



I.B.E.W. Local 25 VHT FUND

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December 2021

Dear Plan Participant:

Below please find an explanation of your 2021 Vacation and Holiday check. The amount of your check is based upon employer contributions received by the Vacation and Holiday Trust Fund (the "Fund") from October 2020 through September 2021. The amount of these contributions is determined by the applicable collective bargaining agreements under which you are employed. The amount you receive from the Fund is reduced by 8.00% to partially meet the Fund's administrative expenses, including certain tax obligations. Those tax obligations are as follows:

Social Security	6.20%
Medicare	1.45%
MTA Tax	<u>.34%</u>
Total	7.99%

The Fund's administrative expenses include salaries, stationary, postage, accounting, legal fees, and computer costs. During the 2021 plan year, these expenses were approximately \$175,036.43 or 2.09% of benefits paid. Although the Fund's total expenses are 10.08% (7.99% in mandatory taxes + 2.09% in administrative expenses), the Trustees have decided to only reduce the benefits by 8.00%, with the other 2.08% difference funded from investment returns and reserves.

In addition, the Fund is required to withhold your Social Security, Medicare, Federal and State taxes, since your check is considered part of your yearly earnings for income tax purposes.

If you need any further information, please do not hesitate to contact the Fund Office.

Very truly yours,

I.B.E.W. LOCAL 25 VHT FUND

Rosa Arreaga-Negron

Fund Manager

Encl.