the Trust'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 Trust year the Trust had total income of $12,100,934 including employer contributions of $9,728,929, employee contributions of $390,186, loss on the sale of assets of $65,765, earnings from investments of $1,060,316, and other income in the amount of $987,268.

Trust expenses were $10,738,128. These expenses included $759,093 in operating expenses, $31,786 in investment expenses, $2,605,229 in benefits paid directly to participants and beneficiaries, $7,342,020 in insurance premiums charged by insurance companies.
Benefits and eligibility rules will change from time to time. Be sure to use the most recent plan booklet and to read any special notices about your coverage. Do not rely on outdated information. If you lose your coverage you may be entitled to continue it by making self payments. Consult your booklet or the plan office for details.

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 investments;
3. Insurance information including sales commissions paid by insurance carriers; and
4. Transactions in excess of 5 percent of the plan assets.

To obtain a copy of the full annual report, or any part thereof, write or call the office of BeneSys Administrators, Inc., 7180 Koll Center Parkway, Ste 200, Pleasanton, CA 94566, (925) 208-9999. The charge to cover copying costs will be the number of pages 5500 package x $.40 for the full annual report, or $.40 per page for any part thereof.

You also have the right to receive from the Administrator, on request and at no charge, a statement of the assets and liabilities of the Trust and accompanying notes, or a statement of income and expenses of the Trust and accompanying notes, or both. If you request a copy of the full annual report from the Administrator, these two statements and accompanying notes will be included as part of that report. These portions of the report are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the Plan, 7180 Koll Center Parkway, Ste 200, Pleasanton, CA 94566, 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. Requests to the Department should be addressed to: Public Disclosure Room, N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

BOARD OF TRUSTEES