

MESTEK INC
Form 11-K
August 15, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 11-K

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2004

OR

**TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File number 1-448

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Mestek, Inc. Retirement Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Mestek, Inc.

260 North Elm Street

Westfield, Massachusetts 01085

SIGNATURES

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The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 15, 2006

/s/ Stephen M. Shea

Stephen M. Shea
Senior Vice President-Finance

Mestek, Inc. Retirement Savings Plan

Financial Statements

and

Supplemental Schedule

December 31, 2004 and 2003

MESTEK, INC. RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS

AND

SUPPLEMENTAL SCHEDULE

December 31, 2004 and 2003

MESTEK, INC. RETIREMENT SAVINGS PLAN

FINANCIAL STATEMENTS

AND

SUPPLEMENTAL SCHEDULE

December 31, 2004 and 2003

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Plan Administrator

Mestek, Inc. Retirement Savings Plan

Westfield, Massachusetts

We have audited the accompanying statements of net assets available for plan benefits of Mestek, Inc. Retirement Savings Plan (the Plan) as of December 31, 2004 and 2003, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 2004 and 2003, and the changes in net assets available for plan benefits for the year ended December 31, 2004 in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2004, is presented for additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

VITALE, CATURANO & COMPANY, LTD.

September 30, 2005

Boston, Massachusetts

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MESTEK, INC. RETIREMENT SAVINGS PLAN

Statements of Net Assets Available for Plan Benefits

December 31, 2004 and 2003

	2004	2003
ASSETS		
Investments, at estimated fair value:		
Mestek, Inc common stock.	\$35,785	\$36,455
Registered investment companies:		
American Century Investments Small Cap Value Fund	1,093,047	---
American Century Investments Equity Index Fund	1,653,007	---
American Century Investments Large Company Value Fund	1,382,858	---
Columbia Acorn Fund	1,307,747	---
PIMCO Total Return Fund	648,937	---
Templeton Foreign Fund	529,632	---
The Growth Fund of America, Inc.	433,623	---
Barclay Global Investors Lifepath Retirement Fund	21,316	---
Barclays Global Investors Lifepath 2010 Fund	28,028	---
Barclays Global Investors Lifepath 2020 Fund	466,372	---
Barclays Global Investors Lifepath 2030 Fund	24,914	---
Barclays Global Investors Lifepath 2040 Fund	46,065	---
	7,635,546	---
Investments, at estimated fair value:		
Common/collective trusts:		
American Century Stable Asset Fund	9,026,642	---
MassMutual Life Insurance Company		
Pooled separate accounts:		
Core Equity Fund	---	1,263,916
Small Company Fund	---	728,618
Balanced Fund	---	410,311
Intermediate Bond Fund	---	549,841
Indexed Equity Fund	---	1,389,435
Growth Equity Fund	---	278,021
International Equity Fund	---	501,958
Medium Company Growth Equity Fund	---	917,619
	---	6,039,719
Participant loans	918,507	930,520
Investments, at contract value:		
MassMutual Life Insurance Company investment contract	---	8,960,780
Total investments	17,616,480	15,967,474
Interest bearing cash	211	---
Receivables		
Participants contributions	12,104	---
Employer s contributions	4,423	---
Total receivables	16,527	---
Net assets available for plan benefits	\$17,633,218	\$15,967,474

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The accompanying notes are an integral part of these financial statements.

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MESTEK, INC. RETIREMENT SAVINGS PLAN

Statement of Changes in Net Assets Available for Plan Benefits

Year Ended December 31, 2004

Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of registered investment companies	\$816,699
Net depreciation in fair value of common stock	(2,084)
Net appreciation in fair value of pooled separate accounts	119,296
Interest income on participant loans	48,431
Interest and dividend income	290,806
Total investment income	1,273,148
Contributions:	
Participants	1,043,088
Employer	420,756
Rollover	1,431
Total contributions	1,465,275
Total additions	2,738,423
Deductions from net assets attributed to:	
Benefits paid to participants	1,092,888
Administrative expenses	8,211
Total deductions	1,101,099
Net increase prior to transfers between other qualified plans	1,637,324
Transfer from Mestek, Inc. Savings and Retirement Plan	38,459
Transfer to Mestek, Inc. Savings and Retirement Plan	(10,039)
Net increase	1,665,744
Net assets available for plan benefits:	
Beginning of year	15,967,474
End of year	\$17,633,218

The accompanying notes are an integral part of these financial statements.

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

1. DESCRIPTION OF PLAN

The following description of Mestek, Inc. Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General

The Plan was established as of June 1, 1984. The Plan is subject to the provisions of the Internal Revenue Code (the Code) and the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan is a defined contribution plan established for the benefit of the employees of Mestek, Inc. (the Company) who are covered under regional collective bargaining agreements. Service eligibility requirements differ by division and collective bargaining agreements. From time to time, participants may change employment status between union and non-union. In these situations, participant balances may transfer between the Plan and the Mestek, Inc. Savings & Retirement Plan, a plan for non-union participants sponsored by the Company.

Company Stock

In 1999, the Plan Administrator amended the Plan, allowing Mestek, Inc. Company Stock to be included as an investment option. The term Company Stock includes shares of Mestek, Inc. common stock and other equity securities issued by the employer that qualify as a qualifying equity security as defined by ERISA. Assets of the Plan may be invested in Company Stock subject to certain limitations posed by ERISA or other regulatory agencies, such as the Securities and Exchange Commission.

Participant Contributions

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Participants may elect to have up to fifty percent of their Plan compensation, as defined, withheld up to the maximum allowed by the Code. The amounts withheld from compensation reduce the amount of income reportable for income tax purposes.

Participants may elect to make nondeductible voluntary contributions up to an additional ten percent of their Plan compensation each year, subject to certain limitations.

Eligible participants who have attained age 50 before the close of the calendar year may also make so-called "catch-up" contributions up to the dollar amount of the catch-up permitted for the year by the Code.

Employer Contributions

The Company contributes differing amounts depending upon the division's collective bargaining agreement. Contributions are funded on a current basis. The Company contributions are as follows:

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

1. DESCRIPTION OF PLAN...continued

Employer Contributions...continued

Division

Agreement

Mestek, Inc. - Vulcan Radiator, Corp.

Effective June 1, 1999, employees hired prior to June 1, 1984, receive \$.35/hour (\$.45/hr after June 11, 2002) for the total hours worked per week.

Effective June 1, 1999, employees hired after May 31, 1984 and before June 1, 1990, receive \$.30/hour (\$.40/hr after June 11, 2002) for the total hours worked per week.

Effective June 1, 1999, employees hired after May 31, 1990, and before June 1, 1993 receive \$.25/hour (\$.35/hr after June 11, 2002) for the total hours worked per week.

Effective June 1, 1999, employees hired after May 31, 1993 and before June 1, 1999 receive \$.20/hour (\$.30/hr after June 11, 2002) for the total hours worked per week after one (1) year of service has been completed.

For all employees hired after May 31, 1999, the Company matches 25% of the elective deferral, for the first 4% of Plan compensation contributed by the participant.

Employee shall receive an additional \$.05/hour for each hour worked after he/she reaches his 60th birthday. The first pay period will begin the month after the employee's 60th birthday.

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Any employee hired before June 1, 1999, with one year or more seniority who voluntarily contributes 4% or more (pre-tax) of his/her Plan compensation to the plan, shall be eligible for a 1% of Plan compensation additional matching contribution from the Company.

Mestek, Inc. - Bradner

Effective August 1, 1991, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.

Air Clean Damper

Effective June 1, 1999, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

1. DESCRIPTION OF PLAN...continued

Employer Contributions...continued

Division

Agreement

Mestek, Inc. - Wyalusing

Effective October 1, 1995, employees hired before October 1, 1992 receive \$.45/hour for each hour worked.

Employees hired after September 30, 1992 and before October 1, 1995 receive \$.20/hour for each hour worked.

Employees hired after September 30, 1995 receive \$.12/hour for each hour worked.

Employees hired after September 30, 1995 shall not be eligible for participation until completing their probationary period. Upon attaining seniority status, the employee shall receive the Company's contribution back to the 30 day of work.

In addition, effective October 1, 2000, the Company matches 25% of the elective deferral for the first 4% of Plan compensation contributed by the participant.

Mestek, Inc. - Dallas

Effective August 1, 2000, eligible employees hired prior to August 1, 2000 receive \$.15/hour worked, provided such employee has completed one year of service.

Effective August 1, 2000, the Company matches 25% of the elective deferral for the first 6% of Plan compensation contributed by the participant.

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Mestek, Inc. - Waldron	Effective April 1, 1991, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.
Mestek, Inc. - Dundalk	Effective September 1, 1991, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.
Mestek, Inc. - Wrens	Effective March 1, 1995, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.
Louvers and Dampers	Effective July 1, 2000, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

1. DESCRIPTION OF PLAN...continued

Employer Contributions...continued

Division

Agreement

Pacific Air Balance (PABI)

Effective October 1, 1997, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.

Effective April 1, 2002, employees hired prior to October 1, 1980 receive \$.35/hr.

Effective April 1, 2002, employees hired between October 1, 1980 and October 1, 1984 receive \$.20/hr.

Effective April 1, 2002, employees hired between October 1, 1984 and September 30, 1988 receive \$.10/hr.

Effective April 1, 2002 employees hired after October 1, 1988 receive \$.05/hr.

Anemostat

Effective July 12, 2000, any employee with one year or more seniority who voluntarily contributes 4% or more (pre-tax) of his/her Plan compensation to the plan, shall be eligible for a 1% of Plan compensation matching contribution from the Company.

Met-Coil - Iowa Precision

Effective June 1, 2003, employees receive \$1.30/hr for each hour worked.

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Met-Coil - Lockformer

Effective November 1, 2001, only employee deferrals are allowed. There is no Company contribution.

Airtherm, LLC

Effective January 21, 2003, employees receive \$.25/hr to all active employees. New hires after January 21, 2003 will not be eligible.

Effective May 1, 2001, the Company matches 25% of the elective deferral, for the first 6% of Plan compensation contributed by the participant.

Employees hired prior to May 1, 1987 receive \$.25/hr for each hour worked per week.

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

1. DESCRIPTION OF PLAN...continued

Participant Accounts

Each participant's account is credited with the participant's contribution, the Company's contribution and allocations of Plan earnings and administrative expenses. Plan earnings are allocated based on account balances by fund. Expenses for distributions are paid by the Plan by reducing the account of the participant initiating the transaction.

Vesting

Participants are immediately vested in their own contributions and in Company contributions other than matching contributions, (i.e., those contributions based on hours worked) plus actual earnings thereon. Vesting in the Company matching contributions is based on the following schedule:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 3	0%
3	20%
4	40%
5	60%
6	80%
7 or more	100%

Forfeitures

Forfeitures are held in an interest bearing holding account by the custodian. The Company may utilize these amounts to pay expenses related to administration of the Plan, or these amounts may be used to reduce Company matching contributions. The Plan did not utilize any forfeitures during 2004. Forfeitures of \$42,364 and \$36,939 were available as of December 31, 2004 and 2003, respectively.

Participant Loans

Participants are eligible to borrow up to 50% of their vested balance to a maximum of \$50,000. Loans bear interest at 1% above prime market rates (5.0% - 10.5% at December 31, 2004 and 2003) and are repayable over a period not to exceed five years, unless the proceeds are used to purchase a primary residence. No more than one outstanding loan may be taken by a participant at any time.

Investments

Upon enrollment in the Plan, participants may direct contributions to any combination of fund options selected by the Company's Retirement Committee and maintained by JP Morgan Chase Bank. The Plan invested in funds maintained by Massachusetts Mutual Life Insurance Company (MassMutual) during 2003. All funds are invested in separate participant accounts and do not guarantee principal or rate of return. Plan participants may change their investment election at any time through JP Morgan's internet or telephone portals.

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

1. DESCRIPTION OF PLAN...continued

Withdrawals

Participants are allowed to withdraw certain portions of their account, as defined by the Plan, upon retirement, termination of employment, death, disability or determination of financial hardship.

Payment of Benefits

Upon death, disability, or termination of service, a participant (or participant's beneficiary in the event of death) with \$5,000 or more in vested benefits may elect to (i) receive a lump-sum distribution equal to the participant's vested account balance, (ii) receive a deferred annuity or (iii) to have assets remain in the Plan. A participant with less than \$5,000 in vested benefits receives a lump-sum cash payment. Additional options are available under the Plan upon retirement.

The normal retirement date for a participant is the first day of the month following the participant's 65 birthday. Participants are allowed to defer their retirement date past the normal retirement date and contributions may continue until the participant retires.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Plan:

Investment Valuation and Income Recognition

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Registered investment companies (mutual funds) are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. The common/collective trust fund is valued at estimated fair value as presented by the unit value, which is based on the underlying investments of the fund, reported by the custodian. Pooled separate accounts are valued at estimated fair value based on the net unit values of units held by the Plan at year end.

The investment contract is valued at contract value (see Note 5), which approximates fair value. The Mestek, Inc. common stock is valued at fair value based on quoted market price. Participant loans are valued at estimated fair value on the basis of their expected future loan payments.

Interest income is recorded when earned. Dividends are recorded on the ex-dividend date. The Plan presents in the statement of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES...continued

Administrative Expenses

The Company has elected to pay substantially all other administrative costs. Administrative expenses assessed by JP Morgan Chase Bank and paid by the Plan consist primarily of fees charged for loan transactions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. INCOME TAX STATUS

The Plan has received a favorable determination letter dated February 13, 2004 from the Internal Revenue Service. The plan administrator believes that the Plan is designed and is being operated in compliance with the applicable requirements of the Code. Therefore, the plan administrator believes that the Plan is qualified and the related trust is tax-exempt.

4. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions and to terminate the Plan subject to the provisions of ERISA and regional collective bargaining agreements. In the event of Plan termination, participants will become 100% vested in their accounts.

5. INVESTMENT CONTRACT WITH INSURANCE COMPANY

For the period January 1, 2004 through January 13, 2004, and for the year ended December 31, 2003, the Plan had a Group Annuity investment contract with MassMutual. MassMutual maintained the contributions in pooled separate accounts, and in a guaranteed investment contract. The guaranteed investment contract was fully benefit responsive. The guaranteed investment contract was credited with a guaranteed interest rate of 5.00% (which approximate the average yield) during both 2004 and 2003. The contract was liquidated on January 14, 2004 and the proceeds were invested in the American Century Stable Asset Fund. Interest rates on the contract were reset semi-annually. The contract was charged for Plan withdrawals and administrative expenses by MassMutual. The contract was included in the 2003 financial statements at contract value, which approximated fair value, as reported to the Plan by MassMutual. Contract value represents contributions made under the contract, plus earnings, less Plan withdrawals and administrative expenses. There were no reserves against contract value for credit risk of the contract issuer or otherwise.

MESTEK, INC. RETIREMENT SAVINGS PLAN

Notes to Financial Statements

December 31, 2004 and 2003

6. CHANGE IN PLAN SERVICE PROVIDER

The Plan effected a change in Custodian, Investment Advisor and Recordkeeper, effective January 1, 2004 from MassMutual to JP Morgan Chase & Co. Retirement Plan Services. All funds were transferred on January 13 and 14, 2004 to a combination of fund options maintained by JP Morgan Chase & Co. Retirement Plan Services. A blackout period existed from December 9, 2003 until February 9, 2004, to facilitate the transfer of funds.

7. PARTY-IN-INTEREST TRANSACTIONS

The Plan invests directly in Mestek, Inc. common stock. During the year ended December 31, 2004, the Plan purchased shares of Company stock in the amount of \$12,541 and sold shares of Company stock in the amount of \$43,078. These transactions qualify as party-in-interest transactions. The total value of the Plan's interest in the Mestek, Inc. common stock was \$35,785 and \$36,455 at December 31, 2004 and 2003, respectively.

Participant loans also qualify as party-in-interest transactions. Certain registered investment companies and common/collective trust funds are managed by affiliates of JP Morgan Chase Bank, custodian of the Plan, and also qualify as party-in-interest transactions. Pooled separate accounts and the guaranteed investment contract were managed by affiliates of MassMutual, custodian of the Plan from January 1, 2003 to January 14, 2004, and also qualify as party-in-interest transactions.

SUPPLEMENTAL SCHEDULE

MESTEK, INC. RETIREMENT SAVINGS PLAN

Employer Identification Number 25-0661650

Plan Number 002

SCHEDULE H, LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2004

(a)	(b)	(c)				(d)	(e)
		Description of Investment				Par or	
Identity of Issue, Borrower,		Maturity	Rate of		Maturity		
Lessor or Similar Party	Type of Investment	Date	Interest	Collateral	Value	Cost	Current Value
American Century Stable Asset Fund	Common/collective trust fund	n/a	n/a	n/a	n/a	n/a	\$9,026,642
American Century Investments Small Cap Value Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	1,093,047
American Century Investments Equity Index Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	1,653,007
American Century Investments Large Company Value Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	1,382,858
Columbia Acorn Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	1,307,747
PIMCO Total Return Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	648,937
Templeton Foreign Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	529,632
The Growth Fund of America, Inc.	Registered investment company	n/a	n/a	n/a	n/a	n/a	433,623
Barclays Global Investors Lifepath Retirement Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	21,316
Barclays Global Investors Lifepath 2010 Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	28,028
Barclays Global Investors Lifepath 2020 Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	466,372
Barclays Global Investors Lifepath 2030 Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	24,914
Barclays Global Investors Lifepath 2040 Fund	Registered investment company	n/a	n/a	n/a	n/a	n/a	46,065
							7,635,546
* Mestek, Inc common stock	Common stock	n/a	n/a	n/a	n/a	n/a	35,785
* Participant loans	Loans to participants	varies	5.0% - 10.5%	n/a	n/a	---	918,507
							\$17,616,480

* Represents a party-in-interest to the Plan.