Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund
Application for Special Financial Assistance
EIN 25-1046087 /PN 001
Checklist Item #22.a – Section D, Item 1

March 10, 2023

*Submitted electronically via PBGC's e-Filing Portal*

Pension Benefit Guaranty Corporation
1200 K Street, NW
Washington, DC 20005

**RE: Application for Special Financial Assistance**

To Whom It May Concern:

On behalf of the Board of Trustees of the Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund, we respectfully submit this application for Special Financial Assistance in the amount of **$116,253,045.00**. This application is being submitted in accordance with Section 4262 of the Employee Retirement Income Security Act of 1974 ("ERISA") and Section 4262 of the PBGC's SFA regulation using the basic method to calculate the greatest amount of SFA.

Information required to be submitted under Section D of the Instructions for the SFA Application under the PBGC's SFA regulation can be found in the pages following this cover letter.

Please to not hesitate to contact us if you have any questions regarding this application.

Sincerely,

*Levi K. Logan*

Levi K. Logan, Esq.
412-456-2588
lkl@muslaw.com

Enclosure

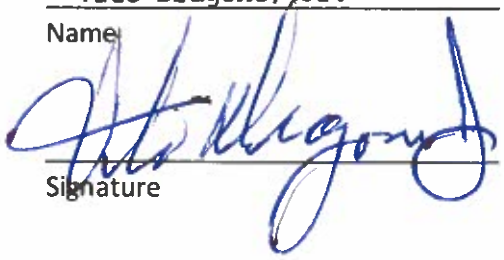
CC: Gregory J. Pastino, ASA, EA, MAAA, Foster & Foster

Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund
Application for Special Financial Assistance
EIN 25-1046087 /PN 001
Checklist Item #21 – Signed Application

**Trustee Signature Page**

The Board of Trustees of the Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund submits to the Pension Benefit Guaranty Corporation this application and the accompanying exhibits for special financial assistance pursuant to Section 4262 of the Employee Retirement Income Security Act ("ERISA") and the Interim Final Rule at 29 C.F.R. Part 4262.

Vito Dragone, Jr.
Name



Signature

March 10, 2023
Date

Larry J. Mayros
Name



Signature

March 10, 2023
Date

**Plan Sponsor and Authorized Representatives**

The following Identifies the plan sponsor and authorized representatives, as well as their contact information. The Plan's Administrator, legal counsel, and actuary named below are authorized representatives for the Plan.

| | |
|---|---|
| Plan Sponsor | Board of Trustees<br>Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund<br>112 Morgantown Street<br>Uniontown, PA 15401<br>Phone: 724-438-0512 |
| Administrative Manager | Francine George<br>Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund<br>112 Morgantown Street<br>Uniontown, PA 15401<br>Phone: 724-438-0512<br>Email: fgeorge@teamsters491.com |
| Legal Counsel | Levi K. Logan<br>Meyer, Unkovic & Scott, LLP<br>535 Smithfield Street<br>Suite 1300<br>Pittsburgh, PA 15222<br>Phone: 412-456-2588<br>Email: lkl@muslaw.com |
| Actuary | Gregory J. Pastino, ASA, EA, MAAA<br>Foster & Foster<br>1136 Hamilton Street<br>Suite 103<br>Allentown, PA 18101<br>Phone: 239-600-6409<br>Email: greg.pastino@foster-foster.com |

**Section D, Item (3) – Eligibility**

The Plan is eligible for SFA under 29 CFR § 4262.3(a)(1) as it was certified to be in Critical and Declining status as of July 1, 2020, and has been in this status since July 1, 2016.

**Section D, Item (4) – Priority Group**

In accordance with 29 C.F.R. § 4262.10(d)(2)(v), the Plan is in priority group 5 since the Plan is projected to become insolvent before March 11, 2026.

**Section D, Item (5)-Narrative Description of Future Contributions and Withdrawal Liability Collections**

In accordance with 29 CFR § 4262.8(a)(9), following is a detailed narrative of the factors specific to the Plan's current circumstances as well as a description of the development of the assumed future contributions and assumed future withdrawal liability payments used to calculate the SFA amount.

**Assumed Future Contributions**

The projection of future employer contributions is based on the Assumed Future CBUs multiplied by Contribution Rates.

Assumed Future CBUs are determined separately for UPS employees and Non-UPS employees based on their 10-year geometric average of CBU's for the pre-Covid period 2010-2019. CBUs are assumed to be level for UPS and decline 3% per year for Non-UPS employees from 2020 through 2029, and will decline by 1% per year thereafter for all employees. Additional detail is provided in Section D, Item (6)(b) – Description of Assumption Changes.

For Contribution Rates, we looked at the last contribution rate in effect for each of the 33 outstanding Collective Bargaining Agreements established prior to July 9, 2021 and developed the weighted average weekly contribution rates of $713.12 for UPS employees and $270.43 for Non-UPS employees. We assume that these rates will remain constant throughout our projections. We assume no future net reciprocal contributions.

**Assumed Future Withdrawal Liability Payments**

Nine employers have been assessed a withdrawal liability. Of these, one paid its liability in full and one reached a lump sum settlement with the Plan. Of the remaining seven employers, it was determined by the Trustees that the remaining withdrawal liabilities as of 12/31/2022 for three are uncollectible. The withdrawal liability reconciliation as of 12/31/2022 as provided by the Plan's auditor, and this reconciliation with a worksheet developing the annual expected withdrawal liability payments are attached to the certification of plan assets (FMV_Cert_SWPA.pdf). We assume no additional employer withdrawals in the future.

**Section D, Item (6)(b) – Description of Assumption Changes**

**Administrative Expenses**

Original Assumption: For projection purposes, prior year's administrative expenses are assumed to remain level.

Reason the Original Assumption is not reasonable: The administrative expense increase assumption from the 2020 zone certification of 0% did not accurately reflect PBGC premium increases and other adjustments to expenses. In addition, any assumed increase in future administrative expenses would have had no bearing on the plan's zone status.

Updated SFA Assumption: $624,628 for the 2022-2023 plan year ($268,169 for the period 7/1-12/31/2022, plus an identical amount for the next six months of the plan year (the measurement date of 12/31/2022 through 6/30/2023), plus the PBGC premium of $88,288 (equal to the 7/1/2022 participant count of 2,759 x $32, payable by 4/15/2023) increased by 2.19 % for the non-PBGC portion throughout the projection period ending 6/30/2051. The PBGC flat-rate premium rate will increase to $35 for the 2022-2023 plan year and 3% per year thereafter, with the total PBGC premium determined reflecting the change in the number of plan participants each year. The amount of PBGC premium for the plan year beginning July 1, 2031 is adjusted to reflect the increase in the PBGC flat-rate premium to $52, with 3% annual increases reflected thereafter. Overall administrative expenses are capped at 12% of benefit payments in any given year.

The original assumption will reflect the known PBGC premium rate increases to $35 effective July 1, 2023 and $52 effective July 1, 2031 without additional increases.

Additional expenses reflected in the original and updated assumptions are:

1. A one-time expense of $120,000 to be paid between 1/1/2023 and 6/30/2023 to reflect the cost of preparing the SFA application.
2. The plan's administrative staff, currently consisting of one full-time and one part-time employee, is expected to increase by the addition of one part-time employee. The cost for that employee is estimated at $20,000, which is the approximate cost of the existing part-time employee. The cost for that new employee is assumed to commence 7/1/2023.

Reasonableness of Changed Assumption: The updated assumption reflects the 10-year geometric average of the increases in administrative expenses other than PBGC premiums from 2012 through 2021 as shown below. Also, we recognize the additional expense involved in the preparation of this application, the hire of an additional part-time administrative staff employee, and known increases to PBGC premium rates.

| Plan Year Beginning 7/1 | Total Administrative Expenses | PBGC Premium | Net Expenses | Percent Change |
|---|---|---|---|---|
| 2011 | 378,623 | 29,808 | 348,815 | |
| 2012 | 415,261 | 29,808 | 385,453 | 10.50% |
| 2013 | 454,007 | 37,011 | 416,996 | 8.18% |
| 2014 | 412,138 | 36,816 | 375,322 | -9.99% |
| 2015 | 461,342 | 36,816 | 424,526 | 13.11% |
| 2016 | 499,790 | 79,300 | 420,490 | -0.95% |
| 2017 | 537,314 | 82,348 | 454,966 | 8.20% |
| 2018 | 541,801 | 80,920 | 460,881 | 1.30% |
| 2019 | 651,562 | 82,650 | 568,912 | 23.44% |
| 2020 | 745,313 | 84,390 | 660,923 | 16.17% |
| 2021 | 518,858 | 85,839 | 433,019 | -34.48% |
| Average | | | | 2.19% |

For the assumed increases in PBGC premium rates, we looked at the 10-year geometric average of the increases in the National Average Wage Index that is used to determine PBGC premium rate increases. The final result is rounded down to 3%.

| Year | National Average Wage | Change |
|---|---|---|
| 2011 | 42,979.61 | |
| 2012 | 44,321.67 | 1.0312 |
| 2013 | 44,888.16 | 1.0128 |
| 2014 | 46,481.52 | 1.0355 |
| 2015 | 48,098.63 | 1.0348 |
| 2016 | 48,642.15 | 1.0113 |
| 2017 | 50,321.89 | 1.0345 |
| 2018 | 52,145.80 | 1.0362 |
| 2019 | 54,099.99 | 1.0375 |
| 2020 | 55,628.60 | 1.0283 |
| 2021 | 60,575.07 | 1.0889 |
| **Average Change (rounded down to 3%)** | | **3.00%** |

**Change in Contribution Base Units (CBU)**

Original Assumption: No change in CBUs for UPS employees, 2% annual decline for Non-UPS employees.

Reason the Original Assumption is rot reasonable: An analysis of the CBU decline for Non-UPS employees showed a much greater annual rate of decline than previously assumed. Also, the CBU assumption from the 2020 PPA zone certification did not extend beyond the projected year of insolvency, and such assumption must be extended through the end of the SFA projection period, or June 30, 2051.

Updated SFA Assumption: Retain the 0% assumption for UPS employees and change to a 3% annual decline for Non-UPS employees for the 10-year post-Covid period from 2020-2029, with a 1% annual decline for all employees in 2030 and thereafter. The table below shows that the average rate of decline for Non-UPS employees was approximately 5%, whereas the UPS rate of change was reasonably level.

| | UPS | | Non-UPS | |
|---|---|---|---|---|
| **Year** | **CBU** | **Change** | **CBU** | **Change** |
| 2010 | 4,212 | | 31,408 | |
| 2011 | 4,264 | 1.0123 | 30,680 | 0.9768 |
| 2012 | 4,056 | 0.9512 | 29,588 | 0.9644 |
| 2013 | 3,952 | 0.9744 | 26,520 | 0.8963 |
| 2014 | 3,952 | 1.0000 | 25,376 | 0.9569 |
| 2015 | 4,212 | 1.0658 | 22,828 | 0.8996 |
| 2016 | 4,264 | 1.0123 | 22,464 | 0.9841 |
| 2017 | 4,368 | 1.0244 | 21,892 | 0.9745 |
| 2018 | 4,368 | 1.0000 | 21,008 | 0.9596 |
| 2019 | 4,524 | 1.0357 | 19,760 | 0.9406 |
| **Average Change** | | **0.80%** | | **-5.02%** |

One employer of Non-UPS employees withdrew in 2012, and as a result the CBUs for that population declined by nearly 50% from 2012 to 2013. We excluded the CBUs of that employer prior to 2013 in our analysis.

Reasonableness of Changed Assumption: The updated assumption extends through the end of the SFA projection period, June 30, 2051. The proposed change conforms to the PBGC's Generally Acceptable Assumption Change guidelines and is therefore reasonable to use in the SFA determination.

**Mortality Assumption**

Original Assumption: SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2018.

Updated SFA Assumption: The PRI-2012 amount-weighted Blue Collar Table (PRI-2012 (BC)) projected generationally with Scale MP-2021.

Reasonableness of Changed Assumption: The proposed change conforms to the PBGC's Acceptable Assumption Change guidelines and is therefore reasonable to use in the SFA determination.

**New Entrant Profile**

Original Assumption: The new entrant profile reflects experience from the preceding plan year. It is assumed that each participant exiting the Plan is replaced by a new entrant.

Reason the Original Assumption is Not Reasonable: The new entrant assumption used in the projections for the 2020 zone certification was not considered to be material as it did not affect the projected year of insolvency or the zone in which the Plan was certified.

Updated SFA Assumption: For purposes of determining the amount of SFA, the new entrant profile assumption was updated to reflect new entrants and rehires to the Plan during the period from July 1, 2017 through June 30, 2022. This period represents the most recent five years preceding the census date for the participant data used in the determination of the SFA amount, or July 1, 2022. The data used is summarized at the end of this New Entrant Profile section. The updated profile of a new entrant that replaces a participant leaving the Plan is shown below and is determined separately for UPS and Non-UPS employees:

| UPS | | | |
|---|---|---|---|
| Age Band | Count | Pension Service | Weighted Percentage |
| 15-24 | 10 | 0.84 | 20% |
| 25-34 | 26 | 0.89 | 53% |
| 35-44 | 11 | 1.11 | 23% |
| 45-54 | 2 | 0.53 | 4% |
| 55-64 | 0 | 0 | 0% |

| Non-UPS | | | |
|---|---|---|---|
| Age Band | Count | Pension Service | Weighted Percentage |
| 15-24 | 23 | 0.94 | 13% |
| 25-34 | 54 | 1.29 | 30% |
| 35-44 | 47 | 1.2 | 26% |
| 45-54 | 33 | 1.21 | 19% |
| 55-64 | 22 | 6.35 | 12% |

New entrants are assumed to be 95% male, 5% female.

Reasonableness of Changed Assumption: The assumption for determining the amount of SFA was updated to reflect the most current census data and the latest available five-year experience period through June 30, 2022. The updated assumption better reflects the expected new entrant demographics of the Plan, conforms to the PBGC's Acceptable Assumption Change guidelines and is therefore reasonable to use in the SFA determination.

The data used for the New Entrant Profile Analysis is shown below:

| PYE 6/30 | Hire Age | Pension Service | Sex | | PYE 6/30 | Hire Age | Pension Service | Sex | |
|---|---|---|---|---|---|---|---|---|---|
| 2018 | 56 | 13.08 | M | | 2019 | 32 | 1.25 | M | |
| 2018 | 35 | 0.58 | M | | 2019 | 33 | 0.41 | M | |
| 2018 | 56 | 12.08 | M | | 2019 | 48 | 0.58 | M | |
| 2018 | 46 | 11 | M | | 2019 | 32 | 0.41 | M | UPS |
| 2018 | 34 | 3.58 | M | | 2019 | 20 | 0.41 | M | |
| 2018 | 51 | 0 | M | | 2019 | 41 | 1 | M | |
| 2018 | 36 | 3.5 | M | | 2019 | 35 | 0.75 | M | |
| 2018 | 59 | 1.58 | M | | 2019 | 51 | 0.5 | M | |
| 2018 | 35 | 1.16 | M | | 2019 | 50 | 1.25 | M | |
| 2018 | 40 | 0.91 | M | | 2019 | 33 | 1.25 | M | UPS |
| 2018 | 49 | 1.08 | M | | 2019 | 26 | 1 | M | UPS |
| 2018 | 46 | 0.83 | M | | 2019 | 39 | 0.83 | M | |
| 2018 | 24 | 1.08 | M | | 2019 | 57 | 0.58 | M | |
| 2018 | 24 | 1 | M | UPS | 2019 | 29 | 0.83 | M | UPS |
| 2018 | 27 | 0.83 | M | | 2019 | 33 | 0.83 | M | |
| 2018 | 25 | 0.41 | M | | 2019 | 29 | 0.41 | M | |
| 2018 | 43 | 1 | M | | 2019 | 43 | 0.66 | M | |
| 2018 | 47 | 0 | M | | 2019 | 53 | 0 | M | |
| 2018 | 46 | 0 | M | | 2019 | 48 | 0 | M | |
| 2018 | 50 | 0 | M | | 2019 | 22 | 0 | M | |
| 2018 | 35 | 0 | M | | 2019 | 51 | 0 | M | |
| 2018 | 37 | 0 | M | | 2019 | 36 | 0 | M | |
| 2018 | 41 | 0 | M | | 2019 | 22 | 0 | M | |
| 2019 | 62 | 15.5 | M | | 2019 | 56 | 0 | M | |
| 2019 | 65 | 6.08 | M | | 2019 | 25 | 0 | M | |
| 2019 | 58 | 18.41 | M | | 2019 | 54 | 0 | M | |
| 2019 | 59 | 20.08 | M | | 2019 | 43 | 0 | M | |
| 2019 | 58 | 16.83 | M | | 2019 | 28 | 0 | M | |
| 2019 | 53 | 4.75 | M | | 2019 | 34 | 0 | M | |
| 2019 | 60 | 1.83 | M | | 2019 | 48 | 0 | M | |
| 2019 | 43 | 1.33 | M | | 2019 | 28 | 0 | M | |
| 2019 | 25 | 0.66 | M | | 2019 | 43 | 0 | M | |
| 2019 | 38 | 0.83 | M | | 2019 | 23 | 0 | M | UPS |
| 2019 | 54 | 0.5 | M | | 2019 | 26 | 0 | M | |
| 2019 | 39 | 0.58 | M | | 2020 | 63 | 8.33 | M | |
| 2019 | 50 | 0.5 | M | | 2020 | 33 | 5.83 | M | |

| PYE 6/30 | Hire Age | Pension Service | Sex | | PYE 6/30 | Hire Age | Pension Service | Sex | |
|---|---|---|---|---|---|---|---|---|---|
| 2020 | 58 | 2.75 | M | | 2021 | 30 | 0.58 | M | |
| 2020 | 49 | 1.58 | M | | 2021 | 25 | 0.83 | F | |
| 2020 | 35 | 0.5 | M | | 2021 | 28 | 1.16 | M | UPS |
| 2020 | 41 | 1.33 | M | | 2021 | 30 | 1 | M | |
| 2020 | 47 | 0.41 | M | UPS | 2021 | 42 | 1.33 | M | |
| 2020 | 48 | 1.33 | M | | 2021 | 26 | 0.75 | M | |
| 2020 | 41 | 1.16 | F | UPS | 2021 | 28 | 1.25 | M | |
| 2020 | 28 | 0.41 | M | UPS | 2021 | 25 | 1.25 | M | |
| 2020 | 40 | 0.5 | M | | 2021 | 37 | 0.41 | M | |
| 2020 | 34 | 1.25 | M | | 2021 | 38 | 1 | M | UPS |
| 2020 | 33 | 1.16 | M | | 2021 | 39 | 0.66 | M | |
| 2020 | 26 | 0.5 | M | | 2021 | 46 | 0.41 | M | |
| 2020 | 44 | 0.41 | M | | 2021 | 28 | 1.25 | M | |
| 2020 | 44 | 0.5 | M | | 2021 | 34 | 0.66 | M | |
| 2020 | 30 | 1 | M | UPS | 2021 | 31 | 1.16 | M | |
| 2020 | 24 | 0.58 | M | UPS | 2021 | 34 | 0.83 | M | |
| 2020 | 37 | 0.66 | M | UPS | 2021 | 33 | 0.41 | M | |
| 2020 | 28 | 0.41 | M | | 2021 | 29 | 0.58 | M | |
| 2020 | 47 | 0.66 | F | UPS | 2021 | 53 | 1 | M | |
| 2020 | 26 | 1.66 | M | | 2021 | 23 | 0.91 | M | UPS |
| 2020 | 26 | 0.58 | M | UPS | 2021 | 23 | 1 | M | UPS |
| 2020 | 33 | 0.83 | M | UPS | 2021 | 43 | 1.25 | M | |
| 2020 | 28 | 0.91 | M | UPS | 2021 | 42 | 0.5 | M | UPS |
| 2020 | 31 | 0.66 | M | UPS | 2021 | 42 | 1.08 | M | |
| 2020 | 37 | 1.33 | M | | 2021 | 28 | 1 | F | UPS |
| 2020 | 26 | 0.66 | M | UPS | 2021 | 23 | 0 | M | |
| 2021 | 46 | 7.75 | M | | 2021 | 20 | 0 | M | |
| 2021 | 55 | 7.08 | M | | 2021 | 37 | 0 | M | |
| 2021 | 38 | 4.5 | M | | 2021 | 22 | 0 | M | |
| 2021 | 40 | 0.83 | F | UPS | 2021 | 51 | 0 | M | |
| 2021 | 48 | 1.33 | M | | 2022 | 55 | 16.91 | M | |
| 2021 | 32 | 0.66 | M | UPS | 2022 | 36 | 4.83 | M | |
| 2021 | 24 | 1.16 | M | | 2022 | 33 | 2 | M | |
| 2021 | 27 | 0.5 | M | | 2022 | 44 | 0.75 | M | |
| 2021 | 24 | 1.16 | M | | 2022 | 25 | 0.58 | M | |
| 2021 | 39 | 0.75 | M | | 2022 | 28 | 1.08 | M | UPS |
| 2021 | 36 | 0.5 | M | | 2022 | 32 | 1.33 | M | |
| 2021 | 23 | 1.25 | M | | 2022 | 57 | 1.08 | M | |

| PYE 6/30 | Hire Age | Pension Service | Sex | | PYE 6/30 | Hire Age | Pension Service | Sex | |
|---|---|---|---|---|---|---|---|---|---|
| 2022 | 21 | 0.41 | M | | 2022 | 44 | 1.5 | M | |
| 2022 | 21 | 1.83 | M | | 2022 | 33 | 0.91 | F | |
| 2022 | 35 | 1.16 | M | UPS | 2022 | 25 | 1 | M | UPS |
| 2022 | 34 | 1.66 | M | | 2022 | 39 | 1 | M | UPS |
| 2022 | 47 | 1.08 | M | | 2022 | 25 | 1 | M | UPS |
| 2022 | 64 | 0.83 | M | | 2022 | 24 | 0.91 | M | UPS |
| 2022 | 60 | 0.58 | M | | 2022 | 24 | 1.5 | M | UPS |
| 2022 | 38 | 1 | M | | 2022 | 27 | 1.33 | M | UPS |
| 2022 | 24 | 0.91 | M | UPS | 2022 | 23 | 0.58 | M | UPS |
| 2022 | 32 | 0.91 | M | UPS | 2022 | 40 | 1.25 | M | UPS |
| 2022 | 21 | 1.91 | M | | 2022 | 29 | 1.41 | M | UPS |
| 2022 | 29 | 0.75 | M | | 2022 | 33 | 0.75 | M | UPS |
| 2022 | 21 | 0.83 | M | | 2022 | 35 | 1.5 | M | UPS |
| 2022 | 46 | 1.08 | M | | 2022 | 34 | 0.91 | M | |
| 2022 | 51 | 1 | M | | 2022 | 54 | 0.41 | M | |
| 2022 | 43 | 1.16 | M | | 2022 | 27 | 0.5 | M | |
| 2022 | 36 | 0.75 | M | | 2022 | 62 | 0.91 | M | |
| 2022 | 36 | 1.66 | M | | 2022 | 31 | 0.91 | F | UPS |
| 2022 | 55 | 1.16 | M | | 2022 | 23 | 1 | M | UPS |
| 2022 | 33 | 0.91 | M | UPS | 2022 | 32 | 0.58 | M | |
| 2022 | 23 | 1.58 | M | | 2022 | 23 | 0 | F | |
| 2022 | 33 | 0.5 | M | | 2022 | 18 | 0 | M | |
| 2022 | 29 | 0.91 | M | | 2022 | 34 | 0 | M | UPS |
| 2022 | 52 | 0.83 | M | | 2022 | 53 | 0 | M | |
| 2022 | 29 | 1.16 | M | | 2022 | 54 | 0 | M | |
| 2022 | 23 | 1.58 | M | | 2022 | 32 | 0 | M | |
| 2022 | 39 | 0.83 | M | | 2022 | 61 | 0 | M | |
| 2022 | 40 | 1.41 | M | | 2022 | 37 | 0 | M | |
| 2022 | 26 | 1 | M | | 2022 | 21 | 0 | M | |
| 2022 | 44 | 1.5 | F | UPS | 2022 | 25 | 0 | M | |
| 2022 | 28 | 0.75 | M | UPS | 2022 | 29 | 0 | M | |
| 2022 | 35 | 1.16 | M | | 2022 | 32 | 0 | M | |
| 2022 | 42 | 1.66 | M | UPS | 2022 | 24 | 0 | M | |
| 2022 | 37 | 0.75 | M | | 2022 | 26 | 0 | M | |
| 2022 | 25 | 0.75 | F | | 2022 | 22 | 0 | M | |
| 2022 | 25 | 0.83 | M | | 2022 | 19 | 0 | M | |
| 2022 | 34 | 1.91 | M | | 2022 | 25 | 0 | M | |
| 2022 | 28 | 1.66 | M | UPS | 2022 | 53 | 0 | M | |

| PYE 6/30 | Hire Age | Pension Service | Sex | | PYE 6/30 | Hire Age | Pension Service | Sex | |
|---|---|---|---|---|---|---|---|---|---|
| 2022 | 39 | 0 | M | | | | | | |
| 2022 | 55 | 0 | M | | | | | | |
| 2022 | 21 | 0 | M | | | | | | |
| 2022 | 41 | 0 | M | | | | | | |

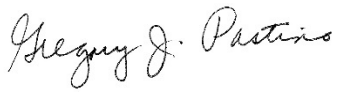
**Certification by Plan Actuary: Amount of Special Financial Assistance**

This is a certification that the requested amount of special financial assistance ("SFA") of $116,253,045 is the amount to which the Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund ("Plan") is entitled under section 4262(j)(1) of ERISA and section 4262.4 of the Pension Benefit Guaranty Corporation's ("PBGC") SFA regulation. The amount of SFA for the Fund was calculated as of the SFA measurement date of December 31, 2022 in accordance with generally accepted actuarial principles and practices and the provisions under section 4262.4(e) of Pension Benefit Guaranty Corporation's ("PBGC") SFA regulation.

Foster & Foster has determined the amount of SFA at the request of the Board of Trustees of the Plan as part of the Plan's application for SFA. The calculation of the amount of SFA shown in the Plan's application for SFA is not applicable for other purposes.

The calculation of the amount of SFA is based on the assumptions and methods used in the 2020 certification of actuarial plan status, dated September 28, 2020, modified as described in Section D, Item 6b of the "General Instructions for Multiemployer Plans Applying for Special Financial Assistance." In addition, it is based on the participant census data as of June 30, 2022 used for the 2022 actuarial valuation of the Plan, the fair market value of assets as of the SFA measurement date certified by the plan sponsor, and other relevant information provided by the Plan Administrator. Foster & Foster does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Foster & Foster does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based the calculation of the SFA amount and we have no reason to believe there are facts or circumstances that would affect the validity of these results.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied herein is complete and accurate. Each prescribed assumption for the determination of the SFA amount was applied in accordance with applicable law and regulations. In my opinion, all other assumptions are reasonable taking into account the experience of the plan and reasonable expectations.



Gregory J. Pastino, ASA, MAAA, EA
Senior Consulting Actuary
Enrolled Actuary No. 20-03916

Date: March 10, 2023

Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund
Application for Special Financial Assistance
EIN 25-1046087 /PN 001

**Plan Sponsor Certification of the Fair Market Value of Plan Assets**

The Board of Trustees of the Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (the "Fund") hereby certifies that the fair market value of plan assets as of December 31, 2022 (the SFA measurement date) is $27,385,653. The fair market value of plan assets is also supported by documents submitted in Section B of the application, including actuarial valuations prepared by the Fund's actuary for the plan years 2018-2022, the Fund's most recent audited financial statements, and the Fund's most recent preliminary audited financial statement. A reconciliation of the fair market value of assets from July 1, 2022 to the SFA measurement date of December 31, 2022 is attached to this certification.

Vito Dragone, Jr.
Name

Signature

March 10, 2023
Date

Larry J. Mayros
Name

Signature

March 10, 2023
Date

**Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund**
**ASSET RECONCILIATION 7/1/2022-12/31/2022**
**AFTER ADJUSTMENT FOR WITHDRAWAL LIABILITY RESERVE**
**EIN 25-1046087 /PN 001**

| | | |
|---|---|---|
| Market Value of Assets 7/1/2022 | 36,346,402 | |
| Less: Withdrawal Liability Reserve* | (5,442,783) | |
| Net Market Value 7/1/22 | | 30,903,619 |
| | | |
| ADDITIONS | | |
| Employer Contribuions | 4,379,604 | |
| Withdrawal Liability Interest | 414,804 | |
| Interest Income | 9,264 | |
| Investment Income | 182,909 | |
| Total Additions | | 4,986,581 |
| | | |
| DEDUCTIONS | | |
| Benefit Payments | (8,352,013) | |
| Administrative Expenses | (268,170) | |
| Investemnt Expenses | (37,072) | |
| | | (8,657,255) |
| | | |
| Market Value of Assets 12/31/2022 | 32,675,728 | |
| Less: Withdrawal Liability Reserve* | (5,290,075) | |
| Net Market Value 12/31/2022 | | 27,385,653 |

*PV of future expected withdrawal payments, less allowance for doubtful accounts

SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA
TEAMSTERS & EMPLOYERS PENSION FUND

TEAMSTER BUILDING • 112 MORGANTOWN STREET • UNIONTOWN, PENNSYLVANIA 15401
PHONE: 724-438-0512 • FAX 724-438-4870

**SWPA & WMD AREA TEAMSTERS PENSION FUND**
**UNAUDITED - INTERIM AND INTERNAL FINANCIAL STATEMENTS**
**JULY 1, 2022 - DECEMBER 31, 2022**

| Balance Sheet | |
|---|---|
| CASH: OPERATING | 38,369.92 |
| CASH: MONEY MARKET | 1,873,945.52 |
| CASH: PENSION BENEFIT | 1,494,452.14 |
| EMPLOYER CONTRIBUTIONS RECEIVABLE | 659,298.38 |
| WITHDRAWAL LIAB. RECEIVABLE | 6,684,743.89 |
| ALLOW. FOR DOUBTFUL A/C | (1,394,668.60) |
| INVESTMENTS-MUTUAL FUNDS (PNC) | 21,392,307.45 |
| INVESTMENTS-RHUMBLINE REIT (PNC) | 1,795,362.64 |
| | - |
| PREPAID EXPENSES | 13,687.21 |
| OFFICE EQUIPMENT | 37,742.94 |
| ACCUMULATED DEPRECIATION | (37,742.94) |
| ACCOUNTS PAYABLE | (34,479.23) |
| FUND BALANCE - 12/31/2022 | 32,523,019.32 |

| Income Statement | |
|---|---|
| FUND BALANCE - 07/01/2022 | 36,346,401.52 |
| EMPLOYER CONTRIBUTIONS | 4,379,603.72 |
| WITHDRAWAL LIABILITY INTEREST | 262,095.65 |
| INTEREST INCOME - MONEY MARKET | 9,264.02 |
| INVESTMENT INCOME - PNC INVESTMENTS | 182,909.46 |
| PENSION BENEFITS | (8,352,013.16) |
| ACTUARIAL/CONSULTANT | (41,486.25) |
| ACCOUNTING-AUDIT | (32,000.00) |
| LEGAL | (33,190.54) |
| INVESTMENT EXPENSES | (37,072.01) |
| EMPLOYEE BENEFITS - HEALTH FUND | (11,925.00) |
| EMPLOYEE BENEFITS - PENSION FUND | (18,335.16) |
| RENT | (4,705.02) |
| SHARED EXPENSES | (78,744.32) |
| TRUSTEE EXPENSES | (9,762.56) |
| OFFICE MAINTENANCE | (16,858.47) |
| OFFICE SUPPLIES/PRINTING | (5,103.56) |
| INSURANCE | (15,887.00) |
| BANK CHARGES | (172.00) |
| FUND BALANCE - 12/31/2022 | 32,523,019.32 |

Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund
Schedule of Withdrawal Liability Payments
EIN 25-1046087 /PN 001

**TEAMSTERS PENSION WITHDRAWAL LIABILTIY 12-31-22**

| EMPLOYER | TOTAL WITHDRAWAL LIABILTY | MONTHLY PAYMENT | PAYMENTS REQUIRED | PAYMENTS MADE AT 06/30/22 | PAYMENTS IN 2022 | PAYMENTS MADE AT 12/31/2022 | PAYMENTS REMAINING 12/31/2022 | RECEIVABLE AT 6/30/2022 | PAYMENTS MADE 7/1/22-12/31/22 | 2021 / 2022 PAYMENTS PRINCIPAL | 2021 / 2022 PAYMENTS INTEREST | RECEIVABLE AT 12/31/2022 | EXPECTED PAYMENTS 12/31/2022 | PV-PAYMENTS EXPECTED 12/31/2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| POTOMAC FARMS | 3,709,694.00 | 15,965.60 | 240 | 103 | 6 | 109 | 131 | 1,382,115.60 | 95,793.60 | 44,656.96 | 51,136.64 | 1,337,458.64 | 131 | 1,337,458.64 |
| UNIONTOWN HOSPITAL | 4,560,061.00 | 34,801.83 | 240 | 101 | 6 | 107 | 133 | 3,044,384.31 | 208,810.98 | 96,137.80 | 112,673.18 | 2,948,246.51 | 133 | 2,948,246.51 |
| CUMBERLAND CONCRETE | 3,217,859.00 | 9,460.24 | 240 | 3 | 0 | 3 | 237 | 1,167,917.68 | 60,360.01 | - | 60,360.01 | 1,167,917.68 | 0 | - |
| DIAMOND TECHNOLOGICAL | 300,691.00 | 1,826.69 | 240 | 0 | 0 | 0 | 240 | 226,750.92 | - | - | - | 226,750.92 | 0 | - |
| ADVANCED DISPOSAL | 1,017,986.00 | 3,880.10 | 240 | 10 | 0 | 10 | 230 | - | - | - | - | - | 0 | - |
| FAMOUS SUPPLY | 523,780.00 | 1,665.60 | 240 | 17 | 6 | 23 | 217 | 194,923.34 | 9,993.60 | 2,726.27 | 7,267.33 | 192,197.07 | 217 | 192,197.07 |
| CUMBERLAND TIMES NEWS | 15,223.00 | 232.69 | 240 | 1 | 0 | 1 | 0 | - | - | - | - | - | 0 | - |
| FAIRCHANCE CONTRUCTION | 95,000.00 | 588.00 | 240 | 0 | 0 | 0 | 0 | - | - | - | - | - | Lump-Sum | - |
| SCHMIDT BAKING | 2,057,513.00 | 6,640.88 | 240 | 0 | 6 | 6 | 234 | 821,359.86 | 39,845.28 | 9,186.79 | 30,658.49 | 812,173.07 | 234 | 812,173.07 |
| | | | | | | | | | | | | - | | |
| | 15,497,807.00 | 75,061.63 | | | | | | 6,837,451.71 | 414,803.47 | 152,707.82 | 262,095.65 | 6,684,743.89 | | 5,290,075.29 |
| | | | | | | | | | | | | | | 1,394,668.60 |
| | | | | | | | | | | | | | | DOUBTFUL ACCOUNTS |

**Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund**
**PROJECTION OF FUTURE WITHDRAWAL LIABILITY PAYMENTS**
**EIN 25-1046087 /PN 001**

| | Employer 1 | Employer 2 | Employer 3 | Employer 4 | Employer 5 | Employer 6 | Employer 7 | Employer 8 | Employer 9 |
|---|---|---|---|---|---|---|---|---|---|
| | 131 | 133 | 237 | 240 | 230 | 217 | 0 | 0 | 234 |
| Monthly Pmt. | 15,965.60 | 34,801.83 | 9,460.24 | 1,826.69 | 3,880.10 | 1,665.60 | 232.69 | 588.00 | 6,640.88 |
| Probability of Collection | 100% | 100% | 0% | 0% | 0% | 100% | Fully Paid | Fully Paid | 100% |
| Jan-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-23 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-24 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-25 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-26 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-27 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-28 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-29 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |

| Annual WL Payments | | |
|---|---|---|
| Jan-23 | Jun-23 | 354,443.46 |
| Jul-23 | Jun-24 | 708,886.92 |
| Jul-24 | Jun-25 | 708,886.92 |
| Jul-25 | Jun-26 | 708,886.92 |
| Jul-26 | Jun-27 | 708,886.92 |
| Jul-27 | Jun-28 | 708,886.92 |
| Jul-28 | Jun-29 | 708,886.92 |
| Jul-29 | Jun-30 | 708,886.92 |
| Jul-30 | Jun-31 | 708,886.92 |
| Jul-31 | Jun-32 | 708,886.92 |
| Jul-32 | Jun-33 | 708,886.92 |
| Jul-33 | Jun-34 | 423,118.57 |
| Jul-34 | Jun-35 | 99,677.76 |
| Jul-35 | Jun-36 | 99,677.76 |
| Jul-36 | Jun-37 | 99,677.76 |
| Jul-37 | Jun-38 | 99,677.76 |
| Jul-38 | Jun-39 | 99,677.76 |
| Jul-39 | Jun-40 | 99,677.76 |
| Jul-40 | Jun-41 | 91,349.76 |
| Jul-41 | Jun-42 | 79,690.56 |
| Jul-42 | Jun-43 | - |
| Jul-43 | Jun-44 | - |
| Jul-44 | Jun-45 | - |
| Jul-45 | Jun-46 | - |
| Jul-46 | Jun-47 | - |
| Jul-47 | Jun-48 | - |
| Jul-48 | Jun-49 | - |
| Jul-49 | Jun-50 | - |
| Jul-50 | Jun-51 | - |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Aug-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-30 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-31 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-32 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-33 | 15,965.60 | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-33 | - | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-34 | - | 34,801.83 | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Sep-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-34 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Oct-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Dec-35 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| May-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-36 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Nov-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-37 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Apr-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Oct-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-38 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Mar-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Apr-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| May-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jun-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jul-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Nov-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-39 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
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| Jul-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Aug-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Sep-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Oct-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Nov-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Dec-40 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Jan-41 | - | - | - | - | - | 1,665.60 | - | - | 6,640.88 |
| Feb-41 | - | - | - | - | - | - | - | - | 6,640.88 |
| Mar-41 | - | - | - | - | - | - | - | - | 6,640.88 |
| Apr-41 | - | - | - | - | - | - | - | - | 6,640.88 |
| May-41 | - | - | - | - | - | - | - | - | 6,640.88 |
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| Dec-41 | - | - | - | - | - | - | - | - | 6,640.88 |
| Jan-42 | - | - | - | - | - | - | - | - | 6,640.88 |
| Feb-42 | - | - | - | - | - | - | - | - | 6,640.88 |
| Mar-42 | - | - | - | - | - | - | - | - | 6,640.88 |
| Apr-42 | - | - | - | - | - | - | - | - | 6,640.88 |
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| Sep-42 | - | - | - | - | - | - | - | - | - |
| Oct-42 | - | - | - | - | - | - | - | - | - |
| Nov-42 | - | - | - | - | - | - | - | - | - |
| Dec-42 | - | - | - | - | - | - | - | - | - |
| Jan-43 | - | - | - | - | - | - | - | - | - |
| Feb-43 | - | - | - | - | - | - | - | - | - |
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| Jun-43 | - | - | - | - | - | - | - | - | - |
| Jul-43 | - | - | - | - | - | - | - | - | - |
| Aug-43 | - | - | - | - | - | - | - | - | - |
| Sep-43 | - | - | - | - | - | - | - | - | - |
| Oct-43 | - | - | - | - | - | - | - | - | - |
| Nov-43 | - | - | - | - | - | - | - | - | - |
| Dec-43 | - | - | - | - | - | - | - | - | - |
| Jan-44 | - | - | - | - | - | - | - | - | - |
| Feb-44 | - | - | - | - | - | - | - | - | - |
| Mar-44 | - | - | - | - | - | - | - | - | - |
| Apr-44 | - | - | - | - | - | - | - | - | - |
| May-44 | - | - | - | - | - | - | - | - | - |
| Jun-44 | - | - | - | - | - | - | - | - | - |
| Jul-44 | - | - | - | - | - | - | - | - | - |
| Aug-44 | - | - | - | - | - | - | - | - | - |
| Sep-44 | - | - | - | - | - | - | - | - | - |
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| Nov-44 | - | - | - | - | - | - | - | - | - |
| Dec-44 | - | - | - | - | - | - | - | - | - |
| Jan-45 | - | - | - | - | - | - | - | - | - |
| Feb-45 | - | - | - | - | - | - | - | - | - |
| Mar-45 | - | - | - | - | - | - | - | - | - |
| Apr-45 | - | - | - | - | - | - | - | - | - |
| May-45 | - | - | - | - | - | - | - | - | - |
| Jun-45 | - | - | - | - | - | - | - | - | - |
| Jul-45 | - | - | - | - | - | - | - | - | - |
| Aug-45 | - | - | - | - | - | - | - | - | - |
| Sep-45 | - | - | - | - | - | - | - | - | - |
| Oct-45 | - | - | - | - | - | - | - | - | - |
| Nov-45 | - | - | - | - | - | - | - | - | - |
| Dec-45 | - | - | - | - | - | - | - | - | - |
| Jan-46 | - | - | - | - | - | - | - | - | - |
| Feb-46 | - | - | - | - | - | - | - | - | - |
| Mar-46 | - | - | - | - | - | - | - | - | - |
| Apr-46 | - | - | - | - | - | - | - | - | - |
| May-46 | - | - | - | - | - | - | - | - | - |
| Jun-46 | - | - | - | - | - | - | - | - | - |
| Jul-46 | - | - | - | - | - | - | - | - | - |
| Aug-46 | - | - | - | - | - | - | - | - | - |
| Sep-46 | - | - | - | - | - | - | - | - | - |
| Oct-46 | - | - | - | - | - | - | - | - | - |
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|---|---|---|---|---|---|---|---|---|---|
| Dec-46 | + | + | + | + | + | + | + | + | + |
| Jan-47 | - | - | - | - | - | - | - | + | + |
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| Dec-48 | + | + | + | + | + | - | - | - | + |
| Jan-49 | - | - | - | - | - | + | + | + | - |
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| Mar-49 | - | - | - | - | - | - | - | + | - |
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| May-49 | - | - | + | - | - | - | - | + | - |
| Jun-49 | - | - | - | - | + | + | + | - | - |
| Jul-49 | + | + | + | + | - | - | - | - | + |
| Aug-49 | - | - | - | - | - | + | - | - | - |
| Sep-49 | - | - | - | - | - | - | + | + | - |
| Oct-49 | - | - | - | - | + | + | + | - | - |
| Nov-49 | - | - | - | - | - | - | - | - | - |
| Dec-49 | + | + | + | + | + | - | + | + | - |
| Jan-50 | - | - | - | - | + | + | + | - | - |
| Feb-50 | - | - | - | - | - | - | - | + | - |
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**Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund**
**ASSET RECONCILIATION 5/1/2022-12/31/2022**
**AFTER ADJUSTMENT FOR WITHDRAWAL LIABILITY RESERVE**
**EIN 25-1046087 /PN 001**

| | | |
|---|---|---|
| Market Value of Assets 7/1/2022 | 36,346,402 | |
| Less: Withdrawal Liability Reserve* | (5,442,783) | |
| Net Market Value 7/1/22 | | 30,903,619 |
| | | |
| ADDITIONS | | |
| Employer Contributions | 4,379,604 | |
| Withdrawal Liability Interest | 414,804 | |
| Change in Withdrawal Liability Reserve | 152,708 | |
| Interest and Dividend Income | 9,264 | |
| Investment Income | 182,909 | |
| Total Additions | | 5,139,289 |
| | | |
| DEDUCTIONS | | |
| Benefit Payments | (8,352,013) | |
| Administrative Expenses | (268,170) | |
| Investment Expenses | (37,072) | |
| | | (8,657,255) |
| | | |
| Market Value of Assets 12/31/2022 | 32,675,728 | |
| Less: Withdrawal Liability Reserve* | (5,290,075) | |
| Net Market Value 7/1/22 | | 27,385,653 |

*PV of future expected withdrawal liability payments, less allowance for doubtful accounts

**THIRD AMENDMENT**
**TO THE**
**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS**
**PENSION FUND**
**(As Amended and Restated July 1, 2014)**

WHEREAS, the Board of Trustees has the right to amend the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund, as amended and restated July 1, 2014 (the "Plan"); and

WHEREAS, the Board of Trustees has applied to the Pension Benefit Guaranty Corporation ("PBGC") under section 4262 of the Employment Retirement Income Security Act of 1974, as amended ("ERISA"), and 29 C.F.R. § 4262 for special financial assistance; and

WHEREAS, 29 C.F.R. § 4262.6(e)(1) requires that the plan sponsor of a plan applying for special financial assistance amend the written instrument governing the plan to require that the plan be administered in accordance with the restrictions and conditions specified in section 4262 of ERISA and 29 C.F.R. part 4262 and that the amendment be contingent upon approval by PBGC of the plan's application for special financial assistance; and

WHEREAS, Section 6.06 of the Amended and Restated Trust Agreement dated January 1, 2020, as amended, authorizes the Board of Trustees to be bound by the signatures of two authorized Trustees.

NOW, THEREFORE, the Board of Trustees hereby amends the Plan, effective March 10, 2023, as follows:

1. Section 11.8 shall be added and read as follows:

11.8 **Special Financial Assistance**

Beginning with the SFA measurement date selected by the plan in the plan's application for special financial assistance, notwithstanding anything to the contrary in this or any other governing document, the plan shall be administered in accordance with the restrictions and conditions specified in section 4262 of ERISA and 29 CFR part 4262. This amendment is contingent upon approval by PBGC of the plan's application for special financial assistance.

IN WITNESS WHEREOF, this Amendment has been duly executed on this 10 day of March, 2023.

Union Trustee

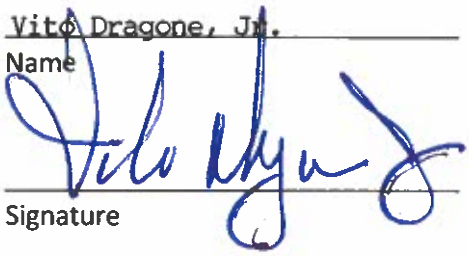
Employer Trustee

Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund
Application for Special Financial Assistance
EIN 25-1046087 /PN 001
Checklist Item #38 – Section E, Item 10

**Penalty of Perjury Statement**

Under penalty of perjury under the laws of the United States of America, I declare that I am an authorized trustee who is a current member of the board of trustees of the Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund and that I have examined this application, including the accompanying documents, and, to the best of my knowledge and belief, the application contains all the relevant facts relating to the application; all statements of fact contained in the application are true, correct, and not misleading because of omission of any material fact; and all accompanying documents are what they purport to be.

Vito Dragone, Jr.
Name



Signature

March 10, 2023
Date

Larry J. Mayros
Name



Signature

March 10, 2023
Date

**Certification by Plan Actuary: Priority Status**

This is a certification that the Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund ("Plan") is eligible for priority consideration by the Pension Benefit Guaranty Corporation ("PBGC") of its application for special financial assistance ("SFA").

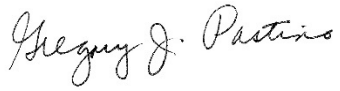
The Plan is eligible for SFA because it was certified to be in critical and declining status for the plan year beginning July 1, 2020. The Plan is in priority group 5 as described under section 4262.10(d)(2)(v) of PBGC's SFA regulation, because it is an eligible plan that is projected to be insolvent under section 4245 of ERISA by March 11, 2026, as shown below:

| Start Date | End Date | Beginning Assets | Contributions +WL Payments | Benefit Pmts. | Admin. Expenses | Earnings | Ending Assets |
|---|---|---|---|---|---|---|---|
| 1/1/2023 | 6/30/2023 | 27,232,944 | 4,794,407 | (8,352,013) | (391,730) | 947,185 | 24,230,793 |
| 7/1/2023 | 6/30/2024 | 24,230,793 | 8,649,000 | (18,010,541) | (783,460) | 1,436,872 | 15,522,664 |
| 7/1/2024 | 6/30/2025 | 15,522,664 | 8,649,000 | (18,221,514) | (783,460) | 775,851 | 5,942,541 |
| 7/1/2025 | 7/31/2025 | 5,942,541 | 720,750 | (1,518,460) | (65,288) | 34,444 | 5,113,987 |
| 8/1/2025 | 8/31/2025 | 5,113,987 | 720,750 | (1,518,460) | (65,288) | 29,266 | 4,280,255 |
| 9/1/2025 | 9/30/2025 | 4,280,255 | 720,750 | (1,518,460) | (65,288) | 24,055 | 3,441,313 |
| 10/1/2025 | 10/31/2025 | 3,441,313 | 720,750 | (1,518,460) | (65,288) | 18,811 | 2,597,126 |
| 11/1/2025 | 11/30/2025 | 2,597,126 | 720,750 | (1,518,460) | (65,288) | 13,535 | 1,747,663 |
| 12/1/2025 | 12/31/2025 | 1,747,663 | 720,750 | (1,518,460) | (65,288) | 8,226 | 892,891 |
| 1/1/2026 | 1/31/2026 | 892,891 | 720,750 | (1,518,460) | (65,288) | 2,884 | 32,777 |
| 2/1/2026 | 2/28/2026 | 32,777 | 720,750 | (1,518,460) | (65,288) | (2,492) | (832,713) |

The year of projected insolvency is based on the asset value as of December 31, 2022, census data as of July 1, 2022 used in the preparation of the July 1, 2022 actuarial valuation, projected to December 31, 2022, and actuarial assumptions and methods as those described in the 2020 certification of actuarial plan status for the plan year beginning July 1, 2020, dated September 28, 2020.

The projection is based on information supplied by the auditor and Plan Administrator with respect to contributions and assets and reliance on the Plan Administrator with respect to the participant data. Foster & Foster does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Foster & Foster does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report, and we have no reason to believe there are facts or circumstances that would affect the validity of these results.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied herein is complete and accurate.



Gregory J. Pastino, ASA, MAAA, EA
Senior Consulting Actuary
Enrolled Actuary No. 20-03916

Date: March 10, 2023

# Application Checklist

v20220802p

**Instructions for Section E, Item 1 of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance (SFA):**

The Application to PBGC for Approval of Special Financial Assistance Checklist ("Application Checklist" or "Checklist") identifies all information required to be filed with an initial or revised application. For a supplemented application, instead use "Application Checklist - Supplemented." The Application Checklist is not required for a lock-in application.

For a plan required to submit additional information described in Addendum A of the SFA Filing Instructions, also complete Checklist Items #39.a. to #48.b., and if there is a merger as described in Addendum A, also complete Checklist Items #49 through #62.

Applications (including this Application Checklist), with the exception of lock-in applications, must be submitted to PBGC electronically through PBGC's e-Filing Portal, (https://efilingportal.pbgc.gov/site/). After logging into the e-Filing Portal, go to the Multiemployer Events section and click "Create New ME Filing." Under "Select a filing type," select "Application for Financial Assistance – Special." Note: revised and supplemented applications must be submitted by selecting "Create New ME Filing."

Note: If you go to the e-Filing Portal and do not see "Application for Financial Assistance – Special" under the "Select a Filing Type," then the e-Filing Portal is temporarily closed and PBGC is not accepting applications (other than lock-in applications) at the time, unless the plan is eligible to make an emergency filing under § 4262.10(f). PBGC's website, *www.pbgc.gov* , will be updated when the e-Filing Portal reopens for applications. PBGC maintains information on its website at *www.pbgc.gov* to inform prospective applicants about the current status of the e-Filing portal, as well as to provide advance notice of when PBGC expects to open or temporarily close the e-Filing Portal.

General instructions for completing the Application Checklist:
Complete all items that are shaded:

If required information was already filed: (1) through PBGC's e-Filing Portal; or (2) through any means for an insolvent plan, a plan that has received a partition, or a plan that submitted an emergency filing, the filer may either upload the information with the application or include a statement in the Plan Comments section of the Application Checklist indicating the date on which and the submission with which the information was previously filed. For any such items previously provided, enter N/A as the **Plan Response**.

For a revised application, the filer may, but is not required to, submit an entire application. For all Application Checklist Items that were previously filed that are not being changed, the filer may include a statement in the Plan Comments section of the Application Checklist to indicate that the other information was previously provided as part of the initial application. For each, enter N/A as the **Plan Response**.

Instructions for specific columns:

**Plan Response:** Provide a response to each item on the Application Checklist, using only the **Response Options** shown for each Checklist Item.

**Name(s) of Files Uploaded:** Identify the full name of the file or files uploaded that are responsive to the Checklist Item. The column **Upload as Document Type** provides guidance on the "document type" to select when submitting documents on PBGC's e-Filing Portal.

**Page Number Reference(s):** For Checklist Items #21 to #28c, submit all information in a single document and identify here the relevant page numbers for each such Checklist Item.

**Plan Comments**: Use this column to provide explanations for any **Plan Response** that is N/A, to respond as may be specifically identified for Checklist Items, and to provide any optional explanatory comments.

Additional guidance is provided in the following columns:

**Upload as Document Type:** When uploading documents in PBGC's e-Filing Portal, select the appropriate Document Type for each document that is uploaded. This column provides guidance on the Document Type to select for each Checklist Item. You may upload more than one document using the same Document Type, and there may be Document Types on the e-Filing Portal for which you have no documents to upload.

**Required Filenaming (if applicable):** For certain Checklist Items, a specified format for naming the file is required.

**SFA Instructions Reference:** Identifies the applicable section and item number in PBGC's Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance.

You must select N/A if a Checklist Item # is not applicable to your application. Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38 on the Application Checklist. If there has been an event as described in § 4262.4(f), complete Checklist Items #39.a. through #48.b., and if there has been a merger described in Addendum A, also complete Checklist Items #49 through #62. Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #39.a. through #48.b. if you are required to complete Checklist Items # 39a through #48b. Your application will also be considered incomplete if No is entered as a Plan Response for any of Checklist Items #49 through #62 if you are required to complete Checklist Items #49 through #62.

If a Checklist Item # asks multiple questions or requests multiple items, the Plan Response should only be Yes if the plan is providing all information requested for that Checklist Item.

Note, a Yes or No response is also required for Checklist Items #a through #f.

Note, in the case of a plan applying for priority consideration, the plan's application must also be submitted to the Treasury Department. If that requirement applies to an application, PBGC will transmit the application to the Treasury Department on behalf of the plan. See IRS Notice [NOTICE] for further information.

**All information and documentation, unless covered by the Privacy Act, that is included in an SFA application may be posted on PBGC's website at *www.pbgc.gov* or otherwise publicly disclosed, without additional notification. Except to the extent required by the Privacy Act, PBGC provides no assurance of confidentiality in any information included in an SFA application.**

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20220802p | 08/02/2022 | Fixed some of the shading in the checklist |
| v20220706p | 07/06/2022 | |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| **Plan Information, Checklist, and Certifications** | | | | | | | | | |
| a. | | Is this application a revised application submitted after the denial of a previously filed application for SFA? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| b. | | Is this application a revised application submitted after a plan has withdrawn its application for SFA that was initially submitted under the interim final rule? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| c. | | Is this application a revised application submitted after a plan has withdrawn its application for SFA that was submitted under the final rule? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| d. | | Did the plan previously file a lock-in application? | Yes<br>No | No | N/A | N/A | If a "lock-in" application was filed, provide the filing date. | N/A | N/A |
| e. | | Has this plan been terminated? | Yes<br>No | No | N/A | N/A | If terminated, provide date of plan termination. | N/A | N/A |
| f. | | Is this plan a MPRA plan as defined under § 4262.4(a)(3) of PBGC's SFA regulation? | Yes<br>No | No | N/A | N/A | | N/A | N/A |
| 1. | Section B, Item (1)a. | Does the application include the most recent plan document or restatement of the plan document and all amendments adopted since the last restatement (if any)? | Yes<br>No | Yes | SWPA Document and Amendments.pdf | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 2. | Section B, Item (1)b. | Does the application include the most recent trust agreement or restatement of the trust agreement, and all amendments adopted since the last restatement (if any)? | Yes<br>No | Yes | SWPA Trust Agreement.pdf | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 3. | Section B, Item (1)c. | Does the application include the most recent IRS determination letter?<br><br>Enter N/A if the plan does not have a determination letter. | Yes<br>No<br>N/A | Yes | SWPA Determination Letter.pdf | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 4. | Section B, Item (2) | Does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the filing date of the initial application?<br><br>Enter N/A if no actuarial valuation report was prepared because it was not required for any requested year.<br><br>Is each report provided as a separate document using the required filename convention? | Yes<br>No<br>N/A | Yes | 2018AVR_SWPA.pdf;<br>2019AVR_SWPA.pdf;<br>2020AVR_SWPA.pdf;<br>2021AVR_SWPA.pdf;<br>2022AVR_SWPA.pdf | N/A | Identify here how many reports are provided. 5. | Most recent actuarial valuation for the plan | *YYYYAVR Plan Name* |
| 5.a. | | Does the application include the most recent rehabilitation plan (or funding improvement plan, if applicable), including all subsequent amendments and updates, and the percentage of total contributions received under each schedule of the rehabilitation plan or funding improvement plan for the most recent plan year available? | Yes<br>No | Yes | SWPA_Update_of_Rehabilitation_Plan.pdf | N/A | | Rehabilitation plan (or funding improvement plan, if applicable) | N/A |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 5.b. | Section B, Item (3) | If the most recent rehabilitation plan does not include historical documentation of rehabilitation plan changes (if any) that occurred in calendar year 2020 and later, does the application include an additional document with these details?<br><br>Enter N/A if the historical document is contained in the rehabilitation plans. | Yes<br>No<br>N/A | N/A | | N/A | | Rehabilitation plan (or funding improvement plan, if applicable) | N/A |
| 6. | Section B, Item (4) | Does the application include the plan's most recently filed (as of the filing date of the initial application) Form 5500 (Annual Return/Report of Employee Benefit Plan) and all schedules and attachments (including the audited financial statement)?<br><br>Is the 5500 filing provided as a single document using the required filename convention? | Yes<br>No | Yes | 2021Form5500 _SWPA.pdf | N/A | | Latest annual return/report of employee benefit plan (Form 5500) | *YYYYForm5500 Plan Name* |
| 7.a. | Section B, Item (5) | Does the application include the plan actuary's certification of plan status ("zone certification") for the 2018 plan year and each subsequent annual certification completed before the filing date of the initial application?<br><br>Enter N/A if the plan does not have to provide certifications for any requested plan year.<br><br>Is each zone certification (including the additional information identified in Checklist Items #7.b. and #7.c. below, if applicable) provided as a single document, separately for each plan year, using the required filename convention? | Yes<br>No<br>N/A | Yes | 2018Zone20180928_SWPA.pdf;<br>2019Zone20190927_SWPA.pdf;<br>2020Zone20200928_SWPA.pdf;<br>2021Zone20210930_SWPA.pdf;<br>2022Zone20220928_SWPA.pdf | N/A | Identify how many zone certifications are provided. 5 | Zone certification | *YYYYZoneYYYYMMDD Plan Name,* where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. |
| 7.b. | | Does the application include documentation for all zone certifications that clearly identifies all assumptions used including the interest rate used for funding standard account purposes?<br><br>If such information is provided in an addendum, addendums are only required for the most recent actuarial certification of plan status completed before January 1, 2021 and each subsequent annual certification.<br><br>Is this information included in the single document in Checklist Item #7.a. for the applicable plan year? | Yes<br>No<br>N/A | Yes | N/A - include as part of documents in Checklist Item #7.a. | N/A | | N/A - include as part of documents in Checklist Item #7.a. | N/A - included in a single document for each plan year - See Checklist Item #7.a. |
| 7.c. | | For a certification of critical and declining status, does the application include the required plan-year-by-plan-year projection (showing the items identified in Section B, Item (5)a. through (5)f. of the SFA Instructions) demonstrating the plan year that the plan is projected to become insolvent? If required, is this information included in the single document in Checklist Item #7.a. for the applicable plan year? Enter N/A if the plan entered N/A for Checklist Item #7.a. or if the application does not include a certification of critical and declining status. | Yes<br>No<br>N/A | Yes | N/A - include as part of documents in Checklist Item #7.a. | N/A | | N/A - include as part of documents in Checklist Item #7.a. | N/A - included in a single document for each plan year - See Checklist Item #7.a. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 8. | Section B, Item (6) | Does the application include the most recent account statements for each of the plan's cash and investment accounts?<br><br>Insolvent plans may enter N/A, and identify in the Plan Comments that this information was previously submitted to PBGC and the date submitted. | Yes<br>No<br>N/A | Yes | SWPA_Bank_Statements.pdf | N/A | | Bank/Asset statements for all cash and investment accounts | N/A |
| 9. | Section B, Item (7) | Does the application include the most recent plan financial statement (audited, or unaudited if audited is not available)?<br><br>Insolvent plans may enter N/A, and identify in the Plan Comments that this information was previously submitted to PBGC and the date submitted. | Yes<br>No<br>N/A | Yes | SWPA_Audited_Financial_Statement.pdf | N/A | | Plan's most recent financial statement (audited, or unaudited if audited not available) | N/A |
| 10. | Section B, Item (8) | Does the application include all of the plan's written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability?<br><br>Are all such items included as a single document using the required filenaming convention? | Yes<br>No<br>N/A | Yes | WDL SWPA.pdf | N/A | Also refer to Article XIII of Plan Document | Pension plan documents, all versions available, and all amendments signed and dated | *WDL Plan Name* |
| 11. | Section B, Item (9) | Does the application include documentation of a death audit to identify deceased participants that was completed no earlier than one year before the plan's SFA measurement date, including identification of the service provider conducting the audit and a copy of the results of the audit provided to the plan administrator by the service provider? If applicable, has personally identifiable information in this report been redacted prior to submission to PBGC?<br><br>Is this information included as a single document using the required filenaming convention? | Yes<br>No | Yes | Death_Audit_SWPA.pdf | N/A | Peformed by PBI Research Services | Pension plan documents, all versions available, and all amendments signed and dated | *Death Audit Plan Name* |
| 12. | Section B, Item (10) | Does the application include information required to enable the plan to receive electronic transfer of funds if the SFA application is approved, including (if applicable) a notarized payment form? See SFA Instructions, Section B, Item (10). | Yes<br>No | Yes | SWPA ACH Payment Forms.pdf | N/A | | Other | N/A |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 13. | Section C, Item (1) | Does the application include the plan's projection of expected benefit payments that should have been attached to the Form 5500 Schedule MB in response to line 8b(1) on the Form 5500 Schedule MB for plan years 2018 through the last year the Form 5500 was filed by the filing date of the initial application?<br><br>Enter N/A if the plan is not required to respond Yes to line 8b(1) on the Form 5500 Schedule MB. See Template 1.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | Yes | Template_1_SWPA.xlsx | N/A | | Financial assistance spreadsheet (template) | *Template 1 Plan Name* |
| 14. | Section C, Item (2) | If the plan was required to enter 10,000 or more participants on line 6f of the most recently filed Form 5500 (by the filing date of the initial application), does the application include a current listing of the 15 largest contributing employers (the employers with the largest contribution amounts) and the amount of contributions paid by each employer during the most recently completed plan year before the filing date of the initial application (without regard to whether a contribution was made on account of a year other than the most recently completed plan year)? If this information is required, it is required for the 15 largest contributing employers even if the employer's contribution is less than 5% of total contributions.<br><br>Enter N/A if the plan is not required to provide this information. See Template 2.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Contributing employers | *Template 2 Plan Name* |
| 15. | Section C, Item (3) | Does the application include historical plan information for the 2010 plan year through the plan year immediately preceding the date the plan's initial application was filed that separately identifies: total contributions, total contribution base units (including identification of the unit used), average contribution rates, and number of active participants at the beginning of each plan year? For the same period, does the application show all other sources of non-investment income such as withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and other identifiable sources of contributions? See Template 3.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No | Yes | Template_3_SWPA.xlsx | N/A | | Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments) | *Template 3 Plan Name* |
| 16.a. | Section C, Items (4)a., (4)e., and (4)f. | Does the application include the information used to determine the amount of SFA for the plan using the basic method described in § 4262.4(a)(1) based on a deterministic projection and using the actuarial assumptions as described in § 4262.4(e)?<br>See Template 4A, *4A-4 SFA Details .4(a)(1)* sheet and Section C, Item (4) of the SFA Filing Instructions for more details on these requirements.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No | Yes | Template_4A_SWPA.xlsx | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 4A Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

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Unless otherwise specified:
YYYY = plan year
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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 16.b.i. | Addendum D Section C, Item (4)a. - MPRA plan information A.<br><br>Addendum D Section C, Item (4)e. - MPRA plan information A. | If the plan is a MPRA plan, does the application also include the information used to determine the amount of SFA for the plan using the increasing assets method described in § 4262.4(a)(2)(i) based on a deterministic projection and using the actuarial assumptions as described in § 4262.4(e)? See Template 4A, *4A-5 SFA Details .4(a)(2)(i)* sheet and Addendum D for more details on these requirements.<br><br>Enter N/A if the plan is not a MPRA Plan. | Yes<br>No<br>N/A | N/A | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 16.b.ii. | Addendum D Section C, Item (4)f. - MPRA plan information A. | If the plan is a MPRA plan for which the requested amount of SFA is determined using the increasing assets method described in § 4262.4(a)(2)(i), does the application also explicitly identify the projected SFA exhaustion year based on the increasing assets method? See Template 4A, *4A-5 SFA Details .4(a)(2)(i)* sheet and Addendum D.<br><br>Enter N/A if the plan is not a MPRA Plan or if the requested amount of SFA is determined based on the present value method. | Yes<br>No<br>N/A | N/A | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 16.b.iii. | Addendum D Section C, Item (4)a. - MPRA plan information B<br><br>Addendum D Section C, Item (4)e. (4)f., and (4)g. - MPRA plan information B. | If the plan is a MPRA plan for which the requested amount of SFA is determined using the present value method described in § 4262.4(a)(2)(ii), does the application also include the information for such plans as shown in Template 4B, including *4B-1 SFA Ben Pmts* sheet, *4B-2 SFA Details 4(a)(2)(ii)* sheet, and *4B-3 SFA Exhaustion* sheet? See Addendum D and Template 4B.<br><br>Enter N/A if the plan is not a MPRA Plan or if the requested amount of SFA is determined based on the increasing assets method. | Yes<br>No<br>N/A | N/A | | N/A | | N/A | *Template 4B Plan Name* |
| 16.c. | Section C, Items (4)b. and (4)c. | Does the application include identification of the non-SFA interest rate and the SFA interest rate, including details on how each was determined? See Template 4A, *4A-1 Interest Rates* sheet. | Yes<br>No | Yes | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 16.d. | Section C, Item (4).e.ii. | For each year in the SFA coverage period, does the application include the projected benefit payments (excluding make-up payments, if applicable), separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, current active participants, and new entrants? See Template 4A, *4A-2 SFA Ben Pmts* sheet. | Yes<br>No | Yes | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |
| 16.e. | Section C, Item (4)e.iv. and (4)e.v. | For each year in the SFA coverage period, does the application include a breakdown of the administrative expenses between PBGC premiums and all other administrative expenses? Does the application include the projected total number of participants at the beginning of each plan year in the SFA coverage period? See Template 4A, *4A-3 SFA Pcount and Admin Exp* sheet. | Yes<br>No | Yes | N/A - included as part of Template 4A Plan Name | N/A | | N/A | N/A - included in Template 4A Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 17.a. | Section C, Item (5) | For a plan that is not a MPRA plan, does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Items #16.a., #16.d., and #16.e. that shows the amount of SFA that would be determined using the basic method if the assumptions/methods used are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's non-SFA interest rate and SFA interest rate, which should be the same as in Checklist Item #16.a.? See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement.<br><br>If (a) the plan is a MPRA plan, or if (b) this item is not required for a plan that is not a MPRA plan, enter N/A. If entering N/A due to (b), add information in the Plan Comments to explain why this item is not required.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | Yes | Template_5A_SWPA.xlsx | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 5A Plan Name* |
| 17.b. | Addendum D Section C, Item (5) | For a MPRA plan for which the requested amount of SFA is determined using the increasing assets method, does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Items #16.b.i., #16.d., and #16.e. that shows the amount of SFA that would be determined using the increasing assets method if the assumptions/methods used are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's non-SFA interest rate and SFA interest rate, which should be the same as used in Checklist Item #16.b.i.? See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the present value method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 5A Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

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Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 17.c. | Addendum D Section C, Item (5) | For a MPRA plan for which the requested amount of SFA is determined using the present value method, does the application include a separate deterministic projection ("Baseline") in the same format as Checklist Item #16.b.iii. that shows the amount of SFA that would be determined using the present value method if the assumptions used/methods are the same as those used in the most recent actuarial certification of plan status completed before January 1, 2021 ("pre-2021 certification of plan status") excluding the plan's SFA interest rate which should be the same as used in Checklist Item #16.b.iii. See Section C, Item (5) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the increasing assets method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Has this document been uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 5B Plan Name* |
| 18.a. | Section C, Item (6) | For a plan that is not a MPRA plan, does the application include a reconciliation of the change in the total amount of requested SFA due to each change in assumption/method from the Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption/method change, in the same format as Checklist Item #16.a? Enter N/A if the plan is not required to provide Baseline information in Checklist Item #17.a. Enter N/A if the requested SFA amount in Checklist Item #16.a. is the same as the amount shown in the Baseline details of Checklist Item #17.a. See Section C, Item (6) of the SFA Filing Instructions for other potential exclusions from this requirement.<br><br>If the plan is a MPRA plan, enter N/A. If the plan is otherwise not required to provide this item, enter N/A and provide an explanation in the Plan Comments.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | Yes | Template_6A_SWPA.xlsx | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 6A Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

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YYYY = plan year
Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 18.b. | Addendum D Section C, Item (6) | For a MPRA plan for which the requested amount of SFA is based on the increasing assets method, does the application include a reconciliation of the change in the total amount of requested SFA using the increasing assets method due to each change in assumption/method from the Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption/method change, in the same format as Checklist Item #16.b.i.?<br><br>Enter N/A if the plan is not required to provide Baseline information in Checklist Item #17.b. Enter N/A if the requested SFA amount in Checklist Item #16.b.i. is the same as the amount shown in the Baseline details of Checklist Item #17.b. See Addendum D. See Section C, Item (6) of the SFA Filing Instructions for other potential exclusions from this requirement, and enter N/A if this item is not otherwise required.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the present value method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Does the uploaded file use the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 6A Plan Name* |
| 18.c. | Addendum D Section C, Item (6) | For a MPRA plan for which the requested amount of SFA is based on the present value method, does the application include a reconciliation of the change in the total amount of requested SFA using the present value method due to each change in assumption/method from Baseline to the requested SFA amount? Does the application include a deterministic projection and other information for each assumption/method change, in the same format as Checklist Item #16.b.iii.?<br><br>See Section C, Item (6) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.<br><br>If the plan is (a) not a MPRA plan, (b) a MPRA plan using the increasing assets method, or (c) is otherwise not required to provide this item, enter N/A. If entering N/A due to (c), add information in the Plan Comments to explain why this item is not required.<br><br>Has this document been uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 6B Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

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----------Filers provide responses here for each Checklist Item:----------

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**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 19.a. | Section C, Item (7)a. | For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application include a table identifying which assumptions/methods used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status, and does that table include brief explanations as to why using those assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable (an abbreviated version of information provided in Checklist Item #27.a.)?<br><br>Enter N/A if the plan is eligible for SFA under § 4262.3(a)(2) or § 4262.3(a)(4) or if the plan is eligible based on a certification of plan status completed before 1/1/2021. Also enter N/A if the plan is eligible based on a certification of plan status completed after 12/31/2020 but that reflects the same assumptions as those in the pre-2021 certification of plan status. See Template 7, *7a Assump Changes for Elig* sheet.<br><br>Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention? | Yes<br>No<br>N/A | N/A | Template_7_SWPA.xlsx | N/A | The Plan was certified to be in critical and declining status for the plan year beginning July 1, 2020. | Financial assistance spreadsheet (template) | *Template 7 Plan Name.* |
| 19.b. | Section C, Item (7)b. | Does the application include a table identifying which assumptions/methods used to determine the requested SFA differ from those used in the pre-2021 certification of plan status (except the interest rates used to determine SFA)? Does this item include brief explanations as to why using those original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable? If a changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's SFA assumptions guidance, does the application state so? This should be an abbreviated version of information provided in Checklist Item #27.b. See Template 7, *7b Assump Changes for Amount* sheet.<br><br>Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention? | Yes<br>No | Yes | Template_7_SWPA.xlsx | N/A | | Financial assistance spreadsheet (template) | *Template 7 Plan Name* |
| 20.a. | Section C, Item (8) | Does the application include details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount, including total contributions, contribution base units (including identification of base unit used), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams? See Template 8. | Yes<br>No | Yes | Template_8_SWPA_xlsx | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | *Template 8 Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 20.b. | Section C, Item (6) | Does the application separately show the amounts of projected withdrawal liability payments for employers that are currently withdrawn as of the date the initial application is filed, and assumed future withdrawals? Does the application also provide the projected number of active participants at the beginning of each plan year? See Template 8. | Yes<br>No | Yes | N/A - include as part of Checklist Item #20.a. | N/A | | N/A | N/A - included in *Template 8 Plan Name* |
| 21. | Section D | Was the application signed and dated by an authorized trustee who is a current member of the board of trustees or another authorized representative of the plan sponsor and include the printed name and title of the signer? | Yes<br>No | Yes | SFA App SWPA.pdf | 2 | SFA App SWPA, page 2 | Financial Assistance Application | *SFA App Plan Name* |
| 22.a. | | For a plan that is not a MPRA plan, does the application include an optional cover letter?<br><br>Enter N/A if the plan is a MPRA plan, or if the plan is not a MPRA plan and did not include an optional cover letter. | Yes<br>N/A | N/A | N/A - included as part of SFA App Plan Name | 1 | SFA App SWPA, page 1 | N/A | N/A - included as part of SFA App Plan Name |
| 22.b. | Section D, Item (1) | For a plan that is a MPRA plan, does the application include a cover letter? Does the cover letter identify the calculation method (basic method, increasing assets method, or present value method) that provides the greatest amount of SFA? For a MPRA plan with a partition, does the cover letter include a statement that the plan has been partitioned under section 4233 of ERISA?<br><br>Enter N/A if the plan is not a MPRA plan. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 23. | Section D, Item (2) | Does the application include the name, address, email, and telephone number of the plan sponsor, plan sponsor's authorized representative, and any other authorized representatives? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | 3 | SFA App SWPA, page 3 | N/A | N/A - included as part of SFA App Plan Name |
| 24. | Section D, Item (3) | Does the application identify the eligibility criteria in § 4262.3 that qualifies the plan as eligible to receive SFA, and include the requested information for each item that is applicable, as described in Section D, Item (3) of the SFA Filing Instructions? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | 4 | SFA App SWPA, page 4 | N/A | N/A - included as part of SFA App Plan Name |
| 25.a. | Section D, Item (4) | If the plan's application is submitted on or before March 11, 2023, does the application identify the plan's priority group (see § 4262.10(d)(2))?<br><br>Enter N/A if the plan's application is submitted after March 11, 2023. | Yes<br>No<br>N/A | Yes | N/A - included as part of SFA App Plan Name | 5 | SFA App SWPA, page 5 | N/A | N/A - included as part of SFA App Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 25.b. | Section D, Item (4) | If the plan is submitting an emergency application under § 4262.10(f), is the application identified as an emergency application with the applicable emergency criteria identified?<br><br>Enter N/A if the plan is not submitting an emergency application. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 26. | Section D, Item (5) | Does the application include a detailed narrative description of the development of the assumed future contributions and assumed future withdrawal liability payments used in the basic method (and in the increasing assets method for a MPRA plan)? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | 6 | SFA App SWPA, page 6 | N/A | N/A - included as part of SFA App Plan Name |
| 27.a. | Section D, Item (6)a. | For plans eligible for SFA under § 4262.3(a)(1) or § 4262.3(a)(3), does the application identify which assumptions/methods (if any) used in showing the plan's eligibility for SFA differ from those used in the most recent certification of plan status completed before 1/1/2021? If there are any assumption/method changes, does the application include detailed explanations and supporting rationale and information as to why using the identified assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable?<br><br>Enter N/A if the plan is not eligible under § 4262.3(a)(1) or § 4262.3(a)(3). Enter N/A if there are no such assumption changes. | Yes<br>No<br>N/A | Yes | N/A - included as part of SFA App Plan Name | 7-14 | SFA App SWPA, pages 7-14 | N/A | N/A - included as part of SFA App Plan Name |
| 27.b. | Section D, Item (6)b. | Does the application identify which assumptions/methods (if any) used to determine the requested SFA amount differ from those used in the most recent certification of plan status completed before 1/1/2021 (excluding the plan's non-SFA and SFA interest rates, which must be the same as the interest rates required by § 4262.4(e)(1) and (2))? If there are any assumption/method changes, does the application include detailed explanations and supporting rationale and information as to why using the identified original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable? Does the application state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's SFA Assumptions? | Yes<br>No | Yes | N/A - included as part of SFA App Plan Name | 7-14 | SFA App SWPA, pages 7-14 | N/A | N/A - included as part of SFA App Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 27.c. | Section D, Item (6) | If the mortality assumption uses a plan-specific mortality table or a plan-specific adjustment to a standard mortality table (regardless of if the mortality assumption is changed or unchanged from that used in the most recent certification of plan status completed before 1/1/2021), is supporting information provided that documents the methodology used and the rationale for selection of the methodology used to develop the plan-specific rates, as well as detailed information showing the determination of plan credibility and plan experience?<br><br>Enter N/A is the mortality assumption does not use a plan-specific mortality table or a plan-specific adjustment to a standard mortality table for eligibility or for determining the SFA amount. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 28.a. | Section D, Item (7) | Does the application include, for an eligible plan that implemented a suspension of benefits under section 305(e)(9) or section 4245(a) of ERISA, a narrative description of how the plan will reinstate the benefits that were previously suspended and a proposed schedule of payments (equal to the amount of benefits previously suspended) to participants and beneficiaries?<br><br>Enter N/A for a plan that has not implemented a suspension of benefits. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 28.b. | Section D, Item (7) | If Yes was entered for Checklist Item #28.a., does the proposed schedule show the yearly aggregate amount and timing of such payments, and is it prepared assuming the effective date for reinstatement is the day after the SFA measurement date?<br><br>Enter N/A for a plan that entered N/A for Checklist Item #28.a. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 28.c. | Section D, Item (7) | If the plan restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, does the proposed schedule reflect the amount and timing of payments of restored benefits and the effect of the restoration on the benefits remaining to be reinstated?<br><br>Enter N/A for a plan that did not restore benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date. Also enter N/A for a plan that entered N/A for Checklist Items #28.a. and #28.b. | Yes<br>No<br>N/A | N/A | N/A - included as part of SFA App Plan Name | | | N/A | N/A - included as part of SFA App Plan Name |
| 29.a. | Section E, Item (1) | Does the application include a fully completed Application Checklist, including the required information at the top of the Application Checklist (plan name, employer identification number (EIN), 3-digit plan number (PN), and SFA amount requested)? | Yes<br>No | Yes | App_Checklist_SWPA.xls | N/A | | Special Financial Assistance Checklist | *App Checklist Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
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Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 29.b. | Section E, Item (1) - Addendum A | If the plan is required to provide information required by Addendum A of the SFA Filing Instructions (for "certain events"), are the additional Checklist Items #39.a. through #48.b. completed?<br><br>Enter N/A if the plan is not required to submit the additional information described in Addendum A. | Yes<br>No<br>N/A | N/A | N/A | N/A | | Special Financial Assistance Checklist | N/A |
| 30. | Section E, Item (2) | If the plan claims SFA eligibility under § 4262.3(a)(1) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on or after January 1, 2021, does the application include:<br>(i) plan actuary's certification of plan status for SFA eligibility purposes for the specified year (and, if applicable, for each plan year after the plan year for which the pre-2021 zone certification was prepared and for the plan year immediately prior to the specified year)?<br>(ii) for each certification in (i) above, does the application include all details and additional information described in Section B, Item (5) of the SFA Filing Instructions, including clear documentation of all assumptions, methods and census data used?<br>(iii) for each certification in (i) above, does the application identify all assumptions and methods that are different from those used in the pre-2021 zone certification?<br><br>Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br><br>If the plan does not claim SFA eligibility under § 4262.3(a)(1) or claims SFA eligibility under § 4262.3(a)(1) using a zone certification completed before January 1, 2021, enter N/A.<br><br>Is the information for this Checklist Item #30.a. contained in a single document and uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Financial Assistance Application | *SFA Elig Cert CD Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 31.a. | Section E, Item (3) | If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation based on a certification by the plan's enrolled actuary of plan status for SFA eligibility purposes completed on or after January 1, 2021, does the application include:<br>(i) plan actuary's certification of plan status for SFA eligibility purposes for the specified year (and, if applicable, for each plan year after the plan year for which the pre-2021 zone certification was prepared and for the plan year immediately prior to the specified year)?<br>(ii) for each certification in (i) above, does the application include all details and additional information described in Section B, Item (5) of the SFA Filing Instructions, including clear documentation of all assumptions, methods and census data used?<br>(iii) for each certification in (i) above, does the application identify all assumptions and methods that are different from those used in the pre-2021 zone certification?<br><br>Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br><br>If the plan does not claim SFA eligibility under § 4262.3(a)(3) or claims SFA eligibility under § 4262.3(a)(3) using a zone certification completed before January 1, 2021, enter N/A.<br><br>Is the information for Checklist Items #31.a. and #31.b. contained in a single document and uploaded using the required filenaming convention? | | N/A | | N/A | | Financial Assistance Application | *SFA Elig Cert C Plan Name* |
| 31.b. | Section E, Item (3) | If the plan claims SFA eligibility under § 4262.3(a)(3) of PBGC's SFA regulation, does the application include a certification from the plan's enrolled actuary that the plan qualifies for SFA based on the applicable certification of plan status for SFA eligibility purposes for the specified year, and by meeting the other requirements of § 4262.3(c) of PBGC's SFA regulation. Does the provided certification include:<br>(i) identification of the specified year for each component of eligibility (certification of plan status for SFA eligibility purposes, modified funding percentage, and participant ratio)<br>(ii) derivation of the modified funded percentage<br>(iii) derivation of the participant ratio<br><br>Does the certification identify all assumptions and methods (including supporting rationale, and where applicable, reliance on the plan sponsor) used to develop the withdrawal liability that is utilized in the calculation of the modified funded percentage?<br><br>Enter N/A if response to Checklist Item #31.a. is N/A.<br><br>Is the information for Checklist Items #31.a. and #31.b. contained in a single document and uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | N/A - included with SFA Elig Cert C Plan Name | N/A | | Financial Assistance Application | N/A - included in SFA Elig Cert C Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

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**SFA Amount Requested:** $116,253,045.00

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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|---|---|---|---|---|---|---|---|---|---|
| 32. | Section E, Item (4) | If the plan's application is submitted on or prior to March 11, 2023, does the application include a certification from the plan's enrolled actuary that the plan is eligible for priority status, with specific identification of the applicable priority group?<br><br>This item is not required (enter N/A) if the plan is insolvent, has implemented a MPRA suspension as of 3/11/2021, is in critical and declining status and had 350,000+ participants, or is listed on PBGC's website at *www.pbgc.gov* as being in priority group 6. See § 4262.10(d).<br><br>Does the certification by the plan's enrolled actuary include clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br><br>Is the filename uploaded using the required filenaming convention? | Yes<br>No<br>N/A | Yes | PG_Cert_SWPA.pdf | N/A | Priority Group 5 | Financial Assistance Application | *PG Cert Plan Name* |
| 33.a. | Section E, Item (5) | Does the application include the certification by the plan's enrolled actuary that the requested amount of SFA is the amount to which the plan is entitled under section 4262(j)(1) of ERISA and § 4262.4 of PBGC's SFA regulation? Does this certification include:<br>(i) plan actuary's certification that identifies the requested amount of SFA and certifies that this is the amount to which the plan is entitled?<br>(ii) clear indication of all assumptions and methods used including source of and date of participant data, measurement date, and a statement that the actuary is qualified to render the actuarial opinion?<br><br>Is the information in Checklist #33a combined with #33b (if applicable) as a single document, and uploaded using the required filenaming convention? | Yes<br>No | Yes | SFA_Amount_Cert_SWPA.pdf | N/A | | Financial Assistance Application | *SFA Amount Cert Plan Name* |
| 33.b. | | If the plan is a MPRA plan, does the certification by the plan's enrolled actuary identify the amount of SFA determined under the basic method described in § 4262.4(a)(1) and the amount determined under the increasing assets method in § 4262.4(a)(2)(i)?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is not the greatest amount of SFA under § 4262.4(a)(2), does the certification state as such?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is the greatest amount of SFA under § 4262.4(a)(2), does the certification identify that amount?<br><br>Enter N/A if the plan is not a MPRA plan. | Yes<br>No<br>N/A | N/A | N/A - included with SFA Amount Cert Plan Name | N/A | | N/A - included in SFA Amount Cert Plan Name | N/A - included in SFA Amount Cert Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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|---|---|---|---|---|---|---|---|---|---|
| 34. | Section E, Item (6) | Does the application include the plan sponsor's identification of the amount of fair market value of assets at the SFA measurement date and certification that this amount is accurate? Does the application also include:<br>(i) information that substantiates the asset value and how it was developed (e.g., trust or account statements, specific details of any adjustments)?<br>(ii) a reconciliation of the fair market value of assets from the date of the most recent audited plan financial statements to the SFA measurement date (showing beginning and ending fair market value of assets for this period as well as the following items for the period: contributions, withdrawal liability payments, benefits paid, administrative expenses, and investment income)?<br><br>With the exception of account statements and financial statements already provided as Checklist Items #8 and #9, is all information contained in a single document that is uploaded using the required filenaming convention? | Yes<br>No | Yes | FMV_Cert_SWPA.pdf | N/A | | Financial Assistance Application | *FMV Cert Plan Name* |
| 35. | Section E, Item (7) | Does the application include a copy of the executed plan amendment required by § 4262.6(e)(1) of PBGC's SFA regulation which (i) is signed by authorized trustee(s) of the plan and (ii) includes the plan compliance language in Section E, Item (7) of the SFA Filing Instructions? | Yes<br>No | Yes | Compliance Amend SWPA.pdf | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *Compliance Amend Plan Name* |
| 36. | Section E, Item (8) | In the case of a plan that suspended benefits under section 305(e)(9) or section 4245 of ERISA, does the application include:<br>(i) a copy of the proposed plan amendment(s) required by § 4262.6(e)(2) to reinstate suspended benefits and pay make-up payments?<br>(ii) a certification by the plan sponsor that the proposed plan amendment(s) will be timely adopted? Is the certification signed by either all members of the plan's board of trustees or by one or more trustees duly authorized to sign the certification on behalf of the entire board (including, if applicable, documentation that substantiates the authorization of the signing trustees)?<br><br>Enter N/A if the plan has not suspended benefits.<br><br>Is all information included in a single document that is uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *Reinstatement Amend Plan Name* |
| 37. | Section E, Item (9) | In the case of a plan that was partitioned under section 4233 of ERISA, does the application include a copy of the executed plan amendment required by § 4262.9(c)(2)?<br><br>Enter N/A if the plan was not partitioned.<br><br>Is the document uploaded using the required filenaming convention? | Yes<br>No<br>N/A | N/A | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *Partition Amend Plan Name* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 38. | Section E, Item (10) | Does the application include one or more copies of the penalties of perjury statement (see Section E, Item (10) of the SFA Filing Instructions) that (a) are signed by an authorized trustee who is a current member of the board of trustees, and (b) includes the trustee's printed name and title.<br><br>Is all such information included in a single document and uploaded using the required filenaming convention? | Yes<br>No | Yes | Penalty SWPA.pdf | N/A | | Financial Assistance Application | *Penalty Plan Name* |
| **Additional Information for Certain Events under § 4262.4(f) - Applicable to Any Events in § 4262.4(f)(2) through (f)(4) and Any Mergers in § 4262.4(f)(1)(ii)**<br>**NOTE: If the plan is not required to provided information described in Addendum A of the SFA Filing Instructions, the Plan Response should be left blank for the remaining Checklist Items.** | | | | | | | | | |
| 39.a. | Addendum A for Certain Events<br>Section C, Item (4) | Does the application include an additional version of Checklist Item #16.a. (also including Checklist Items #16.c., #16.d., and #16.e.), that shows the determination of the SFA amount using the basic method described in § 4262.4(a)(1) as if any events had not occurred? See Template 4A. | Yes<br>No | | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | For additional submission due to any event: *Template 4A Plan Name CE* . For an additional submission due to a merger, *Template 4A Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |
| 39.b.i. | Addendum A for Certain Events<br>Section C, Item (4) | If the plan is a MPRA plan for which the requested amount of SFA is based on the increasing assets method described in § 4262.4(a)(2)(i), does the application also include an additional version of Checklist Item #16.b.i. that shows the determination of the SFA amount using the increasing assets method as if any events had not occurred? See Template 4A, sheet *4A-5 SFA Details .5(a)(2)(i)* .<br><br>Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the present value method. | Yes<br>No<br>N/A | | N/A - included as part of file in Checklist Item #39.a. | N/A | | N/A | N/A - included as part of file in Checklist Item #39.a. |
| 39.b.ii. | Addendum A for Certain Events<br>Section C, Item (4) | If the plan is a MPRA plan for which the requested amount of SFA is based on the increasing assets method described in § 4262.4(a)(2)(i), does the application also include an additional version of Checklist Item #16.b.ii. that explicitly identifies the projected SFA exhaustion year based on the increasing assets method? See Template 4A, *4A-5 SFA Details .4(a)(2)(i)* sheet and Addendum D.<br><br>Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the present value method. | Yes<br>No<br>N/A | | | N/A | | N/A | N/A - included as part of file in Checklist Item #39.a. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

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Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

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| 39.b.iii. | Addendum A for Certain Events<br>Section C, Item (4) | If the plan is a MPRA plan for which the requested amount of SFA is based on the present value method described in § 4262.4(a)(2)(ii), does the application also include an additional version of Checklist Item #16.b.iii. that shows the determination of the SFA amount using the present value method as if any events had not occurred? See Template 4B, sheet *4B-1 SFA Ben Pmts,* sheet *4B-2 SFA Details .4(a)(2)(ii),* and sheet *4B-3 SFA Exhaustion.*<br><br>Enter N/A if the plan is not a MPRA Plan or if the plan is a MPRA plan for which the requested amount of SFA is based on the increasing assets method. | Yes<br>No<br>N/A | | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | For additional submission due to any event: *Template 4B Plan Name CE* . For an additional submission due to a merger, *Template 4B Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |
| 40. | Addendum A for Certain Events<br>Section C, Item (4) | For any merger, does the application show the SFA determination for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)? See Template 4A for a non-MPRA plan using the basic method, and for a MPRA plan using the increasing assets method. See Template 4B for a MPRA Plan using the present value method.<br><br>Enter N/A if the plan has not experienced a merger. | Yes<br>No<br>N/A | | | N/A | | Projections for special financial assistance (estimated income, benefit payments and expenses) | For an additional submission due to a merger, *Template 4A (or Template 4B) Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |
| 41.a. | Addendum A for Certain Events<br>Section D | Does the application include a narrative description of any event and any merger, including relevant supporting documents which may include plan amendments, collective bargaining agreements, actuarial certifications related to a transfer or merger, or other relevant materials? | Yes<br>No | | N/A - included as part of SFA App Plan Name | | For each Checklist Item #41.a. through #44.b., identify the relevant page number(s) within the single document. | Financial Assistance Application | *SFA App Plan Name* |
| 41.b. | Addendum A for Certain Events<br>Section D | For a transfer or merger event, does the application include identifying information for all plans involved including plan name, EIN and plan number, and the date of the transfer or merger? | Yes<br>No | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 42.a. | Addendum A for Certain Events<br>Section D | Does the narrative description in the application identify the amount of SFA reflecting any event, the amount of SFA determined as if the event had not occurred, and confirmation that the requested SFA is no greater than the amount that would have been determined if the event had not occurred, unless the event is a contribution rate reduction and such event lessens the risk of loss to plan participants and beneficiaries? | Yes<br>No | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 42.b. | Addendum A for Certain Events<br>Section D | For a merger, is the determination of SFA as if the event had not occurred equal to the sum of the amount that would be determined for this plan and each plan merged into this plan (each as if they were still separate plans)?<br><br>Enter N/A if the event described in Checklist Item #41.a. was not a merger. | Yes<br>No<br>N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
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**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 43.a. | Addendum A for Certain Events Section D | Does the application include an additional version of Checklist Item #24 that shows the determination of SFA eligibility as if any events had not occurred? | Yes No | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 43.b. | Addendum A for Certain Events Section D | For any merger, does this item include demonstrations of SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)?<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes No N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 44.a. | Addendum A for Certain Events Section D | If the event is a contribution rate reduction and the amount of requested SFA is not limited to the amount of SFA determined as if the event had not occurred, does the application include a detailed demonstration that shows that the event lessens the risk of loss to plan participants and beneficiaries?<br><br>Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred. | Yes No N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 44.b. | Addendum A for Certain Events Section D | Does the demonstration in Checklist Item #44.a. also identify all assumptions used, supporting rationale for the assumptions and other relevant information?<br><br>Enter N/A if the plan entered N/A for Checklist Item #44.a. | Yes No N/A | | N/A - included as part of SFA App Plan Name | | | Financial Assistance Application | N/A - included as part of SFA App Plan Name |
| 45.a. | Addendum A for Certain Events Section E, Items (2) and (3) | Does the application include an additional certification from the plan's enrolled actuary with respect to the plan's SFA eligibility but with eligibility determined as if any events had not occurred? This should be in the format of Checklist Item #30 if the SFA eligibility is based on the plan status of critical and declining using a zone certification completed on or after January 1, 2021. This should be in the format of Checklist Items #31.a. and #31.b. if the SFA eligibility is based on the plan status of critical using a zone certification completed on or after January 1, 2021.<br><br>If the above SFA eligibility is not based on § 4262.3(a)(1) or § 4262.3(a)(3) or is based on a zone certification completed prior to January 1, 2021, enter N/A.<br><br>Is all relevant information contained in a single document and uploaded using the required filenaming convention? | Yes No N/A | | | N/A | | Financial Assistance Application | *SFA Elig Cert Plan Name CE* |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**SFA Amount Requested:** $116,253,045.00

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 45.b. | Addendum A for Certain Events<br>Section E, Items (2) and (3) | For any merger, does the application include additional certifications of the SFA eligibility for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans)?<br><br>If the above SFA eligibility is not based on § 4262.3(a)(1) or § 4262.3(a)(3) or is based on a zone certification completed prior to January 1, 2021, enter N/A.<br><br>Enter N/A if the event described in Checklist Item #41.a. was not a merger. | Yes<br>No<br>N/A | | | N/A | | Financial Assistance Application | *SFA Elig Cert Plan Name Merged CE*<br><br>"Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |
| 46.a. | Addendum A for Certain Events<br>Section E, Item (5) | Does the application include an additional certification from the plan's enrolled actuary with respect to the plan's SFA amount (in the format of Checklist Item #33.a.), but with the SFA amount determined as if any events had not occurred? | Yes<br>No | | | N/A | | Financial Assistance Application | SFA Amount Cert Plan Name CE |
| 46.b. | Addendum A for Certain Events<br>Section E, Item (5) | If the plan is a MPRA plan, does the certification in Checklist Item #46.a. identify the amount of SFA determined under the basic method described in § 4262.4(a)(1) and the amount determined under the increasing assets method in § 4262.4(a)(2)(i)?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is not the greatest amount of SFA under § 4262.4(a)(2), does the certification state as such?<br><br>If the amount of SFA determined under the "present value method" described in § 4262.4(a)(2)(ii) is the greatest amount of SFA under § 4262.4(a)(2), does the certification identify that amount?<br><br>Enter N/A if the plan is not a MPRA plan. | Yes<br>No<br>N/A | | N/A - included in SFA Amount Cert Plan Name CE | N/A | | N/A - included in SFA Amount Cert Plan Name | N/A - included in SFA Amount Cert Plan Name CE |
| 46.c. | Addendum A for Certain Events<br>Section E, Item (5) | Does the certification in Checklist Items #46.a. and #46.b. (if applicable) clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information? | Yes<br>No | | N/A - included in SFA Amount Cert Plan Name CE | N/A | | N/A - included in SFA Amount Cert Plan Name | N/A - included in SFA Amount Cert Plan Name CE |
| 47.a. | Addendum A for Certain Events<br>Section E, Item (5) | For any merger, does the application include additional certifications of the SFA amount determined for this plan and for each plan merged into this plan (each of these determined as if they were still separate plans*)* ?<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes<br>No<br>N/A | | | N/A | | Financial Assistance Application | *SFA Amount Cert Plan Name Merged CE*<br><br>"Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger. |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 47.b. | Addendum A for Certain Events<br>Section E, Item (5) | For any merger, do the certifications clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information?<br><br>Enter N/A if the event described in Checklist Item #42.a. was not a merger. | Yes<br>No<br>N/A | | N/A - included in SFA Amount Cert Plan Name CE | N/A | | N/A - included in SFA Amount Cert Plan Name CE | N/A - included in SFA Amount Cert Plan Name CE |
| 48.a. | Addendum A for Certain Events<br>Section E | If the event is a contribution rate reduction and the amount of requested SFA is not limited to the amount of SFA determined as if the event had not occurred, does the application include a certification from the plan's enrolled actuary (or, if appropriate, from the plan sponsor) with respect to the demonstration to support a finding that the event lessens the risk of loss to plan participants and beneficiaries?<br><br>Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred. | Yes<br>No<br>N/A | | | N/A | | Financial Assistance Application | *Cont Rate Cert Plan Name CE* |
| 48.b. | Addendum A for Certain Events<br>Section E | Does the demonstration in Checklist Item #48.a. also identify all assumptions used, supporting rationale for the assumptions and other relevant information?<br><br>Enter N/A if the event is not a contribution rate reduction, or if the event is a contribution rate reduction but the requested SFA is limited to the amount of SFA determined as if the event had not occurred. | Yes<br>No<br>N/A | | N/A - included in Cont Rate Cert Plan Name CE | N/A | | N/A - included in Cont Rate Cert Plan Name CE | N/A - included in Cont Rate Cert Plan Name CE |
| **Additional Information for Certain Events under § 4262.4(f) - Applicable Only to Any Mergers in § 4262.4(f)(1)(ii)** | | | | | | | | | |
| | | **Plans that have experienced mergers identified in § 4262.4(f)(1)(ii) must complete Checklist Items #49 through #62. If you are required to complete Checklist Items #49 through #62, your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #49 through #62. All other plans should not provide any responses for Checklist Items #49 through #62.** | | | | | | | |
| 49. | Addendum A for Certain Events<br>Section B, Item (1)a. | In addition to the information provided with Checklist Item #1, does the application also include similar plan documents and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 50. | Addendum A for Certain Events<br>Section B, Item (1)b. | In addition to the information provided with Checklist Item #2, does the application also include similar trust agreements and amendments for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 51. | Addendum A for Certain Events<br>Section B, Item (1)c. | In addition to the information provided with Checklist Item #3, does the application also include the most recent IRS determination for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Enter N/A if the plan does not have a determination letter. | Yes<br>No<br>N/A | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | N/A |
| 52. | Addendum A for Certain Events<br>Section B, Item (2) | In addition to the information provided with Checklist Item #4, for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii), does the application include the actuarial valuation report for the 2018 plan year and each subsequent actuarial valuation report completed before the application filing date? | Yes<br>No | | | N/A | Identify here how many reports are provided. | Most recent actuarial valuation for the plan | *YYYYAVR Plan Name Merged*, where "Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan. |
| 53. | Addendum A for Certain Events<br>Section B, Item (3) | In addition to the information provided with Checklist Items #5.a. and #5.b., does the application include similar rehabilitation plan information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Rehabilitation plan (or funding improvement plan, if applicable) | N/A |
| 54. | Addendum A for Certain Events<br>Section B, Item (4) | In addition to the information provided with Checklist Item #6, does the application include similar Form 5500 information for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Latest annual return/report of employee benefit plan (Form 5500) | *YYYYForm5500 Plan Name Merged*, "Plan Name Merged" is abbreviated version of the plan name for the plan merged into this plan. |
| 55. | Addendum A for Certain Events<br>Section B, Item (5) | In addition to the information provided with Checklist Items #7.a., #7.b., and #7.c., does the application include similar certifications of plan status for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | Identify how many zone certifications are provided. | Zone certification | *YYYYZoneYYYYMMDD Plan Name Merged,* where the first "YYYY" is the applicable plan year, and "YYYYMMDD" is the date the certification was prepared. "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |
| 56. | Addendum A for Certain Events<br>Section B, Item (6) | In addition to the information provided with Checklist Item #8, does the application include the most recent cash and investment account statements for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Bank/Asset statements for all cash and investment accounts | N/A |
| 57. | Addendum A for Certain Events<br>Section B, Item (7) | In addition to the information provided with Checklist Item #9, does the application include the most recent plan financial statement (audited, or unaudited if audited is not available) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | N/A | | Plan's most recent financial statement (audited, or unaudited if audited not available) | N/A |

**Application to PBGC for Approval of Special Financial Assistance (SFA)**
**APPLICATION CHECKLIST**

v20220802p

**Plan name:** Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund (SWPA)
**EIN:** 25-1046087
**PN:** 001

**SFA Amount Requested:** $116,253,045.00

Do NOT use this Application Checklist for a supplemented application. Instead use Application Checklist - Supplemented.

----------Filers provide responses here for each Checklist Item:----------

Unless otherwise specified:
YYYY = plan year
Plan Name = abbreviated plan name

**Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #1 through #38. In addition, if required to provide information due to a "certain event" (see Addendum A of the SFA Filing Instructions), your application will be considered incomplete if No is entered as a Plan Response for any Checklist Items #39.a. through #48.b. If there is a merger event described in Addendum A, your application will also be considered incomplete if No is entered as a Plan Response for any Checklist Items #49 through #62.**

Explain all N/A responses. Provide comments where noted. Also add any other optional explanatory comments.

| Checklist Item # | SFA Filing Instructions Reference | | Response Options | Plan Response | Name of File(s) Uploaded | Page Number Reference(s) | Plan Comments | In the e-Filing Portal, upload as Document Type | Use this Filenaming Convention |
|---|---|---|---|---|---|---|---|---|---|
| 58. | Addendum A for Certain Events<br>Section B, Item (8) | In addition to the information provided with Checklist Item #10, does the application include all of the written policies and procedures governing the plan's determination, assessment, collection, settlement, and payment of withdrawal liability for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Are all such items included in a single document using the required filenaming convention? | Yes<br>No | | | N/A | | Pension plan documents, all versions available, and all amendments signed and dated | *WDL Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |
| 59. | Addendum A for Certain Events<br>Section B, Item (9) | In addition to the information provided with Checklist Item #11, does the application include documentation of a death audit (with the information described in Checklist Item #11) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)? | Yes<br>No | | | | | Pension plan documents, all versions available, and all amendments signed and dated | *Death Audit Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |
| 60. | Addendum A for Certain Events<br>Section C, Item (1) | In addition to the information provided with Checklist Item #13, does the application include the same information in the format of Template 1 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Enter N/A if each plan that fully merged into this plan is not required to respond Yes to line 8b(1) on the most recently filed Form 5500 Schedule MB. | Yes<br>No<br>N/A | | | | | Financial assistance spreadsheet (template) | *Template 1 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |
| 61. | Addendum A for Certain Events<br>Section C, Item (2) | In addition to the information provided with Checklist Item #14, does the application include the same information in the format of Template 2 (if required based on the participant threshold) for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)(ii)?<br><br>Enter N/A if each plan that merged into this plan has less than 10,000 participants on line 6f of the most recently filed Form 5500. | Yes<br>No<br>N/A | | | | | Contributing employers | *Template 2 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name fore the plan merged into this plan. |
| 62. | Addendum A for Certain Events<br>Section C, Item (3) | In addition to the information provided with Checklist Item #15, does the application include similar information in the format of Template 3 for each plan that merged into this plan due to a merger described in § 4262.4(f)(1)? | Yes<br>No | | | | | Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments) | *Template 3 Plan Name Merged*, where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan. |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## ACTUARIAL VALUATION AS OF JULY 1, 2018

## FOR THE PLAN YEAR ENDING JUNE 30, 2019

**BEYER-BARBER COMPANY**
Employee Benefit and Actuarial Consultants
1136 Hamilton St., Suite 103
Allentown, PA 18101

# BEYER-BARBER COMPANY

1136 HAMILTON STREET, SUITE 103
ALLENTOWN, PENNSYLVANIA 18101

PHONE 610-435-9577
FAX 610-435-2663
www.beyerbarber.com


January 25, 2019

Board of Trustees
Southwestern Pennsylvania and
Western Maryland Area Teamsters
and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

**Re: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund Actuarial Valuation as of July 1, 2018**

Gentlemen:

The following report summarizes the actuarial valuation results of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2018. We have previously certified that the Plan is in Critical and Declining Status for the 2018-2019 plan year. The Trustees have developed and implemented a Rehabilitation Plan in order to satisfy the funding improvement objectives set forth in PPA.

The interest adjusted value of expected 2018-2019 employer contributions of $6,142,000 are not sufficient to pay Normal Cost, plan expenses and amortize the plan's Unfunded Accrued Liability over any period of time. As a result, the Unfunded Accrued Liability is expected to increase from $151,539,392 to $158,310,775 and the Funding Standard Account Funding Deficiency is projected to increase from $70,722,706 as of June 30, 2018 to a Funding Deficiency of $85,082,387 as of June 30, 2019.

Prior to the passage of the Pension Protection Act of 2006, this would have resulted in a 100% excise tax on contributing employers. However, PPA permits employers to avoid the excise tax as long as the Trustees have taken all reasonable measures to forestall insolvency within the Rehabilitation Plan.

This valuation will form the basis of forecast projections that will permit us to re-measure the funded status of the Plan as of July 1, 2019 as required by PPA. Once the 2018-2019 investment return, contributions, expenses and benefit payments can be reasonably estimated, we will be in a position to proceed with the necessary projections.

The information contained in this report and the contribution levels we have determined are based on the following:

1. Retired, Active, Inactive Vested and Inactive Non-Vested census data received from Innovative Software Solutions, Inc. and the Fund office;

2. Financial data prepared by DiClaudio & Kramer, L.L.C. Certified Public Accountants;

3. Plan provisions in the Amended and Restated Plan Document effective July 1, 2014 including Amendment #1 adopted January 20, 2017.

We look forward to reviewing the details of the report with you at the Trustees Meeting.

Very truly yours,

Randee W. Sekol, EA, MAAA, MSPA, FCA
CEO and Chief Actuary

RWS/cg

**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA**
**TEAMSTERS AND EMPLOYERS PENSION FUND**

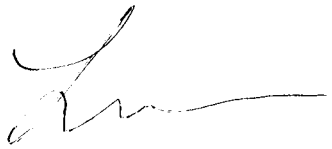
**AS OF JULY 1, 2018**

## ACTUARY'S OPINION

This report has been prepared in accordance with generally accepted actuarial principles and practices. The present values shown herein have been estimated on the basis of actuarial assumptions and methods which, in my actuarial opinion, are appropriate for the various purposes of this report and represent the best available estimate of anticipated experience under the plan.

References to the plan provisions, census data, plan assets and other matters are contained elsewhere in this report.

BEYER-BARBER COMPANY



Lawrence C. Brisman, E.A. #17-04972
Member American Academy of Actuaries
Member of the American Society of Pension Professionals and Actuaries

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## HIGHLIGHTS OF THE JULY 1, 2018 VALUATION REPORT

## A. INTRODUCTION

Beyer-Barber Company was retained by the Board of Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund to perform an actuarial valuation of the Fund as of July 1, 2018.

The following are the highlights of the July 1, 2018 annual actuarial valuation report. Please refer to the appropriate sections of this report for valuation details.

## B. 2017-2018 PLAN EXPERIENCE

The Fund as a whole experienced an actuarial loss during the 2017-2018 plan year of $1,582,744. Actuarial gains or losses result from deviations between actual plan experience and actuarial assumptions. The 4.5% rate of return on the actuarial value of assets was less than the actuarially assumed interest rate of 7.5% and resulted in an asset loss of $1,725,186; however, this loss was offset by an actuarial gain of $142,442 (0.1% of liabilities) due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement.

Contributions received by the Fund during the 2017-2018 plan year totaled $6,710,030. These contributions were made up of normal employer contributions of $6,081,900, and employer withdrawal liability payments of $628,130. These contributions resulted in an increase in the Funding Deficiency from $57,742,481 as of July 1, 2017 to a Funding Deficiency of $70,722,706 as of July 1, 2018.

As reported in the July 1, 2017 valuation we projected the 2017-2018 employer contributions were insufficient to pay normal cost, plan expenses, and amortize the Unfunded Accrued Liability over any period.

## C. 2018 VALUATION CHANGES

The Pension Protection Act of 2006 (PPA) was effective for the plan beginning July 1, 2008. We have previously certified that the Plan is in Critical and Declining Status for the 2018-2019 plan year. The Trustees have previously developed and implemented a Rehabilitation Plan and updates in accordance with PPA. That Rehabilitation Plan will have to be updated again this year.

The mortality tables were updated to the SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2017 for healthy lives and the SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

## D. EXECUTIVE SUMMARY

The following are significant observations from the detailed valuation results:

- Expected contributions continue to be insufficient to satisfy Normal Cost (including administrative expenses), and amortize the Unfunded Accrued Liability over any period.

- Expected contributions will increase the Funding Standard Account Funding Deficiency from $70,722,706 as of July 1, 2018 to an estimated $85,082,387 as of July 1, 2019.

- The PPA funded percentage has decreased from 29.9% as of July 1, 2017 to 27.0% as of July 1, 2018.

The following is a summary of the principal results of the July 1, 2018 Valuation compared with the results of the July 1, 2017 Valuation. The development of these items for the July 1, 2018 valuation is shown in the appropriate sections of the report.

## D. EXECUTIVE SUMMARY, (cont'd)

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2017 | July 1, 2018 |
| **SECTION I - PLAN YEAR IN REVIEW** | | |
| **1. Employer Contributions** | $6,550,203 | $6,710,030 |
| **2. Credit Balance/(Funding Deficiency) with Extension** | ($57,742,481) | ($70,722,706) |
| **3. Credit Balance/(Funding Deficiency) without Extension** | ($79,000,458) | ($93,327,488) |
| **4. PPA Funded Percentage** | 29.9% | 27.0% |
| **5. Market Value of Assets** | $60,748,691 | $56,100,848 |
| **6. Actuarial Value of Assets** | $62,957,323 | $55,965,719 |
| **SECTION II - VALUATION RESULTS** | | |
| **1. Unfunded Accrued Liability** | | |
| A. Actuarial Accrued Liability | $210,658,813 | $207,505,111 |
| B. Valuation Assets | 62,957,323 | 55,965,719 |
| C. Unfunded Accrued Liability | $147,701,490 | $151,539,392 |
| **2. Normal Cost** | $1,612,776 | $1,654,189 |
| **3. Contribution Levels** | | |
| A. Minimum Before Credit Balance | $77,684,361 | $91,454,712 |
| B. Minimum After Credit Balance | $77,684,361 | 91,454,712 |
| C. Maximum Deductible | $413,667,168 | $420,255,733 |
| D. Expected Contributions | $6,112,000 | $6,142,000 |
| E. Expected Funding Level | <<Insufficient>> | <<Insufficient>> |

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2017 | July 1, 2018 |
| **SECTION III - ACTUARIAL DISCLOSURE** | | |
| **Accumulated Benefits for Audit Purposes** | | |
| 1. P.V. of All Accumulated Benefits | $211,379,386 | $208,235,154 |
| 2. M.V. of Assets | 60,748,691 | 56,100,848 |
| 3. Unfunded Accumulated Benefits | $150,630,695 | $152,134,306 |
| 4. P.V. of Accumulated Vested Benefits | $209,651,761 | $206,573,374 |
| 5. M.V. of Assets | 60,748,691 | 56,100,848 |
| 6. Unfunded Accumulated Vested Benefits | $148,903,070 | $150,472,526 |
| **SECTION IV - PARTICIPANT DATA** | | |
| **1. Active** | 505 | 488 |
| **2. Retired** | 1,625 | 1,612 |
| **3. Terminated Vested** | 811 | 790 |
| **4. Total Participants** | 2,941 | 2,890 |
| **SECTION V - GAO RATIOS** | | |
| **1. Assets to Vested Benefits** | 0.29 | 0.27 |
| **2. Assets to Benefit Payout** | 4.11 | 3.84 |
| **3. Income to Expenses** | 0.74 | 0.72 |
| **4. Actives to Other Participants** | 0.21 | 0.20 |

# TABLE OF CONTENTS


| | PAGE |
|---|---|
| **SECTION I – 2017 PLAN YEAR IN REVIEW** | 1 |
| EXHIBIT 1 - 2017 PLAN YEAR CONTRIBUTIONS | 4 |
| EXHIBIT 2 - STATEMENT OF FUNDING STANDARDS | 5 |
| EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS | 6 |
| EXHIBIT 4 - DETERMINATION OF ACTUARIAL VALUE OF ASSETS | 7 |
| EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN | 8 |
| EXHIBIT 6 - ACTUARIAL VS. MARKET VALUE OF ASSETS | 9 |
| **SECTION II - JULY 1, 2018 VALUATION RESULTS** | 10 |
| EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY | 13 |
| EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS | 14 |
| EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING | 15 |
| EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR CRITICAL TESTING | 16 |
| EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY | 17 |
| EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMIT | 18 |
| EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS | 19 |
| **SECTION III - ACTUARIAL DISCLOSURE INFORMATION** | 20 |
| EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS | 22 |
| EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES | 23 |
| EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS | 24 |
| **SECTION IV - PARTICIPANT DATA** | 25 |
| EXHIBIT 17 - ANALYSIS OF ACTIVE PARTICIPANT DATA | 27 |
| EXHIBIT 18 - ANALYSIS OF RETIRED AND TERM VESTED LIVES | 28 |
| EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS | 29 |




## TABLE OF CONTENTS (cont'd)


| | PAGE |
|---|---|
| **SECTION IV - PARTICIPANT DATA, Continued** | |
| EXHIBIT 20 - ACTIVE VS RETIRED & TERM VESTED MEMBERS | 30 |
| **SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS** | 31 |
| EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO | 33 |
| EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO | 34 |
| EXHIBIT 23 - INCOME TO EXPENSES RATIO | 35 |
| EXHIBIT 24 - ACTIVE TO OTHER PARTICIPANTS RATIO | 36 |
| **SECTION VI - ACTUARIAL VALUATION METHODS** | 37 |
| EXHIBIT 25 - ACTUARIAL VALUATION METHODS | 39 |
| **SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS** | 40 |
| EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS | 42 |
| **SECTION VIII - SALIENT FEATURES** | 44 |

# SECTION I

# 2017 PLAN YEAR IN REVIEW

## SECTION I - 2017 PLAN YEAR IN REVIEW

This Section of the report provides information on how the Fund has fared during the 2017 plan year, since the preparation of the July 1, 2017 actuarial valuation report.

**EXHIBIT 1 - 2017 PLAN YEAR CONTRIBUTIONS** - details the contributions that were made during plan year 2017 by source. Note that of the $6,710,030 in total 2017 contributions, $6,081,900 are accounted for by collectively bargained employer contributions, and $628,130 are accounted for by withdrawal liability payments.

**EXHIBIT 2 - STATEMENT OF FUNDING STANDARD ACCOUNT** - reflects the development of the Minimum Funding Standard Account Credit Balance for the plan year ending June 30, 2018. As we had projected, the total employer contributions of $6,710,030 fell short of the amount necessary to improve the Funding Standard Account which has increased from a Funding Deficiency of $57,742,481 to a Funding Deficiency of $70,722,706.

**EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS** - the bar chart illustrates a comparison of actual contributions versus minimum contribution requirements before consideration of the Funding Standard Account Credit Balance for each of the last ten (10) plan years. Note that the increase in the minimum contribution level relative to actual contributions beginning in 2012 is due to the Funding Standard Account Credit Balance Deficiency.

**EXHIBIT 4 - DETERMINATION OF THE ACTUARIAL VALUE OF ASSETS** - shows the development of the Actuarial Value of Assets based on a 4-year deferred recognition of asset gains and losses. This method was first adopted in the July 1, 2001 Valuation as a means of smoothing out substantial investment losses and preserving the Funding Standard Account Credit Balance as long as possible. For this July 1, 2018 valuation, the Actuarial Value of Assets used for funding is 99.76% of the actual Market Value.

Because the portion of gains deferred from the 2016 and 2017 returns above 7.5% did exceed the remaining portion of the loss deferred from the 2015 return below 8%, there is a net deferred gain of $135,129.

**EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN -** provides a comparison of estimated actuarial rates of return on the market and actuarial value of plan assets. These returns are determined assuming that all transactions occur mid-year. As a result, they will be close, but will not match the time-weighted returns calculated by the investment analyst.

**EXHIBIT 6 – ACTUARIAL VS. MARKET VALUE OF ASSETS** – This is a graphic representation of how the Actuarial Value of Assets (in blue) attempts to smooth out the fluctuations in the Market Value of Assets (in red). When actual investment returns are higher than the assumed 7.5% return, the method reflects an Actuarial Value of Assets that is below the Market Value of Assets and vice versa. Since the 2016 and 2017 plan years had investment gains (above 7.5%) that were more than the investment losses for the 2015 plan years (below 8%), the July 1, 2018 Actuarial Value is less than the Market Value.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## 2017 PLAN YEAR CONTRIBUTIONS

| | | |
|---|---|---|
| 1. Employer Contributions | $6,081,900 | |
| 2. MPPAA Withdrawal Liability Payments | 628,130 | |
| 3. Total Employer Contributions Received | | **$6,710,030** |
| 4. Employee Contributions | | 0 |
| 5. Total Contributions | | **$6,710,030** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF FUNDING STANDARD ACCOUNT FOR THE PLAN YEAR ENDING 6/30/2018

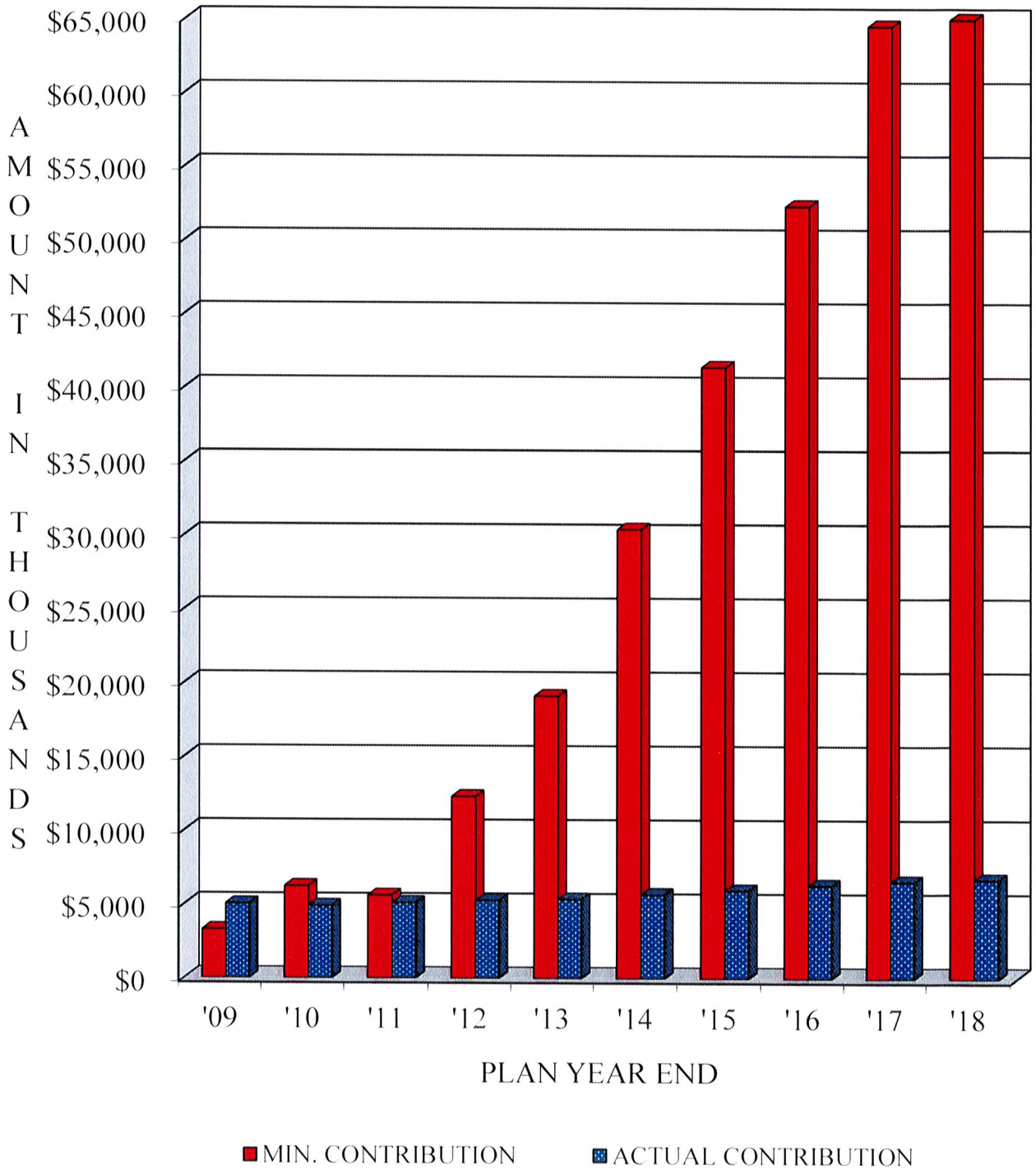
| CHARGES: | WITHOUT 5 YEAR AMORTIZATION EXTENSION* | WITH 5 YEAR AMORTIZATION EXTENSION** |
|---|---|---|
| 1. Prior Year Funding Deficiency | $79,000,458 | $57,742,481 |
| 2. Employer Normal Cost | 1,612,776 | 1,612,776 |
| 3. Amortization Charges | 14,629,332 | 14,859,604 |
| 4. Interest | 7,143,192 | 5,566,115 |
| 5. Total Charges | $102,385,758 | $79,780,976 |
| **CREDITS:** | | |
| 6. Prior Year Credit Balance | $0 | $0 |
| 7. Employer Contributions | 6,710,030 | 6,710,030 |
| 8. Amortization Credits | 1,950,339 | 1,950,339 |
| 9. Interest | 397,901 | 397,901 |
| 10. Full Funding Credit | 0 | 0 |
| 11. Total Credits | $9,058,270 | $9,058,270 |
| **CREDIT BALANCE:** | | |
| 12. Credit Balance | **$0** | **$0** |
| 13. Funding Deficiency | **($93,327,488)** | **($70,722,706)** |

* For Critical Testing Purposes.

** For Minimum Funding Standard Account Purposes

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

MINIMUM CONTRIBUTION VS ACTUAL CONTRIBUTION



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF ACTUARIAL VALUE OF ASSETS

| | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|---|---|---|---|
| 1. Market Value on 7/1 | $81,357,715 | $73,285,625 | $64,924,946 | $60,748,691 |
| 2. Non-Invest. Income | 5,955,874 | 6,303,120 | 6,550,203 | 6,710,030 |
| 3. Benefits & Expenses | (15,999,789) | (16,169,475) | (16,305,200) | (16,337,227) |
| 4. Actual Return | 1,971,825 | 1,505,676 | 5,578,742 | 4,979,354 |
| 5. Market Value 6/30 | $73,285,625 | $64,924,946 | $60,748,691 | $56,100,848 |
| 6. Assumed Int. Rate | 8.00% | 8.00% | 7.50% | 7.50% |
| 7. Expected Return | $6,106,861 | $5,468,196 | $4,503,559 | $4,195,132 |
| 8. Gain (Loss) | (4,135,036) | (3,962,520) | 1,075,183 | 784,222 |
| 9. Deferral Percentage | 0% | 25% | 50% | 75% |
| 10. Def. Gain/(Loss) | $0 | ($990,630) | $537,592 | $588,167 |
| 11. Total Gain/(Loss) Deferred on 6/30 | | | | $135,129 |
| 12. Preliminary Actuarial Value of Assets on 6/30 | | | | $55,965,719 |
| 13. 80% of Market Value of Assets | | | | $44,880,678 |
| 14. 120% of Market Value of Assets | | | | $67,321,018 |
| **15. Actuarial Value on 6/30 (#12 but not less than #13 nor greater than #14)** | | | | **$55,965,719** |
| (Actuarial Value as a percentage of Market Value) | | | | 99.76% |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

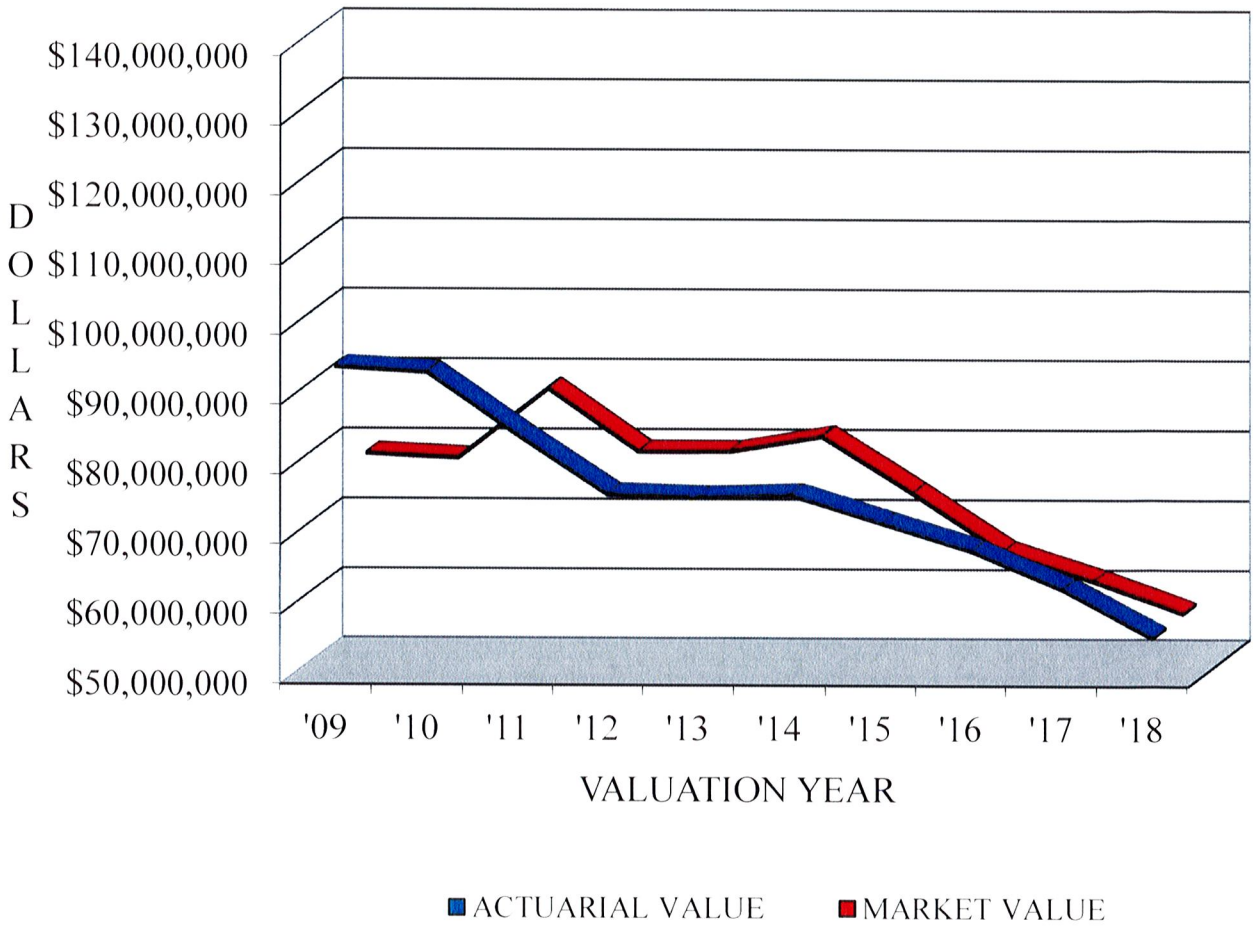
## CALCULATION OF ACTUARIAL RATES OF RETURN ON PLAN ASSETS

| | Plan Year Ending 6/30/2018 | |
|---|---|---|
| | **Market Value** | **Actuarial Value** |
| 1. Beginning Assets | $60,748,691 | $62,957,323 |
| 2. Non-Investment Increment: | | |
| A. Contribution Received | $6,710,030 | $6,710,030 |
| B. Benefits Paid | (15,799,913) | (15,799,913) |
| C. Non-Investment Expenses | (537,314) | (537,314) |
| D. Net Increment | ($9,627,197) | ($9,627,197) |
| 3. Investment Increment: | | |
| A. Investment Income | $1,268,595 | $1,268,595 |
| B. Realized & Unrealized Gains (Losses) | 3,838,920 | 1,495,159 |
| C. Investment Expenses | (128,161) | (128,161) |
| D. Net Increment | $4,979,354 | $2,635,593 |
| 4. Ending Assets | $56,100,848 | $55,965,719 |
| 5. Average Asset Value | $55,935,092 | $58,143,724 |
| 6. Actuarial Rate of Return | **8.9%** | **4.5%** |

NOTE: This approximation is intended to indicate whether investment return has been a source of actuarial gain or loss, and is not intended to be taken as an evaluation of investment managers' performance.

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTUARIAL VS MARKET VALUE OF ASSETS



# SECTION II

# JULY 1, 2018
# VALUATION RESULTS

## SECTION II - JULY 1, 2018 VALUATION RESULTS

This Section of the report reflects the application of actuarial assumptions and methods to the plan assets, plan participants and plan provisions, with the purpose of developing actuarial liabilities and funding levels.

**EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY** - this Exhibit determines the 2018 Expected Unfunded Accrued Liability based on the 2017 valuation and contribution information, and compares it to the 2018 Actual Unfunded Accrued Liability in order to determine whether the Fund has experienced an actuarial gain or loss during the 2017 plan year.

The Unfunded Accrued Liability has been increased by an actuarial loss of $1,582,744. This amount is made up of a $1,725,186 actuarial loss due to investment return below the 7.5% assumption, as well as a $142,442 actuarial gain due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement. This change will be set up as "charge" unfunded base to be amortized over 15 years for minimum funding purposes.

The Unfunded Accrued Liability has been reduced by $3,594,532 due to a change in the mortality assumption. This amount will be set up as a "credit" unfunded base to be amortized over 15 years for minimum funding purposes.

**EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS** - this graphic illustrates how successful the funding objectives are being met. One goal of a funding method is to slowly reduce the Unfunded Accrued Liability. The closer the plan assets to the Accrued Liability, the less Unfunded Accrued Liability is left to fund. Generally speaking, the proximity of the two lines is in direct relationship to the level of each years' investment gains (closer together) or losses (farther apart) and to the impact of benefit improvements or changes in actuarial assumptions. The lines have grown slightly farther apart this year as a result of changes in actuarial assumptions.

**EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING** - displays the maintenance of amortization bases for determination of Minimum Contribution Requirements of ERISA as used and certified to on the Schedule MB attachment to Form 5500. This report reflects the approval of the 5 year automatic extension of amortizing the unfunded liabilities as of July 1, 2008.

**EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR PPA STATUS TESTING** - displays the maintenance of amortization bases prior to extension for determination of Critical Status testing as required by PPA.



**EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY** - displays the maintenance of amortization bases used in the determination of the Maximum Tax Deductible Level of contributions in accordance with Internal Revenue Code. Note that we have combined all bases into one amount. This combination has no impact on the Maximum Tax Deductible Contribution since that level is determined by the higher amount of the Unfunded Current Liability of the Plan.

**EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMITATION** - reflects the determination of an upper limit on the otherwise determined Maximum Tax Deductible Contribution Level. This limitation was originally intended to prevent employers from making tax deductible contributions to a plan that was otherwise determined to be ahead of a normal funding schedule. Due to the recent funding problems of defined benefit plans nationwide, Congress has changed the rules to increase the limits encouraging plan sponsors to make higher deductible contributions. For the 2018 plan year, the Full Funding Limits have no impact on the otherwise determined Maximum Tax Deductible Level of contributions based on the value of Unfunded Current Liability.

**EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS** - this exhibit summarizes the Minimum Required Contribution and Maximum Tax Deductible Contribution Levels for plan year 2018-2019. The Normal Cost which reflects the cost of benefits expected to be earned during the upcoming plan year has increased from $1,612,776 in 2017 to $1,654,189 in 2018.

The interest adjusted Expected 2018 Contribution Level of $6,142,000 is not sufficient to satisfy the Minimum Funding Level.

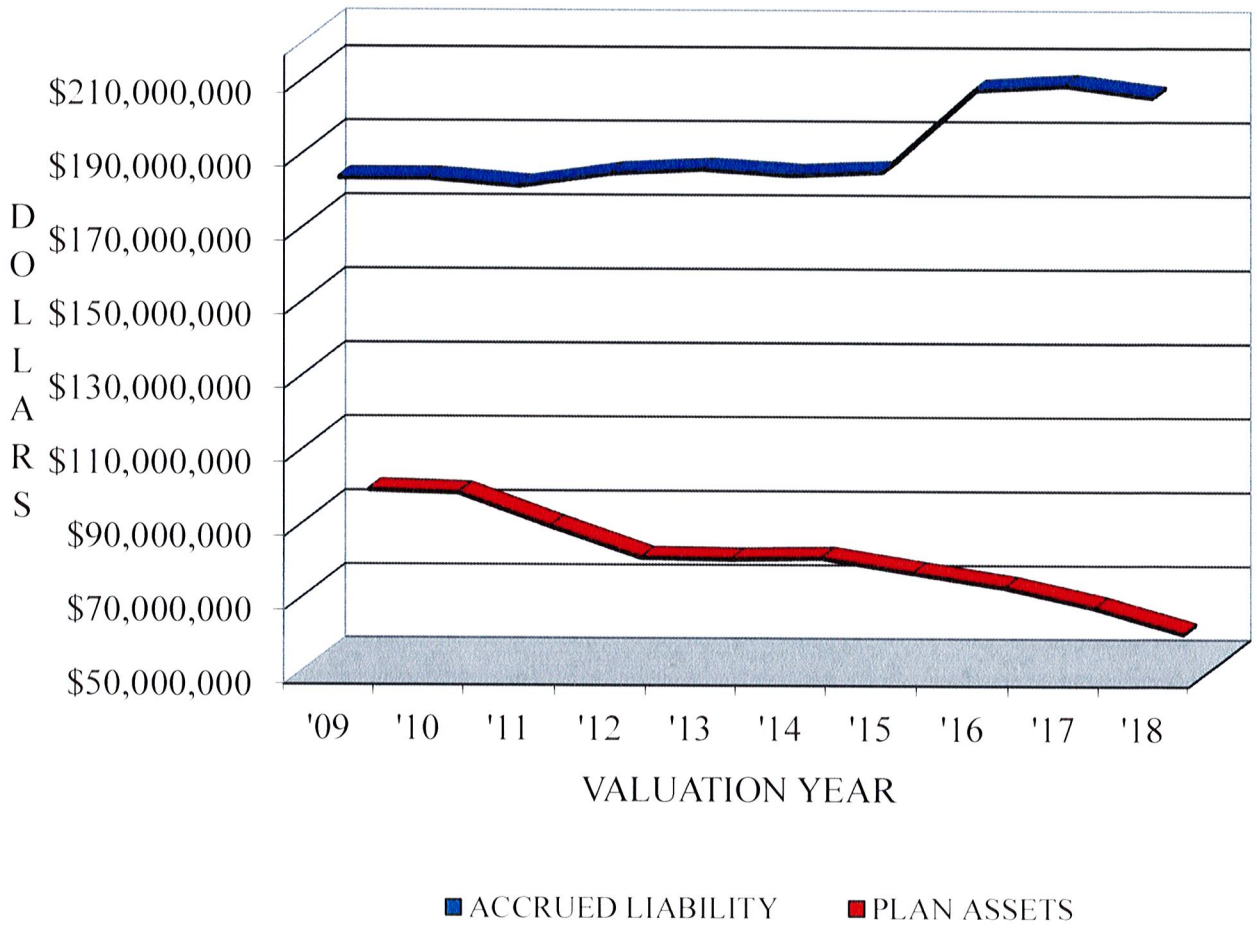
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF UNFUNDED ACCRUED LIABILITY AND ACTUARIAL GAIN (LOSS)

| | | |
|---|---|---|
| 1. Determination of Expected Unfunded Accrued Liability | | |
| A. Prior Year Unfunded | $147,701,490 | |
| B. Prior Year Normal Cost | 1,612,776 | |
| C. Prior Year Contribution | 6,710,030 | |
| D. Full Funding Credit | 0 | |
| E. Interest | 10,946,944 | |
| F. Changes During Year | (3,594,532) | |
| G. Total Expected Unfunded [A+B-C+E+F] | | $149,956,648 |
| 2. Determination of Actual Accrued Liability | | |
| A. Retired Participants | $145,124,686 | |
| B. Terminated Vested Participants | 25,878,285 | |
| C. Active Participants | 36,502,140 | |
| D. Total Actual Accrued Liability [A+B+C] | | $207,505,111 |
| 3. Actuarial Value of Assets | | $55,965,719 |
| 4. Unfunded Accrued Liability | | **$151,539,392** |
| 5. Actuarial Gain (Loss) [1G - 4] | | **($1,582,744)** |

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACCRUED LIABILITY VS PLAN ASSETS



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING INCLUDING 5 YEAR AMORTIZATION EXTENSION FOR MINIMUM FUNDING STANDARD ACCOUNT PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2018 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1991 | Method | $11,555,329 | $2,019,838 | 3 | $722,515 |
| 7/1/1994 | Assumpt. | 1,248,331 | 697,217 | 11 | 88,659 |
| 7/1/1996 | Amend. | 760,219 | 480,829 | 13 | 55,045 |
| 7/1/1997 | Amend. | 2,171,813 | 1,446,391 | 14 | 158,494 |
| 7/1/1998 | Amend. | 7,460,168 | 5,201,927 | 15 | 548,197 |
| 7/1/1998 | Assumpt. | 6,376,259 | 4,446,122 | 15 | 468,548 |
| 7/1/2000 | Amend. | 2,587,036 | 1,950,134 | 17 | 192,292 |
| 7/1/2001 | Act. Loss | 3,678,172 | 801,823 | 3 | 286,820 |
| 7/1/2001 | Amend. | 1,847,883 | 1,439,940 | 18 | 138,005 |
| 7/1/2002 | Act. Loss | 5,393,899 | 1,575,102 | 4 | 437,465 |
| 7/1/2003 | Act. Loss | 14,165,461 | 5,159,583 | 5 | 1,186,295 |
| 7/1/2004 | Act. Loss | 13,852,080 | 6,010,872 | 6 | 1,191,243 |
| 7/1/2005 | Act. Loss | 8,940,030 | 4,475,895 | 7 | 786,094 |
| 7/1/2006 | Act. Loss | 6,941,069 | 3,915,883 | 8 | 621,904 |
| 7/1/2007 | Act. Loss | 2,822,798 | 1,762,338 | 9 | 257,002 |
| 7/1/2007 | Assumpt. | 6,098,359 | 5,481,254 | 24 | 464,250 |
| 7/1/2008 | Act. Loss | 3,609,069 | 2,458,198 | 10 | 333,139 |
| 7/1/2009 | Act. Loss | 24,996,946 | 13,448,840 | 6 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 5,390,338 | 8 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 5,766,930 | 9 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 733,897 | 12 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 971,212 | 13 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 19,350,351 | 13 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 22,461 | 14 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,315,677 | 14 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,582,744 | 15 | 166,795 |
| | Sub-Total | | $97,905,796 | | $15,026,399 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $2,165,048 | 7 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 3,421,765 | 8 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 2,524,660 | 10 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 4,269,750 | 11 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 1,113,355 | 11 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,594,532 | 15 | 378,804 |
| | Sub-Total | | $17,089,110 | | $2,329,143 |
| **Net Charges:** | | | **$80,816,686** | | **$12,697,256** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION PLAN
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING WITHOUT 5 YEAR AMORTIZATION EXTENSION FOR CRITICAL TESTING PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2018 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1994 | Assumpt. | $1,248,331 | $510,663 | 6 | $101,203 |
| 7/1/1996 | Amend. | 760,219 | 386,667 | 8 | 61,409 |
| 7/1/1997 | Amend. | 2,171,813 | 1,200,924 | 9 | 175,131 |
| 7/1/1998 | Amend. | 7,460,168 | 4,431,473 | 10 | 600,561 |
| 7/1/1998 | Assumpt. | 6,376,259 | 3,787,613 | 10 | 513,304 |
| 7/1/2000 | Amend. | 2,587,036 | 1,726,269 | 12 | 207,599 |
| 7/1/2001 | Amend. | 1,847,883 | 1,293,359 | 13 | 148,062 |
| 7/1/2004 | Act. Loss | 13,852,080 | 1,491,862 | 1 | 1,491,861 |
| 7/1/2005 | Act. Loss | 8,940,030 | 1,854,571 | 2 | 960,801 |
| 7/1/2006 | Act. Loss | 6,941,069 | 2,081,102 | 3 | 744,430 |
| 7/1/2007 | Act. Loss | 2,822,798 | 1,087,857 | 4 | 302,139 |
| 7/1/2007 | Assumpt. | 6,098,359 | 5,189,338 | 19 | 484,713 |
| 7/1/2008 | Act. Loss | 3,609,069 | 1,676,867 | 5 | 385,546 |
| 7/1/2009 | Act. Loss | 24,996,946 | 13,448,840 | 6 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 5,390,338 | 8 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 5,766,930 | 9 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 733,897 | 12 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 971,212 | 13 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 19,350,351 | 13 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 22,461 | 14 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,315,677 | 14 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,582,744 | 15 | 166,795 |
| | Sub-Total | | $75,301,015 | | $13,267,191 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $2,165,048 | 7 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 3,421,765 | 8 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 2,524,660 | 10 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 4,269,750 | 11 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 1,113,355 | 11 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,594,532 | 15 | 378,804 |
| | Sub-Total | | $17,089,110 | | $2,329,143 |
| **Net Charges:** | | | **$58,211,905** | | **$10,938,048** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY

| Date Estab. | Source | Original Amt. | Unamortized | Limit Adj. |
|---|---|---|---|---|
| **Charges:** | | | | |
| 7/1/2018 | Fresh Start | $151,539,392 | $151,539,392 | $20,536,891 |
| | **Sub-Total** | | **$151,539,392** | **$20,536,891** |
| **Credits:** | | | | |
| None | | | | |
| **Net Charges:** | | | **$151,539,392** | **$20,536,891** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF FULL FUNDING LIMITATION FOR PLAN YEAR ENDING 6/30/2019

**Actuarial Values**

| | |
|---|---|
| 1. Accrued Liability | $207,505,111 |
| 2. Normal Cost | 1,654,189 |
| 3. RPA '94 Current Liability | 334,596,096 |
| 4. RPA '94 Expected Increase | 2,958,414 |
| 5. Expected RPA '94 Benefit Payments | 16,495,695 |
| 6. Market Value of Assets | 56,100,848 |
| 7. Actuarial Value of Assets | 55,965,719 |

**Accrued Liability Full Funding Limitation**

| | |
|---|---|
| 1. Minimum Funding Limitation | $164,683,100 |
| 2. Maximum Funding Limitation | 164,683,100 |

| | |
|---|---|
| **RPA '94 Full Funding Limitation** | $254,785,812 |
| **Minimum Contribution Full Funding Limitation** | $254,785,812 |
| **Maximum Contribution Full Funding Limitation** | $254,785,812 |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## MINIMUM AND MAXIMUM CONTRIBUTION LEVELS FOR PLAN YEAR ENDING 6/30/2019 (REFLECTS 5 YEAR AMORTIZATION EXTENSION)

| | | |
|---|---|---|
| **Minimum Required Contribution Level** | | |
| 1. Accumulated Funding Deficiency | $70,722,706 | |
| 2. Normal Cost | $1,654,189 | |
| 3. Net Amortization Charges | 12,697,256 | |
| 4. Interest | 6,380,561 | |
| 5. Minimum Before Credit Balance [1+2+3+4] | | **$91,454,712** |
| 6. Credit Balance | $0 | |
| 7. Interest | 0 | |
| 8. Minimum Required After Credit Balance [5-6-7] | | **$91,454,712** |
| **Maximum Tax Deductible Level** | | |
| 1. Normal Cost | $1,654,189 | |
| 2. Net Amortization Charges | 20,536,891 | |
| 3. Interest | 1,664,331 | |
| 4. Total [1+2+3] | **$23,855,411** | |
| 5. Maximum Full Funding Limitation | 254,785,812 | |
| 6. Amount to Fund 140% of Current Liability | 420,255,733 | |
| 7. Maximum Tax Deductible Level | | **$420,255,733** |
| **Expected 2018 Contributions** | | **$6,142,000** |
| **Expected 2018 Contribution Level is sufficient to Satisfy Normal Cost, Plan Expenses and Amortize the Unfunded Liability over:** | | **<<Insufficient>>** |

# SECTION III

# ACTUARIAL DISCLOSURE INFORMATION

## SECTION III - ACTUARIAL DISCLOSURE INFORMATION

This Section provides certain plan actuarial information that is required to be disclosed in the plan's financial audited statement of assets.

**EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS** - these disclosures of the accumulated value of plan benefits on a vested and non-vested basis are required to be disclosed in the financial audit of the plan.

**EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES** - provides a pie chart which shows the relative portions of plan accumulated benefits by category of participant. Note that the largest portion of accumulated benefits is attributed to retired participants in pay status at 69.7%. Adding their percentage to that of the terminated vested participants shows that 82.1% of all accumulated benefits are attributed to inactive plan participants.

**EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS** - this schedule is also an accounting disclosure required to be reflected in the financial audit of the plan. It is intended to provide a reconciliation of the value of accumulated plan benefits from beginning to end of plan year.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

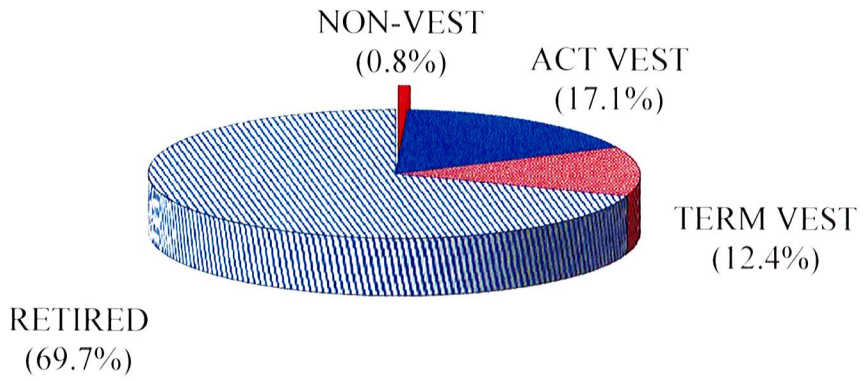
## ONGOING PLAN BASIS AS OF 7/1/2018

| | Total | Vested |
|---|---|---|
| 1. Retired Participants | $145,124,686 | $145,124,686 |
| 2. Terminated Vested Participants | 25,878,285 | 25,878,285 |
| 3. Terminated Non-Vested Participants | 730,043 | 0 |
| 4. Active Participants | 36,502,140 | 35,570,403 |
| 5. Total | $208,235,154 | $206,573,374 |
| 6. Assets at Market Value | $56,100,848 | $56,100,848 |
| 7. Excess Value of Benefits | $152,134,306 | $150,472,526 |

The values on this page comply with the Pension Fund Recommendations A(6) and A(7) of the Academy of Actuaries, as clarified by Academy Interpretation 1 and 2. The calculation reflects all assumptions shown in the Actuarial Assumptions Section of this report.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ANALYSIS OF ACCUMULATED BENEFIT VALUES



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF CHANGES IN ACCUMULATED BENEFITS ONGOING PLAN BASIS AS OF 7/1/2018

| | | |
|---|---|---|
| 1. Actuarial Present Value of Accumulated Plan Benefits at Beginning of Plan Year | | $211,379,386 |
| 2. Increase (Decrease) During the Plan Year Attributible to: | | |
| A. Plan Amendment and Changes in Actuarial Assumptions | ($3,594,532) | |
| B. Benefits Accumulated | 978,545 | |
| C. Increase for Interest Due to the Decrease in the Discount Period | 15,271,668 | |
| D. Benefits paid | (15,799,913) | |
| E. Net Changes [A+B+C-D] | | ($3,144,232) |
| 3. Actuarial Present Value of Accumulated Plan Benefits at End of Plan Year | | $208,235,154 |

# SECTION IV

# PARTICIPANT DATA

## SECTION IV - PARTICIPANT DATA

Section IV provides summaries of the plan's participant data which was used for the determination of projected benefit liabilities.

**EXHIBIT 17 – ANALYSIS OF ACTIVE PARTICIPANT DATA** – displays an age and service breakdown of the current active participant population.

**EXHIBIT 18 – ANALYSIS OF RETIRED AND TERM VESTED LIVES** – displays counts, average annual benefits and average ages by retiree type.

**EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS** – shows projected benefit payments for the next ten plan years.

**EXHIBIT 20 – ACTIVE VS. RETIRED & TERM VESTED MEMBERS** – shows the relationship between active participants for whom contributions are being made vs. inactive participants. Note that the drop in the number of actives in 2013 is due to the withdrawal of Uniontown Hospital.

EXHIBIT 17

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE MEMBER AGE AND SERVICE DISTRIBUTION AS OF 7/1/2018

| | .....YEARS OF BENEFIT CREDITED SERVICE..... | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| AGES | <5 | 5- 9 | 10-14 | 15-19 | 20-24 | 25-29 | >=30 | TOTALS |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 - 24 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| 25 - 29 | 15 | 3 | 0 | 0 | 0 | 0 | 0 | 18 |
| 30 - 34 | 13 | 12 | 4 | 0 | 0 | 0 | 0 | 29 |
| 35 - 39 | 30 | 9 | 19 | 1 | 0 | 0 | 0 | 59 |
| 40 - 44 | 8 | 9 | 7 | 8 | 3 | 0 | 0 | 35 |
| 45 - 49 | 14 | 4 | 12 | 18 | 8 | 0 | 0 | 56 |
| 50 - 54 | 15 | 15 | 14 | 18 | 12 | 16 | 2 | 92 |
| 55 - 59 | 8 | 2 | 14 | 19 | 20 | 19 | 7 | 89 |
| 60 - 64 | 10 | 10 | 17 | 9 | 17 | 10 | 18 | 91 |
| OVER 64 | 1 | 0 | 3 | 1 | 3 | 3 | 5 | 16 |
| TOTALS | 117 | 64 | 90 | 74 | 63 | 48 | 32 | 488 |

AVERAGE AGE= 49.8 AVERAGE BENEFIT SERVICE= 14.3

EXHIBIT 18

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

RETIRED AND TERM VESTED LIVES

AS OF 7/1/2018

| | REGULAR | DISABILITY | SURVIVOR | TOTAL |
|---|---|---|---|---|
| | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE |
| NORMAL | 444<br>11,211<br>74 | 5<br>2,670<br>77 | 429<br>5,509<br>78 | 878<br>8,376<br>76 |
| EARLY | 197<br>10,934<br>69 | 0<br>0<br>0 | 0<br>0<br>0 | 197<br>10,934<br>69 |
| JOINT SURVIVOR | 543<br>11,726<br>74 | 3<br>2,259<br>67 | 0<br>0<br>0 | 546<br>11,674<br>74 |
| TERM VEST | 781<br>6,194<br>53 | 0<br>0<br>0 | 0<br>0<br>0 | 781<br>6,194<br>53 |
| TOTALS | 1,965<br>9,331<br>65 | 8<br>2,516<br>73 | 429<br>5,509<br>78 | 2,402<br>8,626<br>67 |

EXHIBIT 19

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

PROJECTION OF ESTIMATED PAYMENTS TO RETIREES OVER THE NEXT TEN (10) YEARS
AS OF 7/1/2018

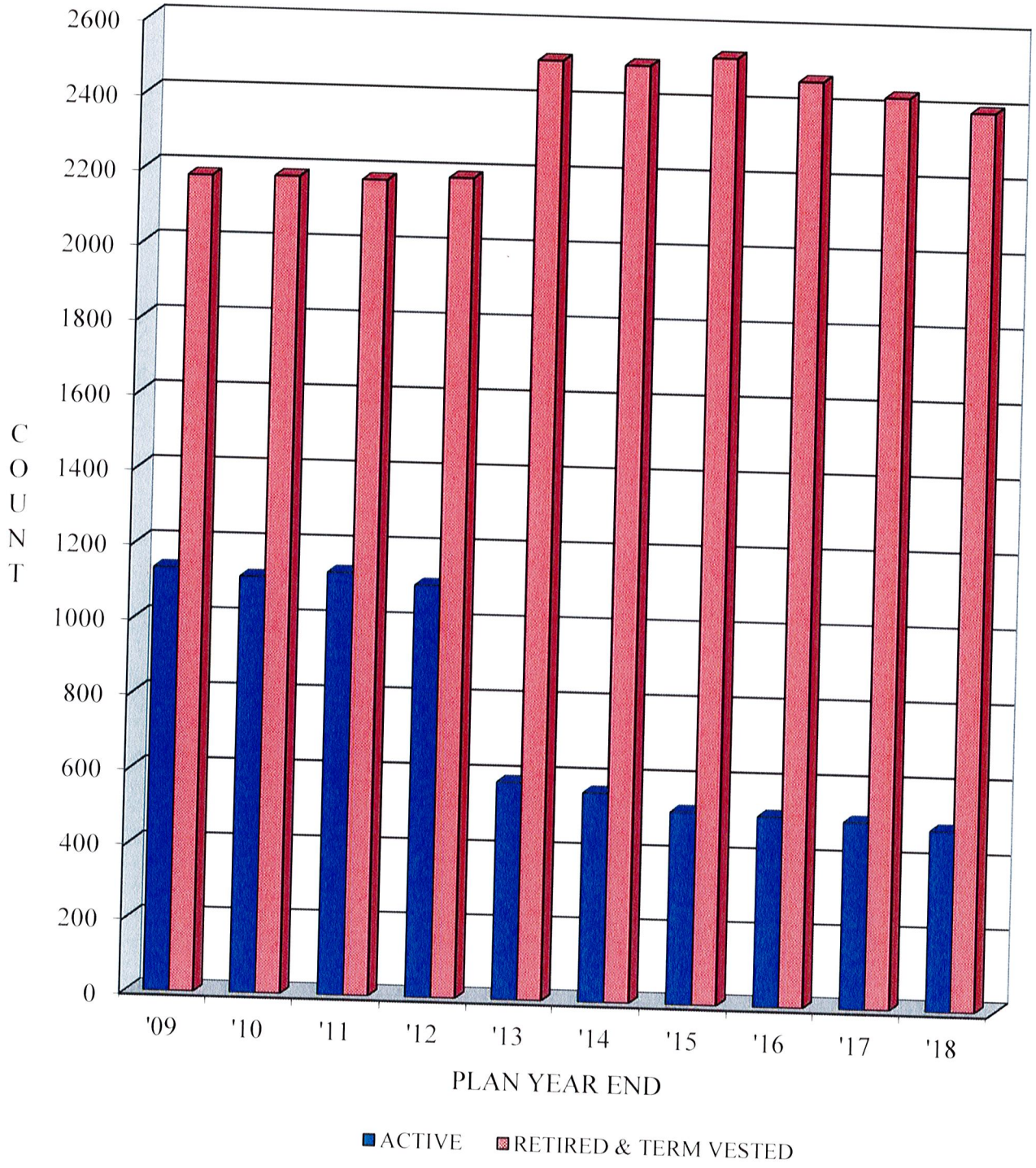
| PLAN YEAR | CURRENT RETIRED | NEWLY RETIRED | ..... ANNUAL PAYMENTS..... CURRENT | NEW * | TOTAL PAYMENTS |
|---|---|---|---|---|---|
| 2018 TO 2019 | 1612 | 289 | $15,780,717 | $4,223,569 | $20,004,286 |
| 2019 TO 2020 | 1901 | 63 | 20,004,286 | 981,967 | 20,986,253 |
| 2020 TO 2021 | 1964 | 66 | 20,986,253 | 969,549 | 21,955,802 |
| 2021 TO 2022 | 2030 | 54 | 21,955,802 | 1,191,189 | 23,146,991 |
| 2022 TO 2023 | 2084 | 59 | 23,146,991 | 736,752 | 23,883,743 |
| 2023 TO 2024 | 2143 | 70 | 23,883,743 | 1,033,994 | 24,917,737 |
| 2024 TO 2025 | 2213 | 55 | 24,917,737 | 920,262 | 25,837,999 |
| 2025 TO 2026 | 2268 | 58 | 25,837,999 | 883,719 | 26,721,718 |
| 2026 TO 2027 | 2326 | 45 | 26,721,718 | 811,616 | 27,533,334 |
| 2027 TO 2028 | 2371 | 43 | 27,533,334 | 948,725 | 28,482,059 |

NOTE: PROJECTIONS ASSUME NO TERMINATIONS OR MORTALITY.

* NEW PAYMENTS EXCLUDE PAYMENTS PAYABLE FOR FUTURE EARLY RETIREMENTS, DISABILITIES AND DEATHS.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE VS RETIRED TERM VESTED MEMBERS



# SECTION V

# COMPARISON AND ANALYSIS OF GAO RATIOS

## SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS

The following four ratios were selected by the US General Accounting Office as a means to measure the financial health of Multiemployer Pension Plans. The GAO states that although..."no one measure for a single year necessarily provides a complete and satisfactory assessment of the overall financial condition of a plan, (GAO) actuaries believe that this set of four ratios over several years indicates the relative financial strength of the plans...Trends over time are as important for most of the ratios as the values themselves. Favorable trends show that a plan is improving its financial condition...A plan with low values of two or more ratios may be experiencing financial distress."

**EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO** - Measures a Plan's funding status. A ratio of less than .50 is an indication of poor or modest funding:

| 6/09 | 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 |
|---|---|---|---|---|---|---|---|---|---|
| 0.44 | 0.44 | 0.49 | 0.43 | 0.42 | 0.44 | 0.39 | 0.31 | 0.29 | 0.27 |

**EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO** - Measures a Plan's ability to continue benefit payments should adverse contingencies arise. A ratio of less than 6.0 indicates poor resilience and the potential of plan termination:

| 6/09 | 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 |
|---|---|---|---|---|---|---|---|---|---|
| 8.38 | 5.73 | 5.61 | 6.13 | 5.38 | 5.25 | 5.22 | 4.67 | 4.11 | 3.84 |

**EXHIBIT 23 - INCOME TO EXPENSES RATIO** - Measures a Plan's cash flow and asset growth. Income includes contributions plus net investment increment, while expenses include benefit payments and non-investment expenses. A ratio of less than 1.75 indicates an insufficient net income margin:

| 6/09 | 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 |
|---|---|---|---|---|---|---|---|---|---|
| (1.37) | 0.96 | 1.69 | 0.39 | 1.00 | 1.14 | 0.50 | 0.48 | 0.74 | 0.72 |

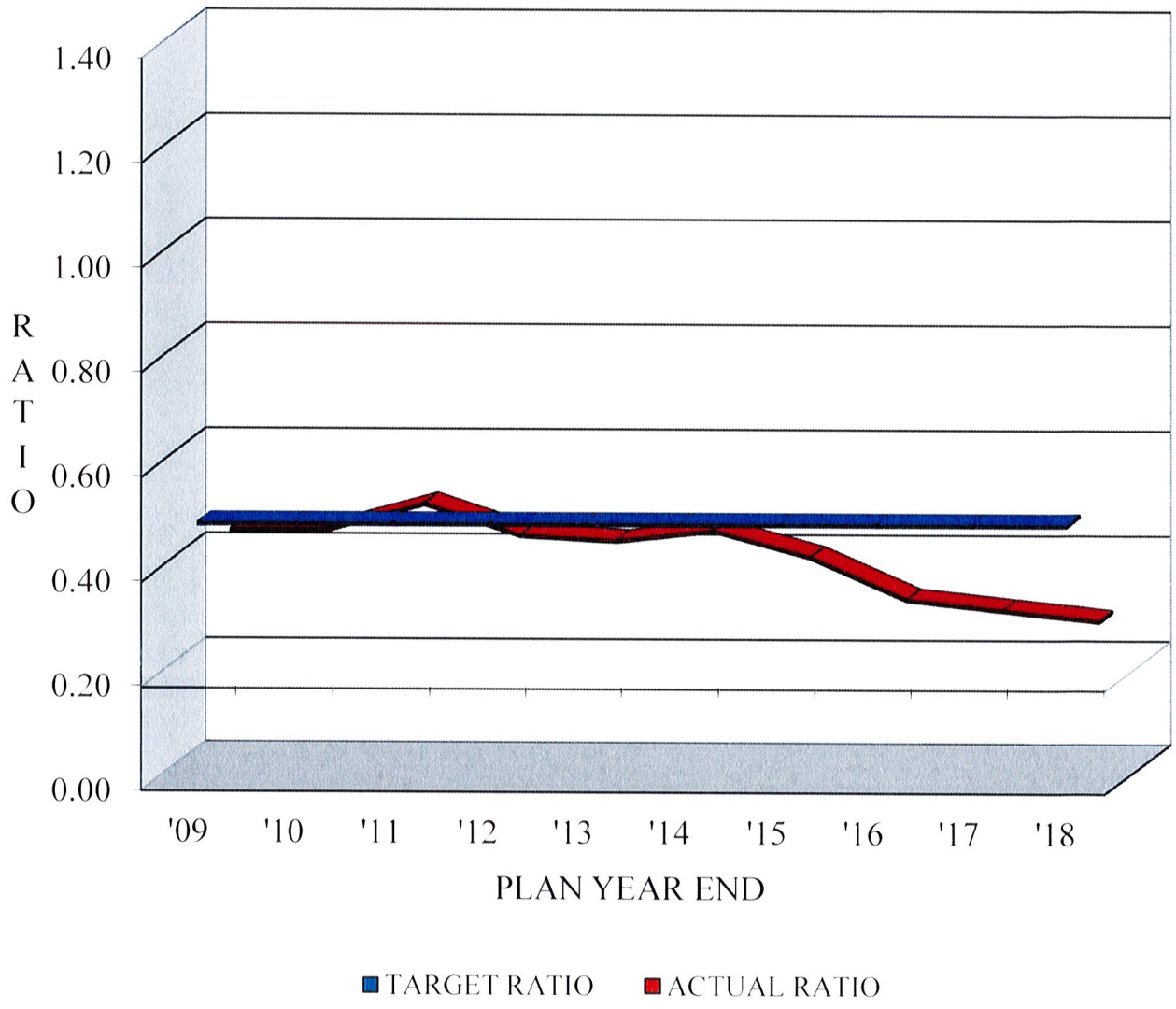
**EXHIBIT 24 - ACTIVES TO OTHER PARTICIPANTS RATIO** - Measures a Plan's population mix. A ratio of less than 2.0 indicates a probable future necessity of burdensome contribution rates for active participants:

| 06/09 | 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 |
|---|---|---|---|---|---|---|---|---|---|
| 0.52 | 0.51 | 0.52 | 0.50 | 0.23 | 0.23 | 0.21 | 0.21 | 0.21 | 0.20 |



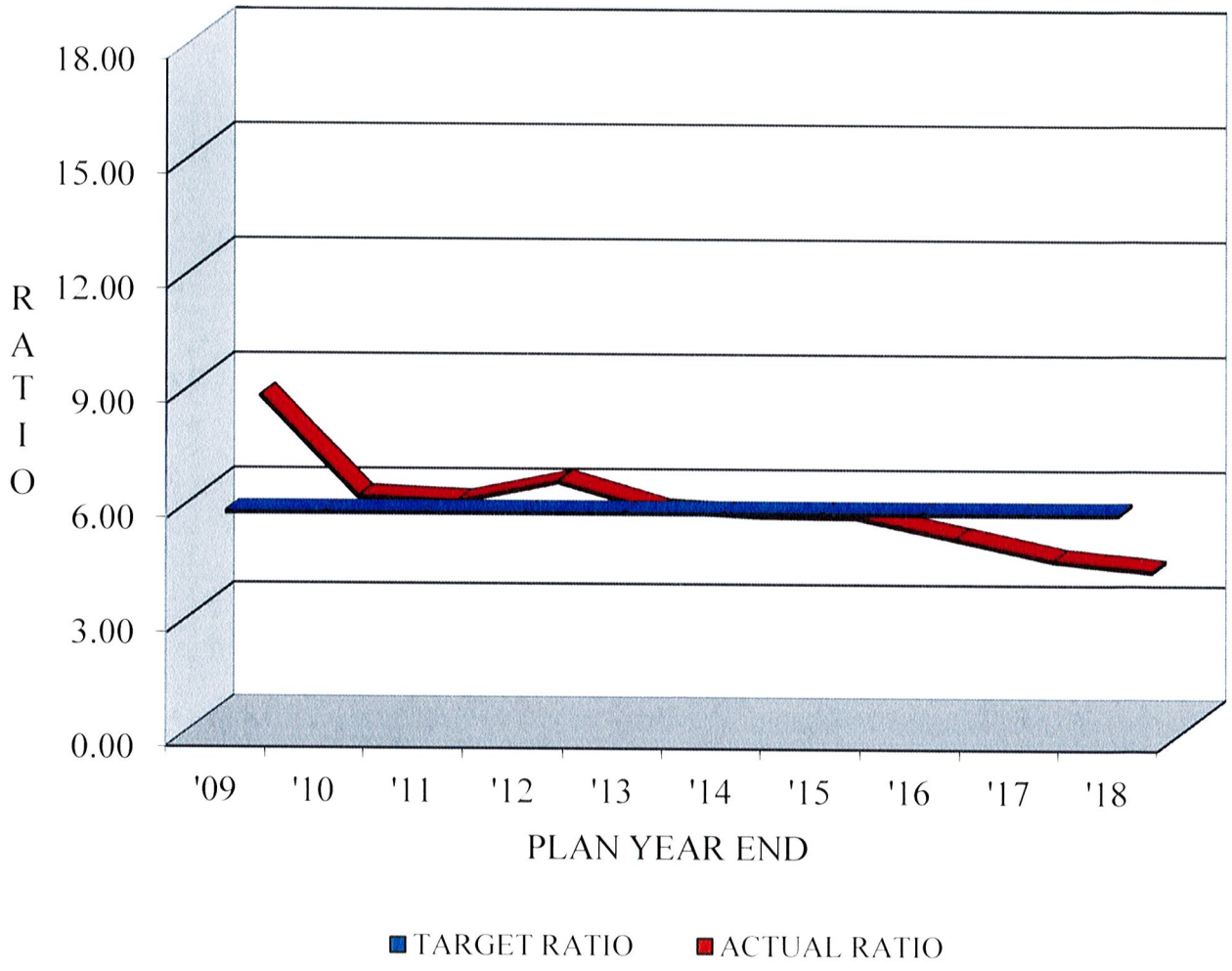
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO VESTED BENEFITS RATIO



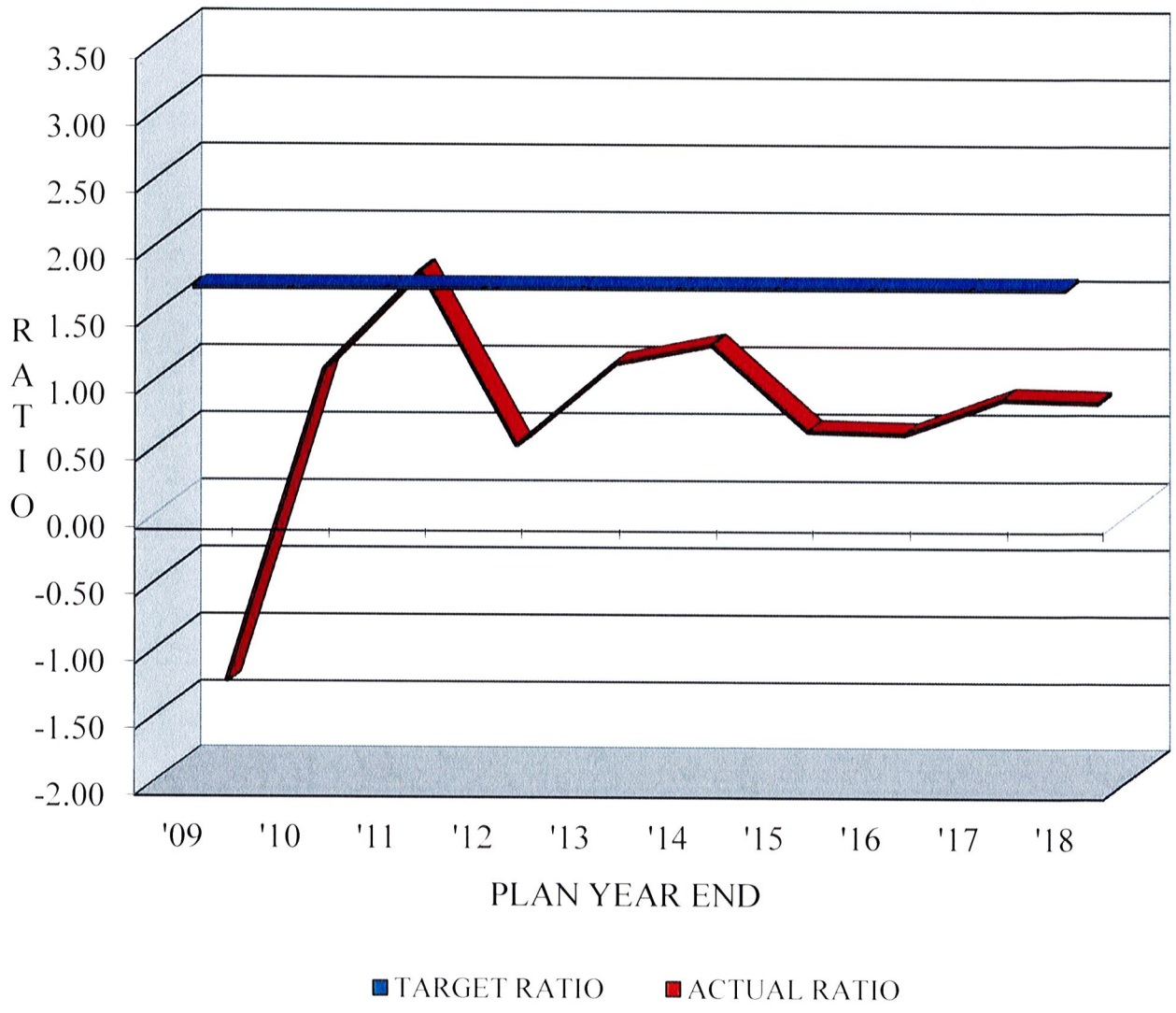
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO BENEFIT PAYOUT RATIO



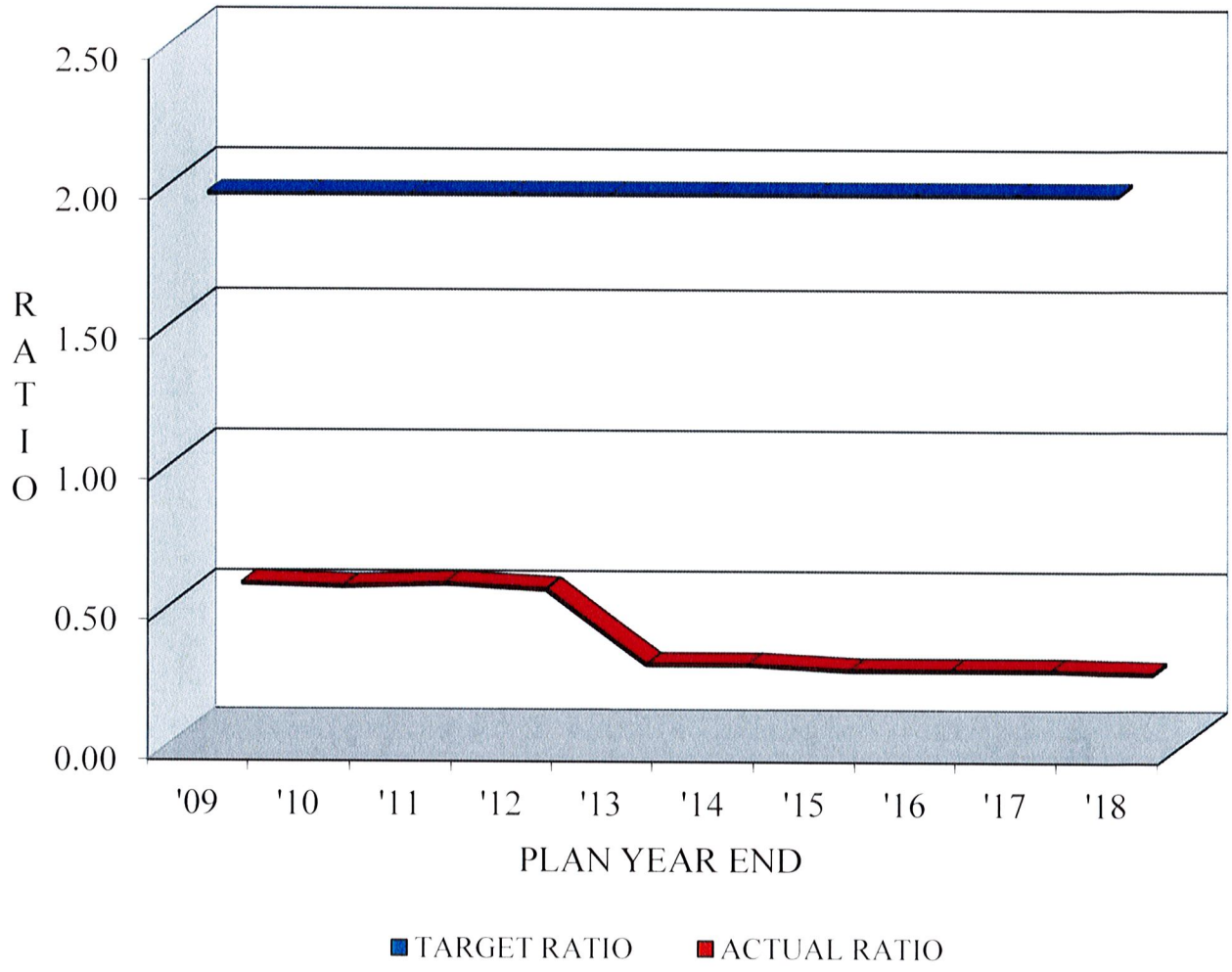
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

INCOME TO EXPENSE RATIO



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE TO OTHER PARTICIPANTS RATIO



# SECTION VI

# ACTUARIAL VALUATION METHODS

## SECTION VI - ACTUARIAL VALUATION METHODS

In order to determine plan costs, an Actuarial Cost Method must be applied to actuarial plan liabilities in order to provide a logical and systematic pattern of funding.

**EXHIBIT 25 - ACTUARIAL VALUATION METHODS** - this exhibit describes the Unit Credit Cost Method which is the method used to determine plan costs and the Actuarial Asset Valuation Method, which provides the method of accounting for plan assets in the valuation of plan costs. There have been no changes in any actuarial methods since the July 1, 2017 Valuation Report.

# ACTUARIAL VALUATION METHODS

## I. ACTUARIAL COST METHOD

The method used to determine the costs of this Plan is the Unit Credit Actuarial Cost Method. Under this method, the annual cost of the Plan consists of three parts: (1) Amortization of Actuarial Accrued Liability, (2) Normal Cost, and (3) Amortization of Actuarial Gains and Losses.

An individual's accrued benefit for valuation purposes on any date (i.e. a valuation date) related to a particular separation date is the accrued benefit described under the Plan, using the credited service as of the determination date.

The benefit deemed to accrue for an individual during a plan year is the excess of the accrued benefit for valuation purposes at the end of the year over the accrued benefit for valuation purposes at the beginning of the year.

An individual's accrued liability is the present value of the accrued benefit for valuation purposes at the beginning of the plan year, and the normal cost is the present value of the benefit deemed to accrue in the plan year. If multi-decrements are used, the accrued liability and the normal cost for an individual are the sum of the component accrued liabilities and normal costs associated with the various anticipated separation dates. Such accrued liabilities and normal costs reflect the accrued benefits as modified to obtain the benefits payable on those dates, and the probability of the individual separating on those dates.

## II. ASSET VALUATION METHOD

Assets are valued using the 4-year smoothed market value under Approval 15 of Revenue Procedure 95-51, as modified by Revenue Procedure 98-10.

# SECTION VII

# ACTUARIAL VALUATION ASSUMPTIONS

## SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS

Actuarial Assumptions provide the actuary with the ability to project the pattern of future benefit payments that, when discounted to present day worth, provide the actuarial liabilities that can be used in conjunction with the Actuarial Valuation Methods to determine plan funding levels.

**EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS** - details the actuarial assumptions in use for this plan in the July 1, 2017 actuarial valuation. Based on our annual review of all actuarial assumptions and taking into consideration the provisions of the Pension Protection Act of 2006, we have changed the following:

Mortality:

Healthy Lives – From SOA RP-2014 Blue Collar Mortality with Scale MP-2017 to SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

Disabled Lives – From SOA RP-2014 Disabled Retiree Mortality with Scale MP-2017 to SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

Interest:

RPA Liability – From 3.04% to 3.00% as required by law.

# ACTUARIAL VALUATION ASSUMPTIONS

**Mortality:**

**Healthy Lives** - SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

**Disabled Lives** - SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

**RPA Liability** - RP-2000 Mortality for Annuitants and Non-Annuitants Projected to 2017 with Scale AA Static.

**Interest:**

**Funding** - A rate of 7.50% per annum net of investment expenses.

**RPA Liability** – 3.00% per annum

**Disclosure Liability** - A rate of 7.50% per annum.

**Assumed Retirement Age:**

**Active participants** – Retirement is assumed at age 62. Early Retirement rates are graduated rates of retirement based on age, service, and contribution level.

**Terminated Vested participants** – The participant's Normal Retirement Age.

**Expenses:** An estimate based on actual administrative expenses incurred in the prior plan year.

**Termination:** Annual rates based on the following scale as a percentage:

**Freight and UPS -**

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

**Non-Freight -**

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

## ACTUARIAL VALUATION ASSUMPTIONS (Cont'd)

**Annuity Form:** Five Year Certain and Life Thereafter for benefits earned through June 30, 2009.

Single Life Annuity for benefits earned after June 30, 2009.

If a Participant is not eligible to retire as of June 30, 2011 (with eligibility for immediate payment of a Retirement Benefit), the form of the basic Retirement Benefit shall be a Single Life Annuity (for the entire basic Retirement Benefit, regardless of when accrued.)

**Future Service:** It is assumed that for all future years, all Members will have future accruals based on the same contribution amount as the prior year

**Rates of Disablement:** The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

**Calculation of Benefits:** Benefits are calculated as of the last completed computation period, June 30, 2017.

**Census Data:**

Retired Members -
If spouse date of birth is not available, female spouse is assumed to be three (3) years younger, and male spouse is assumed to be three (3) years older.

Active Members -
If Member's date of birth is not available, the Member is assumed to be age 28 at date of hire.

# SECTION VIII

# SALIENT FEATURES
# OF
# SOUTHWESTERN PENNSYLVANIA
# AND WESTERN MARYLAND AREA
# TEAMSTERS AND EMPLOYERS PENSION FUND

# SALIENT FEATURES OF SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## I. ELIGIBILITY

An Employee covered under a Collective Bargaining Agreement between an Employer and International Brotherhood of Teamsters Local Unions 491 or 453 providing for payments to the Pension Fund or a person employed by an Employer who has an agreement with the Union providing for participation in the Fund.

## II. NORMAL RETIREMENT

A. Normal Retirement Date - The Participant's Normal Retirement Date shall mean:

(a) for retirement benefits (and the Accrued Benefit) earned before July 1, 2009, the later of age 60 or his attained age on the fifth anniversary of date of hire by an Employer even if the date of hire is prior to the date the Employer first became an Employer;

(b) for retirement benefits ( and the accrued Benefit) earned from and after July 1, 2009 and before July 1, 2011, the later of age 62 or his attained age on the fifth anniversary of the commencement of his participation in the Plan; and

(c) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2011, the later of age 65 or his attained age on the fifth anniversary of the commencement of his participation in the Plan.

B. Normal Retirement Annuity Starting Date. The Normal Retirement Annuity Starting Date is the first day of the month coincident with or next following his Normal Retirement Date.

## II. NORMAL RETIREMENT (Cont'd)

C. Amount of Normal Retirement Benefit

(1) For Service prior to October 1, 1987, Participants who entered the Plan before such date will accrue benefits equal to the product of their Credited Service (Past and Future) and the Unit Multiplier in the Appendix of the Plan. For Participants of Local 491 and 872, the maximum Credited Service prior to October 1, 1987 shall be twenty-five (25) years. For Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service up to October 1, 1982 and an additional five (5) Years of Credited Service up to October 1, 1987, making a total of twenty-five (25) years. For Non-Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service prior to October 1, 1987, plus

(2) For service on and after October 1, 1987, but prior to January 1, 2005, Two and Three-Quarter Percent (2.75%) of the amount of Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2000 for which a contribution is received by the Fund on or after February 1, 2000.

(3) Terminated Vested Participants (and terminated nonvested Participants who have not lost their prior service due to a Break in Service) who reenter the Fund on or after January 1, 2000 will not be eligible for the increased unit multiplier of 2.75% until such time as they have completed one (1) Year of Participation (five months, 22 weeks or 1,000 hours of covered employment) subsequent to their reentry.

(4) For service on or after January 1, 2005, but prior to January 1, 2007, one and three quarter percent (1.75%) of the amount of the Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2005 for which a contribution is received by the Fund on or after February 1, 2005.

(5) For service on or after January 1, 2007, one percent (1.00%) of the amount of the Employer Contributions without any reduction paid to the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2007 for which a contribution is received by the Fund on or after February 1, 2007.

## II. NORMAL RETIREMENT (Cont'd)

(6) For service on or after July 1, 2009, one percent (1.00%) of the contributions based on the contribution rate in effect June 30, 2008.

## III. EARLY RETIREMENT BENEFIT

A. Eligibility

A Participant who has:

(1) attained age sixty (60); and

(2) completed five (5) Years of Future Credited Service

is eligible, upon written notice to the Trustees, to retire and receive an Early Retirement Benefit.

B. Early Retirement Date

The Participant may elect to have his Early Retirement Benefit commence on or after his Early Retirement Date which shall be the first day of any month subsequent to the date he satisfies the above requirements.

C. Amount

(1) The Early Retirement Benefit shall be reduced for payment before Normal Retirement Date to is Equivalent Actuarial Value (using the age 62 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2009 and before July 1, 2011 and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011.)

(2) The Retirement Benefit payable under each form of payment shall be Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity; and

(3) The normal form of payment for a Participant not married on the Annuity Starting Date shall be a Single Life Annuity.

(4) No one can retire before the age of sixty (60).

## IV. DISABILITY RETIREMENT

A. A Participant shall not be eligible for a disability Retirement Benefit unless the Participant is in receipt of a disability Retirement Benefit as of June 30, 2011 or the Participant's application for a disability Retirement Benefit was being processed as of June 30, 2011.

B. Cessation of Disability Benefit. The Participant's Disability Benefit will cease upon the earliest of his:

(1) recovery from disability;
(2) attaining his Normal Retirement Date;
(3) election of an Early Retirement Benefit; or
(4) death.

## V. RETIREMENT BENEFIT PAYMENTS

A. Single Life Annuity (Normal Form for Benefits:

The Normal Form for benefits shall be a Single Life Annuity.

The Participant shall receive monthly payments for the life of the Participant, ceasing upon the Participant's death.

B. Five Year Certain:

The Participant shall receive his pension as a monthly life income, with the provision that if the death of the Participant occurs prior to his receipt of 60 monthly payments, the balance of such monthly payments shall be continued to his beneficiary, until a total of 60 monthly payments in all has been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 60 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

C. Ten Year Certain:

Available for retirement benefits commencing on or after August 1, 1996, this is a monthly benefit payable during the Participant's lifetime with the provision that if the death of the Participant occurs prior to his receipt of 120 monthly payments, monthly payments shall be continued to his beneficiary until a total of 120 monthly payments in all have been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 120 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

D. Qualified Joint and Survivor Options:

(1) A married Participant who is entitled to receive a Qualified Joint and Survivor Annuity may, prior to the date that payments commence, elect between:

(i) Qualified Joint and 50% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to fifty percent (50%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse; or

(ii) Qualified Joint and 100% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to one hundred percent (100%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse.

(2) If a Participant's spouse dies before the Participant's Annuity Starting Date, his election of the Qualified Joint and Survivor Annuity shall automatically be revoked.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

E. Automatic Joint and Survivor Benefit

Effective October 1, 1997, the Joint and 100% Survivor Benefit shall be the automatic form of benefit paid unless rejected by the retiree and spouse in writing.

F. Note: The Retirement Benefit payable under each form of payment shall be the Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity.

G. Restoration Benefit

If a Participant retired on or after October 1, 1997 and benefits are being paid in the form of a Qualified Joint and Survivor Annuity and the Participant's spouse dies while the Participant is still living, the Participant's benefit will be restored to the Life Annuity, 5 Year Certain form of benefit and the amount of benefit will be increased to the amount of benefit he would have received if he and his spouse had waived the Qualified Joint and Survivor Annuity and had elected to receive the normal form of benefit.

## VI. VESTED BENEFIT

A. At Normal Retirement Date. Regardless of any other provisions of the Plan, a Participant will be one hundred percent (100%) vested in his Accrued Benefit upon the attainment of his Normal Retirement Date while in the employ of the Employer.

A. Upon Termination Prior to Normal Retirement Date.

(i) Collective Bargaining Employees. A Participant who is in a class of Employees subject to a collective bargaining agreement requiring contributions to the Plan who terminates his employment with the Employer prior to his Normal Retirement Date shall have a vested benefit determined as follows:

## VI. VESTED BENEFIT (Cont'd)

The Participant's vested benefit shall be calculated by multiplying his Accrued Benefit by the following applicable percentage:

| Years of Participation | Vesting Percentage |
|---|---|
| Less than five (5) years | None |
| Five (5) years or more | 100% |

(2) Non-Collective Bargaining Employee. The above schedule shall also apply to Participants not subject to Collective Bargaining.

## VII. DEATH BENEFITS

A. Preretirement

(1) Married Participant. In the case of a Participant who dies prior to his Annuity Starting Date and was legally married on the date of his death, there are no death benefits provided under this Plan unless the Participant is eligible for a Qualified Preretirement Survivor Annuity.

(2). Single Participant.

(a) In the case of a Participant who dies prior to his Annuity Starting Date and was not legally married on the date of his death, there are no death benefits provided under this Plan, except as provided under subparagraph (b) below.

(b) Ten Year Certain Death Benefit for Single Participants. If an unmarried Participant:

(i) has been credited with service earned on or after August 9, 1996.

(ii) has vested benefits not subject to a Qualified Domestic Relations Order under the Plan, and

(iii) dies prior to his Annuity Starting Date,

Then such Participant's beneficiary shall be entitled to receive a Ten Year Certain Death Benefit. The Ten Year Certain Death Benefit shall consist of 120 monthly payments to the beneficiary as if:

(i) in the case of a Participant who dies after the date on which the Participant attained his Earliest Retirement Age, such Participant had retired on the day before his death and had elected immediate retirement under the Life Annuity, Ten Years Certain option, or

(ii) in the case of a Participant who dies before the date on which the Participant would have attained his Earliest Retirement Age, such Participant had:

(A) separated from service on the date of death,

(B) survived to the Earliest Retirement Age,

(C) retired and elected immediate retirement under the Life Annuity, Ten Years Certain option, and

(D) died on the day after the day on which such Participant would have attained his Earliest Retirement Age.

The term "Earliest Retirement Age" means the earliest date on which, under the Plan, the Participant could have elected to receive retirement benefits based on his Years of Service at his death.

Special Note: The Ten Year Certain Death Benefit has been eliminated for deaths occurring on or after July 1, 2017.

B. Post-Retirement

In the case of a Participant who dies subsequent to his Annuity Starting Date, no death benefits shall be payable except as provided under the specific form of benefit being paid.

## VIII. QUALIFIED MILITARY SERVICE

As required by Code Section §401(a)(37), a Participant who dies on or after January 1, 2007 while performing qualified military service (within the meaning of Code §414(u)) and who would have been entitled to reemployment rights under the Plan under the Uniformed Services Employment and Reemployment Rights Act of 1994 at his death shall be treated as follows for purposes of the death benefits payable under this Article:

(a) he shall be credited with service (but not benefit accrual) for the period of his qualified military service; and

(b) he shall be treated as if he had died while in employment with the Employer.

## IX. CASH-OUT OF CERTAIN BENEFITS

If the Employee terminates and the monthly benefit to which he would otherwise be entitled is less then $25, and if the present value of the Employee's vested accrued benefit derived from Employer and Employee contribution is not greater than $5,000, the Employee may, at his option, elect to receive a cash out distribution of the present value of the entire vested portion of such accrued benefit provided that the distribution has not already commenced in the form of an annuity.

## X. UNIT MULTIPLIERS -

See pages 55 thru 58.

## LOCAL

**(491)**

| CONTRIBUTION RATE CLASS | MULTIPLIERS |
|---|---|
| $79.00 - $83.00 (FREIGHT) | $34.00 (for service prior to April 1, 1984) $43.00 (for service between April 1, 1984 thru September 30, 1987). |
| $80.00 - $84.00 - $88.00 (UNITED PARCEL POST) | $34.50 (for service prior to May 1, 1984) - $43.50 (for service on and after May 1, 1984 thru September 30, 1987). |

## TABLE 1

## UNIT MULTIPLIER TABLE

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $72.00 | $34.50 |
| $71.00 | $34.00 |
| $55.00-$58.00-$62.00 | $32.50 |
| $61.00-$65.00 | $32.70 |
| $238.18-$243.18-$248.18 | $31.90 |
| $49.00-$52.00-$56.00 | $31.75 |
| $230.19-$235.19-$240.19 | $31.70 |
| $44.00-$49.00-$54.00 | $31.50 |
| $43.00-$48.00-$53.00 | $31.05 |
| $48.00-$50.00-$52.00 | $30.65 |
| $46.00-$49.00-$52.00 | $30.55 |
| $41.00-$46.00-$51.00 | $30.10 |
| $45.00-$47.00-$49.00 | $29.30 |
| $43.00-$46.00-$49.00 | $28.80 |
| $43.00-$45.00-$47.00 | $27.70 |
| $44.00-$45.00-$46.00 | $27.25 |
| $40.00-$43.00-$46.00 | $27.00 |
| $37.50-$40.50-$43.50 | $25.55 |
| $37.00-$40.00-$43.00 | $25.25 |
| $36.00-$39.00-$42.00 | $24.65 |
| $35.00-$38.00-$41.00 | $24.05 |
| $34.00-$37.00-$40.00 | $23.45 |
| $00.85-$00.90-$00.95 | $22.25 |
| $34.50-$37.00 | $21.75 |
| $31.00-$34.00-$37.00 | $21.70 |
| $30.00-$33.00-$21.10 | $21.10 |
| $29.00-$32.00-$35.00 | $20.50 |
| $28.50-$31.50-$34.50 | $20.20 |
| $140.00-$142.50-$145.00 | $19.50 |
| $116.92-$129.92-$142.92 | $19.45 |
| $000.75 | $17.55 |

**LOCAL**
**(491)**

**(Continued)**

**TABLE II**

**UNIT MULTIPLIER FOR CREDITED SERVICE**

| Contribution Rate Class | Prior to January 1, 1978 | After January 1, 1978 |
|---|---|---|
| $28.00-$31.00-$34.00 | $20.20 | $19.75 |
| $29.00-$31.00-$33.00 | $20.20 | $18.85 |
| $29.00-$32.00 | $20.20 | $17.90 |
| $28.00-$30.00-$32.00 | $20.20 | $17.85 |
| $26.00-$29.00-$32.00 | $20.20 | $17.80 |
| $25.00-$28.00-$31.00 | $20.20 | $16.80 |
| $25.50-$28.00-$30.50 | $20.20 | $16.35 |

**TABLE III**

**UNIT MULTIPLIER TABLE FOR ALL OTHER CLASSES**

**UNIT MULTIPLIERS FOR CREDITED SERVICE PRIOR TO JANUARY 1, 1978 FOR CONTRIBUTION RATE CLASS AS OF JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00 to $25.99 | $20.20 | | |
| $22.00 to $23.99 | $20.00 | $12.00 to $13.99 | $13.00 |
| $20.00 to $21.99 | $19.00 | $10.00 to $11.99 | $11.00 |
| $18.00 to $19.99 | $18.00 | $ 8.00 to $ 9.99 | $ 9.00 |
| $16.00 to $17.99 | $16.50 | $ 6.00 to $ 7.99 | $ 7.00 |
| $14.00 to $15.99 | $14.50 | $ 4.00 to $ 5.99 | $ 5.00 |

**LOCAL**
**(491)**

**TABLE III**
**(Continued)**

**UNIT MULTIPLIERS FOR CREDITED SERVICE AFTER JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $25.00-$28.00-$31.00 | $15.70 | | |
| $25.00-$28.00 | $14.35 | $18.00 | $ 9.30 |
| $24.00-$26.00-$28.00 | $14.25 | $14.00-$18.00 | $ 9.15 |
| $23.00-$25.00-$27.00 | $13.75 | $10.00-$14.00-$18.00 | $ 8.85 |
| $26.00 | $13.40 | $12.50-$15.00 | $ 7.65 |
| $24.00-$25.00-$26.00 | $13.30 | $14.50 | $ 7.50 |
| $18.00-$22.00-$26.00 | $13.00 | $14.00 | $ 7.20 |
| $25.00 | $12.90 | $12.00-$13.00-$14.00 | $ 7.10 |
| $24.00-$25.00 | $12.85 | $10.00-$12.00-$14.00 | $ 7.00 |
| $23.00-$25.00 | $12.80 | $ 8.00-$10.00-$12.00 | $ 5.95 |
| $22.00-$25.00 | $12.80 | $10.00-$11.50 | $ 5.85 |
| $24.00 | $12.40 | $ 4.00-$ 6.50-$ 9.00 | $ 4.35 |
| $23.00 | $11.85 | $ 8.00 | $ 4.10 |
| $20.00-$22.00 | $11.30 | $ 4.00-$ 6.00-$ 8.00 | $ 3.90 |
| $14.00-$19.50-$22.00 | $10.95 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |
| $20 | $10.30 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |

**LOCAL**
**(453)**

| Contribution Rate | Unit Multiplier | Contribution Rate | Unit Multiplier |
|---|---|---|---|
| $390.81 | $50.00 | $105.70 | $18.25 |
| $373.48 | $50.00 | $105.70 | $18.25 |
| $356.15 | $50.00 | $ 95.33 | $18.25 |
| $338.82 | $50.00 | $ 92.16 | $16.00 |
| $291.16 | $50.00 | $ 84.49 | $18.25 |
| $246.96 | $50.00 | $ 74.88 | $13.00 |
| $212.30 | $38.75 | $ 73.66 | $18.25 |
| $194.97 | $36.25 | $ 60.67 | $10.70 |
| $177.64 | $33.75 | $ 56.33 | $10.70 |
| $173.31 | $30.00 | $ 47.66 | $10.70 |
| $161.28 | $28.00 | $ 43.33 | $ 8.60 |
| $158.00 | $28.00 | $ 39.00 | $ 8.60 |
| $151.00 | $27.00 | $ 34.67 | $ 8.60 |
| $149.76 | $26.00 | $ 29.67 | $ 8.60 |
| $146.00 | $26.00 | $ 28.67 | $ 8.60 |
| $144.00 | $25.00 | $ 26.00 | $ 6.75 |
| $134.31 | $25.00 | $ 23.67 | $ 6.75 |
| $127.79 | $25.00 | $ 17.17 | $ 5.40 |
| $121.31 | $25.00 | $ 12.17 | $ 3.75 |
| $111.56 | $25.00 | $ 8.67 | $ 3.75 |
| $108.31 | | | |

## MASTER LIST OF
## BENEFIT ILLUSTRATIONS

Pages 60 through and including 178 are a master listing of all retired, terminated vested and active members. These pages are included with the report distributed to the Fund Office.

The information shown for each member is as follows:

1. Name
2. Current Age
3. Normal Retirement Age
4. Normal Retirement Date
5. Percent Vested
6. Estimated Benefit
   - Current Accrued Benefit
   - Current Vested Benefit
   - Normal Retirement Benefit



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## Actuarial Certification of Funding Status in accordance with the Pension Protection Act of 2006

**As of**
**July 1, 2018**

**For the Plan Year Beginning July 1, 2018 and Ending June 30, 2019**

Prepared by:
**Beyer-Barber Company**
Employee Benefit and Actuarial Consultants
1136 Hamilton Street, Suite 103
Allentown, PA 18101

# BEYER-BARBER COMPANY

1136 HAMILTON STREET, SUITE 103
ALLENTOWN, PENNSYLVANIA 18101

PHONE 610-435-9577
FAX 610-435-2663
www.beyerbarber.com


September 28, 2018

Board of Trustees
Southwestern Pennsylvania and Western Maryland Area
Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

RE: Actuarial Certification of Funding Status as of July 1, 2018

Trustees:

In accordance with the provisions of the Pension Protection Act of 2006 (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA), I have prepared an actuarial certification of the funding status of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2018. The attached report provides details of the actuarial and projection assumptions and methods used, the resultant projections and the results of the application of the PPA status testing performed.

For the plan year beginning July 1, 2018, the plan is **IN CRITICAL AND DECLINING STATUS** as defined in Section 432 of the Internal Revenue Code. This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. A copy of this certification will be mailed to the Secretary of the Treasury as required by law.

Sincerely,

Randee W. Sekol, EA, MAAA, MSPA, FCA
CEO & Chief Actuary

# ACTUARIAL CERTIFICATION OF FUNDING STATUS UNDER THE PENSION PROTECTION ACT OF 2006

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN:** 25-1046087
**Plan Number:** 001
**Plan Contact Information:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401
Phone: 724-438-0512
Fax: 724-438-4870
**Plan Year of Certification:** July 1, 2018 to June 30, 2019

I hereby certify that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund is **IN CRITICAL AND DECLINING STATUS** for the 2018-19 plan year as defined under Section 432 of the Internal Revenue Code. My projections are based on the Actuarial Valuation that was prepared as of July 1, 2017.

This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. The actuarial assumptions, projection assumptions and methods used follow this certification. This certification is based on the understanding that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund qualifies as a multiemployer plan in accordance with the law for the 2018-2019 plan year.

To the best of my knowledge, the information supplied in this certification including the following exhibits is complete and accurate, and in my opinion represent my best estimate of anticipated experience under the plan.

Randee W. Sekol, EA, MAAA, MSPA, FCA
Enrolled Actuary No. 17-03192
Beyer-Barber Company
1136 Hamilton Street, Suite 103
Allentown, PA 18101
Phone: 610-435-9577
Fax: 610-435-2663
Date: September 28, 2018

**EXHIBIT I**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING

Test 1

1. Was the plan certified to be in Critical Status for the prior plan year? YES
2. Is the plan projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 304(d)? YES
3. Critical status if both #1 and #2 are YES? **CRITICAL**

Test 2

1. Is Funded Percentage below 65%? YES
2. Is the sum of assets and the present value of expected contributions for the current plan year and each of the next 6 plan years less than the present value of benefits to be paid during that period? YES
3. Critical status if both #1 and #2 are YES? **CRITICAL**

Test 3

1. Does the plan have an accumulated funding deficiency in the current plan year? YES
2. Is the plan projected to have an accumulated funding deficiency within the 3 succeeding plan years (4 succeeding Plan Years if the Funded Percentage is 65% or less)? YES
3. Critical Status if either #1 or #2 is YES? **CRITICAL**

Test 4

1. Does normal cost plus interest on the unfunded accrued liability exceed the expected contributions? YES
2. Is the present value of nonforfeitable benefits for inactives greater than the present value of nonforfeitable benefits for actives? YES
3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 4 plan years? YES
4. Critical Status if #1, #2 and #3 are "YES"? **CRITICAL**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING, cont'd

Test 5

1. Is the sum of the market value of assets plus the expected contributions for the current and 4 succeeding plan years less than the present value of benefits expected to be paid during that period including plan expenses? NO
2. Critical Status if #1 is "YES"? **NOT CRITICAL**

**CONCLUSION: THE PLAN IS IN CRITICAL STATUS**

## CRITICAL AND DECLINING STATUS TESTING

Test 1

1. Is the plan in Critical Status? YES
2. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 14 plan years? YES
3. Critical and Declining Status if both #1 and #2 are "YES"? **CRITICAL & DECLINING**

Test 2

1. Is the plan in Critical Status? YES
2. Is Funded Percentage below 80%? YES
3. Is the inactive to active participant ratio greater than 2 to 1? YES
4. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 19 plan years? YES
5. Critical and Declining Status if either #2 or #3 is "YES" and both #1 and #4 are "YES"? **CRITICAL & DECLINING**

**CONCLUSION: THE PLAN IS IN CRITICAL AND DECLINING STATUS**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

**ENDANGERED STATUS TESTING**

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 6 plan years taking into account any extension of amortization periods under PPA Section 304(d)? | YES |
| 4. Endangered Status if #1 is "NO" and either #2 or #3 is "YES"? | **NOT ENDANGERED** |

**CONCLUSION: THE PLAN IS NOT IN ENDANGERED STATUS**

## EXHIBIT II

## PENSION PROTECTION ACT OF 2006
## PROJECTION RESULTS

| Year | Active Population | Inactive Population | Actuarial Value of Assets | Accrued Benefit Liability | Accrued Benefit Funded % | 06/30 Credit Balance |
|---|---|---|---|---|---|---|
| 2018 | 497 | 2,448 | $54,867,416 | $206,766,339 | 26.5% | ($73,233,922) |
| 2019 | 489 | 2,453 | 47,723,505 | 206,357,229 | 23.1% | (88,095,567) |
| 2020 | 480 | 2,458 | 41,126,445 | 205,646,466 | 20.0% | (102,143,622) |
| 2021 | 473 | 2,461 | 33,817,517 | 204,616,401 | 16.5% | (115,742,379) |
| 2022 | 465 | 2,459 | 25,496,246 | 203,105,427 | 12.6% | (129,098,450) |
| 2023 | 457 | 2,456 | 16,634,362 | 201,141,628 | 8.3% | (142,697,306) |
| 2024 | 450 | 2,450 | 7,237,147 | 198,714,437 | 3.6% | (156,444,870) |
| 2025 | 442 | 2,436 | 0 | 195,788,162 | 0.0% | (165,056,092) |

# EXHIBIT III

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Plan Changes:** The Trustees adopted a Rehabilitation Plan on April 2, 2009, which did not eliminate any "adjustable benefits" for those benefits earned through June 30, 2009, but changed future benefit accruals for service earned on and after July 1, 2009 as follows:

- Benefit accrual equal to 1% of contributions required to be made on behalf of the participant based on the contribution rate that was in effect on July 1, 2008.
- Benefits earned after July 1, 2009 will be payable as a Straight Life Annuity with other forms determined based on an actuarial equivalent.
- Benefits earned after July 1, 2009 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Special 25 and 30 & Out Benefit Levels are frozen at their accrued level as of June 30, 2009.
- Contribution levels required to be increased by 8% for each year in the future.

The Trustees adopted an update to the Rehabilitation Plan on February 11, 2011, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all participants not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the Five (5) Year Certain and Life Subsidy applies only to benefits earned prior to July 1, 2009.
- Benefits earned from July 1, 2009 through June 30, 2011 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Benefits earned on and after July 1, 2011 are paid without reduction at Normal Retirement Age 65 and reduced actuarially for early commencement.
- The 25 and out retirement prior to age 55 is eliminated for all participants not eligible to retire on or before July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the 25 and out retirement prior to age 55.
- Early retirement subsidy is eliminated for all participants who are not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the early retirement subsidy applies only to benefits earned prior to July 1, 2009.
- Twenty-five (25) and Out no reduction for early retirement is eliminated except for participants with 25 years as of July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the Twenty-five (25) and Out no reduction only for benefits earned prior to July 1, 2009.
- All disability benefits are eliminated unless in pay status or unless an application for disability benefits was in process on or before June 30, 2011.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2014, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all individuals who are not receiving a retirement benefit with an effective date on or before July 1, 2014.
- No one can retire on or after July 1, 2014 before age 60, whether they are age 55 with 15 years of service or have obtained 25 years of service.

The Trustees restated the Rehabilitation Plan effective July 1, 2017 to incorporate all the contribution and benefit terms in a single document.

## EXHIBIT III, cont'd

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Assets:**

Valued as of: June 30, 2017
Source of assets: Audited financial statement
Adjustments: None

**Method Used to Project Assets:** Assets are projected based on a 10.57% investment return for the 2017-2018 plan year, and the 7.5% investment return assumption thereafter. The investment return assumption is based on the application of historical investment returns by asset class applied to the current investment portfolio.

**Method Used to Project Liabilities:** Liabilities are projected based on deterministic forecasting techniques and actuarial and projection assumptions.

**Other Anticipated Changes from Original Valuation/Schedule MB:** The mortality table was changed from SOA RP-2014 Blue Collar Mortality with Scale MP-2017 to SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2017. The disability mortality table was changed from SOA RP-2014 Disabled Retiree Mortality with Scale MP-2017 to SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

**Active Membership:** Active membership for UPS is assumed to remain constant for all future years. Active membership for all other actives is assumed to decline by 2% per year.

**Anticipated Employer Contributions:**

Basis for current year: Reflects the contribution rates in the collective bargaining/participation agreements as of the valuation year.

Basis for projection years: For purposes of testing for Endangered and Critical Status, we consider only the actual increases in the collective bargaining agreements already scheduled to take effect in future years. For purposes of testing for Critical and Declining Status, we consider the actual increases in the collective bargaining agreements already scheduled to take effect in future years plus 6.0% thereafter for UPS employers and 8.0% for all other employers.

# EXHIBIT IV

## PENSION PROTECTION ACT OF 2006
## ACTUARIAL METHODS AND ASSUMPTIONS

**Actuarial Cost Method:** Unit Credit Cost Method

**Actuarial Asset Valuation Method:** 4 Year Smoothed market value in accordance with Approval 15 of Revenue Procedure 95-51 as modified by Revenue Procedure 98-10.

**Actuarial Assumptions:**

Mortality: SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

Disability Mortality: SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

Interest: A rate of 7.5% per annum.

Retirement Age: Active participants - Retirement rates are graduated rates of retirement based on age, service, and contribution level.
Terminated Vested participants – The participant's Normal Retirement Age.

Termination: Annual rates based on the following scale as a percentage:

Freight and UPS -

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

Non-Freight -

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

Expenses: An estimated amount based on the actual expenses paid in the prior plan year.

Incidence of Disability, Active Lives: The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## ACTUARIAL VALUATION AS OF JULY 1, 2019

## FOR THE PLAN YEAR ENDING JUNE 30, 2020

**BEYER-BARBER COMPANY**
Employee Benefit and Actuarial Consultants
1136 Hamilton St., Suite 103
Allentown, PA 18101

# BEYER-BARBER COMPANY

1136 HAMILTON STREET, SUITE 103
ALLENTOWN, PENNSYLVANIA 18101

PHONE 610-435-9577
FAX 610-435-2663
www.beyerbarber.com


January 23, 2020

Board of Trustees
Southwestern Pennsylvania and
Western Maryland Area Teamsters
and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

**Re: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund Actuarial Valuation as of July 1, 2019**

Gentlemen:

The following report summarizes the actuarial valuation results of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2019. We have previously certified that the Plan is in Critical and Declining Status for the 2019-2020 plan year. The Trustees have developed and implemented a Rehabilitation Plan in order to satisfy the funding improvement objectives set forth in PPA.

The expected 2019-2020 employer contributions of $6,817,000 (before consideration of any withdrawal liability payments) are not sufficient to pay Normal Cost, plan expenses and amortize the plan's Unfunded Accrued Liability over any period of time. As a result, the Unfunded Accrued Liability is expected to increase from $156,838,127 to $163,303,112 and the Funding Standard Account Funding Deficiency is projected to increase from $83,963,451 as of June 30, 2019 to a Funding Deficiency of $98,572,315 as of June 30, 2020.

Prior to the passage of the Pension Protection Act of 2006, this would have resulted in a 100% excise tax on contributing employers. However, PPA permits employers to avoid the excise tax as long as the Trustees have taken all reasonable measures to forestall insolvency within the Rehabilitation Plan.

This valuation will form the basis of forecast projections that will permit us to re-measure the funded status of the Plan as of July 1, 2020 as required by PPA. Once the 2019-2020 investment return, contributions, expenses and benefit payments can be reasonably estimated, we will be in a position to proceed with the necessary projections.

The information contained in this report and the contribution levels we have determined are based on the following:

1. Retired, Active, Inactive Vested and Inactive Non-Vested census data received from Innovative Software Solutions, Inc. and the Fund office;

2. Financial data prepared by DiClaudio & Kramer, L.L.C. Certified Public Accountants;

3. Plan provisions in the Amended and Restated Plan Document effective July 1, 2014 including Amendment #1 adopted January 20, 2017.

We look forward to reviewing the details of the report with you at the Trustees Meeting.

Very truly yours,

Randee W. Sekol, EA, MAAA, MSPA, FCA
CEO and Chief Actuary

RWS/cg

**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA**
**TEAMSTERS AND EMPLOYERS PENSION FUND**

**AS OF JULY 1, 2019**

## ACTUARY'S OPINION

This report has been prepared in accordance with generally accepted actuarial principles and practices. The present values shown herein have been estimated on the basis of actuarial assumptions and methods which, in my actuarial opinion, are appropriate for the various purposes of this report and represent the best available estimate of anticipated experience under the plan.

References to the plan provisions, census data, plan assets and other matters are contained elsewhere in this report.

BEYER-BARBER COMPANY



Lawrence C. Brisman, E.A. #17-04972
Member American Academy of Actuaries
Member of the American Society of Pension Professionals and Actuaries

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## HIGHLIGHTS OF THE JULY 1, 2019 VALUATION REPORT

## A. INTRODUCTION

Beyer-Barber Company was retained by the Board of Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund to perform an actuarial valuation of the Fund as of July 1, 2019.

The following are the highlights of the July 1, 2019 annual actuarial valuation report. Please refer to the appropriate sections of this report for valuation details.

## B. 2018-2019 PLAN EXPERIENCE

The Fund as a whole experienced an actuarial loss during the 2018-2019 plan year of $202,487. Actuarial gains or losses result from deviations between actual plan experience and actuarial assumptions. The 6.2% rate of return on the actuarial value of assets was less than the actuarially assumed interest rate of 7.5% and resulted in an asset loss of $682,525; however, this loss was offset by an actuarial gain of $480,038 (0.2% of liabilities) due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement.

Contributions received by the Fund during the 2018-2019 plan year totaled $7,220,493. These contributions were made up of normal employer contributions of $6,592,238, and employer withdrawal liability payments of $628,255. These contributions resulted in an increase in the Funding Deficiency from $70,722,706 as of July 1, 2018 to a Funding Deficiency of $83,963,451 as of July 1, 2019.

As reported in the July 1, 2018 valuation we projected the 2018-2019 employer contributions were insufficient to pay normal cost, plan expenses, and amortize the Unfunded Accrued Liability over any period.

## C. 2019 VALUATION CHANGES

The Pension Protection Act of 2006 (PPA) was effective for the plan beginning July 1, 2008. We have previously certified that the Plan is in Critical and Declining Status for the 2019-2020 plan year. The Trustees have previously developed and implemented a Rehabilitation Plan and updates in accordance with PPA. That Rehabilitation Plan will have to be updated again this year.

The mortality tables were updated to the SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2018 for healthy lives and the SOA RP-2014 Disabled Retiree Mortality Table adjusted to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2018.

## D. EXECUTIVE SUMMARY

The following are significant observations from the detailed valuation results:

- Expected contributions continue to be insufficient to satisfy Normal Cost (including administrative expenses), and amortize the Unfunded Accrued Liability over any period.

- Expected contributions will increase the Funding Standard Account Funding Deficiency from $83,963,451 as of July 1, 2019 to an estimated $98,572,315 as of July 1, 2020.

- The PPA funded percentage has decreased from 27.0% as of July 1, 2018 to 24.1% as of July 1, 2019.

The following is a summary of the principal results of the July 1, 2019 Valuation compared with the results of the July 1, 2018 Valuation. The development of these items for the July 1, 2019 valuation is shown in the appropriate sections of the report.

## D. EXECUTIVE SUMMARY, (cont'd)

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2018 | July 1, 2019 |
| **SECTION I - PLAN YEAR IN REVIEW** | | |
| **1. Employer Contributions** | $6,710,030 | $7,220,493 |
| **2. Credit Balance/(Funding Deficiency) with Extension** | ($70,722,706) | ($83,963,451) |
| **3. Credit Balance/(Funding Deficiency) without Extension** | ($93,327,488) | ($106,372,443) |
| **4. PPA Funded Percentage** | 27.0% | 24.1% |
| **5. Market Value of Assets** | $56,100,848 | $50,002,183 |
| **6. Actuarial Value of Assets** | $55,965,719 | $49,841,920 |
| **SECTION II - VALUATION RESULTS** | | |
| **1. Unfunded Accrued Liability** | | |
| A. Actuarial Accrued Liability | $207,505,111 | $206,680,047 |
| B. Valuation Assets | 55,965,719 | 49,841,920 |
| C. Unfunded Accrued Liability | $151,539,392 | $156,838,127 |
| **2. Normal Cost** | $1,654,189 | $1,650,942 |
| **3. Contribution Levels** | | |
| A. Minimum Before Credit Balance | $91,454,712 | $105,644,952 |
| B. Minimum After Credit Balance | $91,454,712 | 105,644,952 |
| C. Maximum Deductible | $420,255,733 | $434,046,480 |
| D. Expected Contributions | $6,142,000 | $6,817,000 |
| E. Expected Funding Level | <<Insufficient>> | <<Insufficient>> |

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2018 | July 1, 2019 |
| **SECTION III - ACTUARIAL DISCLOSURE** | | |
| **Accumulated Benefits for Audit Purposes** | | |
| 1. P.V. of All Accumulated Benefits | $208,235,154 | $207,409,432 |
| 2. M.V. of Assets | 56,100,848 | 50,002,183 |
| 3. Unfunded Accumulated Benefits | $152,134,306 | $157,407,249 |
| 4. P.V. of Accumulated Vested Benefits | $206,573,374 | $205,841,938 |
| 5. M.V. of Assets | 56,100,848 | 50,002,183 |
| 6. Unfunded Accumulated Vested Benefits | $150,472,526 | $155,839,755 |
| **SECTION IV - PARTICIPANT DATA** | | |
| **1. Active** | 488 | 467 |
| **2. Retired** | 1,612 | 1,617 |
| **3. Terminated Vested** | 790 | 766 |
| **4. Total Participants** | 2,890 | 2,850 |
| **SECTION V - GAO RATIOS** | | |
| **1. Assets to Vested Benefits** | 0.27 | 0.24 |
| **2. Assets to Benefit Payout** | 3.84 | 3.51 |
| **3. Income to Expenses** | 0.72 | 0.63 |
| **4. Actives to Other Participants** | 0.20 | 0.20 |

# TABLE OF CONTENTS


| | PAGE |
|---|---|
| **SECTION I – 2018 PLAN YEAR IN REVIEW** | 1 |
| EXHIBIT 1 - 2018 PLAN YEAR CONTRIBUTIONS | 4 |
| EXHIBIT 2 - STATEMENT OF FUNDING STANDARDS | 5 |
| EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS | 6 |
| EXHIBIT 4 - DETERMINATION OF ACTUARIAL VALUE OF ASSETS | 7 |
| EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN | 8 |
| EXHIBIT 6 - ACTUARIAL VS. MARKET VALUE OF ASSETS | 9 |
| **SECTION II - JULY 1, 2019 VALUATION RESULTS** | 10 |
| EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY | 13 |
| EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS | 14 |
| EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING | 15 |
| EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR CRITICAL TESTING | 16 |
| EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY | 17 |
| EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMIT | 18 |
| EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS | 19 |
| **SECTION III - ACTUARIAL DISCLOSURE INFORMATION** | 20 |
| EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS | 22 |
| EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES | 23 |
| EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS | 24 |
| **SECTION IV - PARTICIPANT DATA** | 25 |
| EXHIBIT 17 - ANALYSIS OF ACTIVE PARTICIPANT DATA | 27 |
| EXHIBIT 18 - ANALYSIS OF RETIRED AND TERM VESTED LIVES | 28 |
| EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS | 29 |

## TABLE OF CONTENTS (cont'd)


| | PAGE |
|---|---|
| **SECTION IV - PARTICIPANT DATA, Continued** | |
| EXHIBIT 20 - ACTIVE VS RETIRED & TERM VESTED MEMBERS | 30 |
| **SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS** | 31 |
| EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO | 33 |
| EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO | 34 |
| EXHIBIT 23 - INCOME TO EXPENSES RATIO | 35 |
| EXHIBIT 24 - ACTIVE TO OTHER PARTICIPANTS RATIO | 36 |
| **SECTION VI - ACTUARIAL VALUATION METHODS** | 37 |
| EXHIBIT 25 - ACTUARIAL VALUATION METHODS | 39 |
| **SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS** | 40 |
| EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS | 42 |
| **SECTION VIII - SALIENT FEATURES** | 44 |

# SECTION I

# 2018 PLAN YEAR IN REVIEW

## SECTION I - 2018 PLAN YEAR IN REVIEW

This Section of the report provides information on how the Fund has fared during the 2018 plan year, since the preparation of the July 1, 2018 actuarial valuation report.

**EXHIBIT 1 - 2018 PLAN YEAR CONTRIBUTIONS** - details the contributions that were made during plan year 2018 by source. Note that of the $7,220,493 in total 2018 contributions, $6,592,238 are accounted for by collectively bargained employer contributions, and $628,255 are accounted for by withdrawal liability payments.

**EXHIBIT 2 - STATEMENT OF FUNDING STANDARD ACCOUNT** - reflects the development of the Minimum Funding Standard Account Credit Balance for the plan year ending June 30, 2019. As we had projected, the total employer contributions of $7,220,493 fell short of the amount necessary to improve the Funding Standard Account which has increased from a Funding Deficiency of $70,722,706 to a Funding Deficiency of $83,963,451.

**EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS** - the bar chart illustrates a comparison of actual contributions versus minimum contribution requirements before consideration of the Funding Standard Account Credit Balance for each of the last ten (10) plan years. Note that the increase in the minimum contribution level relative to actual contributions beginning in 2012 is due to the Funding Standard Account Credit Balance Deficiency.

**EXHIBIT 4 - DETERMINATION OF THE ACTUARIAL VALUE OF ASSETS** - shows the development of the Actuarial Value of Assets based on a 4-year deferred recognition of asset gains and losses. This method was first adopted in the July 1, 2001 Valuation as a means of smoothing out substantial investment losses and preserving the Funding Standard Account Credit Balance as long as possible. For this July 1, 2019 valuation, the Actuarial Value of Assets used for funding is 99.68% of the actual Market Value.

Because the portion of gains deferred from the 2016-17 and 2017-18 returns above 7.5% did exceed the remaining portion of the loss deferred from the 2018 return below 7.5%, there is a net deferred gain of $160,263 that will be recognized in future years.

**EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN** - provides a comparison of estimated actuarial rates of return on the market and actuarial value of plan assets. These returns are determined assuming that all transactions occur mid-year. As a result, they will be close, but will not match the time-weighted returns calculated by the investment analyst.

**EXHIBIT 6 – ACTUARIAL VS. MARKET VALUE OF ASSETS** – This is a graphic representation of how the Actuarial Value of Assets (in blue) attempts to smooth out the fluctuations in the Market Value of Assets (in red). When actual investment returns are higher than the assumed 7.5% return, the method reflects an Actuarial Value of Assets that is below the Market Value of Assets and vice versa. Since the 2016 and 2017 plan years had investment gains (above 7.5%) that were more than the investment losses for the 2018 plan years (below 7.5%), the July 1, 2019 Actuarial Value is less than the Market Value.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## 2018 PLAN YEAR CONTRIBUTIONS

| | | |
|---|---|---|
| 1. Employer Contributions | $6,592,238 | |
| 2. MPPAA Withdrawal Liability Payments | 628,255 | |
| 3. Total Employer Contributions Received | | **$7,220,493** |
| 4. Employee Contributions | | 0 |
| 5. Total Contributions | | **$7,220,493** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF FUNDING STANDARD ACCOUNT FOR THE PLAN YEAR ENDING 6/30/2019

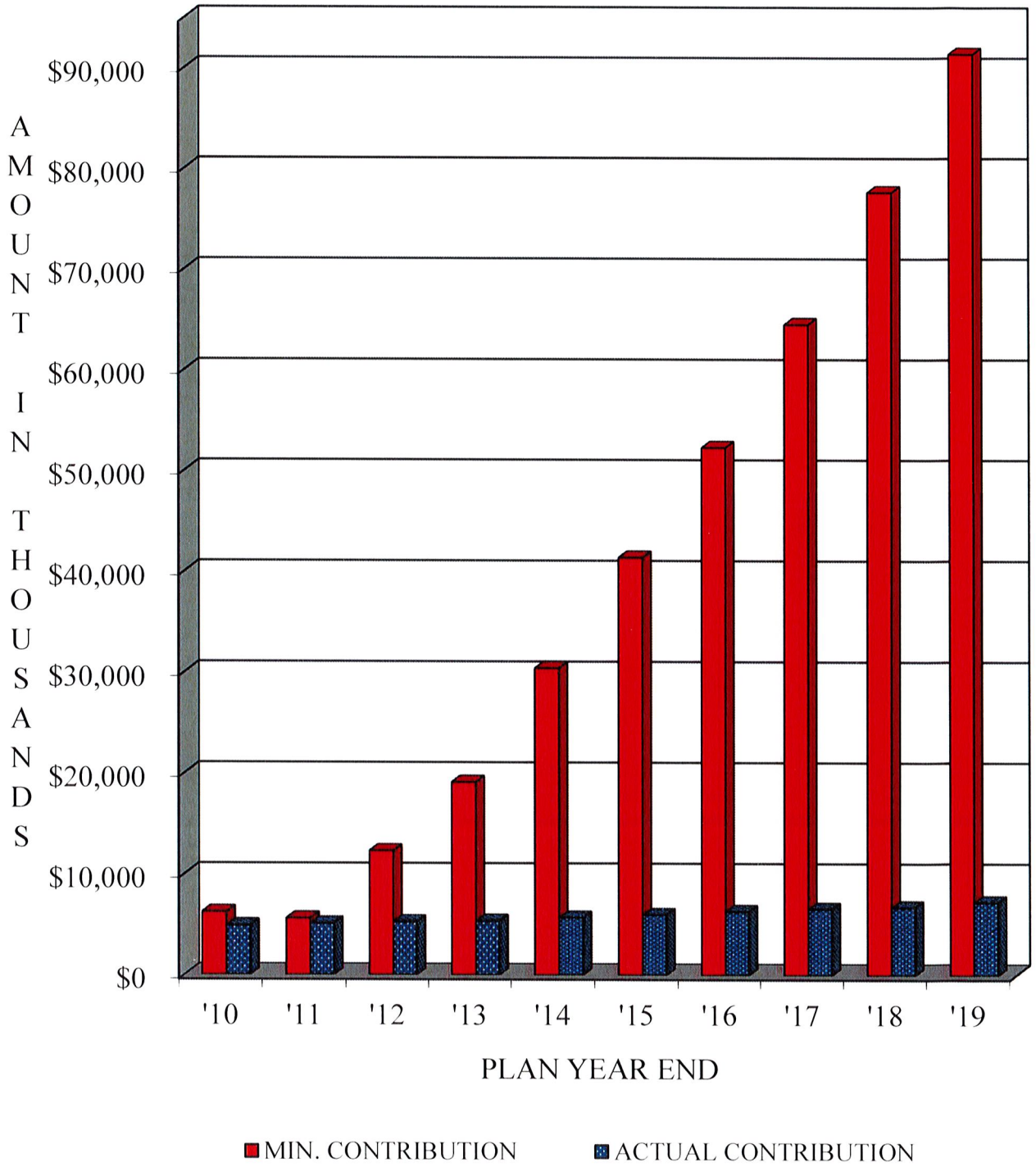
| CHARGES: | WITHOUT 5 YEAR AMORTIZATION EXTENSION* | WITH 5 YEAR AMORTIZATION EXTENSION** |
|---|---|---|
| 1. Prior Year Funding Deficiency | $93,327,488 | $70,722,706 |
| 2. Employer Normal Cost | 1,654,189 | 1,654,189 |
| 3. Amortization Charges | 13,267,191 | 15,026,399 |
| 4. Interest | 8,118,665 | 6,555,247 |
| 5. Total Charges | $116,367,533 | $93,958,541 |
| **CREDITS:** | | |
| 6. Prior Year Credit Balance | $0 | $0 |
| 7. Employer Contributions | 7,220,493 | 7,220,493 |
| 8. Amortization Credits | 2,329,143 | 2,329,143 |
| 9. Interest | 445,454 | 445,454 |
| 10. Full Funding Credit | 0 | 0 |
| 11. Total Credits | $9,995,090 | $9,995,090 |
| **CREDIT BALANCE:** | | |
| 12. Credit Balance | **$0** | **$0** |
| 13. Funding Deficiency | **($106,372,443)** | **($83,963,451)** |

* For Critical Testing Purposes.

** For Minimum Funding Standard Account Purposes

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

MINIMUM CONTRIBUTION VS ACTUAL CONTRIBUTION



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF ACTUARIAL VALUE OF ASSETS

| | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---|---|---|---|
| 1. Market Value on 7/1 | $73,285,625 | $64,924,946 | $60,748,691 | $56,100,848 |
| 2. Non-Invest. Income | 6,303,120 | 6,550,203 | 6,710,030 | 7,220,493 |
| 3. Benefits & Expenses | (16,169,475) | (16,305,200) | (16,337,227) | (16,510,809) |
| 4. Actual Return | 1,505,676 | 5,578,742 | 4,979,354 | 3,191,651 |
| 5. Market Value 6/30 | $64,924,946 | $60,748,691 | $56,100,848 | $50,002,183 |
| 6. Assumed Int. Rate | 8.00% | 7.50% | 7.50% | 7.50% |
| 7. Expected Return | $5,468,196 | $4,503,559 | $4,195,132 | $3,859,177 |
| 8. Gain (Loss) | (3,962,520) | 1,075,183 | 784,222 | (667,526) |
| 9. Deferral Percentage | 0% | 25% | 50% | 75% |
| 10. Def. Gain/(Loss) | $0 | $268,796 | $392,111 | ($500,644) |
| 11. Total Gain/(Loss) Deferred on 6/30 | | | | $160,263 |
| 12. Preliminary Actuarial Value of Assets on 6/30 | | | | $49,841,920 |
| 13. 80% of Market Value of Assets | | | | $40,001,746 |
| 14. 120% of Market Value of Assets | | | | $60,002,620 |
| **15. Actuarial Value on 6/30 (#12 but not less than #13 nor greater than #14)** | | | | **$49,841,920** |
| (Actuarial Value as a percentage of Market Value) | | | | 99.68% |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

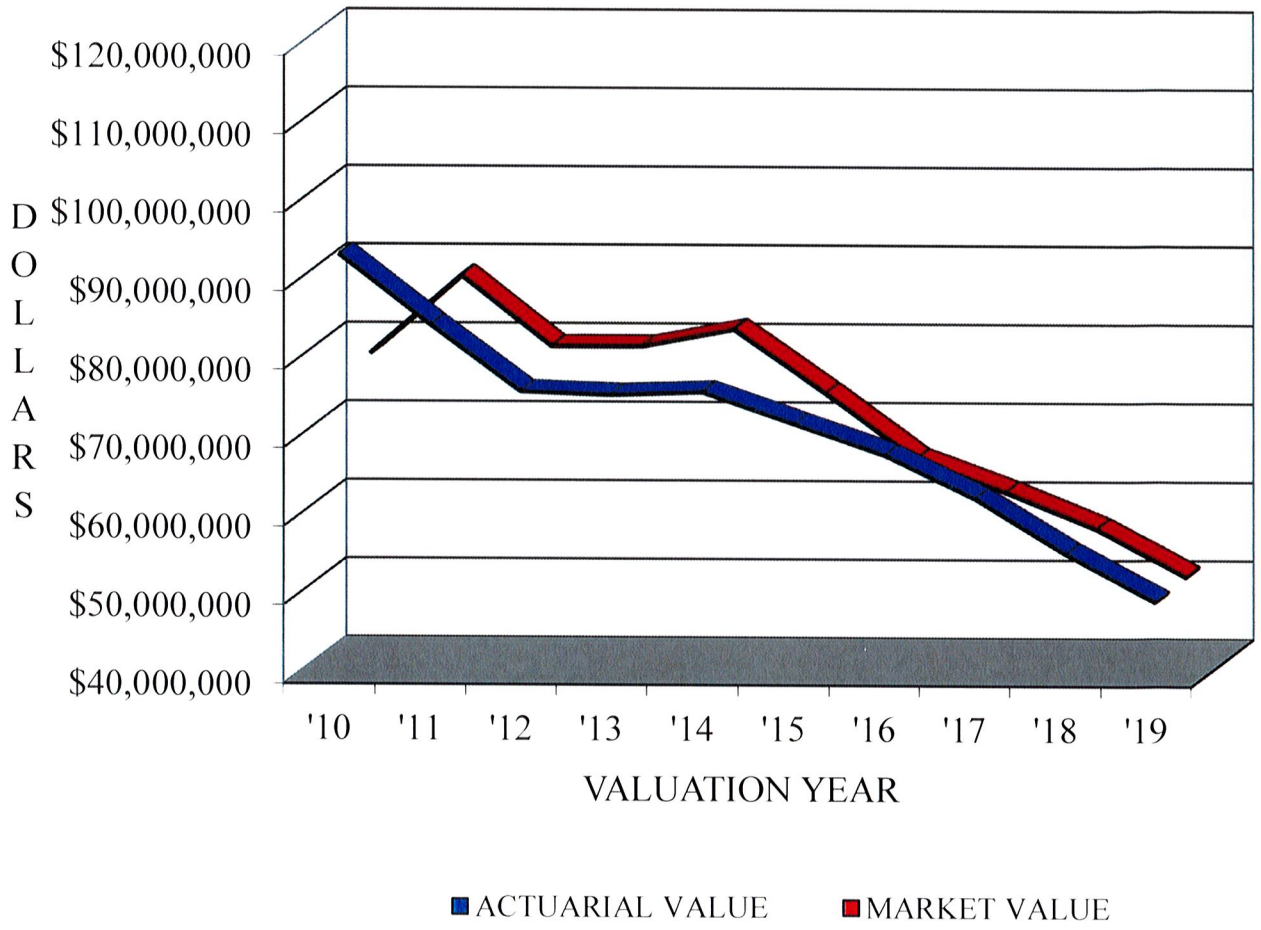
## CALCULATION OF ACTUARIAL RATES OF RETURN ON PLAN ASSETS

| | Plan Year Ending 6/30/2019 | |
|---|---|---|
| | **Market Value** | **Actuarial Value** |
| 1. Beginning Assets | $56,100,848 | $55,965,719 |
| 2. Non-Investment Increment: | | |
| A. Contribution Received | $7,220,493 | $7,220,493 |
| B. Benefits Paid | (15,969,008) | (15,969,008) |
| C. Non-Investment Expenses | (541,801) | (541,801) |
| D. Net Increment | ($9,290,316) | ($9,290,316) |
| 3. Investment Increment: | | |
| A. Investment Income | $1,235,155 | $1,235,155 |
| B. Realized & Unrealized Gains (Losses) | 2,077,013 | 2,051,879 |
| C. Investment Expenses | (120,517) | (120,517) |
| D. Net Increment | $3,191,651 | $3,166,517 |
| 4. Ending Assets | $50,002,183 | $49,841,920 |
| 5. Average Asset Value | $51,455,690 | $51,320,561 |
| 6. Actuarial Rate of Return | **6.2%** | **6.2%** |

NOTE: This approximation is intended to indicate whether investment return has been a source of actuarial gain or loss, and is not intended to be taken as an evaluation of investment managers' performance.

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTUARIAL VS MARKET VALUE OF ASSETS



# SECTION II

# JULY 1, 2019
# VALUATION RESULTS

## SECTION II - JULY 1, 2019 VALUATION RESULTS

This Section of the report reflects the application of actuarial assumptions and methods to the plan assets, plan participants and plan provisions, with the purpose of developing actuarial liabilities and funding levels.

**EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY** - this Exhibit determines the 2019 Expected Unfunded Accrued Liability based on the 2018 valuation and contribution information and compares it to the 2019 Actual Unfunded Accrued Liability in order to determine whether the Fund has experienced an actuarial gain or loss during the 2018 plan year.

The Unfunded Accrued Liability has been increased by an actuarial loss of $202,487. This amount is made up of a $682,525 actuarial loss due to investment return below the 7.5% assumption, as well as a $480,038 actuarial gain due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement. This change will be set up as "charge" unfunded base to be amortized over 15 years for minimum funding purposes.

The Unfunded Accrued Liability has been reduced by $556,196 due to a change in the mortality assumption. This amount will be set up as a "credit" unfunded base to be amortized over 15 years for minimum funding purposes.

**EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS** - this graphic illustrates how successful the funding objectives are being met. One goal of a funding method is to slowly reduce the Unfunded Accrued Liability. The closer the plan assets to the Accrued Liability, the less Unfunded Accrued Liability is left to fund. Generally speaking, the proximity of the two lines is in direct relationship to the level of each years' investment gains (closer together) or losses (farther apart) and to the impact of benefit improvements or changes in actuarial assumptions. The lines have grown slightly farther apart this year as a result of changes in actuarial assumptions.

**EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING** - displays the maintenance of amortization bases for determination of Minimum Contribution Requirements of ERISA as used and certified to on the Schedule MB attachment to Form 5500. This report reflects the approval of the 5 year automatic extension of amortizing the unfunded liabilities as of July 1, 2008.

**EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR PPA STATUS TESTING** - displays the maintenance of amortization bases prior to extension for determination of Critical Status testing as required by PPA.

**EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY** - displays the maintenance of amortization bases used in the determination of the Maximum Tax Deductible Level of contributions in accordance with Internal Revenue Code. Note that we have combined all bases into one amount. This combination has no impact on the Maximum Tax Deductible Contribution since that level is determined by the higher amount of the Unfunded Current Liability of the Plan.

**EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMITATION** - reflects the determination of an upper limit on the otherwise determined Maximum Tax Deductible Contribution Level. This limitation was originally intended to prevent employers from making tax deductible contributions to a plan that was otherwise determined to be ahead of a normal funding schedule. Due to the recent funding problems of defined benefit plans nationwide, Congress has changed the rules to increase the limits encouraging plan sponsors to make higher deductible contributions. For the 2019 plan year, the Full Funding Limits have no impact on the otherwise determined Maximum Tax Deductible Level of contributions based on the value of Unfunded Current Liability.

**EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS** - this exhibit summarizes the Minimum Required Contribution and Maximum Tax Deductible Contribution Levels for plan year 2018-2019. The Normal Cost which reflects the cost of benefits expected to be earned during the upcoming plan year has decreased from $1,654,189 in 2018 to $1,650,942 in 2019.

Expected 2019 Contributions of $6,817,000 (before consideration of withdrawal liability payments) is not sufficient to satisfy the Minimum Funding Level.

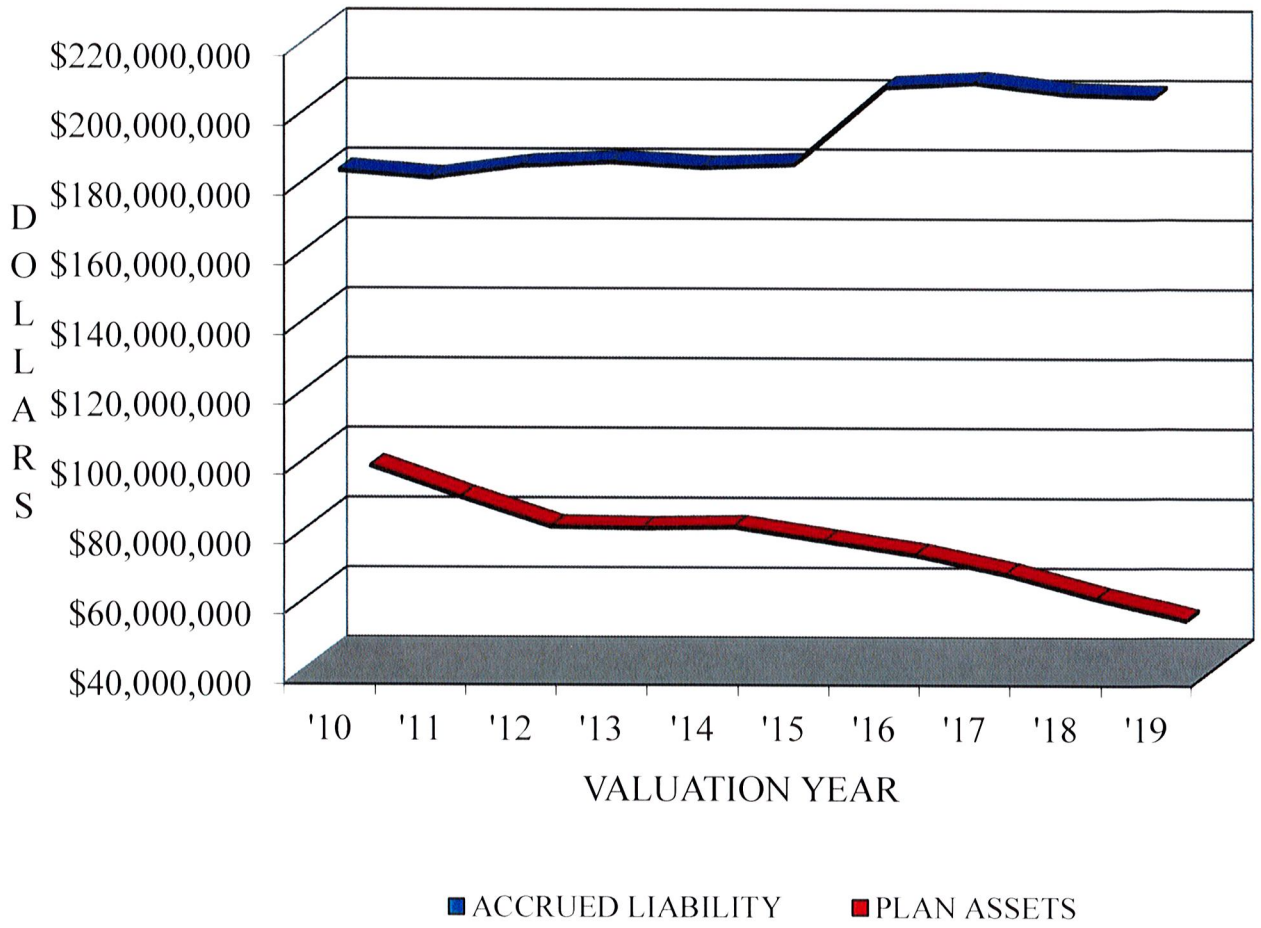
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF UNFUNDED ACCRUED LIABILITY AND ACTUARIAL GAIN (LOSS)

| | | |
|---|---|---|
| 1. Determination of Expected Unfunded Accrued Liability | | |
| A. Prior Year Unfunded | $151,539,392 | |
| B. Prior Year Normal Cost | 1,654,189 | |
| C. Prior Year Contribution | 7,220,493 | |
| D. Full Funding Credit | 0 | |
| E. Interest | 11,218,748 | |
| F. Changes During Year | (556,196) | |
| G. Total Expected Unfunded [A+B-C+E+F] | | $156,635,640 |
| 2. Determination of Actual Accrued Liability | | |
| A. Retired Participants | $146,039,950 | |
| B. Terminated Vested Participants | 24,170,835 | |
| C. Active Participants | 36,469,262 | |
| D. Total Actual Accrued Liability [A+B+C] | | $206,680,047 |
| 3. Actuarial Value of Assets | | $49,841,920 |
| 4. Unfunded Accrued Liability | | **$156,838,127** |
| 5. Actuarial Gain (Loss) [1G - 4] | | **($202,487)** |

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACCRUED LIABILITY VS PLAN ASSETS



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING INCLUDING 5 YEAR AMORTIZATION EXTENSION FOR MINIMUM FUNDING STANDARD ACCOUNT PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2019 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1991 | Method | $11,555,329 | $1,394,622 | 2 | $722,515 |
| 7/1/1994 | Assumpt. | 1,248,331 | 654,200 | 10 | 88,659 |
| 7/1/1996 | Amend. | 760,219 | 457,718 | 12 | 55,045 |
| 7/1/1997 | Amend. | 2,171,813 | 1,384,489 | 13 | 158,494 |
| 7/1/1998 | Amend. | 7,460,168 | 5,002,760 | 14 | 548,197 |
| 7/1/1998 | Assumpt. | 6,376,259 | 4,275,892 | 14 | 468,548 |
| 7/1/2000 | Amend. | 2,587,036 | 1,889,680 | 16 | 192,292 |
| 7/1/2001 | Act. Loss | 3,678,172 | 553,628 | 2 | 286,820 |
| 7/1/2001 | Amend. | 1,847,883 | 1,399,580 | 17 | 138,005 |
| 7/1/2002 | Act. Loss | 5,393,899 | 1,222,960 | 3 | 437,465 |
| 7/1/2003 | Act. Loss | 14,165,461 | 4,271,285 | 4 | 1,186,295 |
| 7/1/2004 | Act. Loss | 13,852,080 | 5,181,101 | 5 | 1,191,243 |
| 7/1/2005 | Act. Loss | 8,940,030 | 3,966,536 | 6 | 786,094 |
| 7/1/2006 | Act. Loss | 6,941,069 | 3,541,027 | 7 | 621,904 |
| 7/1/2007 | Act. Loss | 2,822,798 | 1,618,236 | 8 | 257,002 |
| 7/1/2007 | Assumpt. | 6,098,359 | 5,393,279 | 23 | 464,250 |
| 7/1/2008 | Act. Loss | 3,609,069 | 2,284,438 | 9 | 333,139 |
| 7/1/2009 | Act. Loss | 24,996,946 | 11,592,297 | 5 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 4,874,337 | 7 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 5,295,384 | 8 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 694,063 | 11 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 924,531 | 12 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 18,420,292 | 12 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 21,500 | 13 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,259,370 | 13 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,522,145 | 14 | 166,795 |
| 7/1/2019 | Act. Loss | 202,487 | 202,487 | 15 | 21,339 |
| | Sub-Total | | $89,297,837 | | $15,047,738 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $1,918,664 | 6 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 3,094,210 | 7 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 2,346,201 | 9 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 4,006,318 | 10 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 1,044,664 | 10 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,456,908 | 14 | 378,804 |
| 7/1/2019 | Assumpt. | 556,196 | 556,196 | 15 | 58,614 |
| | Sub-Total | | $16,423,161 | | $2,387,757 |
| **Net Charges:** | | | **$72,874,676** | | **$12,659,981** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION PLAN
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING WITHOUT 5 YEAR AMORTIZATION EXTENSION FOR CRITICAL TESTING PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2019 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1994 | Assumpt. | $1,248,331 | $440,170 | 5 | $101,203 |
| 7/1/1996 | Amend. | 760,219 | 349,652 | 7 | 61,409 |
| 7/1/1997 | Amend. | 2,171,813 | 1,102,727 | 8 | 175,131 |
| 7/1/1998 | Amend. | 7,460,168 | 4,118,230 | 9 | 600,561 |
| 7/1/1998 | Assumpt. | 6,376,259 | 3,519,882 | 9 | 513,304 |
| 7/1/2000 | Amend. | 2,587,036 | 1,632,570 | 11 | 207,599 |
| 7/1/2001 | Amend. | 1,847,883 | 1,231,194 | 12 | 148,062 |
| 7/1/2005 | Act. Loss | 8,940,030 | 960,803 | 1 | 960,801 |
| 7/1/2006 | Act. Loss | 6,941,069 | 1,436,922 | 2 | 744,430 |
| 7/1/2007 | Act. Loss | 2,822,798 | 844,647 | 3 | 302,139 |
| 7/1/2007 | Assumpt. | 6,098,359 | 5,057,472 | 18 | 484,713 |
| 7/1/2008 | Act. Loss | 3,609,069 | 1,388,170 | 4 | 385,546 |
| 7/1/2009 | Act. Loss | 24,996,946 | 11,592,297 | 5 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 4,874,337 | 7 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 5,295,384 | 8 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 694,063 | 11 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 924,531 | 12 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 18,420,292 | 12 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 21,500 | 13 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,259,370 | 13 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,522,145 | 14 | 166,795 |
| 7/1/2019 | Act. Loss | 202,487 | 202,487 | 15 | 21,339 |
| | Sub-Total | | $66,888,845 | | $11,796,669 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $1,918,664 | 6 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 3,094,210 | 7 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 2,346,201 | 9 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 4,006,318 | 10 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 1,044,664 | 10 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,456,908 | 14 | 378,804 |
| 7/1/2019 | Assumpt. | 556,196 | 556,196 | 15 | 58,614 |
| | Sub-Total | | $16,423,161 | | $2,387,757 |
| **Net Charges:** | | | **$50,465,684** | | **$9,408,912** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY

| Date Estab. | Source | Original Amt. | Unamortized | Limit Adj. |
|---|---|---|---|---|
| **Charges:** | | | | |
| 7/1/2019 | Fresh Start | $156,838,127 | $156,838,127 | $21,254,984 |
| | **Sub-Total** | | **$156,838,127** | **$21,254,984** |
| **Credits:** | | | | |
| None | | | | |
| **Net Charges:** | | | **$156,838,127** | **$21,254,984** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF FULL FUNDING LIMITATION FOR PLAN YEAR ENDING 6/30/2020

**Actuarial Values**

| | |
|---|---|
| 1. Accrued Liability | $206,680,047 |
| 2. Normal Cost | 1,650,942 |
| 3. RPA '94 Current Liability | 339,437,071 |
| 4. RPA '94 Expected Increase | 2,975,739 |
| 5. Expected RPA '94 Benefit Payments | 16,822,367 |
| 6. Market Value of Assets | 50,002,183 |
| 7. Actuarial Value of Assets | 49,841,920 |

**Accrued Liability Full Funding Limitation**

| | |
|---|---|
| 1. Minimum Funding Limitation | $170,375,749 |
| 2. Maximum Funding Limitation | 170,375,749 |

| | |
|---|---|
| **RPA '94 Full Funding Limitation** | $266,123,358 |
| **Minimum Contribution Full Funding Limitation** | $266,123,358 |
| **Maximum Contribution Full Funding Limitation** | $266,123,358 |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## MINIMUM AND MAXIMUM CONTRIBUTION LEVELS FOR PLAN YEAR ENDING 6/30/2020 (REFLECTS 5 YEAR AMORTIZATION EXTENSION)

| | | |
|---|---|---|
| **Minimum Required Contribution Level** | | |
| 1. Accumulated Funding Deficiency | $83,963,451 | |
| 2. Normal Cost | $1,650,942 | |
| 3. Net Amortization Charges | 12,659,981 | |
| 4. Interest | 7,370,578 | |
| 5. Minimum Before Credit Balance [1+2+3+4] | | **$105,644,952** |
| 6. Credit Balance | $0 | |
| 7. Interest | 0 | |
| 8. Minimum Required After Credit Balance [5-6-7] | | **$105,644,952** |
| **Maximum Tax Deductible Level** | | |
| 1. Normal Cost | $1,650,942 | |
| 2. Net Amortization Charges | 21,254,984 | |
| 3. Interest | 1,717,944 | |
| 4. Total [1+2+3] | **$24,623,870** | |
| 5. Maximum Full Funding Limitation | 266,123,358 | |
| 6. Amount to Fund 140% of Current Liability | 434,046,480 | |
| 7. Maximum Tax Deductible Level | | **$434,046,480** |
| **Expected 2019 Contributions** | | **$6,817,000** |
| **Expected 2019 Contribution Level is sufficient to Satisfy Normal Cost, Plan Expenses and Amortize the Unfunded Liability over:** | | **<<Insufficient>>** |

# SECTION III

# ACTUARIAL DISCLOSURE INFORMATION

## SECTION III - ACTUARIAL DISCLOSURE INFORMATION

This Section provides certain plan actuarial information that is required to be disclosed in the plan's financial audited statement of assets.

**EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS** - these disclosures of the accumulated value of plan benefits on a vested and non-vested basis are required to be disclosed in the financial audit of the plan.

**EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES** - provides a pie chart which shows the relative portions of plan accumulated benefits by category of participant. Note that the largest portion of accumulated benefits is attributed to retired participants in pay status at 70.4%. Adding their percentage to that of the terminated vested participants shows that 82.0% of all accumulated benefits are attributed to inactive plan participants.

**EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS** - this schedule is also an accounting disclosure required to be reflected in the financial audit of the plan. It is intended to provide a reconciliation of the value of accumulated plan benefits from beginning to end of plan year.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

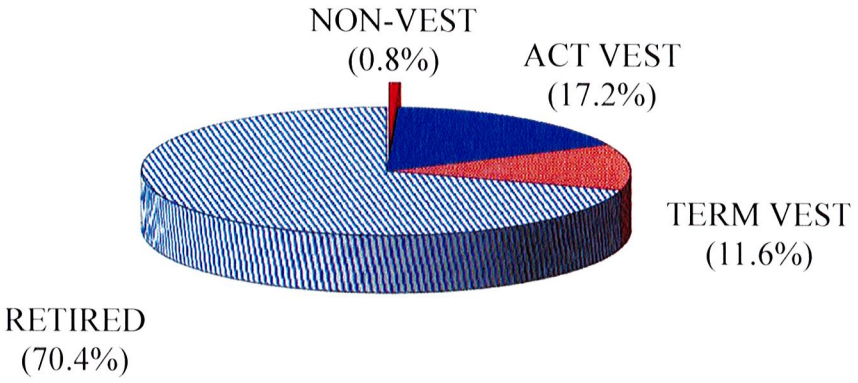
## ONGOING PLAN BASIS AS OF 7/1/2019

| | Total | Vested |
|---|---|---|
| 1. Retired Participants | $146,039,950 | $146,039,950 |
| 2. Terminated Vested Participants | 24,170,835 | 24,170,835 |
| 3. Terminated Non-Vested Participants | 729,385 | 0 |
| 4. Active Participants | 36,469,262 | 35,631,153 |
| 5. Total | $207,409,432 | $205,841,938 |
| 6. Assets at Market Value | $50,002,183 | $50,002,183 |
| 7. Excess Value of Benefits | $157,407,249 | $155,839,755 |

The values on this page comply with the Pension Fund Recommendations A(6) and A(7) of the Academy of Actuaries, as clarified by Academy Interpretation 1 and 2. The calculation reflects all assumptions shown in the Actuarial Assumptions Section of this report.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ANALYSIS OF ACCUMULATED BENEFIT VALUES



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF CHANGES IN ACCUMULATED BENEFITS ONGOING PLAN BASIS AS OF 7/1/2019

| | | |
|---|---|---|
| 1. Actuarial Present Value of Accumulated Plan Benefits at Beginning of Plan Year | | $208,235,154 |
| 2. Increase (Decrease) During the Plan Year Attributible to: | | |
| A. Plan Amendment and Changes in Actuarial Assumptions | ($556,196) | |
| B. Benefits Accumulated | 669,857 | |
| C. Increase for Interest Due to the Decrease in the Discount Period | 15,029,625 | |
| D. Benefits paid | (15,969,008) | |
| E. Net Changes [A+B+C-D] | | ($825,722) |
| 3. Actuarial Present Value of Accumulated Plan Benefits at End of Plan Year | | $207,409,432 |

# SECTION IV

# PARTICIPANT DATA

## SECTION IV - PARTICIPANT DATA

Section IV provides summaries of the plan's participant data which was used for the determination of projected benefit liabilities.

**EXHIBIT 17 – ANALYSIS OF ACTIVE PARTICIPANT DATA** – displays an age and service breakdown of the current active participant population.

**EXHIBIT 18 – ANALYSIS OF RETIRED AND TERM VESTED LIVES** – displays counts, average annual benefits and average ages by retiree type.

**EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS** – shows projected benefit payments for the next ten plan years.

**EXHIBIT 20 – ACTIVE VS. RETIRED & TERM VESTED MEMBERS** – shows the relationship between active participants for whom contributions are being made vs. inactive participants. Note that the drop in the number of actives in 2013 is due to the withdrawal of Uniontown Hospital.

EXHIBIT 17

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## ACTIVE MEMBER AGE AND SERVICE DISTRIBUTION AS OF 7/1/2019

| | .....YEARS OF BENEFIT CREDITED SERVICE..... | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| AGES | <5 | 5- 9 | 10-14 | 15-19 | 20-24 | 25-29 | >=30 | TOTALS |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 - 24 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| 25 - 29 | 19 | 4 | 0 | 0 | 0 | 0 | 0 | 23 |
| 30 - 34 | 13 | 11 | 4 | 0 | 0 | 0 | 0 | 28 |
| 35 - 39 | 25 | 9 | 18 | 3 | 0 | 0 | 0 | 55 |
| 40 - 44 | 10 | 8 | 8 | 4 | 1 | 0 | 0 | 31 |
| 45 - 49 | 9 | 6 | 9 | 19 | 9 | 0 | 0 | 52 |
| 50 - 54 | 16 | 10 | 12 | 11 | 17 | 12 | 3 | 81 |
| 55 - 59 | 6 | 11 | 14 | 17 | 23 | 15 | 10 | 96 |
| 60 - 64 | 5 | 6 | 14 | 9 | 17 | 8 | 15 | 74 |
| OVER 64 | 1 | 4 | 2 | 5 | 5 | 0 | 6 | 23 |
| TOTALS | 108 | 69 | 81 | 68 | 72 | 35 | 34 | 467 |

AVERAGE AGE= 49.8 AVERAGE BENEFIT SERVICE= 14.2

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## RETIRED AND TERM VESTED LIVES

## AS OF 7/1/2019

| | REGULAR<br>EE' CNT/<br>AVG BEN/<br>AVG AGE | DISABILITY<br>EE' CNT/<br>AVG BEN/<br>AVG AGE | SURVIVOR<br>EE' CNT/<br>AVG BEN/<br>AVG AGE | TOTAL<br>EE' CNT/<br>AVG BEN/<br>AVG AGE |
|---|---|---|---|---|
| NORMAL | 446<br>11,534<br>74 | 5<br>2,670<br>78 | 426<br>5,649<br>78 | 877<br>8,624<br>76 |
| EARLY | 215<br>11,032<br>69 | 0<br>0<br>0 | 0<br>0<br>0 | 215<br>11,032<br>69 |
| JOINT SURVIVOR | 531<br>11,581<br>75 | 3<br>2,259<br>68 | 0<br>0<br>0 | 534<br>11,529<br>75 |
| TERM VEST | 757<br>6,227<br>53 | 0<br>0<br>0 | 0<br>0<br>0 | 757<br>6,227<br>53 |
| TOTALS | 1,949<br>9,430<br>65 | 8<br>2,516<br>74 | 426<br>5,649<br>78 | 2,383<br>8,731<br>68 |

EXHIBIT 19

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

PROJECTION OF ESTIMATED PAYMENTS TO RETIREES OVER THE NEXT TEN (10) YEARS
AS OF 7/1/2019

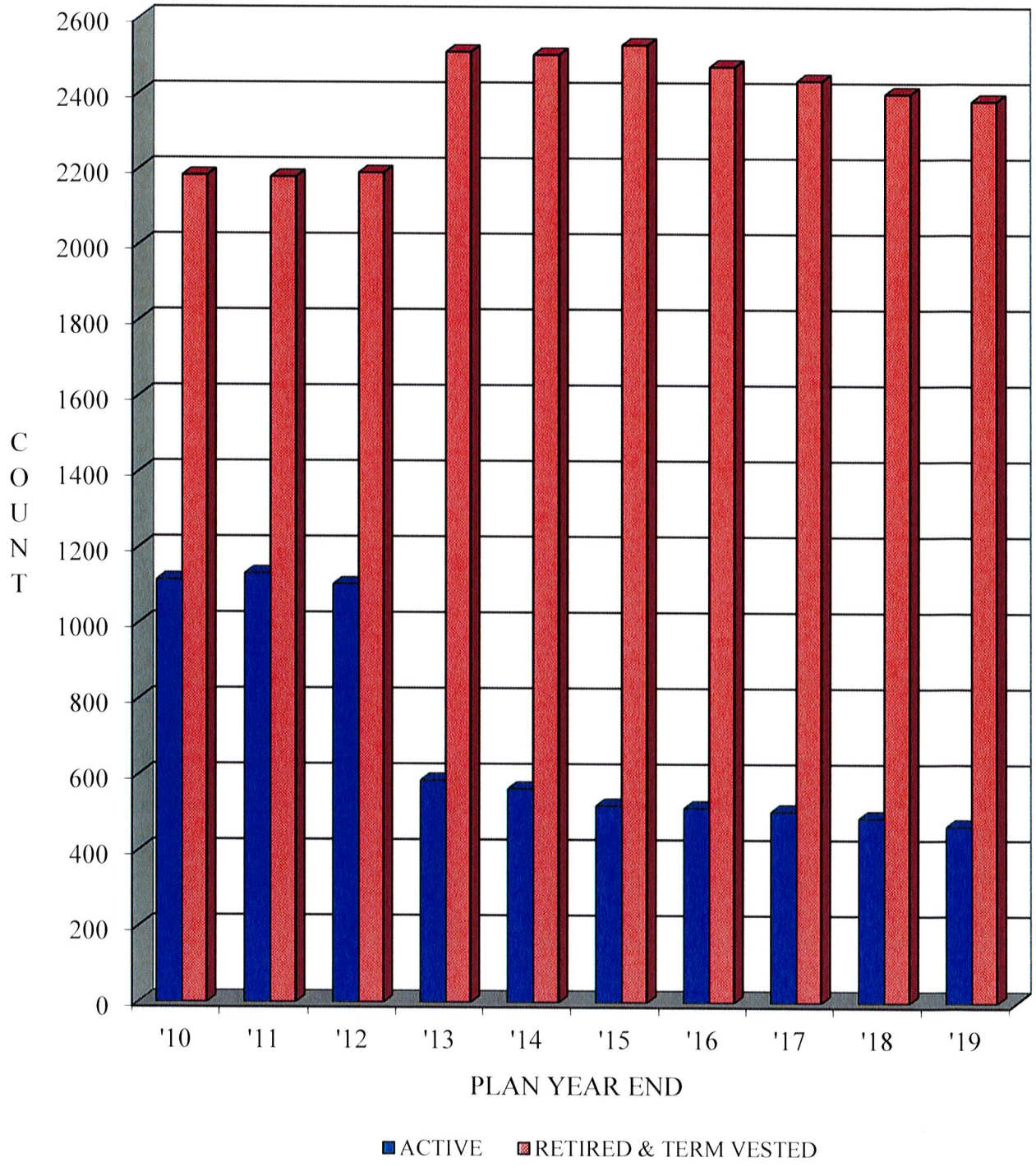
| PLAN YEAR | CURRENT RETIRED | NEWLY RETIRED | ..... ANNUAL PAYMENTS..... CURRENT | NEW * | TOTAL PAYMENTS |
|---|---|---|---|---|---|
| 2019 TO 2020 | 1617 | 281 | $15,991,920 | $4,261,470 | $20,253,391 |
| 2020 TO 2021 | 1898 | 64 | 20,253,391 | 908,106 | 21,161,497 |
| 2021 TO 2022 | 1962 | 53 | 21,161,497 | 1,163,802 | 22,325,299 |
| 2022 TO 2023 | 2015 | 59 | 22,325,299 | 724,061 | 23,049,360 |
| 2023 TO 2024 | 2074 | 70 | 23,049,360 | 987,680 | 24,037,040 |
| 2024 TO 2025 | 2144 | 57 | 24,037,040 | 919,010 | 24,956,050 |
| 2025 TO 2026 | 2201 | 58 | 24,956,050 | 882,978 | 25,839,029 |
| 2026 TO 2027 | 2259 | 47 | 25,839,029 | 771,269 | 26,610,297 |
| 2027 TO 2028 | 2306 | 42 | 26,610,297 | 945,387 | 27,555,685 |
| 2028 TO 2029 | 2348 | 50 | 27,555,685 | 779,013 | 28,334,698 |

NOTE: PROJECTIONS ASSUME NO TERMINATIONS OR MORTALITY.

* NEW PAYMENTS EXCLUDE PAYMENTS PAYABLE FOR FUTURE EARLY RETIREMENTS, DISABILITIES AND DEATHS.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE VS RETIRED TERM VESTED MEMBERS



# SECTION V

# COMPARISON AND ANALYSIS OF GAO RATIOS

## SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS

The following four ratios were selected by the US General Accounting Office as a means to measure the financial health of Multiemployer Pension Plans. The GAO states that although..."no one measure for a single year necessarily provides a complete and satisfactory assessment of the overall financial condition of a plan, (GAO) actuaries believe that this set of four ratios over several years indicates the relative financial strength of the plans...Trends over time are as important for most of the ratios as the values themselves. Favorable trends show that a plan is improving its financial condition...A plan with low values of two or more ratios may be experiencing financial distress."

**EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO** - Measures a Plan's funding status. A ratio of less than .50 is an indication of poor or modest funding:

| 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 |
|---|---|---|---|---|---|---|---|---|---|
| 0.44 | 0.49 | 0.43 | 0.42 | 0.44 | 0.39 | 0.31 | 0.29 | 0.27 | 0.24 |

**EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO** - Measures a Plan's ability to continue benefit payments should adverse contingencies arise. A ratio of less than 6.0 indicates poor resilience and the potential of plan termination:

| 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 |
|---|---|---|---|---|---|---|---|---|---|
| 5.73 | 5.61 | 6.13 | 5.38 | 5.25 | 5.22 | 4.67 | 4.11 | 3.84 | 3.51 |

**EXHIBIT 23 - INCOME TO EXPENSES RATIO** - Measures a Plan's cash flow and asset growth. Income includes contributions plus net investment increment, while expenses include benefit payments and non-investment expenses. A ratio of less than 1.75 indicates an insufficient net income margin:

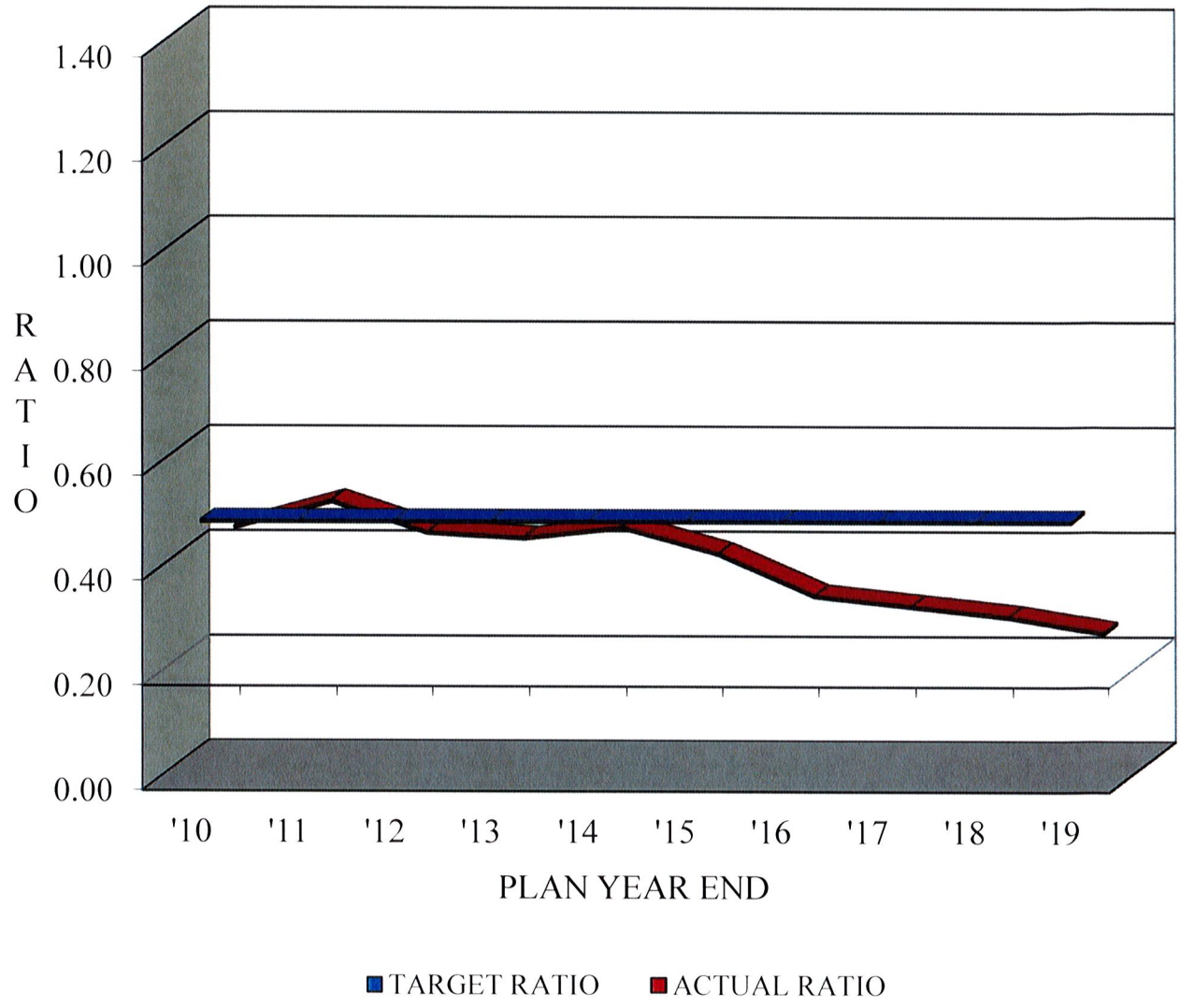
| 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 |
|---|---|---|---|---|---|---|---|---|---|
| 0.96 | 1.69 | 0.39 | 1.00 | 1.14 | 0.50 | 0.48 | 0.74 | 0.72 | 0.63 |

**EXHIBIT 24 - ACTIVES TO OTHER PARTICIPANTS RATIO** - Measures a Plan's population mix. A ratio of less than 2.0 indicates a probable future necessity of burdensome contribution rates for active participants:

| 6/10 | 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 |
|---|---|---|---|---|---|---|---|---|---|
| 0.51 | 0.52 | 0.50 | 0.23 | 0.23 | 0.21 | 0.21 | 0.21 | 0.20 | 0.20 |

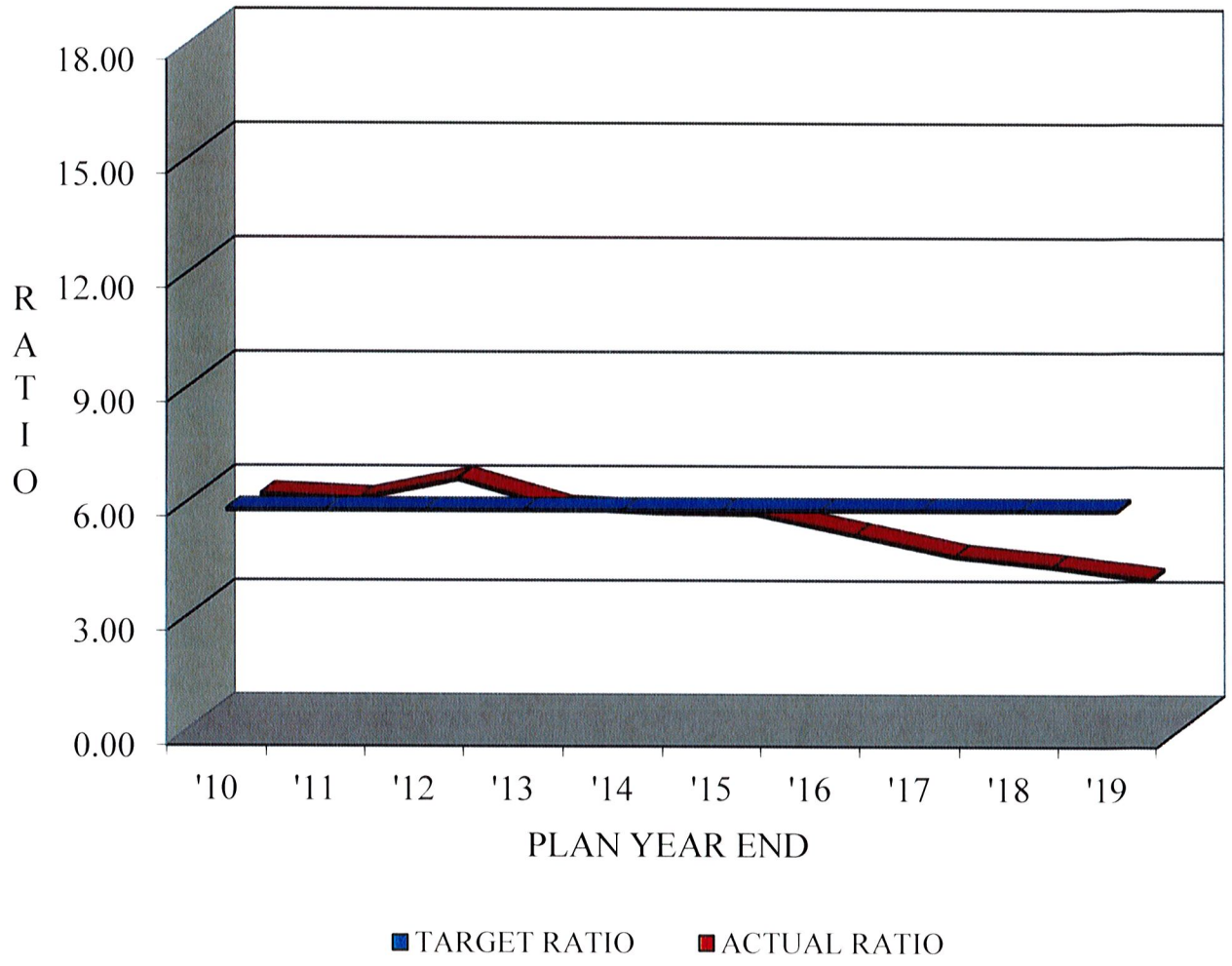
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO VESTED BENEFITS RATIO



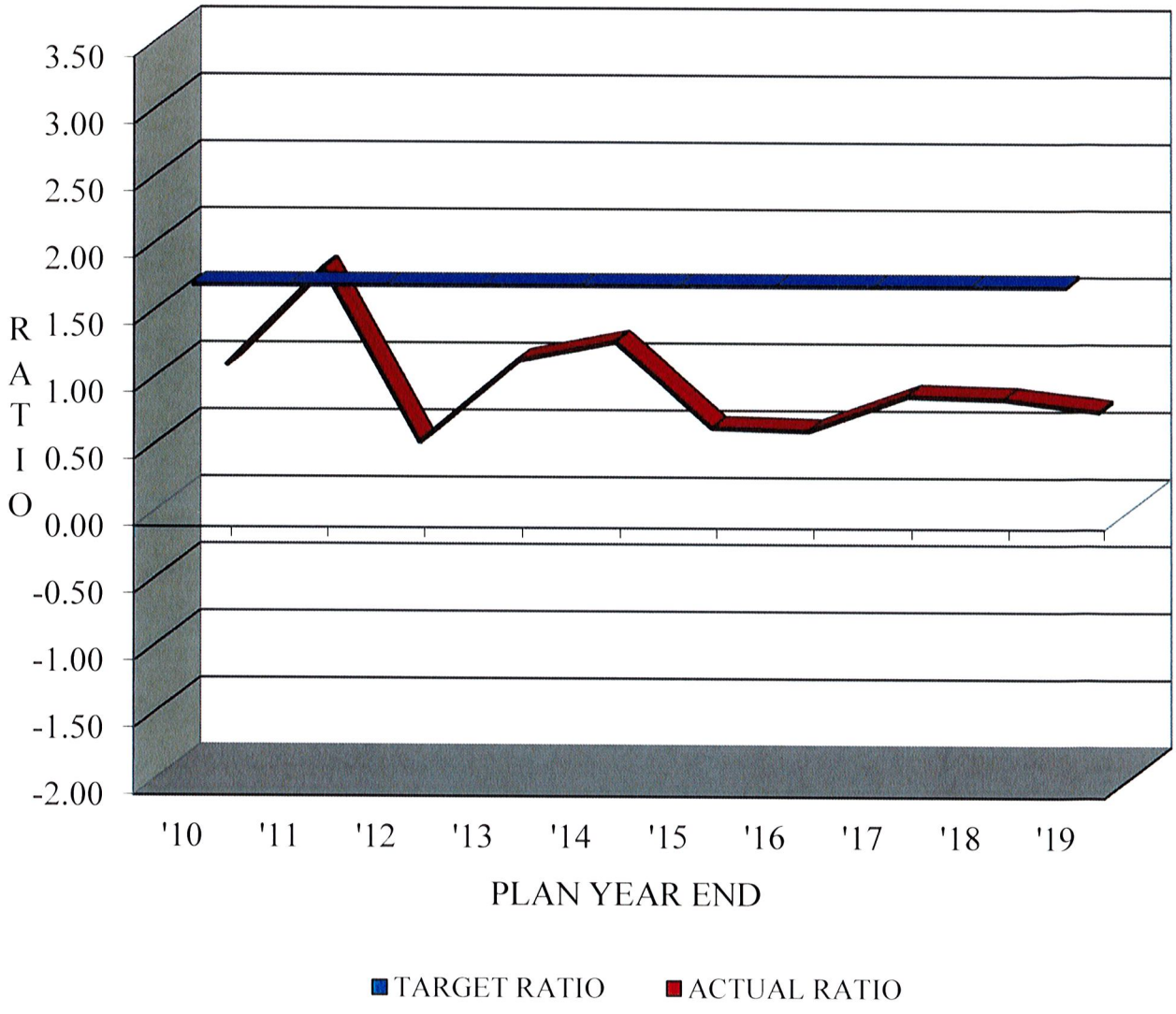
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO BENEFIT PAYOUT RATIO



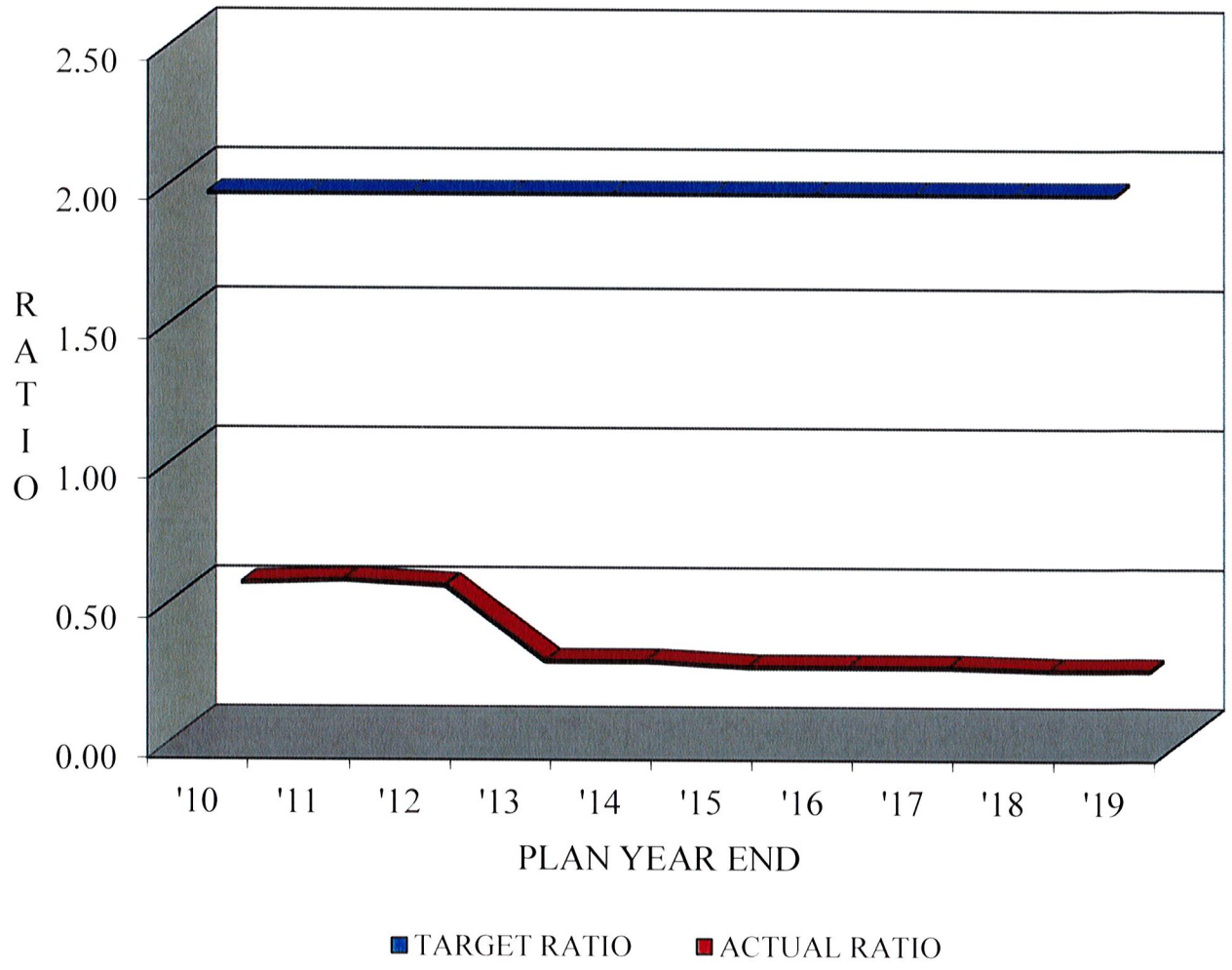
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

INCOME TO EXPENSE RATIO



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE TO OTHER PARTICIPANTS RATIO



# SECTION VI

# ACTUARIAL VALUATION METHODS

## SECTION VI - ACTUARIAL VALUATION METHODS

In order to determine plan costs, an Actuarial Cost Method must be applied to actuarial plan liabilities in order to provide a logical and systematic pattern of funding.

**EXHIBIT 25 - ACTUARIAL VALUATION METHODS** - this exhibit describes the Unit Credit Cost Method which is the method used to determine plan costs and the Actuarial Asset Valuation Method, which provides the method of accounting for plan assets in the valuation of plan costs. There have been no changes in any actuarial methods since the July 1, 2018 Valuation Report.

# ACTUARIAL VALUATION METHODS

## I. ACTUARIAL COST METHOD

The method used to determine the costs of this Plan is the Unit Credit Actuarial Cost Method. Under this method, the annual cost of the Plan consists of three parts: (1) Amortization of Actuarial Accrued Liability, (2) Normal Cost, and (3) Amortization of Actuarial Gains and Losses.

An individual's accrued benefit for valuation purposes on any date (i.e. a valuation date) related to a particular separation date is the accrued benefit described under the Plan, using the credited service as of the determination date.

The benefit deemed to accrue for an individual during a plan year is the excess of the accrued benefit for valuation purposes at the end of the year over the accrued benefit for valuation purposes at the beginning of the year.

An individual's accrued liability is the present value of the accrued benefit for valuation purposes at the beginning of the plan year, and the normal cost is the present value of the benefit deemed to accrue in the plan year. If multi-decrements are used, the accrued liability and the normal cost for an individual are the sum of the component accrued liabilities and normal costs associated with the various anticipated separation dates. Such accrued liabilities and normal costs reflect the accrued benefits as modified to obtain the benefits payable on those dates, and the probability of the individual separating on those dates.

## II. ASSET VALUATION METHOD

Assets are valued using the 4-year smoothed market value under Approval 15 of Revenue Procedure 95-51, as modified by Revenue Procedure 98-10.

# SECTION VII

# ACTUARIAL VALUATION ASSUMPTIONS

## SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS

Actuarial Assumptions provide the actuary with the ability to project the pattern of future benefit payments that, when discounted to present day worth, provide the actuarial liabilities that can be used in conjunction with the Actuarial Valuation Methods to determine plan funding levels.

**EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS** - details the actuarial assumptions in use for this plan in the July 1, 2019 actuarial valuation. Based on our annual review of all actuarial assumptions and taking into consideration the provisions of the Pension Protection Act of 2006, we have changed the following:

Mortality:

Healthy Lives – From SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2017 to SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Scale MP-2018.

Disabled Lives – From SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Scale MP-2017 to SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2018.

Interest:

RPA Liability – From 3.00% to 3.07% as required by law.

# ACTUARIAL VALUATION ASSUMPTIONS

**Mortality:**

**Healthy Lives** - SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2018.

**Disabled Lives** - SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2018.

**RPA Liability** - IRS 2018-2019+ (MP 16-17) Static Mortality.

**Interest:**

**Funding** - A rate of 7.50% per annum net of investment expenses.

**RPA Liability** – 3.07% per annum

**Disclosure Liability** - A rate of 7.50% per annum.

**Assumed Retirement Age:**

**Active participants** – Retirement is assumed at age 62. Early Retirement rates are graduated rates of retirement based on age, service, and contribution level.

**Terminated Vested participants** – The participant's Normal Retirement Age.

**Expenses:** An estimate based on actual administrative expenses incurred in the prior plan year.

**Termination:** Annual rates based on the following scale as a percentage:

**Freight and UPS -**

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

**Non-Freight -**

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

## ACTUARIAL VALUATION ASSUMPTIONS (Cont'd)

**Annuity Form:** Five Year Certain and Life Thereafter for benefits earned through June 30, 2009.

Single Life Annuity for benefits earned after June 30, 2009.

If a Participant is not eligible to retire as of June 30, 2011 (with eligibility for immediate payment of a Retirement Benefit), the form of the basic Retirement Benefit shall be a Single Life Annuity (for the entire basic Retirement Benefit, regardless of when accrued.)

**Future Service:** It is assumed that for all future years, all Members will have future accruals based on the same contribution amount as the prior year

**Rates of Disablement:** The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

**Calculation of Benefits:** Benefits are calculated as of the last completed computation period, June 30, 2017.

**Census Data:**

Retired Members -
If spouse date of birth is not available, female spouse is assumed to be three (3) years younger, and male spouse is assumed to be three (3) years older.

Active Members -
If Member's date of birth is not available, the Member is assumed to be age 28 at date of hire.

# SECTION VIII

# SALIENT FEATURES
# OF
# SOUTHWESTERN PENNSYLVANIA
# AND WESTERN MARYLAND AREA
# TEAMSTERS AND EMPLOYERS PENSION FUND

# SALIENT FEATURES OF SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## I. ELIGIBILITY

An Employee covered under a Collective Bargaining Agreement between an Employer and International Brotherhood of Teamsters Local Unions 491 or 453 providing for payments to the Pension Fund or a person employed by an Employer who has an agreement with the Union providing for participation in the Fund.

## II. NORMAL RETIREMENT

A. Normal Retirement Date - The Participant's Normal Retirement Date shall mean:

(a) for retirement benefits (and the Accrued Benefit) earned before July 1, 2009, the later of age 60 or his attained age on the fifth anniversary of date of hire by an Employer even if the date of hire is prior to the date the Employer first became an Employer;

(b) for retirement benefits ( and the accrued Benefit) earned from and after July 1, 2009 and before July 1, 2011, the later of age 62 or his attained age on the fifth anniversary of the commencement of his participation in the Plan; and

(c) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2011, the later of age 65 or his attained age on the fifth anniversary of the commencement of his participation in the Plan.

B. Normal Retirement Annuity Starting Date. The Normal Retirement Annuity Starting Date is the first day of the month coincident with or next following his Normal Retirement Date.

## II. NORMAL RETIREMENT (Cont'd)

C. Amount of Normal Retirement Benefit

(1) For Service prior to October 1, 1987, Participants who entered the Plan before such date will accrue benefits equal to the product of their Credited Service (Past and Future) and the Unit Multiplier in the Appendix of the Plan. For Participants of Local 491 and 872, the maximum Credited Service prior to October 1, 1987 shall be twenty-five (25) years. For Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service up to October 1, 1982 and an additional five (5) Years of Credited Service up to October 1, 1987, making a total of twenty-five (25) years. For Non-Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service prior to October 1, 1987, plus

(2) For service on and after October 1, 1987, but prior to January 1, 2005, Two and Three-Quarter Percent (2.75%) of the amount of Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2000 for which a contribution is received by the Fund on or after February 1, 2000.

(3) Terminated Vested Participants (and terminated nonvested Participants who have not lost their prior service due to a Break in Service) who reenter the Fund on or after January 1, 2000 will not be eligible for the increased unit multiplier of 2.75% until such time as they have completed one (1) Year of Participation (five months, 22 weeks or 1,000 hours of covered employment) subsequent to their reentry.

(4) For service on or after January 1, 2005, but prior to January 1, 2007, one and three quarter percent (1.75%) of the amount of the Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2005 for which a contribution is received by the Fund on or after February 1, 2005.

(5) For service on or after January 1, 2007, one percent (1.00%) of the amount of the Employer Contributions without any reduction paid to the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2007 for which a contribution is received by the Fund on or after February 1, 2007.





## II. NORMAL RETIREMENT (Cont'd)

(6) For service on or after July 1, 2009, one percent (1.00%) of the contributions based on the contribution rate in effect June 30, 2008.

## III. EARLY RETIREMENT BENEFIT

A. Eligibility

A Participant who has:

(1) attained age sixty (60); and

(2) completed five (5) Years of Future Credited Service

is eligible, upon written notice to the Trustees, to retire and receive an Early Retirement Benefit.

B. Early Retirement Date

The Participant may elect to have his Early Retirement Benefit commence on or after his Early Retirement Date which shall be the first day of any month subsequent to the date he satisfies the above requirements.

C. Amount

(1) The Early Retirement Benefit shall be reduced for payment before Normal Retirement Date to is Equivalent Actuarial Value (using the age 62 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2009 and before July 1, 2011 and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011.)

(2) The Retirement Benefit payable under each form of payment shall be Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity; and

(3) The normal form of payment for a Participant not married on the Annuity Starting Date shall be a Single Life Annuity.

(4) No one can retire before the age of sixty (60).

## IV. DISABILITY RETIREMENT

A. A Participant shall not be eligible for a disability Retirement Benefit unless the Participant is in receipt of a disability Retirement Benefit as of June 30, 2011 or the Participant's application for a disability Retirement Benefit was being processed as of June 30, 2011.

B. Cessation of Disability Benefit. The Participant's Disability Benefit will cease upon the earliest of his:

(1) recovery from disability;
(2) attaining his Normal Retirement Date;
(3) election of an Early Retirement Benefit; or
(4) death.

## V. RETIREMENT BENEFIT PAYMENTS

A. Single Life Annuity (Normal Form for Benefits:

The Normal Form for benefits shall be a Single Life Annuity.

The Participant shall receive monthly payments for the life of the Participant, ceasing upon the Participant's death.

B. Five Year Certain:

The Participant shall receive his pension as a monthly life income, with the provision that if the death of the Participant occurs prior to his receipt of 60 monthly payments, the balance of such monthly payments shall be continued to his beneficiary, until a total of 60 monthly payments in all has been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 60 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

C. Ten Year Certain:

Available for retirement benefits commencing on or after August 1, 1996, this is a monthly benefit payable during the Participant's lifetime with the provision that if the death of the Participant occurs prior to his receipt of 120 monthly payments, monthly payments shall be continued to his beneficiary until a total of 120 monthly payments in all have been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 120 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

D. Qualified Joint and Survivor Options:

(1) A married Participant who is entitled to receive a Qualified Joint and Survivor Annuity may, prior to the date that payments commence, elect between:

(i) Qualified Joint and 50% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to fifty percent (50%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse; or

(ii) Qualified Joint and 100% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to one hundred percent (100%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse.

(2) If a Participant's spouse dies before the Participant's Annuity Starting Date, his election of the Qualified Joint and Survivor Annuity shall automatically be revoked.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

E. Automatic Joint and Survivor Benefit

Effective October 1, 1997, the Joint and 100% Survivor Benefit shall be the automatic form of benefit paid unless rejected by the retiree and spouse in writing.

F. Note: The Retirement Benefit payable under each form of payment shall be the Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity.

G. Restoration Benefit

If a Participant retired on or after October 1, 1997 and benefits are being paid in the form of a Qualified Joint and Survivor Annuity and the Participant's spouse dies while the Participant is still living, the Participant's benefit will be restored to the Life Annuity, 5 Year Certain form of benefit and the amount of benefit will be increased to the amount of benefit he would have received if he and his spouse had waived the Qualified Joint and Survivor Annuity and had elected to receive the normal form of benefit.

## VI. VESTED BENEFIT

A. At Normal Retirement Date. Regardless of any other provisions of the Plan, a Participant will be one hundred percent (100%) vested in his Accrued Benefit upon the attainment of his Normal Retirement Date while in the employ of the Employer.

A. Upon Termination Prior to Normal Retirement Date.

(i) Collective Bargaining Employees. A Participant who is in a class of Employees subject to a collective bargaining agreement requiring contributions to the Plan who terminates his employment with the Employer prior to his Normal Retirement Date shall have a vested benefit determined as follows:

## VI. VESTED BENEFIT (Cont'd)

The Participant's vested benefit shall be calculated by multiplying his Accrued Benefit by the following applicable percentage:

| Years of Participation | Vesting Percentage |
|---|---|
| Less than five (5) years | None |
| Five (5) years or more | 100% |

(2) Non-Collective Bargaining Employee. The above schedule shall also apply to Participants not subject to Collective Bargaining.

## VII. DEATH BENEFITS

A. Preretirement

(1) Married Participant. In the case of a Participant who dies prior to his Annuity Starting Date and was legally married on the date of his death, there are no death benefits provided under this Plan unless the Participant is eligible for a Qualified Preretirement Survivor Annuity.

(2). Single Participant.

(a) In the case of a Participant who dies prior to his Annuity Starting Date and was not legally married on the date of his death, there are no death benefits provided under this Plan, except as provided under subparagraph (b) below.

(b) Ten Year Certain Death Benefit for Single Participants. If an unmarried Participant:

(i) has been credited with service earned on or after August 9, 1996.

(ii) has vested benefits not subject to a Qualified Domestic Relations Order under the Plan, and

(iii) dies prior to his Annuity Starting Date,

Then such Participant's beneficiary shall be entitled to receive a Ten Year Certain Death Benefit. The Ten Year Certain Death Benefit shall consist of 120 monthly payments to the beneficiary as if:

(i) in the case of a Participant who dies after the date on which the Participant attained his Earliest Retirement Age, such Participant had retired on the day before his death and had elected immediate retirement under the Life Annuity, Ten Years Certain option, or

(ii) in the case of a Participant who dies before the date on which the Participant would have attained his Earliest Retirement Age, such Participant had:

(A) separated from service on the date of death,

(B) survived to the Earliest Retirement Age,

(C) retired and elected immediate retirement under the Life Annuity, Ten Years Certain option, and

(D) died on the day after the day on which such Participant would have attained his Earliest Retirement Age.

The term "Earliest Retirement Age" means the earliest date on which, under the Plan, the Participant could have elected to receive retirement benefits based on his Years of Service at his death.

Special Note: The Ten Year Certain Death Benefit has been eliminated for deaths occurring on or after July 1, 2017.

B. Post-Retirement

In the case of a Participant who dies subsequent to his Annuity Starting Date, no death benefits shall be payable except as provided under the specific form of benefit being paid.

## VIII. QUALIFIED MILITARY SERVICE

As required by Code Section §401(a)(37), a Participant who dies on or after January 1, 2007 while performing qualified military service (within the meaning of Code §414(u)) and who would have been entitled to reemployment rights under the Plan under the Uniformed Services Employment and Reemployment Rights Act of 1994 at his death shall be treated as follows for purposes of the death benefits payable under this Article:

(a) he shall be credited with service (but not benefit accrual) for the period of his qualified military service; and

(b) he shall be treated as if he had died while in employment with the Employer.

## IX. CASH-OUT OF CERTAIN BENEFITS

If the Employee terminates and the monthly benefit to which he would otherwise be entitled is less than $25, and if the present value of the Employee's vested accrued benefit derived from Employer and Employee contribution is not greater than $5,000, the Employee may, at his option, elect to receive a cash out distribution of the present value of the entire vested portion of such accrued benefit provided that the distribution has not already commenced in the form of an annuity.

## X. UNIT MULTIPLIERS -

See pages 55 thru 58.

## LOCAL

**(491)**

| CONTRIBUTION RATE CLASS | MULTIPLIERS |
|---|---|
| $79.00 - $83.00 (FREIGHT) | $34.00 (for service prior to April 1, 1984) $43.00 (for service between April 1, 1984 thru September 30, 1987). |
| $80.00 - $84.00 - $88.00 (UNITED PARCEL POST) | $34.50 (for service prior to May 1, 1984) - $43.50 (for service on and after May 1, 1984 thru September 30, 1987). |

## TABLE 1

## UNIT MULTIPLIER TABLE

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $72.00 | $34.50 |
| $71.00 | $34.00 |
| $55.00-$58.00-$62.00 | $32.50 |
| $61.00-$65.00 | $32.70 |
| $238.18-$243.18-$248.18 | $31.90 |
| $49.00-$52.00-$56.00 | $31.75 |
| $230.19-$235.19-$240.19 | $31.70 |
| $44.00-$49.00-$54.00 | $31.50 |
| $43.00-$48.00-$53.00 | $31.05 |
| $48.00-$50.00-$52.00 | $30.65 |
| $46.00-$49.00-$52.00 | $30.55 |
| $41.00-$46.00-$51.00 | $30.10 |
| $45.00-$47.00-$49.00 | $29.30 |
| $43.00-$46.00-$49.00 | $28.80 |
| $43.00-$45.00-$47.00 | $27.70 |
| $44.00-$45.00-$46.00 | $27.25 |
| $40.00-$43.00-$46.00 | $27.00 |
| $37.50-$40.50-$43.50 | $25.55 |
| $37.00-$40.00-$43.00 | $25.25 |
| $36.00-$39.00-$42.00 | $24.65 |
| $35.00-$38.00-$41.00 | $24.05 |
| $34.00-$37.00-$40.00 | $23.45 |
| $00.85-$00.90-$00.95 | $22.25 |
| $34.50-$37.00 | $21.75 |
| $31.00-$34.00-$37.00 | $21.70 |
| $30.00-$33.00-$21.10 | $21.10 |
| $29.00-$32.00-$35.00 | $20.50 |
| $28.50-$31.50-$34.50 | $20.20 |
| $140.00-$142.50-$145.00 | $19.50 |
| $116.92-$129.92-$142.92 | $19.45 |
| $000.75 | $17.55 |

**LOCAL**
**(491)**

**(Continued)**

**TABLE II**

**UNIT MULTIPLIER FOR CREDITED SERVICE**

| Contribution Rate Class | Prior to January 1, 1978 | After January 1, 1978 |
|---|---|---|
| $28.00-$31.00-$34.00 | $20.20 | $19.75 |
| $29.00-$31.00-$33.00 | $20.20 | $18.85 |
| $29.00-$32.00 | $20.20 | $17.90 |
| $28.00-$30.00-$32.00 | $20.20 | $17.85 |
| $26.00-$29.00-$32.00 | $20.20 | $17.80 |
| $25.00-$28.00-$31.00 | $20.20 | $16.80 |
| $25.50-$28.00-$30.50 | $20.20 | $16.35 |

**TABLE III**

**UNIT MULTIPLIER TABLE FOR ALL OTHER CLASSES**

**UNIT MULTIPLIERS FOR CREDITED SERVICE PRIOR TO JANUARY 1, 1978 FOR CONTRIBUTION RATE CLASS AS OF JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00 to $25.99 | $20.20 | | |
| $22.00 to $23.99 | $20.00 | $12.00 to $13.99 | $13.00 |
| $20.00 to $21.99 | $19.00 | $10.00 to $11.99 | $11.00 |
| $18.00 to $19.99 | $18.00 | $ 8.00 to $ 9.99 | $ 9.00 |
| $16.00 to $17.99 | $16.50 | $ 6.00 to $ 7.99 | $ 7.00 |
| $14.00 to $15.99 | $14.50 | $ 4.00 to $ 5.99 | $ 5.00 |

**LOCAL**
**(491)**

**TABLE III**
**(Continued)**

**UNIT MULTIPLIERS FOR CREDITED SERVICE AFTER JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $25.00-$28.00-$31.00 | $15.70 | | |
| $25.00-$28.00 | $14.35 | $18.00 | $ 9.30 |
| $24.00-$26.00-$28.00 | $14.25 | $14.00-$18.00 | $ 9.15 |
| $23.00-$25.00-$27.00 | $13.75 | $10.00-$14.00-$18.00 | $ 8.85 |
| $26.00 | $13.40 | $12.50-$15.00 | $ 7.65 |
| $24.00-$25.00-$26.00 | $13.30 | $14.50 | $ 7.50 |
| $18.00-$22.00-$26.00 | $13.00 | $14.00 | $ 7.20 |
| $25.00 | $12.90 | $12.00-$13.00-$14.00 | $ 7.10 |
| $24.00-$25.00 | $12.85 | $10.00-$12.00-$14.00 | $ 7.00 |
| $23.00-$25.00 | $12.80 | $ 8.00-$10.00-$12.00 | $ 5.95 |
| $22.00-$25.00 | $12.80 | $10.00-$11.50 | $ 5.85 |
| $24.00 | $12.40 | $ 4.00-$ 6.50-$ 9.00 | $ 4.35 |
| $23.00 | $11.85 | $ 8.00 | $ 4.10 |
| $20.00-$22.00 | $11.30 | $ 4.00-$ 6.00-$ 8.00 | $ 3.90 |
| $14.00-$19.50-$22.00 | $10.95 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |
| $20 | $10.30 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |

## LOCAL
## (453)

| Contribution Rate | Unit Multiplier | Contribution Rate | Unit Multiplier |
|---|---|---|---|
| $390.81 | $50.00 | $105.70 | $18.25 |
| $373.48 | $50.00 | $105.70 | $18.25 |
| $356.15 | $50.00 | $ 95.33 | $18.25 |
| $338.82 | $50.00 | $ 92.16 | $16.00 |
| $291.16 | $50.00 | $ 84.49 | $18.25 |
| $246.96 | $50.00 | $ 74.88 | $13.00 |
| $212.30 | $38.75 | $ 73.66 | $18.25 |
| $194.97 | $36.25 | $ 60.67 | $10.70 |
| $177.64 | $33.75 | $ 56.33 | $10.70 |
| $173.31 | $30.00 | $ 47.66 | $10.70 |
| $161.28 | $28.00 | $ 43.33 | $ 8.60 |
| $158.00 | $28.00 | $ 39.00 | $ 8.60 |
| $151.00 | $27.00 | $ 34.67 | $ 8.60 |
| $149.76 | $26.00 | $ 29.67 | $ 8.60 |
| $146.00 | $26.00 | $ 28.67 | $ 8.60 |
| $144.00 | $25.00 | $ 26.00 | $ 6.75 |
| $134.31 | $25.00 | $ 23.67 | $ 6.75 |
| $127.79 | $25.00 | $ 17.17 | $ 5.40 |
| $121.31 | $25.00 | $ 12.17 | $ 3.75 |
| $111.56 | $25.00 | $ 8.67 | $ 3.75 |
| $108.31 | | | |

## MASTER LIST OF
## BENEFIT ILLUSTRATIONS

Pages 60 through and including 176 are a master listing of all retired, terminated vested and active members. These pages are included with the report distributed to the Fund Office.

The information shown for each member is as follows:

1. Name
2. Current Age
3. Normal Retirement Age
4. Normal Retirement Date
5. Percent Vested
6. Estimated Benefit
   - Current Accrued Benefit
   - Current Vested Benefit

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## Actuarial Certification of Funding Status in accordance with the Pension Protection Act of 2006

**As of**
**July 1, 2019**

**For the Plan Year Beginning July 1, 2019 and Ending June 30, 2020**

Prepared by:
**Beyer-Barber Company**
Employee Benefit and Actuarial Consultants
1136 Hamilton Street, Suite 103
Allentown, PA 18101



# BEYER-BARBER COMPANY

1136 HAMILTON STREET, SUITE 103
ALLENTOWN, PENNSYLVANIA 18101

PHONE 610-435-9577
FAX 610-435-2663
www.beyerbarber.com


September 27, 2019

Board of Trustees
Southwestern Pennsylvania and Western Maryland Area
Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

RE: Actuarial Certification of Funding Status as of July 1, 2019

Trustees:

In accordance with the provisions of the Pension Protection Act of 2006 (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA), I have prepared an actuarial certification of the funding status of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2019. The attached report provides details of the actuarial and projection assumptions and methods used, the resultant projections and the results of the application of the PPA status testing performed.

For the plan year beginning July 1, 2019, the plan is **IN CRITICAL AND DECLINING STATUS** as defined in Section 432 of the Internal Revenue Code. This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. A copy of this certification will be mailed to the Secretary of the Treasury as required by law.

Sincerely,

Randee W. Sekol, EA, MAAA, MSPA, FCA
CEO & Chief Actuary

# ACTUARIAL CERTIFICATION OF FUNDING STATUS UNDER THE PENSION PROTECTION ACT OF 2006

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN:** 25-1046087
**Plan Number:** 001
**Plan Contact Information:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401
Phone: 724-438-0512
Fax: 724-438-4870
**Plan Year of Certification:** July 1, 2019 to June 30, 2020

I hereby certify that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund is **IN CRITICAL AND DECLINING STATUS** for the 2019-20 plan year as defined under Section 432 of the Internal Revenue Code. My projections are based on the Actuarial Valuation that was prepared as of July 1, 2018.

This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. The actuarial assumptions, projection assumptions and methods used follow this certification. This certification is based on the understanding that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund qualifies as a multiemployer plan in accordance with the law for the 2019-2020 plan year.

To the best of my knowledge, the information supplied in this certification including the following exhibits is complete and accurate, and in my opinion represent my best estimate of anticipated experience under the plan.

Randee W. Sekol, EA, MAAA, MSPA, FCA
Enrolled Actuary No. 17-03192
Beyer-Barber Company
1136 Hamilton Street, Suite 103
Allentown, PA 18101
Phone: 610-435-9577
Fax: 610-435-2663
Date: September 27, 2019

**EXHIBIT I**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

**CRITICAL STATUS TESTING**

Test 1

1. Was the plan certified to be in Critical Status for the prior plan year? YES
2. Is the plan projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 304(d)? YES
3. Critical status if both #1 and #2 are YES? **CRITICAL**

Test 2

1. Is Funded Percentage below 65%? YES
2. Is the sum of assets and the present value of expected contributions for the current plan year and each of the next 6 plan years less than the present value of benefits to be paid during that period? YES
3. Critical status if both #1 and #2 are YES? **CRITICAL**

Test 3

1. Does the plan have an accumulated funding deficiency in the current plan year? YES
2. Is the plan projected to have an accumulated funding deficiency within the 3 succeeding plan years (4 succeeding Plan Years if the Funded Percentage is 65% or less)? YES
3. Critical Status if either #1 or #2 is YES? **CRITICAL**

Test 4

1. Does normal cost plus interest on the unfunded accrued liability exceed the expected contributions? YES
2. Is the present value of nonforfeitable benefits for inactives greater than the present value of nonforfeitable benefits for actives? YES
3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 4 plan years? YES
4. Critical Status if #1, #2 and #3 are "YES"? **CRITICAL**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING, cont'd

Test 5

| | |
|---|---|
| 1. Is the sum of the market value of assets plus the expected contributions for the current and 4 succeeding plan years less than the present value of benefits expected to be paid during that period including plan expenses? | NO |
| 2. Critical Status if #1 is "YES"? | **NOT CRITICAL** |

**CONCLUSION: THE PLAN IS IN CRITICAL STATUS**

## CRITICAL AND DECLINING STATUS TESTING

Test 1

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 14 plan years? | YES |
| 3. Critical and Declining Status if both #1 and #2 are "YES"? | **CRITICAL & DECLINING** |

Test 2

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Is the inactive to active participant ratio greater than 2 to 1? | YES |
| 4. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 19 plan years? | YES |
| 5. Critical and Declining Status if either #2 or #3 is "YES" and both #1 and #4 are "YES"? | **CRITICAL & DECLINING** |

**CONCLUSION: THE PLAN IS IN CRITICAL AND DECLINING STATUS**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

**ENDANGERED STATUS TESTING**

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 6 plan years taking into account any extension of amortization periods under PPA Section 304(d)? | YES |
| 4. Endangered Status if #1 is "NO" and either #2 or #3 is "YES"? | **NOT ENDANGERED** |

**CONCLUSION: THE PLAN IS NOT IN ENDANGERED STATUS**

## EXHIBIT II

## PENSION PROTECTION ACT OF 2006
## PROJECTION RESULTS

| Year | Active Population | Inactive Population | Actuarial Value of Assets | Accrued Benefit Liability | Accrued Benefit Funded % | 06/30 Credit Balance |
|---|---|---|---|---|---|---|
| 2019 | 480 | 2,422 | $48,478,727 | $207,104,657 | 23.4% | ($85,754,124) |
| 2020 | 472 | 2,433 | 41,571,864 | 206,424,689 | 20.1% | (100,005,782) |
| 2021 | 464 | 2,440 | 33,977,228 | 205,477,278 | 16.5% | (113,853,868) |
| 2022 | 457 | 2,441 | 25,556,937 | 204,038,185 | 12.5% | (127,510,765) |
| 2023 | 449 | 2,442 | 16,441,206 | 202,120,391 | 8.1% | (141,437,194) |
| 2024 | 442 | 2,435 | 6,738,582 | 199,728,884 | 3.4% | (155,555,168) |
| 2025 | 435 | 2,423 | 0 | 196,851,757 | 0.0% | (163,748,113) |

# EXHIBIT III

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Plan Changes:** The Trustees adopted a Rehabilitation Plan on April 2, 2009, which did not eliminate any "adjustable benefits" for those benefits earned through June 30, 2009, but changed future benefit accruals for service earned on and after July 1, 2009 as follows:

- Benefit accrual equal to 1% of contributions required to be made on behalf of the participant based on the contribution rate that was in effect on July 1, 2008.
- Benefits earned after July 1, 2009 will be payable as a Straight Life Annuity with other forms determined based on an actuarial equivalent.
- Benefits earned after July 1, 2009 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Special 25 and 30 & Out Benefit Levels are frozen at their accrued level as of June 30, 2009.
- Contribution levels required to be increased by 8% for each year in the future.

The Trustees adopted an update to the Rehabilitation Plan on February 11, 2011, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all participants not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the Five (5) Year Certain and Life Subsidy applies only to benefits earned prior to July 1, 2009.
- Benefits earned from July 1, 2009 through June 30, 2011 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Benefits earned on and after July 1, 2011 are paid without reduction at Normal Retirement Age 65 and reduced actuarially for early commencement.
- The 25 and out retirement prior to age 55 is eliminated for all participants not eligible to retire on or before July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the 25 and out retirement prior to age 55.
- Early retirement subsidy is eliminated for all participants who are not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the early retirement subsidy applies only to benefits earned prior to July 1, 2009.
- Twenty-five (25) and Out no reduction for early retirement is eliminated except for participants with 25 years as of July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the Twenty-five (25) and Out no reduction only for benefits earned prior to July 1, 2009.
- All disability benefits are eliminated unless in pay status or unless an application for disability benefits was in process on or before June 30, 2011.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2014, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all individuals who are not receiving a retirement benefit with an effective date on or before July 1, 2014.
- No one can retire on or after July 1, 2014 before age 60, whether they are age 55 with 15 years of service or have obtained 25 years of service.

The Trustees restated the Rehabilitation Plan effective July 1, 2017 to incorporate all the contribution and benefit terms in a single document.

## EXHIBIT III, cont'd

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Assets:**

Valued as of: June 30, 2019
Source of assets: Unaudited financial statement
Adjustments: None

**Method Used to Project Assets:** Assets are projected based on a 7.5% investment return. The investment return assumption is based on the application of historical investment returns by asset class applied to the current investment portfolio.

**Method Used to Project Liabilities:** Liabilities are projected based on deterministic forecasting techniques and actuarial and projection assumptions.

**Other Anticipated Changes from Original Valuation/Schedule MB:** None.

**Active Membership:** Active membership for UPS is assumed to remain constant for all future years. Active membership for all other actives is assumed to decline by 2% per year.

**Anticipated Employer Contributions:**

Basis for current year: Reflects the contribution rates in the collective bargaining/participation agreements as of the valuation year.

Basis for projection years: For purposes of testing for Endangered and Critical Status, we consider only the actual increases in the collective bargaining agreements already scheduled to take effect in future years. For purposes of testing for Critical and Declining Status, we consider the actual increases in the collective bargaining agreements already scheduled to take effect in future years plus 6.0% thereafter for UPS employers and 8.0% for all other employers.

# EXHIBIT IV

## PENSION PROTECTION ACT OF 2006
## ACTUARIAL METHODS AND ASSUMPTIONS

**Actuarial Cost Method:** Unit Credit Cost Method

**Actuarial Asset Valuation Method:** 4 Year Smoothed market value in accordance with Approval 15 of Revenue Procedure 95-51 as modified by Revenue Procedure 98-10.

**Actuarial Assumptions:**

Mortality: SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

Disability Mortality: SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2017.

Interest: A rate of 7.5% per annum.

Retirement Age: Active participants - Retirement rates are graduated rates of retirement based on age, service, and contribution level.
Terminated Vested participants – The participant's Normal Retirement Age.

Termination: Annual rates based on the following scale as a percentage:

Freight and UPS -

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

Non-Freight -

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

Expenses: An estimated amount based on the actual expenses paid in the prior plan year.

Incidence of Disability, Active Lives: The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## ACTUARIAL VALUATION AS OF JULY 1, 2020

## FOR THE PLAN YEAR ENDING JUNE 30, 2021



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

March 5, 2021

Board of Trustees
Southwestern Pennsylvania and
Western Maryland Area Teamsters
and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

**Re: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund Actuarial Valuation as of July 1, 2020**

Gentlemen:

The following report summarizes the actuarial valuation results of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2020. We have previously certified that the Plan is in Critical and Declining Status for the 2020-2021 plan year. The Trustees have developed and implemented a Rehabilitation Plan in order to satisfy the funding improvement objectives set forth in PPA.

The expected 2020-2021 employer contributions of $8,094,000 (before consideration of any withdrawal liability payments) are not sufficient to pay Normal Cost, plan expenses and amortize the plan's Unfunded Accrued Liability over any period of time. As a result, the Unfunded Accrued Liability is expected to increase from $162,269,428 to $167,907,136 and the Funding Standard Account Funding Deficiency is projected to increase from $96,564,239 as of June 30, 2020 to a Funding Deficiency of $110,993,923 as of June 30, 2021.

Prior to the passage of the Pension Protection Act of 2006, this would have resulted in a 100% excise tax on contributing employers. However, PPA permits employers to avoid the excise tax as long as the Trustees have taken all reasonable measures to forestall insolvency within the Rehabilitation Plan.

This valuation will form the basis of forecast projections that will permit us to re-measure the funded status of the Plan as of July 1, 2021 as required by PPA. Once the 2020-2021 investment return, contributions, expenses and benefit payments can be reasonably estimated, we will be in a position to proceed with the necessary projections.

The information contained in this report and the contribution levels we have determined are based on the following:

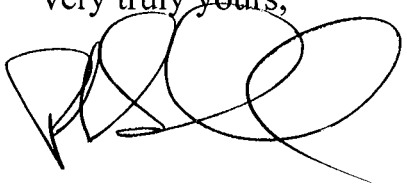
1. Retired, Active, Inactive Vested and Inactive Non-Vested census data received from Innovative Software Solutions, Inc. and the Fund office;

2. Financial data prepared by DiClaudio & Kramer, L.L.C. Certified Public Accountants;

3. Plan provisions in the Amended and Restated Plan Document effective July 1, 2014 including Amendment #1 adopted January 20, 2017.

We look forward to reviewing the details of the report with you at the Trustees Meeting.

Very truly yours,



Randee W. Sekol, EA, MAAA, MSEA, FCA
Consulting Actuary

RWS/cg

**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA**
**TEAMSTERS AND EMPLOYERS PENSION FUND**

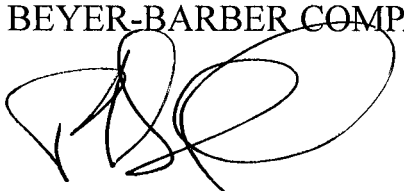
**AS OF JULY 1, 2020**

## ACTUARY'S OPINION

This report has been prepared in accordance with generally accepted actuarial principles and practices. The present values shown herein have been estimated on the basis of actuarial assumptions and methods which, in my actuarial opinion, are appropriate for the various purposes of this report and represent the best available estimate of anticipated experience under the plan.

References to the plan provisions, census data, plan assets and other matters are contained elsewhere in this report.

BEYER-BARBER COMPANY



Randee W. Sekol, E.A. #20-03192
Member American Academy of Actuaries
Member of the American Enrolled Actuaries

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## HIGHLIGHTS OF THE JULY 1, 2020 VALUATION REPORT

## A. INTRODUCTION

Foster & Foster Consulting Actuaries, Inc. was retained by the Board of Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund to perform an actuarial valuation of the Fund as of July 1, 2020.

The following are the highlights of the July 1, 2020 annual actuarial valuation report. Please refer to the appropriate sections of this report for valuation details.

## B. 2019-2020 PLAN EXPERIENCE

The Fund as a whole experienced an actuarial loss during the 2019-2020 plan year of $1,619,594. Actuarial gains or losses result from deviations between actual plan experience and actuarial assumptions. The 6.9% rate of return on the actuarial value of assets was less than the actuarially assumed interest rate of 7.5% and resulted in an asset loss of $277,432; however, this loss increased by an actuarial loss of $1,342,162 (0.6% of liabilities) due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement.

Contributions received by the Fund during the 2019-2020 plan year totaled $8,752,495. These contributions were made up of normal employer contributions of $7,148,783, and employer withdrawal liability payments of $1,603,712. These contributions resulted in an increase in the Funding Deficiency from $83,963,451 as of July 1, 2019 to a Funding Deficiency of $96,564,239 as of July 1, 2020.

As reported in the July 1, 2019 valuation we projected the 2019-2020 employer contributions were insufficient to pay normal cost, plan expenses, and amortize the Unfunded Accrued Liability over any period.

## C. 2020 VALUATION CHANGES

The Pension Protection Act of 2006 (PPA) was effective for the plan beginning July 1, 2008. We have previously certified that the Plan is in Critical and Declining Status for the 2020-2021 plan year. The Trustees have previously developed and implemented a Rehabilitation Plan and updates in accordance with PPA. That Rehabilitation Plan will have to be updated again this year.

The mortality improvement tables were updated from Scale MP-2018 to Scale MP-2019.

## D. EXECUTIVE SUMMARY

The following are significant observations from the detailed valuation results:

- Expected contributions continue to be insufficient to satisfy Normal Cost (including administrative expenses), and amortize the Unfunded Accrued Liability over any period.

- Expected contributions will increase the Funding Standard Account Funding Deficiency from $96,564,239 as of July 1, 2020 to an estimated $110,993,923 as of July 1, 2021.

- The PPA funded percentage has decreased from 24.1% as of July 1, 2019 to 21.6% as of July 1, 2020.

The following is a summary of the principal results of the July 1, 2020 Valuation compared with the results of the July 1, 2019 Valuation. The development of these items for the July 1, 2020 valuation is shown in the appropriate sections of the report.

## D. EXECUTIVE SUMMARY, (cont'd)

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2019 | July 1, 2020 |
| **SECTION I - PLAN YEAR IN REVIEW** | | |
| **1. Employer Contributions** | $7,220,493 | $8,752,495 |
| **2. Credit Balance/(Funding Deficiency) with Extension** | ($83,963,451) | ($96,564,239) |
| **3. Credit Balance/(Funding Deficiency) without Extension** | ($106,372,443) | ($117,159,006) |
| **4. PPA Funded Percentage** | 24.1% | 21.6% |
| **5. Market Value of Assets** | $50,002,183 | $42,879,037 |
| **6. Actuarial Value of Assets** | $49,841,920 | $44,779,010 |
| **SECTION II - VALUATION RESULTS** | | |
| **1. Unfunded Accrued Liability** | | |
| A. Actuarial Accrued Liability | $206,680,047 | $207,048,438 |
| B. Valuation Assets | 49,841,920 | 44,779,010 |
| C. Unfunded Accrued Liability | $156,838,127 | $162,269,428 |
| **2. Normal Cost** | $1,650,942 | $1,734,908 |
| **3. Contribution Levels** | | |
| A. Minimum Before Credit Balance | $105,644,952 | $119,391,448 |
| B. Minimum After Credit Balance | $105,644,952 | 119,391,448 |
| C. Maximum Deductible | $434,046,480 | $460,611,022 |
| D. Expected Contributions | $6,817,000 | $8,094,000 |
| E. Expected Funding Level | <<Insufficient>> | <<Insufficient>> |

## D. EXECUTIVE SUMMARY, (cont'd)

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2019 | July 1, 2020 |
| **SECTION III - ACTUARIAL DISCLOSURE** | | |
| **Accumulated Benefits for Audit Purposes** | | |
| 1. P.V. of All Accumulated Benefits | $207,409,432 | $207,738,454 |
| 2. M.V. of Assets | 50,002,183 | 42,879,037 |
| 3. Unfunded Accumulated Benefits | $157,407,249 | $164,859,417 |
| 4. P.V. of Accumulated Vested Benefits | $205,841,938 | $206,329,614 |
| 5. M.V. of Assets | 50,002,183 | 42,879,037 |
| 6. Unfunded Accumulated Vested Benefits | $155,839,755 | $163,450,577 |
| **SECTION IV - PARTICIPANT DATA** | | |
| **1. Active** | 467 | 452 |
| **2. Retired** | 1,617 | 1,634 |
| **3. Terminated Vested** | 766 | 727 |
| **4. Total Participants** | 2,850 | 2,813 |
| **SECTION V - GAO RATIOS** | | |
| **1. Assets to Vested Benefits** | 0.24 | 0.21 |
| **2. Assets to Benefit Payout** | 3.51 | 3.06 |
| **3. Income to Expenses** | 0.63 | 0.58 |
| **4. Actives to Other Participants** | 0.20 | 0.19 |

# TABLE OF CONTENTS


| | PAGE |
|---|---|
| **SECTION I – 2019 PLAN YEAR IN REVIEW** | 1 |
| EXHIBIT 1 - 2019 PLAN YEAR CONTRIBUTIONS | 4 |
| EXHIBIT 2 - STATEMENT OF FUNDING STANDARDS | 5 |
| EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS | 6 |
| EXHIBIT 4 - DETERMINATION OF ACTUARIAL VALUE OF ASSETS | 7 |
| EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN | 8 |
| EXHIBIT 6 - ACTUARIAL VS. MARKET VALUE OF ASSETS | 9 |
| **SECTION II - JULY 1, 2020 VALUATION RESULTS** | 10 |
| EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY | 13 |
| EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS | 14 |
| EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING | 15 |
| EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR CRITICAL TESTING | 16 |
| EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY | 17 |
| EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMIT | 18 |
| EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS | 19 |
| **SECTION III - ACTUARIAL DISCLOSURE INFORMATION** | 20 |
| EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS | 22 |
| EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES | 23 |
| EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS | 24 |
| **SECTION IV - PARTICIPANT DATA** | 25 |
| EXHIBIT 17 - ANALYSIS OF ACTIVE PARTICIPANT DATA | 27 |
| EXHIBIT 18 - ANALYSIS OF RETIRED AND TERM VESTED LIVES | 28 |
| EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS | 29 |

## TABLE OF CONTENTS (cont'd)


| | PAGE |
|---|---|
| **SECTION IV - PARTICIPANT DATA, Continued** | |
| EXHIBIT 20 - ACTIVE VS RETIRED & TERM VESTED MEMBERS | 30 |
| **SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS** | 31 |
| EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO | 33 |
| EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO | 34 |
| EXHIBIT 23 - INCOME TO EXPENSES RATIO | 35 |
| EXHIBIT 24 - ACTIVE TO OTHER PARTICIPANTS RATIO | 36 |
| **SECTION VI - ACTUARIAL VALUATION METHODS** | 37 |
| EXHIBIT 25 - ACTUARIAL VALUATION METHODS | 39 |
| **SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS** | 40 |
| EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS | 42 |
| **SECTION VIII - SALIENT FEATURES** | 44 |
| **APPENDIX I – SUPPLEMENTAL INFORMATION FOR SELECTION OF ACTUARIAL ASSUMPTIONS** | 59 |
| **APPENDIX II – RISK MEASUREMENTS** | 60 |

# SECTION I

# 2019 PLAN YEAR IN REVIEW

## SECTION I - 2019 PLAN YEAR IN REVIEW

This Section of the report provides information on how the Fund has fared during the 2019 plan year, since the preparation of the July 1, 2019 actuarial valuation report.

**EXHIBIT 1 - 2019 PLAN YEAR CONTRIBUTIONS** - details the contributions that were made during plan year 2019 by source. Note that of the $8,752,495 in total 2019 contributions, $7,148,783 are accounted for by collectively bargained employer contributions, and $1,603,712 are accounted for by withdrawal liability payments.

**EXHIBIT 2 - STATEMENT OF FUNDING STANDARD ACCOUNT** - reflects the development of the Minimum Funding Standard Account Credit Balance for the plan year ending June 30, 2020. As we had projected, the total employer contributions of $8,752,495 fell short of the amount necessary to improve the Funding Standard Account which has increased from a Funding Deficiency of $83,963,451 to a Funding Deficiency of $96,564,239.

**EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS** - the bar chart illustrates a comparison of actual contributions versus minimum contribution requirements before consideration of the Funding Standard Account Credit Balance for each of the last ten (10) plan years. Note that the increase in the minimum contribution level relative to actual contributions beginning in 2012 is due to the Funding Standard Account Credit Balance Deficiency.

**EXHIBIT 4 - DETERMINATION OF THE ACTUARIAL VALUE OF ASSETS** - shows the development of the Actuarial Value of Assets based on a 4-year deferred recognition of asset gains and losses. This method was first adopted in the July 1, 2001 Valuation as a means of smoothing out substantial investment losses and preserving the Funding Standard Account Credit Balance as long as possible. For this July 1, 2020 valuation, the Actuarial Value of Assets used for funding is 104.43% of the actual Market Value.

Because the portion of gains deferred from the 2017-18 return above 7.5% did not exceed the remaining portion of the loss deferred from the 2018-19 and 2019-20 returns below 7.5%, there is a net deferred loss of $1,899,973. that will be recognized in future years.

**EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN** - provides a comparison of estimated actuarial rates of return on the market and actuarial value of plan assets. These returns are determined assuming that all transactions occur mid-year. As a result, they will be close, but will not match the time-weighted returns calculated by the investment analyst.

**EXHIBIT 6 – ACTUARIAL VS. MARKET VALUE OF ASSETS** – This is a graphic representation of how the Actuarial Value of Assets (in blue) attempts to smooth out the fluctuations in the Market Value of Assets (in red). When actual investment returns are higher than the assumed 7.5% return, the method reflects an Actuarial Value of Assets that is below the Market Value of Assets and vice versa. Since the 2017 plan year had investment gains (above 7.5%) that were less than the investment losses for the 2018 and 2019 plan years (below 7.5%), the July 1, 2020 Actuarial Value is greater than the Market Value.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## 2019 PLAN YEAR CONTRIBUTIONS

| | | |
|---|---|---|
| 1. Employer Contributions | $7,148,783 | |
| 2. MPPAA Withdrawal Liability Payments | 1,603,712 | |
| 3. Total Employer Contributions Received | | **$8,752,495** |
| 4. Employee Contributions | | 0 |
| 5. Total Contributions | | **$8,752,495** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF FUNDING STANDARD ACCOUNT FOR THE PLAN YEAR ENDING 6/30/2020

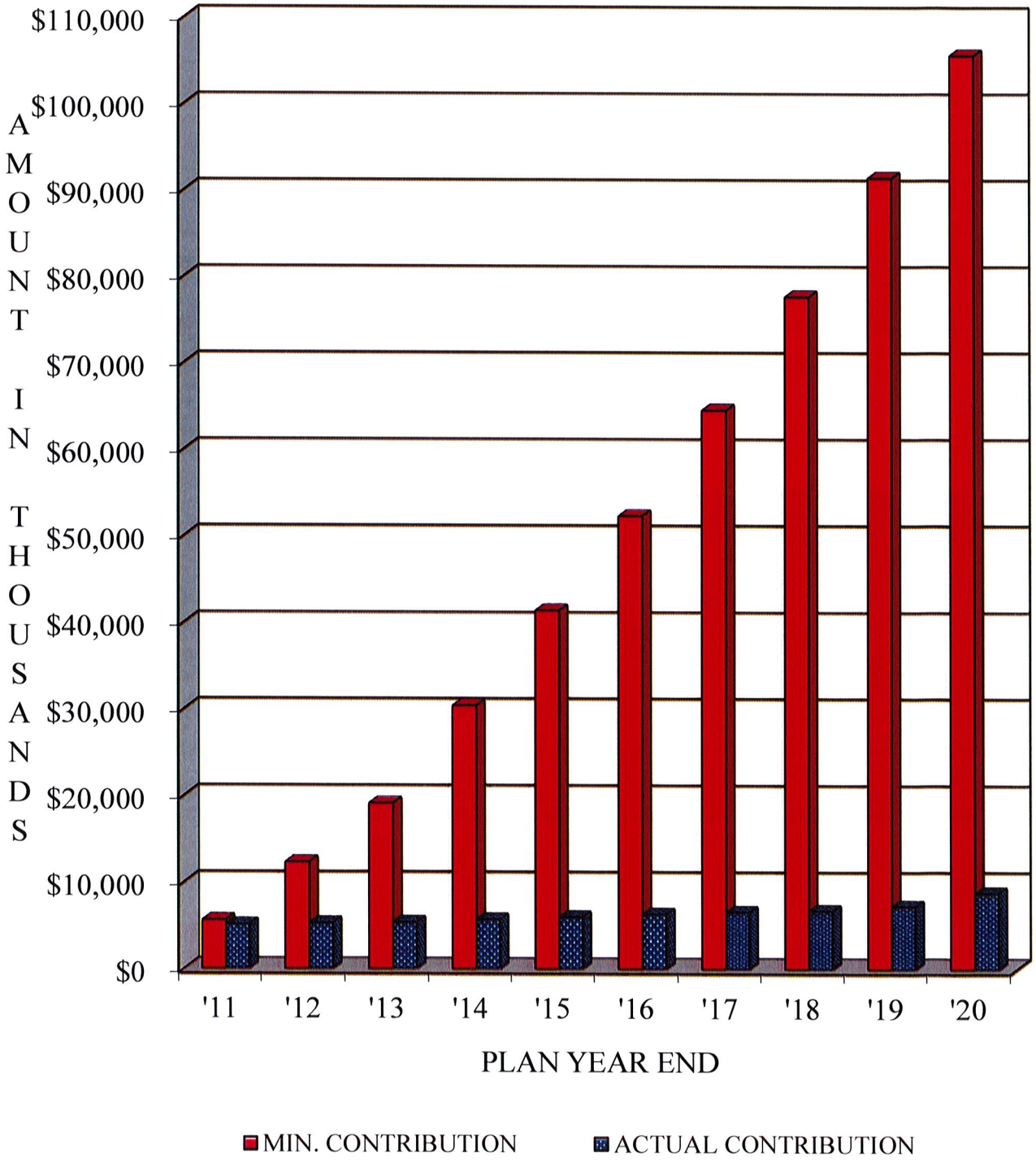
| CHARGES: | WITHOUT 5 YEAR AMORTIZATION EXTENSION* | WITH 5 YEAR AMORTIZATION EXTENSION** |
|---|---|---|
| 1. Prior Year Funding Deficiency | $106,372,443 | $83,963,451 |
| 2. Employer Normal Cost | 1,650,942 | 1,650,942 |
| 3. Amortization Charges | 11,796,669 | 15,047,738 |
| 4. Interest | 8,986,504 | 7,549,660 |
| 5. Total Charges | $128,806,558 | $108,211,791 |
| **CREDITS:** | | |
| 6. Prior Year Credit Balance | $0 | $0 |
| 7. Employer Contributions | 8,752,495 | 8,752,495 |
| 8. Amortization Credits | 2,387,757 | 2,387,757 |
| 9. Interest | 507,300 | 507,300 |
| 10. Full Funding Credit | 0 | 0 |
| 11. Total Credits | $11,647,552 | $11,647,552 |
| **CREDIT BALANCE:** | | |
| 12. Credit Balance | **$0** | **$0** |
| 13. Funding Deficiency | **($117,159,006)** | **($96,564,239)** |

* For Critical Testing Purposes.

** For Minimum Funding Standard Account Purposes

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

MINIMUM CONTRIBUTION VS ACTUAL CONTRIBUTION



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF ACTUARIAL VALUE OF ASSETS

| | 2016-17 | 2017-18 | 2018-19 | 2019-20 |
|---|---|---|---|---|
| 1. Market Value on 7/1 | $64,924,946 | $60,748,691 | $56,100,848 | $50,002,183 |
| 2. Non-Invest. Income | 6,550,203 | 6,710,030 | 7,220,493 | 8,752,495 |
| 3. Benefits & Expenses | (16,305,200) | (16,337,227) | (16,510,809) | (16,968,034) |
| 4. Actual Return | 5,578,742 | 4,979,354 | 3,191,651 | 1,092,393 |
| 5. Market Value 6/30 | $60,748,691 | $56,100,848 | $50,002,183 | $42,879,037 |
| 6. Assumed Int. Rate | 7.50% | 7.50% | 7.50% | 7.50% |
| 7. Expected Return | $4,503,559 | $4,195,132 | $3,859,177 | $3,442,081 |
| 8. Gain (Loss) | 1,075,183 | 784,222 | (667,526) | (2,349,688) |
| 9. Deferral Percentage | 0% | 25% | 50% | 75% |
| 10. Def. Gain/(Loss) | $0 | $196,056 | ($333,763) | ($1,762,266) |
| 11. Total Gain/(Loss) Deferred on 6/30 | | | | ($1,899,973) |
| 12. Preliminary Actuarial Value of Assets on 6/30 | | | | $44,779,010 |
| 13. 80% of Market Value of Assets | | | | $34,303,230 |
| 14. 120% of Market Value of Assets | | | | $51,454,844 |
| **15. Actuarial Value on 6/30 (#12 but not less than #13 nor greater than #14)** | | | | **$44,779,010** |
| (Actuarial Value as a percentage of Market Value) | | | | 104.43% |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

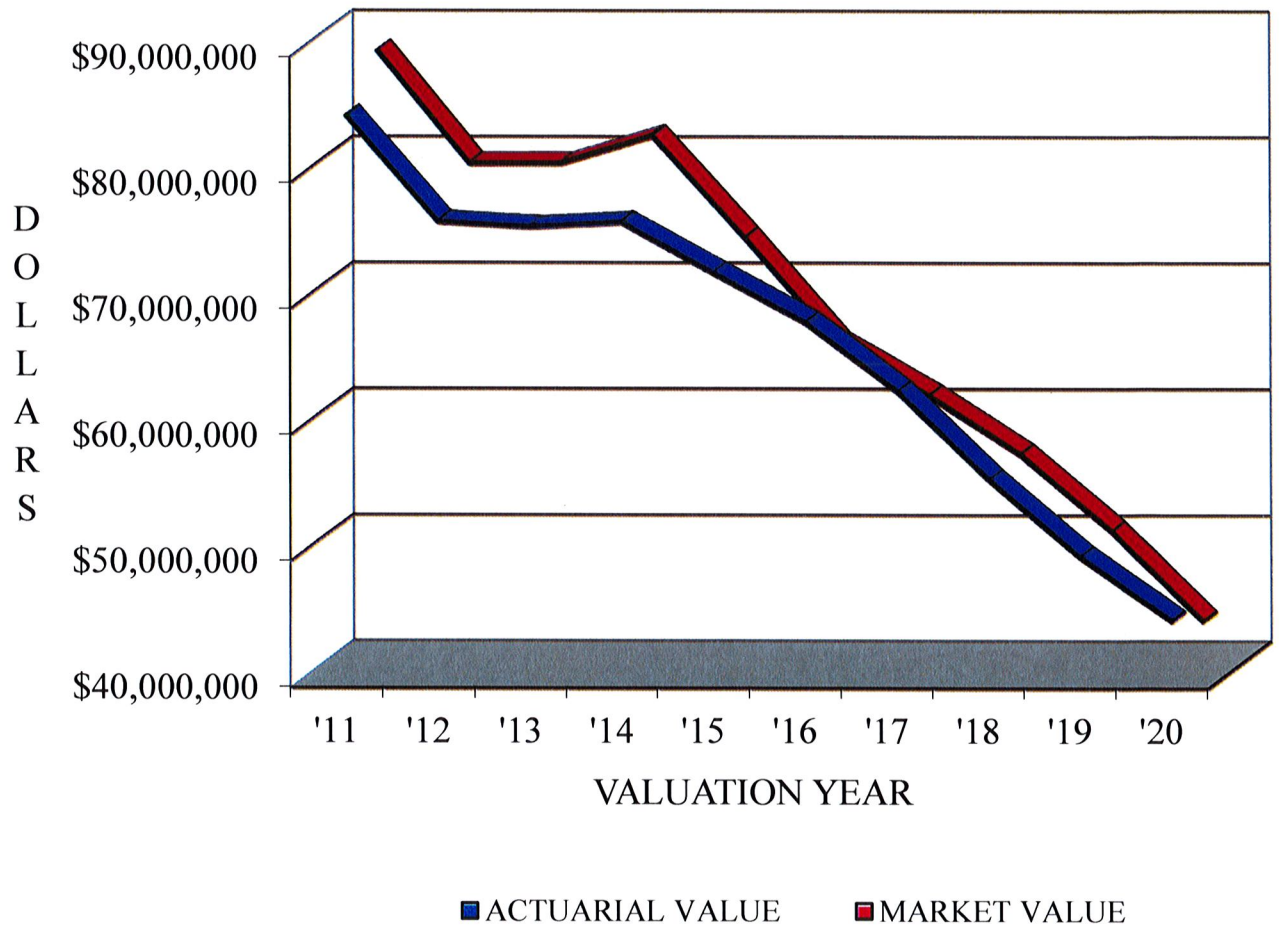
## CALCULATION OF ACTUARIAL RATES OF RETURN ON PLAN ASSETS

| | Plan Year Ending 6/30/2020 | |
|---|---|---|
| | **Market Value** | **Actuarial Value** |
| 1. Beginning Assets | $50,002,183 | $49,841,920 |
| 2. Non-Investment Increment: | | |
| A. Contribution Received | $8,752,495 | $8,752,495 |
| B. Benefits Paid | (16,316,472) | (16,316,472) |
| C. Non-Investment Expenses | (651,562) | (651,562) |
| D. Net Increment | ($8,215,539) | ($8,215,539) |
| 3. Investment Increment: | | |
| A. Investment Income | $946,342 | $946,342 |
| B. Realized & Unrealized Gains (Losses) | 252,829 | 2,313,065 |
| C. Investment Expenses | (106,778) | (106,778) |
| D. Net Increment | $1,092,393 | $3,152,629 |
| 4. Ending Assets | $42,879,037 | $44,779,010 |
| 5. Average Asset Value | $45,894,413 | $45,734,150 |
| 6. Actuarial Rate of Return | **2.4%** | **6.9%** |

NOTE: This approximation is intended to indicate whether investment return has been a source of actuarial gain or loss, and is not intended to be taken as an evaluation of investment managers' performance.

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTUARIAL VS MARKET VALUE OF ASSETS



# SECTION II

# JULY 1, 2020
# VALUATION RESULTS

## SECTION II - JULY 1, 2020 VALUATION RESULTS

This Section of the report reflects the application of actuarial assumptions and methods to the plan assets, plan participants and plan provisions, with the purpose of developing actuarial liabilities and funding levels.

**EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY** - this Exhibit determines the 2020 Expected Unfunded Accrued Liability based on the 2019 valuation and contribution information and compares it to the 2020 Actual Unfunded Accrued Liability in order to determine whether the Fund has experienced an actuarial gain or loss during the 2019 plan year.

The Unfunded Accrued Liability has been increased by an actuarial loss of $1,619,594. This amount is made up of a $277,432 actuarial loss due to investment return below the 7.5% assumption, as well as a $1,342,162 actuarial loss due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement. This change will be set up as "charge" unfunded base to be amortized over 15 years for minimum funding purposes.

The Unfunded Accrued Liability has been reduced by $645,198 due to a change in the mortality assumption. This amount will be set up as a "credit" unfunded base to be amortized over 15 years for minimum funding purposes.

**EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS** - this graphic illustrates how successful the funding objectives are being met. One goal of a funding method is to slowly reduce the Unfunded Accrued Liability. The closer the plan assets to the Accrued Liability, the less Unfunded Accrued Liability is left to fund. Generally speaking, the proximity of the two lines is in direct relationship to the level of each years' investment gains (closer together) or losses (farther apart) and to the impact of benefit improvements or changes in actuarial assumptions. The lines have grown slightly farther apart this year as a result of changes in actuarial assumptions.

**EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING** - displays the maintenance of amortization bases for determination of Minimum Contribution Requirements of ERISA as used and certified to on the Schedule MB attachment to Form 5500. This report reflects the approval of the 5 year automatic extension of amortizing the unfunded liabilities as of July 1, 2008.

**EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR PPA STATUS TESTING** - displays the maintenance of amortization bases prior to extension for determination of Critical Status testing as required by PPA.

**EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY** - displays the maintenance of amortization bases used in the determination of the Maximum Tax Deductible Level of contributions in accordance with Internal Revenue Code. Note that we have combined all bases into one amount. This combination has no impact on the Maximum Tax Deductible Contribution since that level is determined by the higher amount of the Unfunded Current Liability of the Plan.

**EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMITATION** - reflects the determination of an upper limit on the otherwise determined Maximum Tax Deductible Contribution Level. This limitation was originally intended to prevent employers from making tax deductible contributions to a plan that was otherwise determined to be ahead of a normal funding schedule. Due to the recent funding problems of defined benefit plans nationwide, Congress has changed the rules to increase the limits encouraging plan sponsors to make higher deductible contributions. For the 2020 plan year, the Full Funding Limits have no impact on the otherwise determined Maximum Tax Deductible Level of contributions based on the value of Unfunded Current Liability.

**EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS** - this exhibit summarizes the Minimum Required Contribution and Maximum Tax Deductible Contribution Levels for plan year 2019-2020. The Normal Cost which reflects the cost of benefits expected to be earned during the upcoming plan year has increased from $1,650,942 in 2019 to $1,734,908 in 2020.

Expected 2020 Contributions of $8,094,000 (before consideration of withdrawal liability payments) is not sufficient to satisfy the Minimum Funding Level.

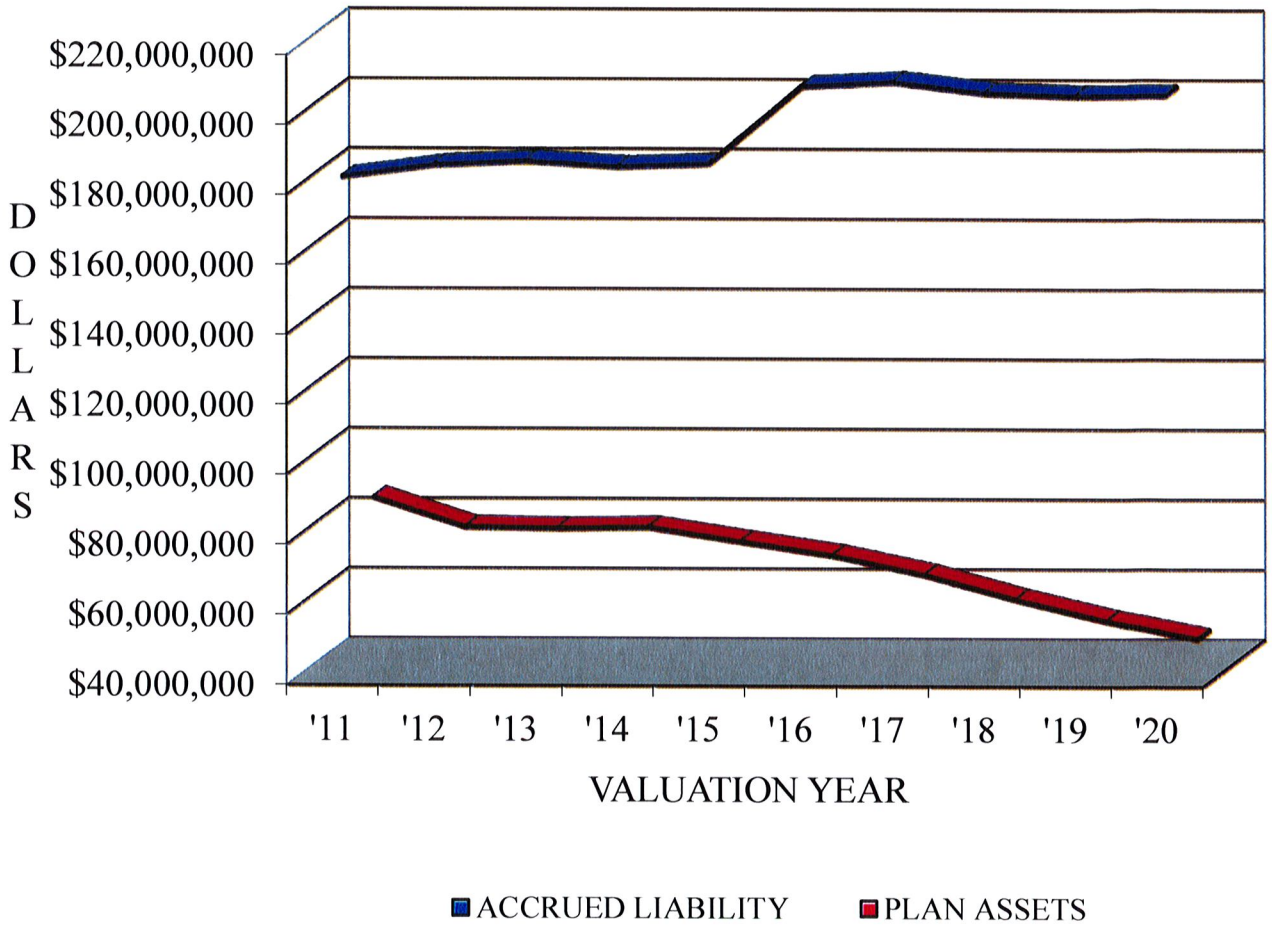
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF UNFUNDED ACCRUED LIABILITY AND ACTUARIAL GAIN (LOSS)

| | | |
|---|---|---|
| 1. Determination of Expected Unfunded Accrued Liability | | |
| A. Prior Year Unfunded | $156,838,127 | |
| B. Prior Year Normal Cost | 1,650,942 | |
| C. Prior Year Contribution | 8,752,495 | |
| D. Full Funding Credit | 0 | |
| E. Interest | 11,558,458 | |
| F. Changes During Year | (645,198) | |
| G. Total Expected Unfunded [A+B-C+E+F] | | $160,649,834 |
| 2. Determination of Actual Accrued Liability | | |
| A. Retired Participants | $148,605,500 | |
| B. Terminated Vested Participants | 23,942,150 | |
| C. Active Participants | 34,500,788 | |
| D. Total Actual Accrued Liability [A+B+C] | | $207,048,438 |
| 3. Actuarial Value of Assets | | $44,779,010 |
| 4. Unfunded Accrued Liability | | **$162,269,428** |
| 5. Actuarial Gain (Loss) [1G - 4] | | **($1,619,594)** |

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACCRUED LIABILITY VS PLAN ASSETS



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING INCLUDING 5 YEAR AMORTIZATION EXTENSION FOR MINIMUM FUNDING STANDARD ACCOUNT PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2020 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1991 | Method | $11,555,329 | $722,515 | 1 | $722,515 |
| 7/1/1994 | Assumpt. | 1,248,331 | 607,957 | 9 | 88,659 |
| 7/1/1996 | Amend. | 760,219 | 432,873 | 11 | 55,045 |
| 7/1/1997 | Amend. | 2,171,813 | 1,317,945 | 12 | 158,494 |
| 7/1/1998 | Amend. | 7,460,168 | 4,788,655 | 13 | 548,197 |
| 7/1/1998 | Assumpt. | 6,376,259 | 4,092,895 | 13 | 468,548 |
| 7/1/2000 | Amend. | 2,587,036 | 1,824,692 | 15 | 192,292 |
| 7/1/2001 | Act. Loss | 3,678,172 | 286,819 | 1 | 286,819 |
| 7/1/2001 | Amend. | 1,847,883 | 1,356,193 | 16 | 138,005 |
| 7/1/2002 | Act. Loss | 5,393,899 | 844,407 | 2 | 437,465 |
| 7/1/2003 | Act. Loss | 14,165,461 | 3,316,364 | 3 | 1,186,295 |
| 7/1/2004 | Act. Loss | 13,852,080 | 4,289,097 | 4 | 1,191,243 |
| 7/1/2005 | Act. Loss | 8,940,030 | 3,418,975 | 5 | 786,094 |
| 7/1/2006 | Act. Loss | 6,941,069 | 3,138,057 | 6 | 621,904 |
| 7/1/2007 | Act. Loss | 2,822,798 | 1,463,327 | 7 | 257,002 |
| 7/1/2007 | Assumpt. | 6,098,359 | 5,298,706 | 22 | 464,250 |
| 7/1/2008 | Act. Loss | 3,609,069 | 2,097,646 | 8 | 333,139 |
| 7/1/2009 | Act. Loss | 24,996,946 | 9,596,513 | 4 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 4,319,636 | 6 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 4,788,472 | 7 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 651,241 | 10 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 874,349 | 11 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 17,420,478 | 11 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 20,467 | 12 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,198,840 | 12 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,457,001 | 13 | 166,795 |
| 7/1/2019 | Act. Loss | 202,487 | 194,734 | 14 | 21,339 |
| 7/1/2020 | Act. Loss | 1,619,594 | 1,619,594 | 15 | 170,678 |
| | Sub-Total | | $81,438,448 | | $15,218,415 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $1,653,802 | 5 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 2,742,089 | 6 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 2,154,358 | 8 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 3,723,128 | 9 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 970,821 | 9 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,308,962 | 13 | 378,804 |
| 7/1/2019 | Assumpt. | 556,196 | 534,901 | 14 | 58,614 |
| 7/1/2020 | Assumpt. | 645,198 | 645,198 | 15 | 67,993 |
| | Sub-Total | | $15,733,259 | | $2,455,750 |
| **Net Charges:** | | | **$65,705,189** | | **$12,762,665** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION PLAN
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING WITHOUT 5 YEAR AMORTIZATION EXTENSION FOR CRITICAL TESTING PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2020 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1994 | Assumpt. | $1,248,331 | $364,390 | 4 | $101,203 |
| 7/1/1996 | Amend. | 760,219 | 309,861 | 6 | 61,409 |
| 7/1/1997 | Amend. | 2,171,813 | 997,166 | 7 | 175,131 |
| 7/1/1998 | Amend. | 7,460,168 | 3,781,494 | 8 | 600,561 |
| 7/1/1998 | Assumpt. | 6,376,259 | 3,232,071 | 8 | 513,304 |
| 7/1/2000 | Amend. | 2,587,036 | 1,531,844 | 10 | 207,599 |
| 7/1/2001 | Amend. | 1,847,883 | 1,164,367 | 11 | 148,062 |
| 7/1/2006 | Act. Loss | 6,941,069 | 744,429 | 1 | 744,429 |
| 7/1/2007 | Act. Loss | 2,822,798 | 583,196 | 2 | 302,139 |
| 7/1/2007 | Assumpt. | 6,098,359 | 4,915,716 | 17 | 484,713 |
| 7/1/2008 | Act. Loss | 3,609,069 | 1,077,821 | 3 | 385,546 |
| 7/1/2009 | Act. Loss | 24,996,946 | 9,596,513 | 4 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 4,319,636 | 6 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 4,788,472 | 7 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 651,241 | 10 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 874,349 | 11 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 17,420,478 | 11 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 20,467 | 12 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,198,840 | 12 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,457,001 | 13 | 166,795 |
| 7/1/2019 | Act. Loss | 202,487 | 194,734 | 14 | 21,339 |
| 7/1/2020 | Act. Loss | 1,619,594 | 1,619,594 | 15 | 170,678 |
| | Sub-Total | | $60,843,680 | | $11,006,545 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $1,653,802 | 5 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 2,742,089 | 6 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 2,154,358 | 8 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 3,723,128 | 9 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 970,821 | 9 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,308,962 | 13 | 378,804 |
| 7/1/2019 | Assumpt. | 556,196 | 534,901 | 14 | 58,614 |
| 7/1/2020 | Assumpt. | 645,198 | 645,198 | 15 | 67,993 |
| | Sub-Total | | $15,733,259 | | $2,455,750 |
| **Net Charges:** | | | **$45,110,421** | | **$8,550,795** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY

| Date Estab. | Source | Original Amt. | Unamortized | Limit Adj. |
|---|---|---|---|---|
| **Charges:** | | | | |
| 7/1/2020 | Fresh Start | $162,269,428 | $162,269,428 | $21,991,044 |
| | **Sub-Total** | | **$162,269,428** | **$21,991,044** |
| **Credits:** | | | | |
| None | | | | |
| **Net Charges:** | | | **$162,269,428** | **$21,991,044** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF FULL FUNDING LIMITATION FOR PLAN YEAR ENDING 6/30/2021

**Actuarial Values**

| | |
|---|---|
| 1. Accrued Liability | $207,048,438 |
| 2. Normal Cost | 1,734,908 |
| 3. RPA '94 Current Liability | 355,240,619 |
| 4. RPA '94 Expected Increase | 3,246,143 |
| 5. Expected RPA '94 Benefit Payments | 17,242,516 |
| 6. Market Value of Assets | 42,879,037 |
| 7. Actuarial Value of Assets | 44,779,010 |

**Accrued Liability Full Funding Limitation**

| | |
|---|---|
| 1. Minimum Funding Limitation | $178,347,132 |
| 2. Maximum Funding Limitation | 178,347,132 |

| | |
|---|---|
| **RPA '94 Full Funding Limitation** | $285,299,937 |
| **Minimum Contribution Full Funding Limitation** | $285,299,937 |
| **Maximum Contribution Full Funding Limitation** | $285,299,937 |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## MINIMUM AND MAXIMUM CONTRIBUTION LEVELS FOR PLAN YEAR ENDING 6/30/2021 (REFLECTS 5 YEAR AMORTIZATION EXTENSION)

| | | |
|---|---|---|
| **Minimum Required Contribution Level** | | |
| 1. Accumulated Funding Deficiency | $96,564,239 | |
| 2. Normal Cost | $1,734,908 | |
| 3. Net Amortization Charges | 12,762,665 | |
| 4. Interest | 8,329,636 | |
| 5. Minimum Before Credit Balance [1+2+3+4] | | **$119,391,448** |
| 6. Credit Balance | $0 | |
| 7. Interest | 0 | |
| 8. Minimum Required After Credit Balance [5-6-7] | | **$119,391,448** |
| **Maximum Tax Deductible Level** | | |
| 1. Normal Cost | $1,734,908 | |
| 2. Net Amortization Charges | 21,991,044 | |
| 3. Interest | 1,779,446 | |
| 4. Total [1+2+3] | **$25,505,398** | |
| 5. Maximum Full Funding Limitation | 285,299,937 | |
| 6. Amount to Fund 140% of Current Liability | 460,611,022 | |
| 7. Maximum Tax Deductible Level | | **$460,611,022** |
| **Expected 2020 Contributions** | | **$8,094,000** |
| **Expected 2020 Contribution Level is sufficient to Satisfy Normal Cost, Plan Expenses and Amortize the Unfunded Liability over:** | | **<<Insufficient>>** |

# SECTION III

# ACTUARIAL DISCLOSURE INFORMATION

## SECTION III - ACTUARIAL DISCLOSURE INFORMATION

This Section provides certain plan actuarial information that is required to be disclosed in the plan's financial audited statement of assets.

**EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS** - these disclosures of the accumulated value of plan benefits on a vested and non-vested basis are required to be disclosed in the financial audit of the plan.

**EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES** - provides a pie chart which shows the relative portions of plan accumulated benefits by category of participant. Note that the largest portion of accumulated benefits is attributed to retired participants in pay status at 71.5%. Adding their percentage to that of the terminated vested participants shows that 83.0% of all accumulated benefits are attributed to inactive plan participants.

**EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS** - this schedule is also an accounting disclosure required to be reflected in the financial audit of the plan. It is intended to provide a reconciliation of the value of accumulated plan benefits from beginning to end of plan year.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

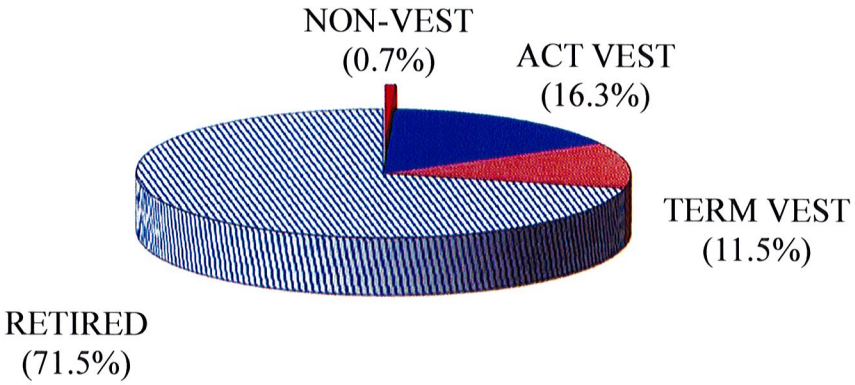
## ONGOING PLAN BASIS AS OF 7/1/2020

| | Total | Vested |
|---|---|---|
| 1. Retired Participants | $148,605,500 | $148,605,500 |
| 2. Terminated Vested Participants | 23,942,150 | 23,942,150 |
| 3. Terminated Non-Vested Participants | 690,016 | 0 |
| 4. Active Participants | 34,500,788 | 33,781,964 |
| 5. Total | $207,738,454 | $206,329,614 |
| 6. Assets at Market Value | $42,879,037 | $42,879,037 |
| 7. Excess Value of Benefits | $164,859,417 | $163,450,577 |

The values on this page comply with the Pension Fund Recommendations A(6) and A(7) of the Academy of Actuaries, as clarified by Academy Interpretation 1 and 2. The calculation reflects all assumptions shown in the Actuarial Assumptions Section of this report.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ANALYSIS OF ACCUMULATED BENEFIT VALUES



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF CHANGES IN ACCUMULATED BENEFITS ONGOING PLAN BASIS AS OF 7/1/2020

| | | |
|---|---|---|
| 1. Actuarial Present Value of Accumulated Plan Benefits at Beginning of Plan Year | | $207,409,432 |
| 2. Increase (Decrease) During the Plan Year Attributible to: | | |
| A. Plan Amendment and Changes in Actuarial Assumptions | ($645,198) | |
| B. Benefits Accumulated | 2,335,791 | |
| C. Increase for Interest Due to the Decrease in the Discount Period | 14,954,901 | |
| D. Benefits paid | (16,316,472) | |
| E. Net Changes [A+B+C-D] | | $329,022 |
| 3. Actuarial Present Value of Accumulated Plan Benefits at End of Plan Year | | $207,738,454 |

# SECTION IV

# PARTICIPANT DATA

## SECTION IV - PARTICIPANT DATA

Section IV provides summaries of the plan's participant data which was used for the determination of projected benefit liabilities.

**EXHIBIT 17 – ANALYSIS OF ACTIVE PARTICIPANT DATA** – displays an age and service breakdown of the current active participant population.

**EXHIBIT 18 – ANALYSIS OF RETIRED AND TERM VESTED LIVES** – displays counts, average annual benefits and average ages by retiree type.

**EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS** – shows projected benefit payments for the next ten plan years.

**EXHIBIT 20 – ACTIVE VS. RETIRED & TERM VESTED MEMBERS** – shows the relationship between active participants for whom contributions are being made vs. inactive participants. Note that the drop in the number of actives in 2013 is due to the withdrawal of Uniontown Hospital.

EXHIBIT 17

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## ACTIVE MEMBER AGE AND SERVICE DISTRIBUTION AS OF 7/1/2020

| | .....YEARS OF BENEFIT CREDITED SERVICE..... | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| AGES | <5 | 5- 9 | 10-14 | 15-19 | 20-24 | 25-29 | >=30 | TOTALS |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 - 24 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |
| 25 - 29 | 18 | 3 | 0 | 0 | 0 | 0 | 0 | 21 |
| 30 - 34 | 17 | 12 | 7 | 0 | 0 | 0 | 0 | 36 |
| 35 - 39 | 15 | 11 | 14 | 2 | 0 | 0 | 0 | 42 |
| 40 - 44 | 15 | 10 | 11 | 3 | 2 | 0 | 0 | 41 |
| 45 - 49 | 11 | 6 | 7 | 11 | 13 | 0 | 0 | 48 |
| 50 - 54 | 11 | 10 | 8 | 14 | 16 | 11 | 3 | 73 |
| 55 - 59 | 11 | 11 | 13 | 16 | 17 | 12 | 10 | 90 |
| 60 - 64 | 2 | 7 | 12 | 11 | 19 | 10 | 15 | 76 |
| OVER 64 | 0 | 5 | 3 | 5 | 3 | 1 | 3 | 20 |
| TOTALS | 105 | 75 | 75 | 62 | 70 | 34 | 31 | 452 |

AVERAGE AGE= 49.5 AVERAGE BENEFIT SERVICE= 14.1

EXHIBIT 18

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## RETIRED AND TERM VESTED LIVES

## AS OF 7/1/2020

| | REGULAR | DISABILITY | SURVIVOR | TOTAL |
|---|---|---|---|---|
| | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE |
| NORMAL | 446<br>11,548<br>74 | 4<br>3,047<br>75 | 399<br>5,638<br>79 | 849<br>8,730<br>76 |
| EARLY | 228<br>11,723<br>69 | 0<br>0<br>0 | 0<br>0<br>0 | 228<br>11,723<br>69 |
| JOINT SURVIVOR | 534<br>11,757<br>75 | 2<br>2,508<br>73 | 0<br>0<br>0 | 536<br>11,723<br>75 |
| TERM VEST | 727<br>6,363<br>53 | 0<br>0<br>0 | 0<br>0<br>0 | 727<br>6,363<br>53 |
| TOTALS | 1,935<br>9,678<br>66 | 6<br>2,868<br>74 | 420<br>5,714<br>78 | 2,361<br>8,956<br>68 |

EXHIBIT 19

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

PROJECTION OF ESTIMATED PAYMENTS TO RETIREES OVER THE NEXT TEN (10) YEARS
AS OF 7/1/2020

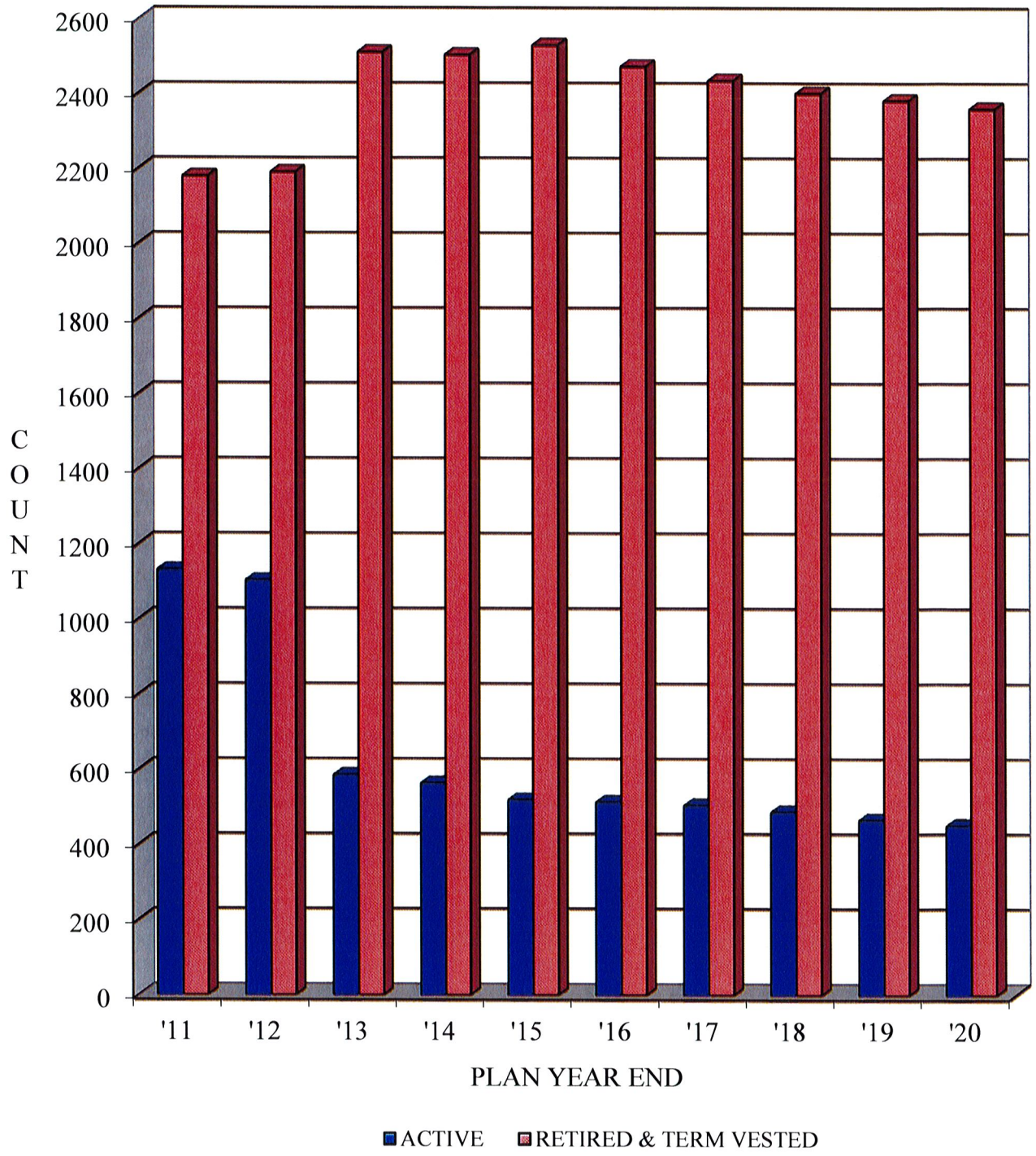
| PLAN YEAR | CURRENT RETIRED | NEWLY RETIRED | ..... ANNUAL PAYMENTS..... CURRENT | NEW * | TOTAL PAYMENTS |
|---|---|---|---|---|---|
| 2020 TO 2021 | 1623 | 286 | $16,409,899 | $4,809,024 | $21,218,923 |
| 2021 TO 2022 | 1909 | 53 | 21,218,923 | 1,440,295 | 22,659,218 |
| 2022 TO 2023 | 1962 | 60 | 22,659,218 | 1,157,765 | 23,816,983 |
| 2023 TO 2024 | 2022 | 70 | 23,816,983 | 1,216,577 | 25,033,560 |
| 2024 TO 2025 | 2092 | 57 | 25,033,560 | 1,094,270 | 26,127,830 |
| 2025 TO 2026 | 2149 | 58 | 26,127,830 | 1,041,708 | 27,169,538 |
| 2026 TO 2027 | 2207 | 47 | 27,169,538 | 945,716 | 28,115,254 |
| 2027 TO 2028 | 2254 | 42 | 28,115,254 | 1,081,227 | 29,196,482 |
| 2028 TO 2029 | 2296 | 49 | 29,196,482 | 896,186 | 30,092,668 |
| 2029 TO 2030 | 2345 | 37 | 30,092,668 | 636,542 | 30,729,210 |

NOTE: PROJECTIONS ASSUME NO TERMINATIONS OR MORTALITY.

* NEW PAYMENTS EXCLUDE PAYMENTS PAYABLE FOR FUTURE EARLY RETIREMENTS, DISABILITIES AND DEATHS.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE VS RETIRED TERM VESTED MEMBERS



# SECTION V

# COMPARISON AND ANALYSIS OF GAO RATIOS

## SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS

The following four ratios were selected by the US General Accounting Office as a means to measure the financial health of Multiemployer Pension Plans. The GAO states that although..."no one measure for a single year necessarily provides a complete and satisfactory assessment of the overall financial condition of a plan, (GAO) actuaries believe that this set of four ratios over several years indicates the relative financial strength of the plans...Trends over time are as important for most of the ratios as the values themselves. Favorable trends show that a plan is improving its financial condition...A plan with low values of two or more ratios may be experiencing financial distress."

**EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO** - Measures a Plan's funding status. A ratio of less than .50 is an indication of poor or modest funding:

| 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 |
|---|---|---|---|---|---|---|---|---|---|
| 0.49 | 0.43 | 0.42 | 0.44 | 0.39 | 0.31 | 0.29 | 0.27 | 0.24 | 0.21 |

**EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO** - Measures a Plan's ability to continue benefit payments should adverse contingencies arise. A ratio of less than 6.0 indicates poor resilience and the potential of plan termination:

| 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 |
|---|---|---|---|---|---|---|---|---|---|
| 5.61 | 6.13 | 5.38 | 5.25 | 5.22 | 4.67 | 4.11 | 3.84 | 3.51 | 3.06 |

**EXHIBIT 23 - INCOME TO EXPENSES RATIO** - Measures a Plan's cash flow and asset growth. Income includes contributions plus net investment increment, while expenses include benefit payments and non-investment expenses. A ratio of less than 1.75 indicates an insufficient net income margin:

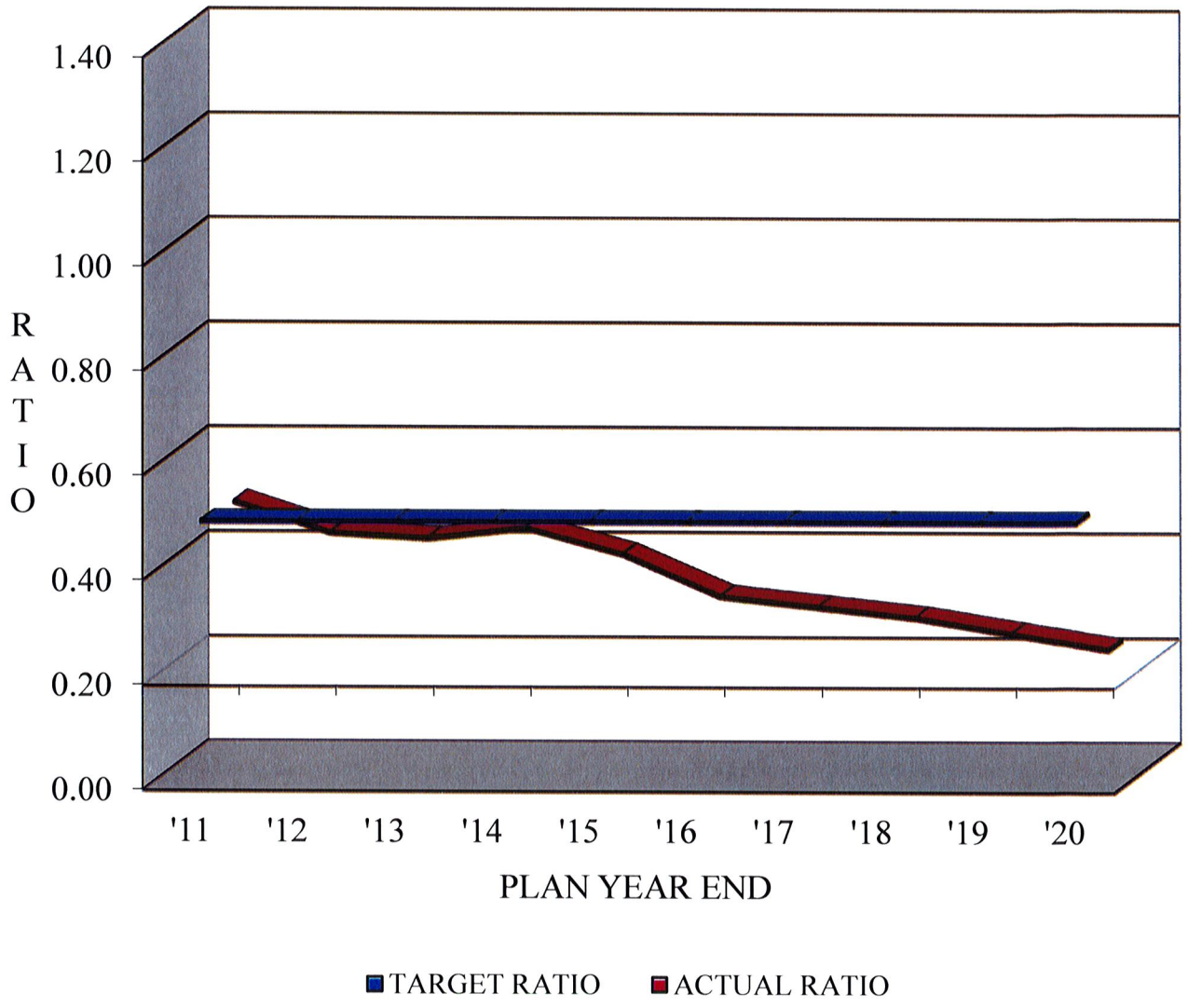
| 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 |
|---|---|---|---|---|---|---|---|---|---|
| 1.69 | 0.39 | 1.00 | 1.14 | 0.50 | 0.48 | 0.74 | 0.72 | 0.63 | 0.58 |

**EXHIBIT 24 - ACTIVES TO OTHER PARTICIPANTS RATIO** - Measures a Plan's population mix. A ratio of less than 2.0 indicates a probable future necessity of burdensome contribution rates for active participants:

| 6/11 | 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 |
|---|---|---|---|---|---|---|---|---|---|
| 0.52 | 0.50 | 0.23 | 0.23 | 0.21 | 0.21 | 0.21 | 0.20 | 0.20 | 0.19 |

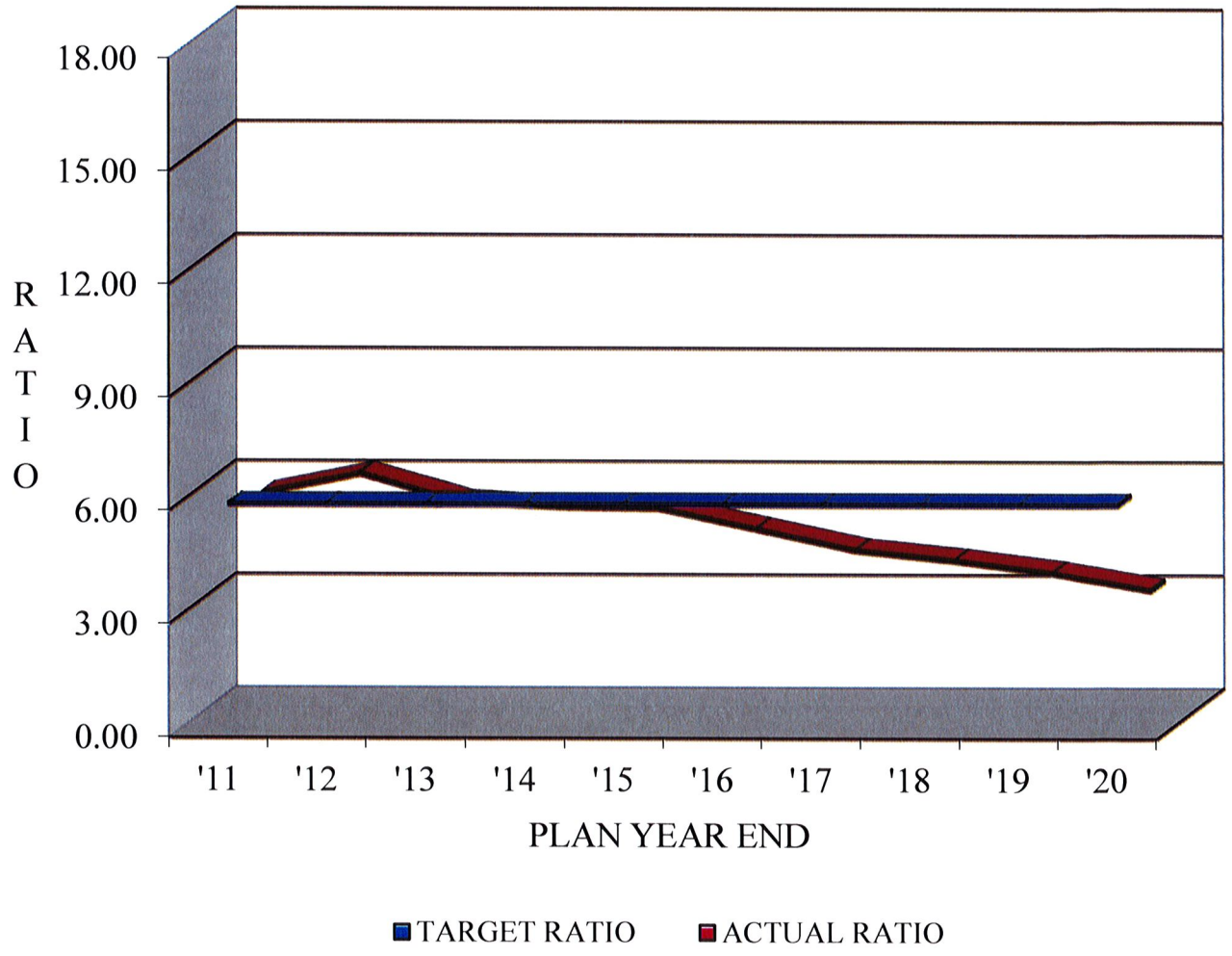
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO VESTED BENEFITS RATIO



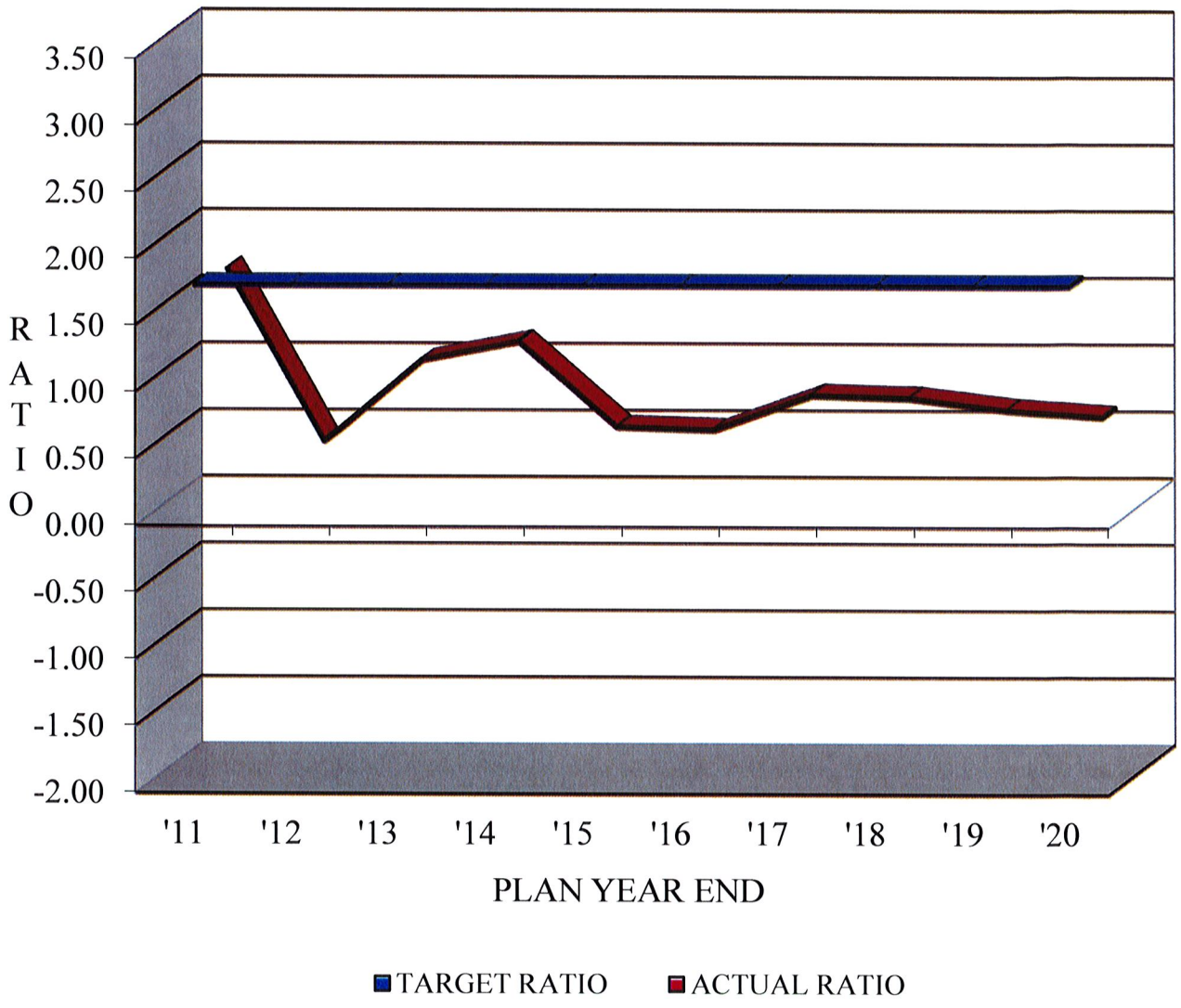
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO BENEFIT PAYOUT RATIO



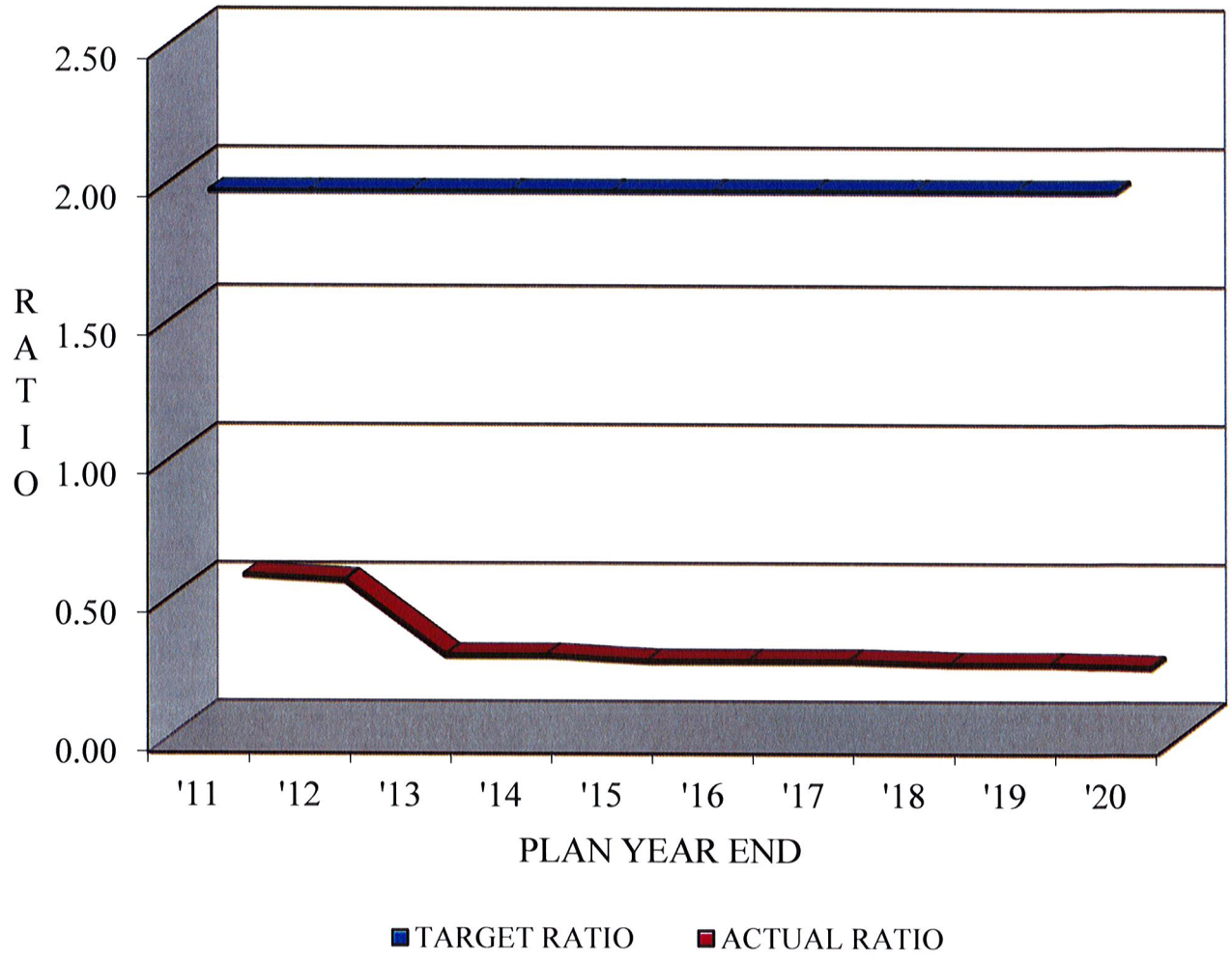
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

INCOME TO EXPENSE RATIO



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE TO OTHER PARTICIPANTS RATIO



# SECTION VI

# ACTUARIAL VALUATION METHODS

## SECTION VI - ACTUARIAL VALUATION METHODS

In order to determine plan costs, an Actuarial Cost Method must be applied to actuarial plan liabilities in order to provide a logical and systematic pattern of funding.

**EXHIBIT 25 - ACTUARIAL VALUATION METHODS** - this exhibit describes the Unit Credit Cost Method which is the method used to determine plan costs and the Actuarial Asset Valuation Method, which provides the method of accounting for plan assets in the valuation of plan costs. There have been no changes in any actuarial methods since the July 1, 2019 Valuation Report.

# ACTUARIAL VALUATION METHODS

## I. ACTUARIAL COST METHOD

The method used to determine the costs of this Plan is the Unit Credit Actuarial Cost Method. Under this method, the annual cost of the Plan consists of three parts: (1) Amortization of Actuarial Accrued Liability, (2) Normal Cost, and (3) Amortization of Actuarial Gains and Losses.

An individual's accrued benefit for valuation purposes on any date (i.e. a valuation date) related to a particular separation date is the accrued benefit described under the Plan, using the credited service as of the determination date.

The benefit deemed to accrue for an individual during a plan year is the excess of the accrued benefit for valuation purposes at the end of the year over the accrued benefit for valuation purposes at the beginning of the year.

An individual's accrued liability is the present value of the accrued benefit for valuation purposes at the beginning of the plan year, and the normal cost is the present value of the benefit deemed to accrue in the plan year. If multi-decrements are used, the accrued liability and the normal cost for an individual are the sum of the component accrued liabilities and normal costs associated with the various anticipated separation dates. Such accrued liabilities and normal costs reflect the accrued benefits as modified to obtain the benefits payable on those dates, and the probability of the individual separating on those dates.

## II. ASSET VALUATION METHOD

Assets are valued using the 4-year smoothed market value under Approval 15 of Revenue Procedure 95-51, as modified by Revenue Procedure 98-10.

# SECTION VII

# ACTUARIAL VALUATION ASSUMPTIONS

## SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS

Actuarial Assumptions provide the actuary with the ability to project the pattern of future benefit payments that, when discounted to present day worth, provide the actuarial liabilities that can be used in conjunction with the Actuarial Valuation Methods to determine plan funding levels.

**EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS** - details the actuarial assumptions in use for this plan in the July 1, 2019 actuarial valuation. Based on our annual review of all actuarial assumptions and taking into consideration the provisions of the Pension Protection Act of 2006, we have changed the following:

Mortality:

Healthy Lives – From SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2018 to SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Scale MP-2019.

Disabled Lives – From SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Scale MP-2018 to SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2019.

Interest:

RPA Liability – From 3.07% to 2.68% as required by law.

# ACTUARIAL VALUATION ASSUMPTIONS

**Mortality:**

**Healthy Lives** - SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2019.

**Disabled Lives** - SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2019.

**RPA Liability** - IRS 2018-2019+ (MP 16-17) Static Mortality.

**Interest:**

**Funding** - A rate of 7.50% per annum net of investment expenses.

**RPA Liability** – 2.68% per annum

**Disclosure Liability** - A rate of 7.50% per annum.

**Assumed Retirement Age:**

**Active participants** – Retirement is assumed at age 62. Early Retirement rates are graduated rates of retirement based on age, service, and contribution level.

**Terminated Vested participants** – The participant's Normal Retirement Age.

**Expenses:** An estimate based on actual administrative expenses incurred in the prior plan year.

**Termination:** Annual rates based on the following scale as a percentage:

**Freight and UPS -**

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

**Non-Freight -**

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

## ACTUARIAL VALUATION ASSUMPTIONS (Cont'd)

**Annuity Form:** Five Year Certain and Life Thereafter for benefits earned through June 30, 2009.

Single Life Annuity for benefits earned after June 30, 2009.

If a Participant is not eligible to retire as of June 30, 2011 (with eligibility for immediate payment of a Retirement Benefit), the form of the basic Retirement Benefit shall be a Single Life Annuity (for the entire basic Retirement Benefit, regardless of when accrued.)

**Future Service:** It is assumed that for all future years, all Members will have future accruals based on the same contribution amount as the prior year

**Rates of Disablement:** The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

**Calculation of Benefits:** Benefits are calculated as of the last completed computation period, June 30, 2020.

**Census Data:**

Retired Members -
If spouse date of birth is not available, female spouse is assumed to be three (3) years younger, and male spouse is assumed to be three (3) years older.

Active Members -
If Member's date of birth is not available, the Member is assumed to be age 28 at date of hire.

# SECTION VIII

# SALIENT FEATURES
# OF
# SOUTHWESTERN PENNSYLVANIA
# AND WESTERN MARYLAND AREA
# TEAMSTERS AND EMPLOYERS PENSION FUND

# SALIENT FEATURES OF SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## I. ELIGIBILITY

An Employee covered under a Collective Bargaining Agreement between an Employer and International Brotherhood of Teamsters Local Unions 491 or 453 providing for payments to the Pension Fund or a person employed by an Employer who has an agreement with the Union providing for participation in the Fund.

## II. NORMAL RETIREMENT

A. Normal Retirement Date - The Participant's Normal Retirement Date shall mean:

(a) for retirement benefits (and the Accrued Benefit) earned before July 1, 2009, the later of age 60 or his attained age on the fifth anniversary of date of hire by an Employer even if the date of hire is prior to the date the Employer first became an Employer;

(b) for retirement benefits ( and the accrued Benefit) earned from and after July 1, 2009 and before July 1, 2011, the later of age 62 or his attained age on the fifth anniversary of the commencement of his participation in the Plan; and

(c) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2011, the later of age 65 or his attained age on the fifth anniversary of the commencement of his participation in the Plan.

B. Normal Retirement Annuity Starting Date. The Normal Retirement Annuity Starting Date is the first day of the month coincident with or next following his Normal Retirement Date.

## II. NORMAL RETIREMENT (Cont'd)

C. Amount of Normal Retirement Benefit

(1) For Service prior to October 1, 1987, Participants who entered the Plan before such date will accrue benefits equal to the product of their Credited Service (Past and Future) and the Unit Multiplier in the Appendix of the Plan. For Participants of Local 491 and 872, the maximum Credited Service prior to October 1, 1987 shall be twenty-five (25) years. For Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service up to October 1, 1982 and an additional five (5) Years of Credited Service up to October 1, 1987, making a total of twenty-five (25) years. For Non-Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service prior to October 1, 1987, plus

(2) For service on and after October 1, 1987, but prior to January 1, 2005, Two and Three-Quarter Percent (2.75%) of the amount of Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2000 for which a contribution is received by the Fund on or after February 1, 2000.

(3) Terminated Vested Participants (and terminated nonvested Participants who have not lost their prior service due to a Break in Service) who reenter the Fund on or after January 1, 2000 will not be eligible for the increased unit multiplier of 2.75% until such time as they have completed one (1) Year of Participation (five months, 22 weeks or 1,000 hours of covered employment) subsequent to their reentry.

(4) For service on or after January 1, 2005, but prior to January 1, 2007, one and three quarter percent (1.75%) of the amount of the Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2005 for which a contribution is received by the Fund on or after February 1, 2005.

(5) For service on or after January 1, 2007, one percent (1.00%) of the amount of the Employer Contributions without any reduction paid to the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2007 for which a contribution is received by the Fund on or after February 1, 2007.

## II. NORMAL RETIREMENT (Cont'd)

(6) For service on or after July 1, 2009, one percent (1.00%) of the contributions based on the contribution rate in effect June 30, 2008.

## III. EARLY RETIREMENT BENEFIT

A. Eligibility

A Participant who has:

(1) attained age sixty (60); and

(2) completed five (5) Years of Future Credited Service

is eligible, upon written notice to the Trustees, to retire and receive an Early Retirement Benefit.

B. Early Retirement Date

The Participant may elect to have his Early Retirement Benefit commence on or after his Early Retirement Date which shall be the first day of any month subsequent to the date he satisfies the above requirements.

C. Amount

(1) The Early Retirement Benefit shall be reduced for payment before Normal Retirement Date to is Equivalent Actuarial Value (using the age 62 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2009 and before July 1, 2011 and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011.)

(2) The Retirement Benefit payable under each form of payment shall be Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity; and

(3) The normal form of payment for a Participant not married on the Annuity Starting Date shall be a Single Life Annuity.

(4) No one can retire before the age of sixty (60).

## IV. DISABILITY RETIREMENT

A. A Participant shall not be eligible for a disability Retirement Benefit unless the Participant is in receipt of a disability Retirement Benefit as of June 30, 2011 or the Participant's application for a disability Retirement Benefit was being processed as of June 30, 2011.

B. Cessation of Disability Benefit. The Participant's Disability Benefit will cease upon the earliest of his:

(1) recovery from disability;
(2) attaining his Normal Retirement Date;
(3) election of an Early Retirement Benefit; or
(4) death.

## V. RETIREMENT BENEFIT PAYMENTS

A. Single Life Annuity (Normal Form for Benefits:

The Normal Form for benefits shall be a Single Life Annuity.

The Participant shall receive monthly payments for the life of the Participant, ceasing upon the Participant's death.

B. Five Year Certain:

The Participant shall receive his pension as a monthly life income, with the provision that if the death of the Participant occurs prior to his receipt of 60 monthly payments, the balance of such monthly payments shall be continued to his beneficiary, until a total of 60 monthly payments in all has been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 60 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

C. Ten Year Certain:

Available for retirement benefits commencing on or after August 1, 1996, this is a monthly benefit payable during the Participant's lifetime with the provision that if the death of the Participant occurs prior to his receipt of 120 monthly payments, monthly payments shall be continued to his beneficiary until a total of 120 monthly payments in all have been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 120 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

D. Qualified Joint and Survivor Options:

(1) A married Participant who is entitled to receive a Qualified Joint and Survivor Annuity may, prior to the date that payments commence, elect between:

(i) Qualified Joint and 50% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to fifty percent (50%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse; or

(ii) Qualified Joint and 100% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to one hundred percent (100%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse.

(2) If a Participant's spouse dies before the Participant's Annuity Starting Date, his election of the Qualified Joint and Survivor Annuity shall automatically be revoked.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

E. Automatic Joint and Survivor Benefit

Effective October 1, 1997, the Joint and 100% Survivor Benefit shall be the automatic form of benefit paid unless rejected by the retiree and spouse in writing.

F. Note: The Retirement Benefit payable under each form of payment shall be the Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity.

G. Restoration Benefit

If a Participant retired on or after October 1, 1997 and benefits are being paid in the form of a Qualified Joint and Survivor Annuity and the Participant's spouse dies while the Participant is still living, the Participant's benefit will be restored to the Life Annuity, 5 Year Certain form of benefit and the amount of benefit will be increased to the amount of benefit he would have received if he and his spouse had waived the Qualified Joint and Survivor Annuity and had elected to receive the normal form of benefit.

## VI. VESTED BENEFIT

A. At Normal Retirement Date. Regardless of any other provisions of the Plan, a Participant will be one hundred percent (100%) vested in his Accrued Benefit upon the attainment of his Normal Retirement Date while in the employ of the Employer.

A. Upon Termination Prior to Normal Retirement Date.

(i) Collective Bargaining Employees. A Participant who is in a class of Employees subject to a collective bargaining agreement requiring contributions to the Plan who terminates his employment with the Employer prior to his Normal Retirement Date shall have a vested benefit determined as follows:

## VI. VESTED BENEFIT (Cont'd)

The Participant's vested benefit shall be calculated by multiplying his Accrued Benefit by the following applicable percentage:

| Years of Participation | Vesting Percentage |
|---|---|
| Less than five (5) years | None |
| Five (5) years or more | 100% |

(2) Non-Collective Bargaining Employee. The above schedule shall also apply to Participants not subject to Collective Bargaining.

## VII. DEATH BENEFITS

A. Preretirement

(1) Married Participant. In the case of a Participant who dies prior to his Annuity Starting Date and was legally married on the date of his death, there are no death benefits provided under this Plan unless the Participant is eligible for a Qualified Preretirement Survivor Annuity.

(2). Single Participant.

(a) In the case of a Participant who dies prior to his Annuity Starting Date and was not legally married on the date of his death, there are no death benefits provided under this Plan, except as provided under subparagraph (b) below.

(b) Ten Year Certain Death Benefit for Single Participants. If an unmarried Participant:

(i) has been credited with service earned on or after August 9, 1996.

(ii) has vested benefits not subject to a Qualified Domestic Relations Order under the Plan, and

(iii) dies prior to his Annuity Starting Date,

Then such Participant's beneficiary shall be entitled to receive a Ten Year Certain Death Benefit. The Ten Year Certain Death Benefit shall consist of 120 monthly payments to the beneficiary as if:

(i) in the case of a Participant who dies after the date on which the Participant attained his Earliest Retirement Age, such Participant had retired on the day before his death and had elected immediate retirement under the Life Annuity, Ten Years Certain option, or

(ii) in the case of a Participant who dies before the date on which the Participant would have attained his Earliest Retirement Age, such Participant had:

(A) separated from service on the date of death,

(B) survived to the Earliest Retirement Age,

(C) retired and elected immediate retirement under the Life Annuity, Ten Years Certain option, and

(D) died on the day after the day on which such Participant would have attained his Earliest Retirement Age.

The term "Earliest Retirement Age" means the earliest date on which, under the Plan, the Participant could have elected to receive retirement benefits based on his Years of Service at his death.

Special Note: The Ten Year Certain Death Benefit has been eliminated for deaths occurring on or after July 1, 2017.

B. Post-Retirement

In the case of a Participant who dies subsequent to his Annuity Starting Date, no death benefits shall be payable except as provided under the specific form of benefit being paid.

## VIII. QUALIFIED MILITARY SERVICE

As required by Code Section §401(a)(37), a Participant who dies on or after January 1, 2007 while performing qualified military service (within the meaning of Code §414(u)) and who would have been entitled to reemployment rights under the Plan under the Uniformed Services Employment and Reemployment Rights Act of 1994 at his death shall be treated as follows for purposes of the death benefits payable under this Article:

(a) he shall be credited with service (but not benefit accrual) for the period of his qualified military service; and

(b) he shall be treated as if he had died while in employment with the Employer.

## IX. CASH-OUT OF CERTAIN BENEFITS

If the Employee terminates and the monthly benefit to which he would otherwise be entitled is less than $25, and if the present value of the Employee's vested accrued benefit derived from Employer and Employee contribution is not greater than $5,000, the Employee may, at his option, elect to receive a cash out distribution of the present value of the entire vested portion of such accrued benefit provided that the distribution has not already commenced in the form of an annuity.

## X. UNIT MULTIPLIERS -

See pages 55 thru 58.

## LOCAL

## (491)

| CONTRIBUTION RATE CLASS | MULTIPLIERS |
|---|---|
| $79.00 - $83.00 (FREIGHT) | $34.00 (for service prior to April 1, 1984) $43.00 (for service between April 1, 1984 thru September 30, 1987). |
| $80.00 - $84.00 - $88.00 (UNITED PARCEL POST) | $34.50 (for service prior to May 1, 1984) - $43.50 (for service on and after May 1, 1984 thru September 30, 1987). |

## TABLE 1

## UNIT MULTIPLIER TABLE

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $72.00 | $34.50 |
| $71.00 | $34.00 |
| $55.00-$58.00-$62.00 | $32.50 |
| $61.00-$65.00 | $32.70 |
| $238.18-$243.18-$248.18 | $31.90 |
| $49.00-$52.00-$56.00 | $31.75 |
| $230.19-$235.19-$240.19 | $31.70 |
| $44.00-$49.00-$54.00 | $31.50 |
| $43.00-$48.00-$53.00 | $31.05 |
| $48.00-$50.00-$52.00 | $30.65 |
| $46.00-$49.00-$52.00 | $30.55 |
| $41.00-$46.00-$51.00 | $30.10 |
| $45.00-$47.00-$49.00 | $29.30 |
| $43.00-$46.00-$49.00 | $28.80 |
| $43.00-$45.00-$47.00 | $27.70 |
| $44.00-$45.00-$46.00 | $27.25 |
| $40.00-$43.00-$46.00 | $27.00 |
| $37.50-$40.50-$43.50 | $25.55 |
| $37.00-$40.00-$43.00 | $25.25 |
| $36.00-$39.00-$42.00 | $24.65 |
| $35.00-$38.00-$41.00 | $24.05 |
| $34.00-$37.00-$40.00 | $23.45 |
| $00.85-$00.90-$00.95 | $22.25 |
| $34.50-$37.00 | $21.75 |
| $31.00-$34.00-$37.00 | $21.70 |
| $30.00-$33.00-$21.10 | $21.10 |
| $29.00-$32.00-$35.00 | $20.50 |
| $28.50-$31.50-$34.50 | $20.20 |
| $140.00-$142.50-$145.00 | $19.50 |
| $116.92-$129.92-$142.92 | $19.45 |
| $000.75 | $17.55 |

**LOCAL**
**(491)**

**(Continued)**

**TABLE II**

**UNIT MULTIPLIER FOR CREDITED SERVICE**

| Contribution Rate Class | Prior to January 1, 1978 | After January 1, 1978 |
|---|---|---|
| $28.00-$31.00-$34.00 | $20.20 | $19.75 |
| $29.00-$31.00-$33.00 | $20.20 | $18.85 |
| $29.00-$32.00 | $20.20 | $17.90 |
| $28.00-$30.00-$32.00 | $20.20 | $17.85 |
| $26.00-$29.00-$32.00 | $20.20 | $17.80 |
| $25.00-$28.00-$31.00 | $20.20 | $16.80 |
| $25.50-$28.00-$30.50 | $20.20 | $16.35 |

**TABLE III**

**UNIT MULTIPLIER TABLE FOR ALL OTHER CLASSES**

**UNIT MULTIPLIERS FOR CREDITED SERVICE PRIOR TO JANUARY 1, 1978 FOR CONTRIBUTION RATE CLASS AS OF JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00 to $25.99 | $20.20 | | |
| $22.00 to $23.99 | $20.00 | $12.00 to $13.99 | $13.00 |
| $20.00 to $21.99 | $19.00 | $10.00 to $11.99 | $11.00 |
| $18.00 to $19.99 | $18.00 | $ 8.00 to $ 9.99 | $ 9.00 |
| $16.00 to $17.99 | $16.50 | $ 6.00 to $ 7.99 | $ 7.00 |
| $14.00 to $15.99 | $14.50 | $ 4.00 to $ 5.99 | $ 5.00 |

**LOCAL**
**(491)**

**TABLE III**
**(Continued)**

**UNIT MULTIPLIERS FOR CREDITED SERVICE AFTER JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $25.00-$28.00-$31.00 | $15.70 |
| $25.00-$28.00 | $14.35 |
| $24.00-$26.00-$28.00 | $14.25 |
| $23.00-$25.00-$27.00 | $13.75 |
| $26.00 | $13.40 |
| $24.00-$25.00-$26.00 | $13.30 |
| $18.00-$22.00-$26.00 | $13.00 |
| $25.00 | $12.90 |
| $24.00-$25.00 | $12.85 |
| $23.00-$25.00 | $12.80 |
| $22.00-$25.00 | $12.80 |
| $24.00 | $12.40 |
| $23.00 | $11.85 |
| $20.00-$22.00 | $11.30 |
| $14.00-$19.50-$22.00 | $10.95 |
| $20 | $10.30 |
| $18.00 | $ 9.30 |
| $14.00-$18.00 | $ 9.15 |
| $10.00-$14.00-$18.00 | $ 8.85 |
| $12.50-$15.00 | $ 7.65 |
| $14.50 | $ 7.50 |
| $14.00 | $ 7.20 |
| $12.00-$13.00-$14.00 | $ 7.10 |
| $10.00-$12.00-$14.00 | $ 7.00 |
| $ 8.00-$10.00-$12.00 | $ 5.95 |
| $10.00-$11.50 | $ 5.85 |
| $ 4.00-$ 6.50-$ 9.00 | $ 4.35 |
| $ 8.00 | $ 4.10 |
| $ 4.00-$ 6.00-$ 8.00 | $ 3.90 |
| $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |
| $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |

## LOCAL
## (453)

| Contribution Rate | Unit Multiplier | Contribution Rate | Unit Multiplier |
|---|---|---|---|
| $390.81 | $50.00 | $105.70 | $18.25 |
| $373.48 | $50.00 | $105.70 | $18.25 |
| $356.15 | $50.00 | $ 95.33 | $18.25 |
| $338.82 | $50.00 | $ 92.16 | $16.00 |
| $291.16 | $50.00 | $ 84.49 | $18.25 |
| $246.96 | $50.00 | $ 74.88 | $13.00 |
| $212.30 | $38.75 | $ 73.66 | $18.25 |
| $194.97 | $36.25 | $ 60.67 | $10.70 |
| $177.64 | $33.75 | $ 56.33 | $10.70 |
| $173.31 | $30.00 | $ 47.66 | $10.70 |
| $161.28 | $28.00 | $ 43.33 | $ 8.60 |
| $158.00 | $28.00 | $ 39.00 | $ 8.60 |
| $151.00 | $27.00 | $ 34.67 | $ 8.60 |
| $149.76 | $26.00 | $ 29.67 | $ 8.60 |
| $146.00 | $26.00 | $ 28.67 | $ 8.60 |
| $144.00 | $25.00 | $ 26.00 | $ 6.75 |
| $134.31 | $25.00 | $ 23.67 | $ 6.75 |
| $127.79 | $25.00 | $ 17.17 | $ 5.40 |
| $121.31 | $25.00 | $ 12.17 | $ 3.75 |
| $111.56 | $25.00 | $ 8.67 | $ 3.75 |
| $108.31 | | | |

## Appendix I
## Supplemental Information for Selection of Actuarial Assumptions

In accordance with ERISA, all actuarial assumptions are selected by the actuary.

A. Interest Rates

The interest rate assumption is the long term expected rate of return on pension plan investments. In coordination with the investment consultant, it is based on the Plan's current asset allocation, expected long term inflation, and long term expected real rates of return on the Plan's major asset classes according to the most recent Horizon Survey.

B. Mortality

Because the population size is insufficient for separate analysis, we have used the most recent blue collar mortality tables provided by the Society of Actuaries and have applied the most recent generational mortality improvement scale.

C. Withdrawal

Rates of turnover have been selected by active participant category based on a historical analysis of actual data along with Trustee input about future work levels. While there are no disability benefits, disability rates appropriate for the population have been included as part of the turnover rates.

D. Disability

Rates of disability appropriate for the population have been included.

E. Retirement

Retirement rates have been selected by active participant category based on a historical analysis.

E. Form of Annuity Selection

We assume that participants will select a Single Life Annuity.

F. Expenses

Expected expenses are determined by the prior year's expenses adjusted to take into account anticipated changes in administrative and professional work levels.

## Appendix II
## Risk Measurements

A. Sensitivity Analysis

The actual costs of the plan will be determined by the experience of the plan over time. The projected liabilities shown in this (or any other) valuation of the plan are dependent upon the assumptions made. The assumed interest rate is one assumption that has a significant impact on the expected costs of the plan. To highlight the effect of this assumption on the calculated liabilities and contribution requirements of the plan, we are showing the impact of a change of 1% in the interest rate.

| | 1% Decrease | Current | 1% Increase |
|---|---|---|---|
| Interest Rate | 6.50% | 7.50% | 8.50% |
| Actuarial Accrued Liability | $226,859,047 | $207,048,438 | $190,213,914 |
| Actuarial Value of Assets | ($ 44,779,010) | ($ 44,779,010) | ($ 44,779,010) |
| Unfunded Actuarial Accrued Liability | $182,080,037 | $162,269,428 | $145,434,904 |
| Funded Percentage | 19.7% | 21.6% | 23.5% |
| Normal Cost | $ 1,916,470 | $ 1,734,908 | $ 1,588,099 |
| Net Amortization Charges | $14,661,165 | $12,762,665 | $11,236,468 |
| Estimated Impact on Minimum Required Contribution Level | $ 1,104,648 | N/A | ($704,593) |

B. Asset Volatility Risk

As plans mature they become more sensitive to investment swings. Relatively small changes in investment return can result in big changes in contribution requirements. Based on the actuarial value of assets for the prior plan year, a 10% investment loss relative to the assumed interest rate of 7.50% (i.e. a -2.50% actual one-year return) would result in an increase in the amortization payment of $481,962 for Minimum Required Contribution purposes.

## Appendix II
## Risk Measurements, cont'd

This illustration is provided to help you understand the potential impact of investment losses on contribution requirements and does not take into account the impact of asset smoothing or any other factors.

C. Alternative Liability Measurement

This report was prepared to satisfy the funding requirements of ERISA. The liabilities shown in this valuation are calculated on a going concern basis, meaning that the pension plan is presumed to continue to operate indefinitely. As such, the interest rate assumption used to value plan liabilities was selected to represent the expected long-term investment return on plan assets.

The results disclosed below are provided for informational purposes only and illustrate the liabilities and funding status measured on a terminal basis (rather than going concern basis), which is believed to be more closely associated with a "settlement value" of the plan. However, this is not based on any specific annuity quote and should not be construed as such.

The primary differences between these measurements and those made for funding purposes include:

- benefits valued are only those earned as of the valuation date (accrued benefits),
- assets are reported at fair market value versus actuarial value as of the valuation date, and
- the interest rate of 2.68% was selected to approximate a low-risk bond rate which may be representative of annuity pricing as of the valuation date.

| | |
|---|---|
| Assets at Market Value | $42,879,037 |
| Actuarial Present Value of Accrued Benefits | |
| Retired | $210,744,737 |
| Terminated Vested | 61,285,011 |
| Active | 73,285,888 |
| Total | $345,315,636 |

## MASTER LIST OF
## BENEFIT ILLUSTRATIONS

Pages 63 through and including 178 are a master listing of all retired, terminated vested and active members. These pages are included with the report distributed to the Fund Office.

The information shown for each member is as follows:

1. Name
2. Current Age
3. Normal Retirement Age
4. Normal Retirement Date
5. Percent Vested
6. Estimated Benefit
   - Current Accrued Benefit
   - Current Vested Benefit

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## Actuarial Certification of Funding Status in accordance with the Pension Protection Act of 2006

**As of**
**July 1, 2020**

**For the Plan Year Beginning July 1, 2020 and Ending June 30, 2021**

Prepared by:
**Beyer-Barber Company**
Employee Benefit and Actuarial Consultants
1136 Hamilton Street, Suite 103
Allentown, PA 18101

# BEYER-BARBER COMPANY

1136 HAMILTON STREET, SUITE 103
ALLENTOWN, PENNSYLVANIA 18101

PHONE 610-435-9577
FAX 610-435-2663
www.beyerbarber.com


September 28, 2020

Board of Trustees
Southwestern Pennsylvania and Western Maryland Area
Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

RE: Actuarial Certification of Funding Status as of July 1, 2020

Trustees:

In accordance with the provisions of the Pension Protection Act of 2006 (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA), I have prepared an actuarial certification of the funding status of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2020. The attached report provides details of the actuarial and projection assumptions and methods used, the resultant projections and the results of the application of the PPA status testing performed.

For the plan year beginning July 1, 2020, the plan is **IN CRITICAL AND DECLINING STATUS** as defined in Section 432 of the Internal Revenue Code. This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. A copy of this certification will be mailed to the Secretary of the Treasury as required by law.

Sincerely,

Randee W. Sekol, EA, MAAA, MSPA, FCA
CEO & Chief Actuary

# ACTUARIAL CERTIFICATION OF FUNDING STATUS UNDER THE PENSION PROTECTION ACT OF 2006

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN:** 25-1046087
**Plan Number:** 001
**Plan Contact Information:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401
Phone: 724-438-0512
Fax: 724-438-4870
**Plan Year of Certification:** July 1, 2020 to June 30, 2021

I hereby certify that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund is **IN CRITICAL AND DECLINING STATUS** for the 2020-21 plan year as defined under Section 432 of the Internal Revenue Code. My projections are based on the Actuarial Valuation that was prepared as of July 1, 2019.

This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. The actuarial assumptions, projection assumptions and methods used follow this certification. This certification is based on the understanding that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund qualifies as a multiemployer plan in accordance with the law for the 2020-2021 plan year.

To the best of my knowledge, the information supplied in this certification including the following exhibits is complete and accurate, and in my opinion represent my best estimate of anticipated experience under the plan.

Randee W. Sekol, EA, MAAA, MSPA, FCA
Enrolled Actuary No. 20-03192
Beyer-Barber Company
1136 Hamilton Street, Suite 103
Allentown, PA 18101
Phone: 610-435-9577
Fax: 610-435-2663
Date: September 28, 2020

**EXHIBIT I**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING

Test 1

1. Was the plan certified to be in Critical Status for the prior plan year? YES
2. Is the plan projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 304(d)? YES
3. Critical status if both #1 and #2 are YES? **CRITICAL**

Test 2

1. Is Funded Percentage below 65%? YES
2. Is the sum of assets and the present value of expected contributions for the current plan year and each of the next 6 plan years less than the present value of benefits to be paid during that period? YES
3. Critical status if both #1 and #2 are YES? **CRITICAL**

Test 3

1. Does the plan have an accumulated funding deficiency in the current plan year? YES
2. Is the plan projected to have an accumulated funding deficiency within the 3 succeeding plan years (4 succeeding Plan Years if the Funded Percentage is 65% or less)? YES
3. Critical Status if either #1 or #2 is YES? **CRITICAL**

Test 4

1. Does normal cost plus interest on the unfunded accrued liability exceed the expected contributions? YES
2. Is the present value of nonforfeitable benefits for inactives greater than the present value of nonforfeitable benefits for actives? YES
3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 4 plan years? YES
4. Critical Status if #1, #2 and #3 are "YES"? **CRITICAL**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING, cont'd

Test 5

1. Is the sum of the market value of assets plus the expected contributions for the current and 4 succeeding plan years less than the present value of benefits expected to be paid during that period including plan expenses? NO
2. Critical Status if #1 is "YES"? **NOT CRITICAL**

**CONCLUSION: THE PLAN IS IN CRITICAL STATUS**

## CRITICAL AND DECLINING STATUS TESTING

Test 1

1. Is the plan in Critical Status? YES
2. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 14 plan years? YES
3. Critical and Declining Status if both #1 and #2 are "YES"? **CRITICAL & DECLINING**

Test 2

1. Is the plan in Critical Status? YES
2. Is Funded Percentage below 80%? YES
3. Is the inactive to active participant ratio greater than 2 to 1? YES
4. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 19 plan years? YES
5. Critical and Declining Status if either #2 or #3 is "YES" and both #1 and #4 are "YES"? **CRITICAL & DECLINING**

**CONCLUSION: THE PLAN IS IN CRITICAL AND DECLINING STATUS**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

**ENDANGERED STATUS TESTING**

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 6 plan years taking into account any extension of amortization periods under PPA Section 304(d)? | YES |
| 4. Endangered Status if #1 is "NO" and either #2 or #3 is "YES"? | **NOT ENDANGERED** |

**CONCLUSION: THE PLAN IS NOT IN ENDANGERED STATUS**

## EXHIBIT II

## PENSION PROTECTION ACT OF 2006
## PROJECTION RESULTS

| Year | Active Population | Inactive Population | Actuarial Value of Assets | Accrued Benefit Liability | Accrued Benefit Funded % | 06/30 Credit Balance |
|---|---|---|---|---|---|---|
| 2020 | 460 | 2,399 | $44,133,026 | $205,890,999 | 21.4% | ($95,977,303) |
| 2021 | 452 | 2,409 | 37,039,502 | 204,871,710 | 18.1% | (108,249,305) |
| 2022 | 445 | 2,411 | 29,278,212 | 203,455,440 | 14.4% | (120,355,948) |
| 2023 | 438 | 2,412 | 21,266,561 | 201,571,738 | 10.6% | (132,646,582) |
| 2024 | 431 | 2,403 | 13,415,663 | 199,256,956 | 6.7% | (144,996,522) |
| 2025 | 424 | 2,392 | 5,244,766 | 196,514,971 | 2.7% | (154,764,278) |
| 2026 | 417 | 2,375 | 0 | 193,265,129 | 0.0% | (161,820,494) |

# EXHIBIT III

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Plan Changes:** The Trustees adopted a Rehabilitation Plan on April 2, 2009, which did not eliminate any "adjustable benefits" for those benefits earned through June 30, 2009, but changed future benefit accruals for service earned on and after July 1, 2009 as follows:

- Benefit accrual equal to 1% of contributions required to be made on behalf of the participant based on the contribution rate that was in effect on July 1, 2008.
- Benefits earned after July 1, 2009 will be payable as a Straight Life Annuity with other forms determined based on an actuarial equivalent.
- Benefits earned after July 1, 2009 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Special 25 and 30 & Out Benefit Levels are frozen at their accrued level as of June 30, 2009.
- Contribution levels required to be increased by 8% for each year in the future.

The Trustees adopted an update to the Rehabilitation Plan on February 11, 2011, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all participants not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the Five (5) Year Certain and Life Subsidy applies only to benefits earned prior to July 1, 2009.
- Benefits earned from July 1, 2009 through June 30, 2011 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Benefits earned on and after July 1, 2011 are paid without reduction at Normal Retirement Age 65 and reduced actuarially for early commencement.
- The 25 and out retirement prior to age 55 is eliminated for all participants not eligible to retire on or before July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the 25 and out retirement prior to age 55.
- Early retirement subsidy is eliminated for all participants who are not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the early retirement subsidy applies only to benefits earned prior to July 1, 2009.
- Twenty-five (25) and Out no reduction for early retirement is eliminated except for participants with 25 years as of July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the Twenty-five (25) and Out no reduction only for benefits earned prior to July 1, 2009.
- All disability benefits are eliminated unless in pay status or unless an application for disability benefits was in process on or before June 30, 2011.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2014, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all individuals who are not receiving a retirement benefit with an effective date on or before July 1, 2014.
- No one can retire on or after July 1, 2014 before age 60, whether they are age 55 with 15 years of service or have obtained 25 years of service.

The Trustees restated the Rehabilitation Plan effective July 1, 2017 to incorporate all the contribution and benefit terms in a single document.

## EXHIBIT III, cont'd

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Assets:**

Valued as of: June 30, 2020
Source of assets: Unaudited financial statement
Adjustments: None

**Method Used to Project Assets:** Assets are projected based on a 7.5% investment return. The investment return assumption is based on the application of historical investment returns by asset class applied to the current investment portfolio.

**Method Used to Project Liabilities:** Liabilities are projected based on deterministic forecasting techniques and actuarial and projection assumptions.

**Other Anticipated Changes from Original Valuation/Schedule MB:** None.

**Active Membership:** Active membership for UPS is assumed to remain constant for all future years. Active membership for all other actives is assumed to decline by 2% per year.

**Anticipated Employer Contributions:**

Basis for current year: Reflects the contribution rates in the collective bargaining/participation agreements as of the valuation year.

Basis for projection years: For purposes of testing for Endangered and Critical Status, we consider only the actual increases in the collective bargaining agreements already scheduled to take effect in future years. For purposes of testing for Critical and Declining Status, we consider the actual increases in the collective bargaining agreements already scheduled to take effect in future years plus 6.0% thereafter for UPS employers and 8.0% for all other employers.

# EXHIBIT IV

## PENSION PROTECTION ACT OF 2006
## ACTUARIAL METHODS AND ASSUMPTIONS

**Actuarial Cost Method:** Unit Credit Cost Method

**Actuarial Asset Valuation Method:** 4 Year Smoothed market value in accordance with Approval 15 of Revenue Procedure 95-51 as modified by Revenue Procedure 98-10.

**Actuarial Assumptions:**

Mortality: SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2018.

Disability Mortality: SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2018.

Interest: A rate of 7.5% per annum.

Retirement Age: Active participants - Retirement rates are graduated rates of retirement based on age, service, and contribution level.
Terminated Vested participants – The participant's Normal Retirement Age.

Termination: Annual rates based on the following scale as a percentage:

Freight and UPS -

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

Non-Freight -

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

Expenses: An estimated amount based on the actual expenses paid in the prior plan year.

Incidence of Disability, Active Lives: The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## ACTUARIAL VALUATION AS OF JULY 1, 2021

## FOR THE PLAN YEAR ENDING JUNE 30, 2022



FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

March 11, 2022

Board of Trustees
Southwestern Pennsylvania and
Western Maryland Area Teamsters
and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

**Re: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund Actuarial Valuation as of July 1, 2021**

Gentlemen:

The following report summarizes the actuarial valuation results of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2021. We have previously certified that the Plan is in Critical and Declining Status for the 2021-2022 plan year. The Trustees have developed and implemented a Rehabilitation Plan in order to satisfy the funding improvement objectives set forth in PPA.

The expected 2021-2022 employer contributions of $8,960,000 (before consideration of any withdrawal liability payments) are not sufficient to pay Normal Cost, plan expenses and amortize the plan's Unfunded Accrued Liability over any period of time. As a result, the Unfunded Accrued Liability is expected to increase from $166,762,652 to $171,872,187 and the Funding Standard Account Funding Deficiency is projected to increase from $110,397,944 as of June 30, 2021 to a Funding Deficiency of $123,852,816 as of June 30, 2022.

Prior to the passage of the Pension Protection Act of 2006, this would have resulted in a 100% excise tax on contributing employers. However, PPA permits employers to avoid the excise tax as long as the Trustees have taken all reasonable measures to forestall insolvency within the Rehabilitation Plan.

This valuation will form the basis of forecast projections that will permit us to re-measure the funded status of the Plan as of July 1, 2022 as required by PPA. Once the 2021-2022 investment return, contributions, expenses and benefit payments can be reasonably estimated, we will be in a position to proceed with the necessary projections.

The information contained in this report and the contribution levels we have determined are based on the following:

1. Retired, Active, Inactive Vested and Inactive Non-Vested census data received from Innovative Software Solutions, Inc. and the Fund office;

2. Financial data prepared by DiClaudio & Kramer, L.L.C. Certified Public Accountants;

3. Plan provisions in the Amended and Restated Plan Document effective July 1, 2014 including Amendment #1 adopted January 20, 2017.

We look forward to reviewing the details of the report with you at the Trustees Meeting.

Very truly yours,

Gregory J. Pastino

Gregory J. Pastino, ASA, EA, MAAA
Consulting Actuary

GJP/cg

**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA**
**TEAMSTERS AND EMPLOYERS PENSION FUND**

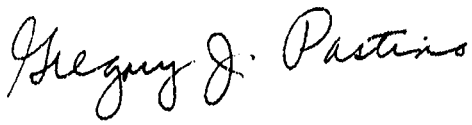
**AS OF JULY 1, 2021**

## ACTUARY'S OPINION

This report has been prepared in accordance with generally accepted actuarial principles and practices. The present values shown herein have been estimated on the basis of actuarial assumptions and methods which, in my actuarial opinion, are appropriate for the various purposes of this report and represent the best available estimate of anticipated experience under the plan.

References to the plan provisions, census data, plan assets and other matters are contained elsewhere in this report.

FOSTER & FOSTER CONSULTING ACTUARIES, INC.



Gregory J. Pastino, E.A. #20-03916
Member American Academy of Actuaries
Member Society of Enrolled Actuaries

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## HIGHLIGHTS OF THE JULY 1, 2021 VALUATION REPORT

### A. INTRODUCTION

Foster & Foster Consulting Actuaries, Inc. was retained by the Board of Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund to perform an actuarial valuation of the Fund as of July 1, 2021.

The following are the highlights of the July 1, 2021 annual actuarial valuation report. Please refer to the appropriate sections of this report for valuation details.

### B. 2020-2021 PLAN EXPERIENCE

The Fund as a whole experienced an actuarial loss during the 2020-2021 plan year of $282,255. Actuarial gains or losses result from deviations between actual plan experience and actuarial assumptions. The 8.7% rate of return on the actuarial value of assets was greater than the actuarially assumed interest rate of 7.5% and resulted in an asset gain of $479,305; however, this gain decreased by an actuarial loss of $761,560 (0.4% of liabilities) due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement.

Contributions received by the Fund during the 2020-2021 plan year totaled $8,668,438. These contributions were made up of normal employer contributions of $7,493,419, and employer withdrawal liability payments of $1,175,019. These contributions resulted in an increase in the Funding Deficiency from $96,564,239 as of July 1, 2020 to a Funding Deficiency of $110,397,944 as of July 1, 2021.

As reported in the July 1, 2020 valuation we projected the 2020-2021 employer contributions were insufficient to pay normal cost, plan expenses, and amortize the Unfunded Accrued Liability over any period.

## C. 2021 VALUATION CHANGES

The Pension Protection Act of 2006 (PPA) was effective for the plan beginning July 1, 2008. We have previously certified that the Plan is in Critical and Declining Status for the 2021-2022 plan year. The Trustees have previously developed and implemented a Rehabilitation Plan and updates in accordance with PPA. That Rehabilitation Plan will have to be updated again this year.

The mortality improvement tables were updated from Scale MP-2019 to Scale MP-2020. This change reduced the Actuarial Accrued Liability by $830,757.

## D. EXECUTIVE SUMMARY

The following are significant observations from the detailed valuation results:

- Expected contributions continue to be insufficient to satisfy Normal Cost (including administrative expenses), and amortize the Unfunded Accrued Liability over any period.

- Expected contributions will increase the Funding Standard Account Funding Deficiency from $110,397,944 as of July 1, 2021 to an estimated $123,852,816 as of July 1, 2022.

- The PPA funded percentage has decreased from 21.6% as of July 1, 2020 to 19.3% as of July 1, 2021.

The following is a summary of the principal results of the July 1, 2021 Valuation compared with the results of the July 1, 2020 Valuation. The development of these items for the July 1, 2021 valuation is shown in the appropriate sections of the report.

## D. EXECUTIVE SUMMARY, (cont'd)

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2020 | July 1, 2021 |
| **SECTION I - PLAN YEAR IN REVIEW** | | |
| **1. Employer Contributions** | $8,752,495 | $8,668,438 |
| **2. Credit Balance/(Funding Deficiency) with Extension** | ($96,564,239) | ($110,397,944) |
| **3. Credit Balance/(Funding Deficiency) without Extension** | ($117,159,006) | ($128,009,558) |
| **4. PPA Funded Percentage** | 21.6% | 19.3% |
| **5. Market Value of Assets** | $42,879,037 | $41,980,192 |
| **6. Actuarial Value of Assets** | $44,779,010 | $39,781,764 |
| **SECTION II - VALUATION RESULTS** | | |
| **1. Unfunded Accrued Liability** | | |
| A. Actuarial Accrued Liability | $207,048,438 | $206,544,416 |
| B. Valuation Assets | 44,779,010 | 39,781,764 |
| C. Unfunded Accrued Liability | $162,269,428 | $166,762,652 |
| **2. Normal Cost** | $1,734,908 | $1,765,894 |
| **3. Contribution Levels** | | |
| A. Minimum Before Credit Balance | $119,391,448 | $133,148,816 |
| B. Minimum After Credit Balance | $119,391,448 | 133,148,816 |
| C. Maximum Deductible | $460,611,022 | $481,872,683 |
| D. Expected Contributions | $8,094,000 | $8,960,000 |
| E. Expected Funding Level | <<Insufficient>> | <<Insufficient>> |

| | VALUATION DATE | |
|---|---|---|
| | July 1, 2020 | July 1, 2021 |
| **SECTION III - ACTUARIAL DISCLOSURE** | | |
| **Accumulated Benefits for Audit Purposes** | | |
| 1. P.V. of All Accumulated Benefits | $207,738,454 | $206,544,416 |
| 2. M.V. of Assets | 42,879,037 | 41,980,192 |
| 3. Unfunded Accumulated Benefits | $164,859,417 | $164,564,224 |
| 4. P.V. of Accumulated Vested Benefits | $206,329,614 | $205,907,247 |
| 5. M.V. of Assets | 42,879,037 | 41,980,192 |
| 6. Unfunded Accumulated Vested Benefits | $163,450,577 | $163,927,055 |
| **SECTION IV - PARTICIPANT DATA** | | |
| **1. Active** | 452 | 435 |
| **2. Retired** | 1,634 | 1,618 |
| **3. Terminated Vested** | 727 | 716 |
| **4. Total Participants** | 2,813 | 2,769 |
| **SECTION V - GAO RATIOS** | | |
| **1. Assets to Vested Benefits** | 0.21 | 0.20 |
| **2. Assets to Benefit Payout** | 3.06 | 2.61 |
| **3. Income to Expenses** | 0.58 | 0.95 |
| **4. Actives to Other Participants** | 0.19 | 0.19 |

# TABLE OF CONTENTS


| | PAGE |
|---|---|
| **SECTION I – 2020 PLAN YEAR IN REVIEW** | 1 |
| EXHIBIT 1 - 2020 PLAN YEAR CONTRIBUTIONS | 4 |
| EXHIBIT 2 - STATEMENT OF FUNDING STANDARDS | 5 |
| EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS | 6 |
| EXHIBIT 4 - DETERMINATION OF ACTUARIAL VALUE OF ASSETS | 7 |
| EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN | 8 |
| EXHIBIT 6 - ACTUARIAL VS. MARKET VALUE OF ASSETS | 9 |
| **SECTION II - JULY 1, 2021 VALUATION RESULTS** | 10 |
| EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY | 13 |
| EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS | 14 |
| EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING | 15 |
| EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR CRITICAL TESTING | 16 |
| EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY | 17 |
| EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMIT | 18 |
| EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS | 19 |
| **SECTION III - ACTUARIAL DISCLOSURE INFORMATION** | 20 |
| EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS | 22 |
| EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES | 23 |
| EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS | 24 |
| **SECTION IV - PARTICIPANT DATA** | 25 |
| EXHIBIT 17 - ANALYSIS OF ACTIVE PARTICIPANT DATA | 27 |
| EXHIBIT 18 - ANALYSIS OF RETIRED AND TERM VESTED LIVES | 28 |
| EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS | 29 |

## TABLE OF CONTENTS (cont'd)


| | PAGE |
|---|---|
| **SECTION IV - PARTICIPANT DATA, Continued** | |
| EXHIBIT 20 - ACTIVE VS RETIRED & TERM VESTED MEMBERS | 30 |
| **SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS** | 31 |
| EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO | 33 |
| EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO | 34 |
| EXHIBIT 23 - INCOME TO EXPENSES RATIO | 35 |
| EXHIBIT 24 - ACTIVE TO OTHER PARTICIPANTS RATIO | 36 |
| **SECTION VI - ACTUARIAL VALUATION METHODS** | 37 |
| EXHIBIT 25 - ACTUARIAL VALUATION METHODS | 39 |
| **SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS** | 40 |
| EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS | 42 |
| **SECTION VIII - SALIENT FEATURES** | 44 |
| **APPENDIX I – SUPPLEMENTAL INFORMATION FOR SELECTION OF ACTUARIAL ASSUMPTIONS** | 59 |
| **APPENDIX II – RISK MEASUREMENTS** | 60 |

# SECTION I

# 2020 PLAN YEAR IN REVIEW

## SECTION I - 2020 PLAN YEAR IN REVIEW

This Section of the report provides information on how the Fund has fared during the 2020 plan year, since the preparation of the July 1, 2020 actuarial valuation report.

**EXHIBIT 1 - 2020 PLAN YEAR CONTRIBUTIONS** - details the contributions that were made during plan year 2020 by source. Note that of the $8,668,438 in total 2020 contributions, $7,493,419 are accounted for by collectively bargained employer contributions, and $1,175,019 are accounted for by withdrawal liability payments.

**EXHIBIT 2 - STATEMENT OF FUNDING STANDARD ACCOUNT** - reflects the development of the Minimum Funding Standard Account Credit Balance for the plan year ending June 30, 2021. As we had projected, the total employer contributions of $8,668,438 fell short of the amount necessary to improve the Funding Standard Account which has increased from a Funding Deficiency of $96,564,239 to a Funding Deficiency of $110,397,944.

**EXHIBIT 3 - MINIMUM VS. ACTUAL CONTRIBUTIONS** - the bar chart illustrates a comparison of actual contributions versus minimum contribution requirements before consideration of the Funding Standard Account Credit Balance for each of the last ten (10) plan years. Note that the increase in the minimum contribution level relative to actual contributions beginning in 2012 is due to the Funding Standard Account Credit Balance Deficiency.

**EXHIBIT 4 - DETERMINATION OF THE ACTUARIAL VALUE OF ASSETS** - shows the development of the Actuarial Value of Assets based on a 4-year deferred recognition of asset gains and losses. This method was first adopted in the July 1, 2001 Valuation as a means of smoothing out substantial investment losses and preserving the Funding Standard Account Credit Balance as long as possible. For this July 1, 2021 valuation, the Actuarial Value of Assets used for funding is 94.76% of the actual Market Value.

Because the portion of losses deferred from the 2018-19 and 2019-20 return below 7.5% did not exceed the remaining portion of the gain deferred from the 2020-21 returns above 7.5%, there is a net deferred gain of $2,198,428 that will be recognized in future years.

**EXHIBIT 5 - CALCULATION OF ACTUARIAL RATES OF RETURN** - provides a comparison of estimated actuarial rates of return on the market and actuarial value of plan assets. These returns are determined assuming that all transactions occur mid-year. As a result, they will be close, but will not match the time-weighted returns calculated by the investment analyst.

**EXHIBIT 6 – ACTUARIAL VS. MARKET VALUE OF ASSETS** – This is a graphic representation of how the Actuarial Value of Assets (in blue) attempts to smooth out the fluctuations in the Market Value of Assets (in red). When actual investment returns are higher than the assumed 7.5% return, the method reflects an Actuarial Value of Assets that is below the Market Value of Assets and vice versa. Since the 2018 and 2019 plan years had investment losses (below 7.5%) that were less than the investment gains for the 2020 plan year (above 7.5%), the July 1, 2021 Actuarial Value is less than the Market Value.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## 2020 PLAN YEAR CONTRIBUTIONS

| | | |
|---|---|---|
| 1. Employer Contributions | $7,493,419 | |
| 2. MPPAA Withdrawal Liability Payments | 1,175,019 | |
| 3. Total Employer Contributions Received | | **$8,668,438** |
| 4. Employee Contributions | | 0 |
| 5. Total Contributions | | **$8,668,438** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF FUNDING STANDARD ACCOUNT FOR THE PLAN YEAR ENDING 6/30/2021

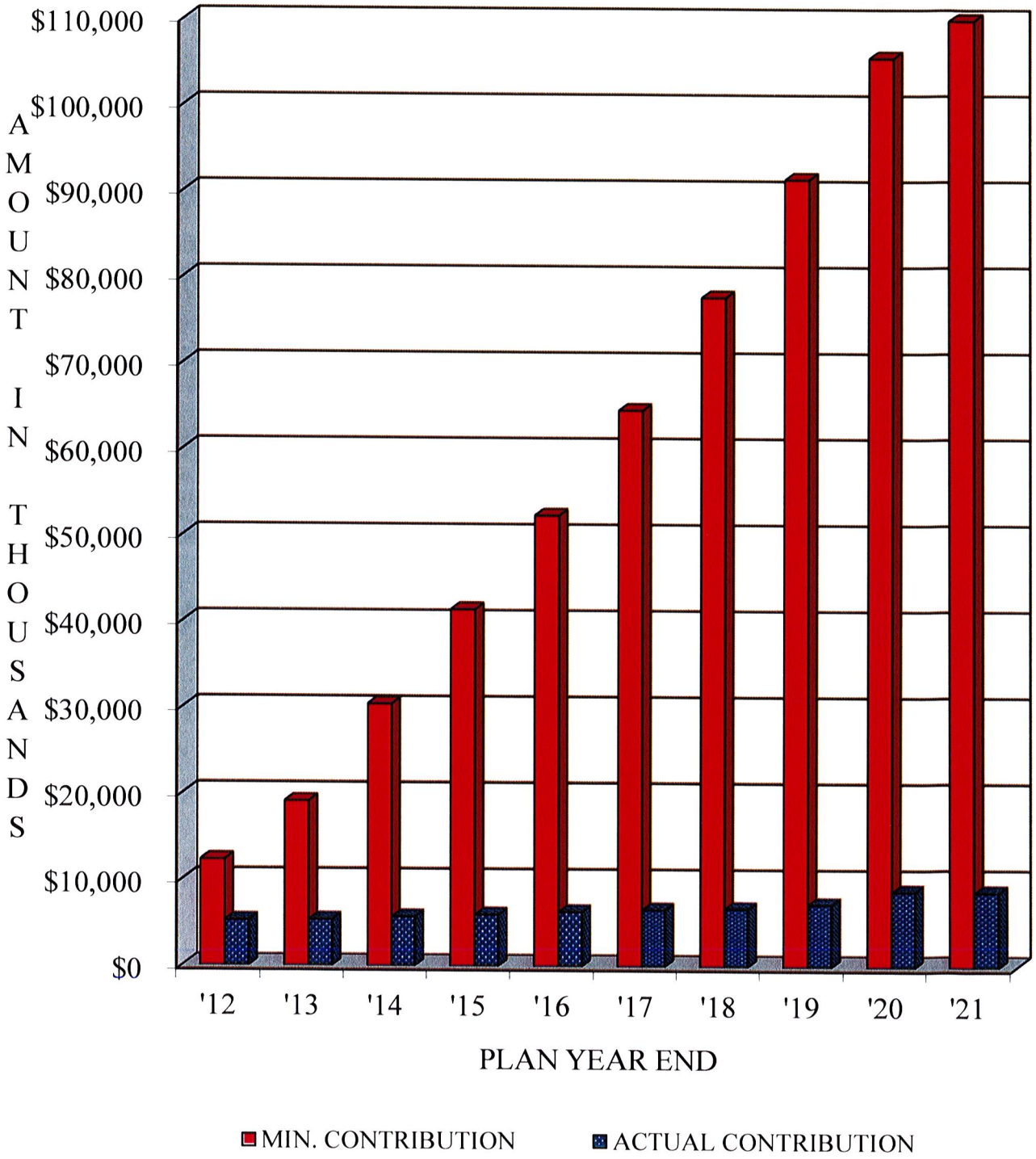
| | WITHOUT 5 YEAR AMORTIZATION EXTENSION* | WITH 5 YEAR AMORTIZATION EXTENSION** |
|---|---|---|
| **CHARGES:** | | |
| 1. Prior Year Funding Deficiency | $117,159,006 | $96,564,239 |
| 2. Employer Normal Cost | 1,734,908 | 1,734,908 |
| 3. Amortization Charges | 11,006,545 | 15,218,415 |
| 4. Interest | 9,742,534 | 8,513,817 |
| 5. Total Charges | $139,642,993 | $122,031,379 |
| **CREDITS:** | | |
| 6. Prior Year Credit Balance | $0 | $0 |
| 7. Employer Contributions | 8,668,438 | 8,668,438 |
| 8. Amortization Credits | 2,455,750 | 2,455,750 |
| 9. Interest | 509,247 | 509,247 |
| 10. Full Funding Credit | 0 | 0 |
| 11. Total Credits | $11,633,435 | $11,633,435 |
| **CREDIT BALANCE:** | | |
| 12. Credit Balance | **$0** | **$0** |
| 13. Funding Deficiency | **($128,009,558)** | **($110,397,944)** |

* For Critical Testing Purposes.

** For Minimum Funding Standard Account Purposes

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

MINIMUM CONTRIBUTION VS ACTUAL CONTRIBUTION



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF ACTUARIAL VALUE OF ASSETS

| | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|---|---|---|---|
| 1. Market Value on 7/1 | $60,748,691 | $56,100,848 | $50,002,183 | $42,879,037 |
| 2. Non-Invest. Income | 6,710,030 | 7,220,493 | 8,752,495 | 8,668,438 |
| 3. Benefits & Expenses | (16,337,227) | (16,510,809) | (16,968,034) | (17,184,078) |
| 4. Actual Return | 4,979,354 | 3,191,651 | 1,092,393 | 7,616,795 |
| 5. Market Value 6/30 | $56,100,848 | $50,002,183 | $42,879,037 | $41,980,192 |
| 6. Assumed Int. Rate | 7.50% | 7.50% | 7.50% | 7.50% |
| 7. Expected Return | $4,195,132 | $3,859,177 | $3,442,081 | $2,896,591 |
| 8. Gain (Loss) | 784,222 | (667,526) | (2,349,688) | 4,720,204 |
| 9. Deferral Percentage | 0% | 25% | 50% | 75% |
| 10. Def. Gain/(Loss) | $0 | ($166,881) | ($1,174,844) | $3,540,153 |
| 11. Total Gain/(Loss) Deferred on 6/30 | | | | $2,198,428 |
| 12. Preliminary Actuarial Value of Assets on 6/30 | | | | $39,781,764 |
| 13. 80% of Market Value of Assets | | | | $33,584,154 |
| 14. 120% of Market Value of Assets | | | | $50,376,230 |
| **15. Actuarial Value on 6/30 (#12 but not less than #13 nor greater than #14)** | | | | **$39,781,764** |
| (Actuarial Value as a percentage of Market Value) | | | | 94.76% |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

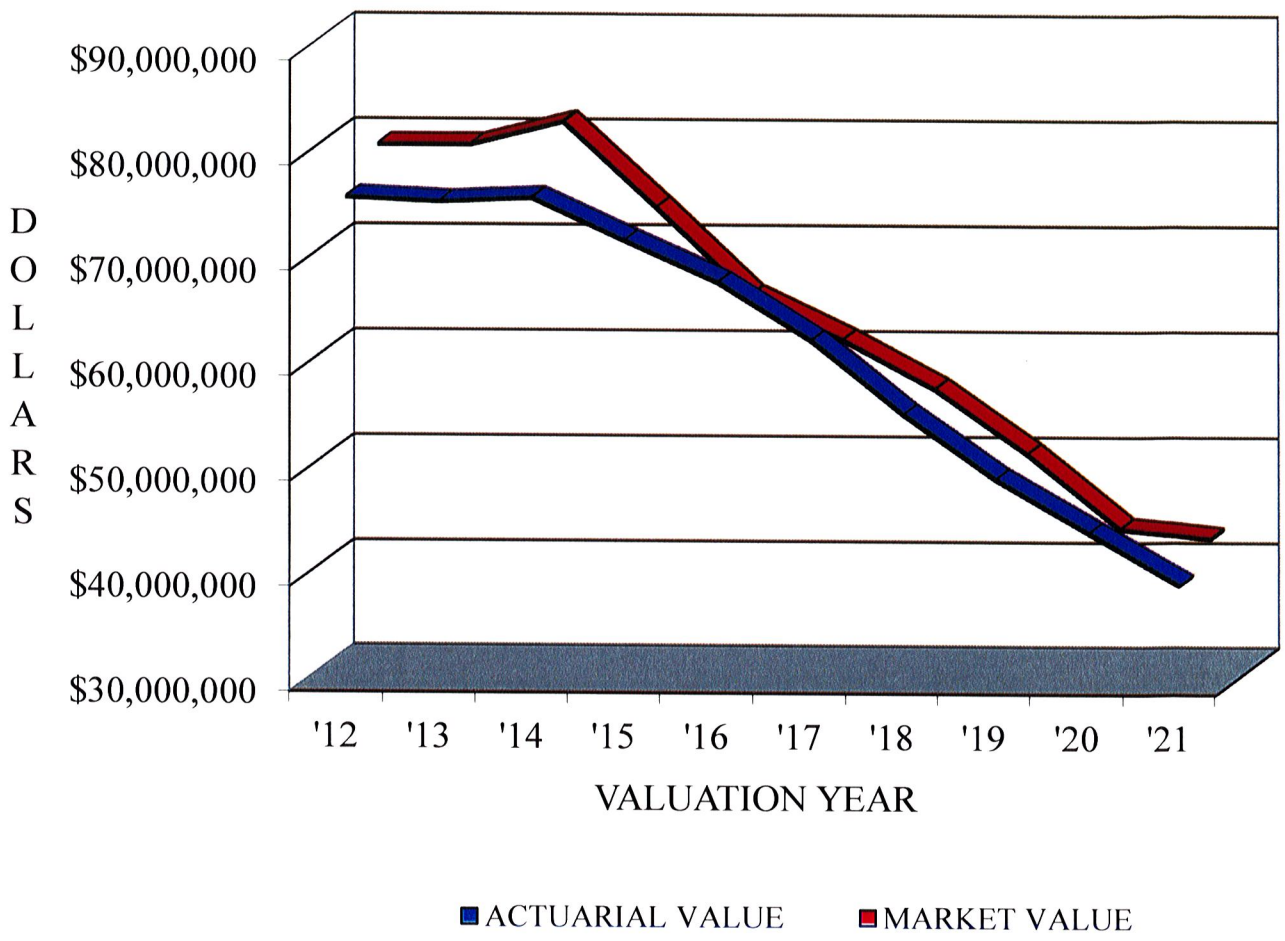
## CALCULATION OF ACTUARIAL RATES OF RETURN ON PLAN ASSETS

| | Plan Year Ending 6/30/2021 | |
|---|---|---|
| | **Market Value** | **Actuarial Value** |
| 1. Beginning Assets | $42,879,037 | $44,779,010 |
| 2. Non-Investment Increment: | | |
| A. Contribution Received | $8,668,438 | $8,668,438 |
| B. Benefits Paid | (16,438,765) | (16,438,765) |
| C. Non-Investment Expenses | (745,313) | (745,313) |
| D. Net Increment | ($8,515,640) | ($8,515,640) |
| 3. Investment Increment: | | |
| A. Investment Income | $804,268 | $804,268 |
| B. Realized & Unrealized Gains (Losses) | 6,895,271 | 2,796,870 |
| C. Investment Expenses | (82,744) | (82,744) |
| D. Net Increment | $7,616,795 | $3,518,394 |
| 4. Ending Assets | $41,980,192 | $39,781,764 |
| 5. Average Asset Value | $38,621,217 | $40,521,190 |
| 6. Actuarial Rate of Return | **19.7%** | **8.7%** |

NOTE: This approximation is intended to indicate whether investment return has been a source of actuarial gain or loss, and is not intended to be taken as an evaluation of investment managers' performance.

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTUARIAL VS MARKET VALUE OF ASSETS



# SECTION II

# JULY 1, 2021
# VALUATION RESULTS

## SECTION II - JULY 1, 2021 VALUATION RESULTS

This Section of the report reflects the application of actuarial assumptions and methods to the plan assets, plan participants and plan provisions, with the purpose of developing actuarial liabilities and funding levels.

**EXHIBIT 7 - DETERMINATION OF UNFUNDED ACCRUED LIABILITY** - this Exhibit determines the 2021 Expected Unfunded Accrued Liability based on the 2020 valuation and contribution information and compares it to the 2021 Actual Unfunded Accrued Liability in order to determine whether the Fund has experienced an actuarial gain or loss during the 2020 plan year.

The Unfunded Accrued Liability has been increased by an actuarial loss of $282,255. This amount is made up of a $479,305 actuarial gain due to investment return above the 7.5% assumption, as well as a $761,560 actuarial loss due to deviations between assumed experience in the areas of turnover, mortality, disability and retirement. This change will be set up as "charge" unfunded base to be amortized over 15 years for minimum funding purposes.

The Unfunded Accrued Liability has been reduced by $860,757 due to a change in the mortality assumption. This amount will be set up as a "credit" unfunded base to be amortized over 15 years for minimum funding purposes.

**EXHIBIT 8 - ACCRUED LIABILITY VS. PLAN ASSETS** - this graphic illustrates how successful the funding objectives are being met. One goal of a funding method is to slowly reduce the Unfunded Accrued Liability. The closer the plan assets to the Accrued Liability, the less Unfunded Accrued Liability is left to fund. Generally speaking, the proximity of the two lines is in direct relationship to the level of each years' investment gains (closer together) or losses (farther apart) and to the impact of benefit improvements or changes in actuarial assumptions. The lines have grown slightly farther apart this year as a result of changes in actuarial assumptions.

**EXHIBIT 9 - SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING** - displays the maintenance of amortization bases for determination of Minimum Contribution Requirements of ERISA as used and certified to on the Schedule MB attachment to Form 5500. This report reflects the approval of the 5 year automatic extension of amortizing the unfunded liabilities as of July 1, 2008.

**EXHIBIT 10 - SCHEDULE OF AMORTIZATION BASES FOR PPA STATUS TESTING** - displays the maintenance of amortization bases prior to extension for determination of Critical Status testing as required by PPA.

**EXHIBIT 11 - SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY** - displays the maintenance of amortization bases used in the determination of the Maximum Tax Deductible Level of contributions in accordance with Internal Revenue Code. Note that we have combined all bases into one amount. This combination has no impact on the Maximum Tax Deductible Contribution since that level is determined by the higher amount of the Unfunded Current Liability of the Plan.

**EXHIBIT 12 - DETERMINATION OF FULL FUNDING LIMITATION** - reflects the determination of an upper limit on the otherwise determined Maximum Tax Deductible Contribution Level. This limitation was originally intended to prevent employers from making tax deductible contributions to a plan that was otherwise determined to be ahead of a normal funding schedule. Due to the recent funding problems of defined benefit plans nationwide, Congress has changed the rules to increase the limits encouraging plan sponsors to make higher deductible contributions. For the 2021 plan year, the Full Funding Limits have no impact on the otherwise determined Maximum Tax Deductible Level of contributions based on the value of Unfunded Current Liability.

**EXHIBIT 13 - MINIMUM AND MAXIMUM CONTRIBUTION LEVELS** - this exhibit summarizes the Minimum Required Contribution and Maximum Tax Deductible Contribution Levels for plan year 2020-2021. The Normal Cost which reflects the cost of benefits expected to be earned during the upcoming plan year has increased from $1,734,908 in 2020 to $1,765,894 in 2021.

Expected 2021 Contributions of $8,960,000 (before consideration of withdrawal liability payments) is not sufficient to satisfy the Minimum Funding Level.

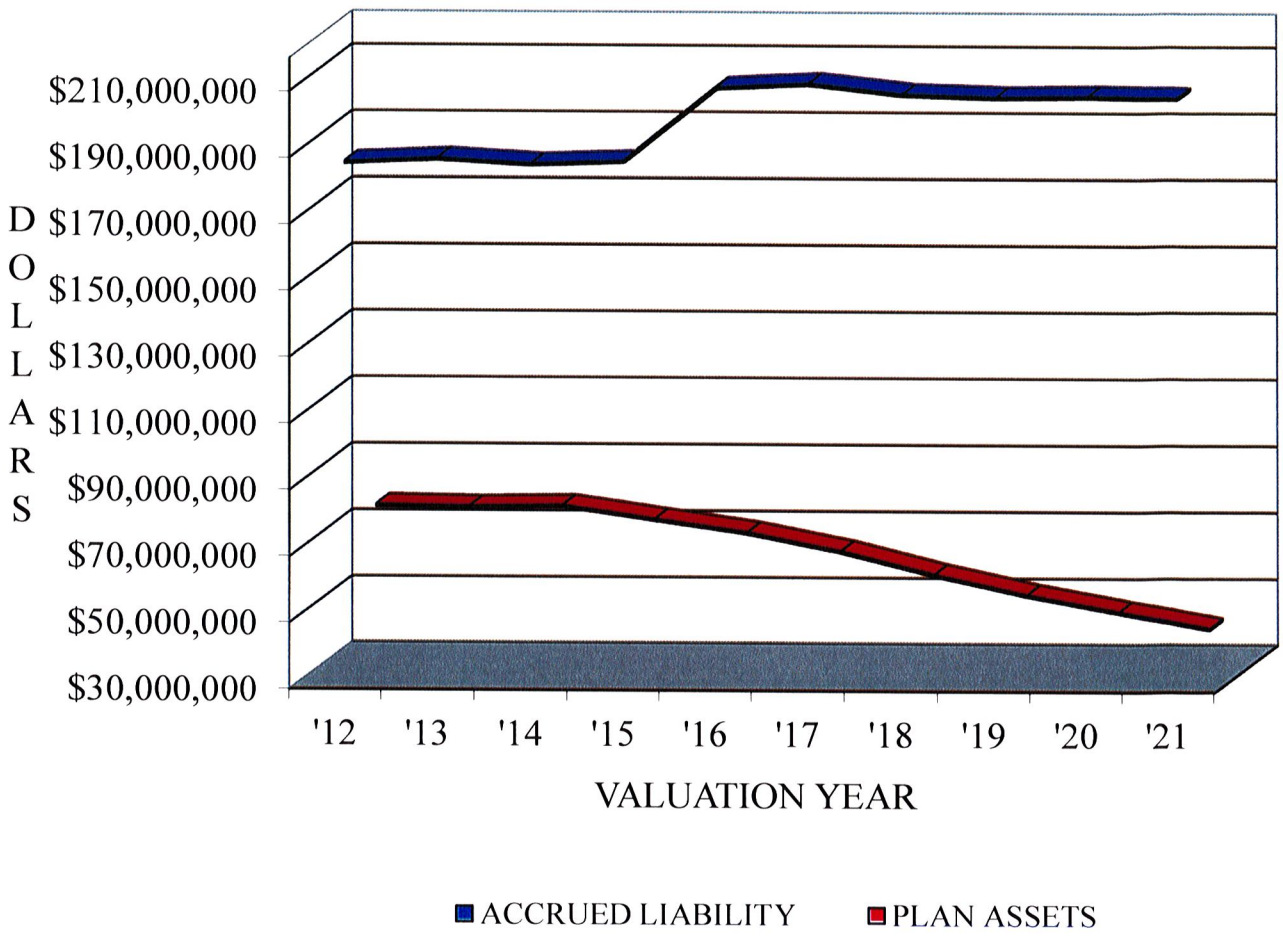
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF UNFUNDED ACCRUED LIABILITY AND ACTUARIAL GAIN (LOSS)

| | | |
|---|---|---|
| 1. Determination of Expected Unfunded Accrued Liability | | |
| A. Prior Year Unfunded | $162,269,428 | |
| B. Prior Year Normal Cost | 1,734,908 | |
| C. Prior Year Contribution | 8,668,438 | |
| D. Full Funding Credit | 0 | |
| E. Interest | 11,975,256 | |
| F. Changes During Year | (830,757) | |
| G. Total Expected Unfunded [A+B-C+E+F] | | $166,480,397 |
| 2. Determination of Actual Accrued Liability | | |
| A. Retired Participants | $149,957,787 | |
| B. Terminated Vested Participants | 24,230,390 | |
| C. Active Participants | 32,356,239 | |
| D. Total Actual Accrued Liability [A+B+C] | | $206,544,416 |
| 3. Actuarial Value of Assets | | $39,781,764 |
| 4. Unfunded Accrued Liability | | **$166,762,652** |
| 5. Actuarial Gain (Loss) [1G - 4] | | **($282,255)** |

# SOUTHWESTERN PENNSYLVANIA AND WESTER MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACCRUED LIABILITY VS PLAN ASSETS



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING INCLUDING 5 YEAR AMORTIZATION EXTENSION FOR MINIMUM FUNDING STANDARD ACCOUNT PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2021 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1994 | Assumpt. | 1,248,331 | 558,245 | 8 | 88,659 |
| 7/1/1996 | Amend. | 760,219 | 406,165 | 10 | 55,045 |
| 7/1/1997 | Amend. | 2,171,813 | 1,246,410 | 11 | 158,494 |
| 7/1/1998 | Amend. | 7,460,168 | 4,558,492 | 12 | 548,197 |
| 7/1/1998 | Assumpt. | 6,376,259 | 3,896,173 | 12 | 468,548 |
| 7/1/2000 | Amend. | 2,587,036 | 1,754,830 | 14 | 192,292 |
| 7/1/2001 | Amend. | 1,847,883 | 1,309,552 | 15 | 138,005 |
| 7/1/2002 | Act. Loss | 5,393,899 | 437,463 | 1 | 437,463 |
| 7/1/2003 | Act. Loss | 14,165,461 | 2,289,824 | 2 | 1,186,295 |
| 7/1/2004 | Act. Loss | 13,852,080 | 3,330,193 | 3 | 1,191,243 |
| 7/1/2005 | Act. Loss | 8,940,030 | 2,830,347 | 4 | 786,094 |
| 7/1/2006 | Act. Loss | 6,941,069 | 2,704,864 | 5 | 621,904 |
| 7/1/2007 | Act. Loss | 2,822,798 | 1,296,799 | 6 | 257,002 |
| 7/1/2007 | Assumpt. | 6,098,359 | 5,197,040 | 21 | 464,250 |
| 7/1/2008 | Act. Loss | 3,609,069 | 1,896,845 | 7 | 333,139 |
| 7/1/2009 | Act. Loss | 24,996,946 | 7,451,045 | 3 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 3,723,332 | 5 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 4,243,542 | 6 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 605,208 | 9 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 820,403 | 10 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 16,345,678 | 10 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 19,356 | 11 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,133,770 | 11 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,386,971 | 12 | 166,795 |
| 7/1/2019 | Act. Loss | 202,487 | 186,400 | 13 | 21,339 |
| 7/1/2020 | Act. Loss | 1,619,594 | 1,557,585 | 14 | 170,678 |
| 7/1/2021 | Act. Loss | 282,255 | 282,255 | 15 | 29,745 |
| | Sub-Total | | $71,468,787 | | $14,238,824 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $1,369,075 | 4 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 2,363,558 | 5 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 1,948,127 | 7 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 3,418,699 | 8 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 891,439 | 8 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,149,920 | 12 | 378,804 |
| 7/1/2019 | Assumpt. | 556,196 | 512,009 | 13 | 58,614 |
| 7/1/2020 | Assumpt. | 645,198 | 620,495 | 14 | 67,993 |
| 7/1/2021 | Assumpt. | 830,757 | 830,757 | 15 | 87,548 |
| | Sub-Total | | $15,104,079 | | $2,543,298 |
| **Net Charges:** | | | **$56,364,708** | | **$11,695,526** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION PLAN
## SCHEDULE OF AMORTIZATION BASES FOR MINIMUM FUNDING WITHOUT 5 YEAR AMORTIZATION EXTENSION FOR CRITICAL TESTING PURPOSES

| Date Estab. | Source | Original Amount | Unamort. 7/1/2021 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1994 | Assumpt. | $1,248,331 | $282,926 | 3 | $101,203 |
| 7/1/1996 | Amend. | 760,219 | 267,086 | 5 | 61,409 |
| 7/1/1997 | Amend. | 2,171,813 | 883,688 | 6 | 175,131 |
| 7/1/1998 | Amend. | 7,460,168 | 3,419,503 | 7 | 600,561 |
| 7/1/1998 | Assumpt. | 6,376,259 | 2,922,675 | 7 | 513,304 |
| 7/1/2000 | Amend. | 2,587,036 | 1,423,563 | 9 | 207,599 |
| 7/1/2001 | Amend. | 1,847,883 | 1,092,528 | 10 | 148,062 |
| 7/1/2007 | Act. Loss | 2,822,798 | 302,136 | 1 | 302,136 |
| 7/1/2007 | Assumpt. | 6,098,359 | 4,763,328 | 16 | 484,713 |
| 7/1/2008 | Act. Loss | 3,609,069 | 744,196 | 2 | 385,546 |
| 7/1/2009 | Act. Loss | 24,996,946 | 7,451,045 | 3 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 3,723,332 | 5 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 4,243,542 | 6 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 605,208 | 9 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 820,403 | 10 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 16,345,678 | 10 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 19,356 | 11 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,133,770 | 11 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,386,971 | 12 | 166,795 |
| 7/1/2019 | Act. Loss | 202,487 | 186,400 | 13 | 21,339 |
| 7/1/2020 | Act. Loss | 1,619,594 | 1,557,585 | 14 | 170,678 |
| 7/1/2021 | Act. Loss | 282,255 | 282,255 | 15 | 29,745 |
| | Sub-Total | | $53,857,174 | | $10,291,858 |
| **Credits:** | | | | | |
| 7/1/2010 | Act. Gain | $3,572,716 | $1,369,075 | 4 | $380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 2,363,558 | 5 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 1,948,127 | 7 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 3,418,699 | 8 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 891,439 | 8 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,149,920 | 12 | 378,804 |
| 7/1/2019 | Assumpt. | 556,196 | 512,009 | 13 | 58,614 |
| 7/1/2020 | Assumpt. | 645,198 | 620,495 | 14 | 67,993 |
| 7/1/2021 | Assumpt. | 830,757 | 830,757 | 15 | 87,548 |
| | Sub-Total | | $15,104,079 | | $2,543,298 |
| **Net Charges:** | | | **$38,753,095** | | **$7,748,560** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## SCHEDULE OF AMORTIZATION BASES FOR TAX DEDUCTIBILITY

| Date Estab. | Source | Original Amt. | Unamortized | Limit Adj. |
|---|---|---|---|---|
| **Charges:** | | | | |
| 7/1/2021 | Fresh Start | $166,762,652 | $166,762,652 | $22,599,974 |
| | **Sub-Total** | | **$166,762,652** | **$22,599,974** |
| **Credits:** | | | | |
| None | | | | |
| **Net Charges:** | | | **$166,762,652** | **$22,599,974** |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DETERMINATION OF FULL FUNDING LIMITATION FOR PLAN YEAR ENDING 6/30/2022

**Actuarial Values**

| | |
|---|---|
| 1. Accrued Liability | $206,544,416 |
| 2. Normal Cost | 1,765,894 |
| 3. RPA '94 Current Liability | 367,460,201 |
| 4. RPA '94 Expected Increase | 3,401,647 |
| 5. Expected RPA '94 Benefit Payments | 17,570,180 |
| 6. Market Value of Assets | 41,980,192 |
| 7. Actuarial Value of Assets | 39,781,764 |

**Accrued Liability Full Funding Limitation**

| | |
|---|---|
| 1. Minimum Funding Limitation | $181,168,187 |
| 2. Maximum Funding Limitation | 181,168,187 |

| | |
|---|---|
| **RPA '94 Full Funding Limitation** | $301,008,066 |
| **Minimum Contribution Full Funding Limitation** | $301,008,066 |
| **Maximum Contribution Full Funding Limitation** | $301,008,066 |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## MINIMUM AND MAXIMUM CONTRIBUTION LEVELS FOR PLAN YEAR ENDING 6/30/2022 (REFLECTS 5 YEAR AMORTIZATION EXTENSION)

| | | |
|---|---|---|
| **Minimum Required Contribution Level** | | |
| 1. Accumulated Funding Deficiency | $110,397,944 | |
| 2. Normal Cost | $1,765,894 | |
| 3. Net Amortization Charges | 11,695,526 | |
| 4. Interest | 9,289,452 | |
| 5. Minimum Before Credit Balance [1+2+3+4] | | **$133,148,816** |
| 6. Credit Balance | $0 | |
| 7. Interest | 0 | |
| 8. Minimum Required After Credit Balance [5-6-7] | | **$133,148,816** |
| **Maximum Tax Deductible Level** | | |
| 1. Normal Cost | $1,765,894 | |
| 2. Net Amortization Charges | 22,599,974 | |
| 3. Interest | 1,827,440 | |
| 4. Total [1+2+3] | **$26,193,308** | |
| 5. Maximum Full Funding Limitation | 301,008,066 | |
| 6. Amount to Fund 140% of Current Liability | 481,872,683 | |
| 7. Maximum Tax Deductible Level | | **$481,872,683** |
| **Expected 2021 Contributions** | | **$8,960,000** |
| **Expected 2021 Contribution Level is sufficient to Satisfy Normal Cost, Plan Expenses and Amortize the Unfunded Liability over:** | | **<<Insufficient>>** |

# SECTION III

# ACTUARIAL DISCLOSURE INFORMATION

## SECTION III - ACTUARIAL DISCLOSURE INFORMATION

This Section provides certain plan actuarial information that is required to be disclosed in the plan's financial audited statement of assets.

**EXHIBIT 14 - PRESENT VALUE OF ACCUMULATED PLAN BENEFITS** - these disclosures of the accumulated value of plan benefits on a vested and non-vested basis are required to be disclosed in the financial audit of the plan.

**EXHIBIT 15 - ANALYSIS OF ACCUMULATED BENEFIT VALUES** - provides a pie chart which shows the relative portions of plan accumulated benefits by category of participant. Note that the largest portion of accumulated benefits is attributed to retired participants in pay status at 72.4%. Adding their percentage to that of the terminated vested participants shows that 84.1% of all accumulated benefits are attributed to inactive plan participants.

**EXHIBIT 16 - STATEMENT OF CHANGES IN ACCUMULATED BENEFITS** - this schedule is also an accounting disclosure required to be reflected in the financial audit of the plan. It is intended to provide a reconciliation of the value of accumulated plan benefits from beginning to end of plan year.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

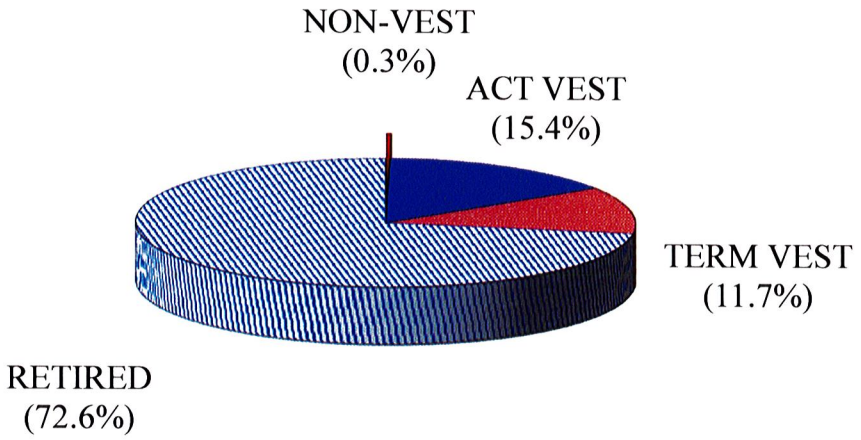
## ONGOING PLAN BASIS AS OF 7/1/2021

| | Total | Vested |
|---|---|---|
| 1. Retired Participants | $149,957,787 | $149,957,787 |
| 2. Terminated Vested Participants | 24,230,390 | 24,230,390 |
| 3. Terminated Non-Vested Participants | 0 | 0 |
| 4. Active Participants | 32,356,239 | 31,719,070 |
| 5. Total | $206,544,416 | $205,907,247 |
| 6. Assets at Market Value | $41,980,192 | $41,980,192 |
| 7. Excess Value of Benefits | $164,564,224 | $163,927,055 |

The values on this page comply with the Pension Fund Recommendations A(6) and A(7) of the Academy of Actuaries, as clarified by Academy Interpretation 1 and 2. The calculation reflects all assumptions shown in the Actuarial Assumptions Section of this report.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ANALYSIS OF ACCUMULATED BENEFIT VALUES



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## STATEMENT OF CHANGES IN ACCUMULATED BENEFITS ONGOING PLAN BASIS AS OF 7/1/2021

| | | |
|---|---|---|
| 1. Actuarial Present Value of Accumulated Plan Benefits at Beginning of Plan Year | | $207,738,454 |
| 2. Increase (Decrease) During the Plan Year Attributible to: | | |
| A. Plan Amendment and Changes in Actuarial Assumptions | ($830,757) | |
| B. Benefits Accumulated | 1,100,409 | |
| C. Increase for Interest Due to the Decrease in the Discount Period | 14,975,075 | |
| D. Benefits paid | (16,438,765) | |
| E. Net Changes [A+B+C-D] | | ($1,194,038) |
| 3. Actuarial Present Value of Accumulated Plan Benefits at End of Plan Year | | $206,544,416 |

# SECTION IV

# PARTICIPANT DATA

## SECTION IV - PARTICIPANT DATA

Section IV provides summaries of the plan's participant data which was used for the determination of projected benefit liabilities.

**EXHIBIT 17 – ANALYSIS OF ACTIVE PARTICIPANT DATA** – displays an age and service breakdown of the current active participant population.

**EXHIBIT 18 – ANALYSIS OF RETIRED AND TERM VESTED LIVES** – displays counts, average annual benefits and average ages by retiree type.

**EXHIBIT 19 – PROJECTION OF ESTIMATED PAYMENTS** – shows projected benefit payments for the next ten plan years.

**EXHIBIT 20 – ACTIVE VS. RETIRED & TERM VESTED MEMBERS** – shows the relationship between active participants for whom contributions are being made vs. inactive participants. Note that the drop in the number of actives in 2013 is due to the withdrawal of Uniontown Hospital.

EXHIBIT 17

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE MEMBER AGE AND SERVICE DISTRIBUTION AS OF 7/1/2021

| | .....YEARS OF BENEFIT CREDITED SERVICE..... | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| AGES | <5 | 5- 9 | 10-14 | 15-19 | 20-24 | 25-29 | >=30 | TOTALS |
| UNDER 20 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 - 24 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 10 |
| 25 - 29 | 19 | 2 | 0 | 0 | 0 | 0 | 0 | 21 |
| 30 - 34 | 16 | 11 | 6 | 0 | 0 | 0 | 0 | 33 |
| 35 - 39 | 20 | 17 | 6 | 3 | 0 | 0 | 0 | 46 |
| 40 - 44 | 11 | 13 | 11 | 7 | 1 | 0 | 0 | 43 |
| 45 - 49 | 11 | 6 | 6 | 8 | 8 | 1 | 0 | 40 |
| 50 - 54 | 11 | 9 | 5 | 12 | 18 | 11 | 3 | 69 |
| 55 - 59 | 5 | 15 | 13 | 14 | 15 | 10 | 12 | 84 |
| 60 - 64 | 1 | 6 | 7 | 9 | 19 | 11 | 13 | 66 |
| OVER 64 | 0 | 5 | 3 | 4 | 5 | 2 | 4 | 23 |
| TOTALS | 104 | 84 | 57 | 57 | 66 | 35 | 32 | 435 |

AVERAGE AGE= 48.8 AVERAGE BENEFIT SERVICE= 13.8

EXHIBIT 18

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

RETIRED AND TERM VESTED LIVES

AS OF 7/1/2021

| | REGULAR | DISABILITY | SURVIVOR | TOTAL |
|---|---|---|---|---|
| | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE | EE' CNT/<br>AVG BEN/<br>AVG AGE |
| NORMAL | 431<br>11,798<br>74 | 3<br>3,371<br>71 | 433<br>5,814<br>78 | 867<br>8,780<br>76 |
| EARLY | 238<br>12,039<br>69 | 0<br>0<br>0 | 0<br>0<br>0 | 238<br>12,039<br>69 |
| JOINT SURVIVOR | 511<br>11,993<br>75 | 2<br>2,508<br>74 | 0<br>0<br>0 | 513<br>11,956<br>75 |
| TERM VEST | 716<br>6,630<br>54 | 0<br>0<br>0 | 0<br>0<br>0 | 716<br>6,630<br>54 |
| TOTALS | 1,896<br>9,929<br>66 | 5<br>3,026<br>72 | 433<br>5,814<br>78 | 2,334<br>9,151<br>68 |

EXHIBIT 19

# SOUTHWESTERN PA & WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

PROJECTION OF ESTIMATED PAYMENTS TO RETIREES OVER THE NEXT TEN (10) YEARS
AS OF 7/1/2021

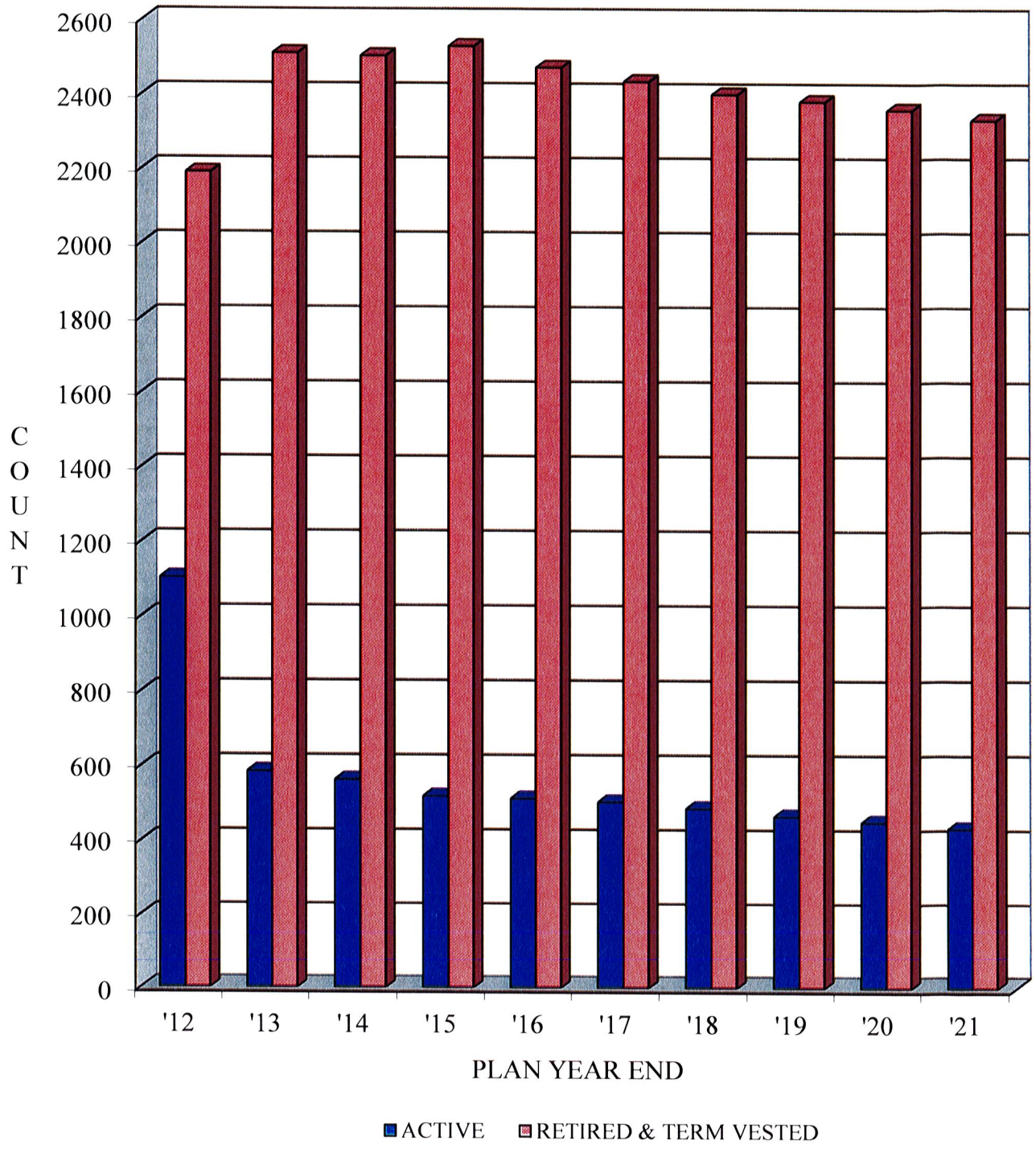
| PLAN YEAR | CURRENT RETIRED | NEWLY RETIRED | ..... ANNUAL PAYMENTS..... CURRENT | NEW * | TOTAL PAYMENTS |
|---|---|---|---|---|---|
| 2021 TO 2022 | 1610 | 288 | $16,526,844 | $4,442,946 | $20,969,790 |
| 2022 TO 2023 | 1898 | 58 | 20,969,790 | 663,975 | 21,633,766 |
| 2023 TO 2024 | 1956 | 71 | 21,633,766 | 987,458 | 22,621,224 |
| 2024 TO 2025 | 2027 | 55 | 22,621,224 | 919,010 | 23,540,234 |
| 2025 TO 2026 | 2082 | 58 | 23,540,234 | 882,978 | 24,423,212 |
| 2026 TO 2027 | 2140 | 46 | 24,423,212 | 757,843 | 25,181,055 |
| 2027 TO 2028 | 2186 | 42 | 25,181,055 | 945,387 | 26,126,442 |
| 2028 TO 2029 | 2228 | 49 | 26,126,442 | 762,614 | 26,889,057 |
| 2029 TO 2030 | 2277 | 38 | 26,889,057 | 494,151 | 27,383,208 |
| 2030 TO 2031 | 2315 | 43 | 27,383,208 | 536,740 | 27,919,948 |

NOTE: PROJECTIONS ASSUME NO TERMINATIONS OR MORTALITY.

* NEW PAYMENTS EXCLUDE PAYMENTS PAYABLE FOR FUTURE EARLY RETIREMENTS, DISABILITIES AND DEATHS.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE VS RETIRED TERM VESTED MEMBERS



# SECTION V

# COMPARISON AND ANALYSIS OF GAO RATIOS

## SECTION V - COMPARISON AND ANALYSIS OF GAO RATIOS

The following four ratios were selected by the US General Accounting Office as a means to measure the financial health of Multiemployer Pension Plans. The GAO states that although..."no one measure for a single year necessarily provides a complete and satisfactory assessment of the overall financial condition of a plan, (GAO) actuaries believe that this set of four ratios over several years indicates the relative financial strength of the plans...Trends over time are as important for most of the ratios as the values themselves. Favorable trends show that a plan is improving its financial condition...A plan with low values of two or more ratios may be experiencing financial distress."

**EXHIBIT 21 - ASSETS TO VESTED BENEFITS RATIO** - Measures a Plan's funding status. A ratio of less than .50 is an indication of poor or modest funding:

| 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 | 6/21 |
|---|---|---|---|---|---|---|---|---|---|
| 0.43 | 0.42 | 0.44 | 0.39 | 0.31 | 0.29 | 0.27 | 0.24 | 0.21 | 0.21 |

**EXHIBIT 22 - ASSETS TO BENEFIT PAYOUT RATIO** - Measures a Plan's ability to continue benefit payments should adverse contingencies arise. A ratio of less than 6.0 indicates poor resilience and the potential of plan termination:

| 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 | 6/21 |
|---|---|---|---|---|---|---|---|---|---|
| 6.13 | 5.38 | 5.25 | 5.22 | 4.67 | 4.11 | 3.84 | 3.51 | 3.06 | 2.61 |

**EXHIBIT 23 - INCOME TO EXPENSES RATIO** - Measures a Plan's cash flow and asset growth. Income includes contributions plus net investment increment, while expenses include benefit payments and non-investment expenses. A ratio of less than 1.75 indicates an insufficient net income margin:

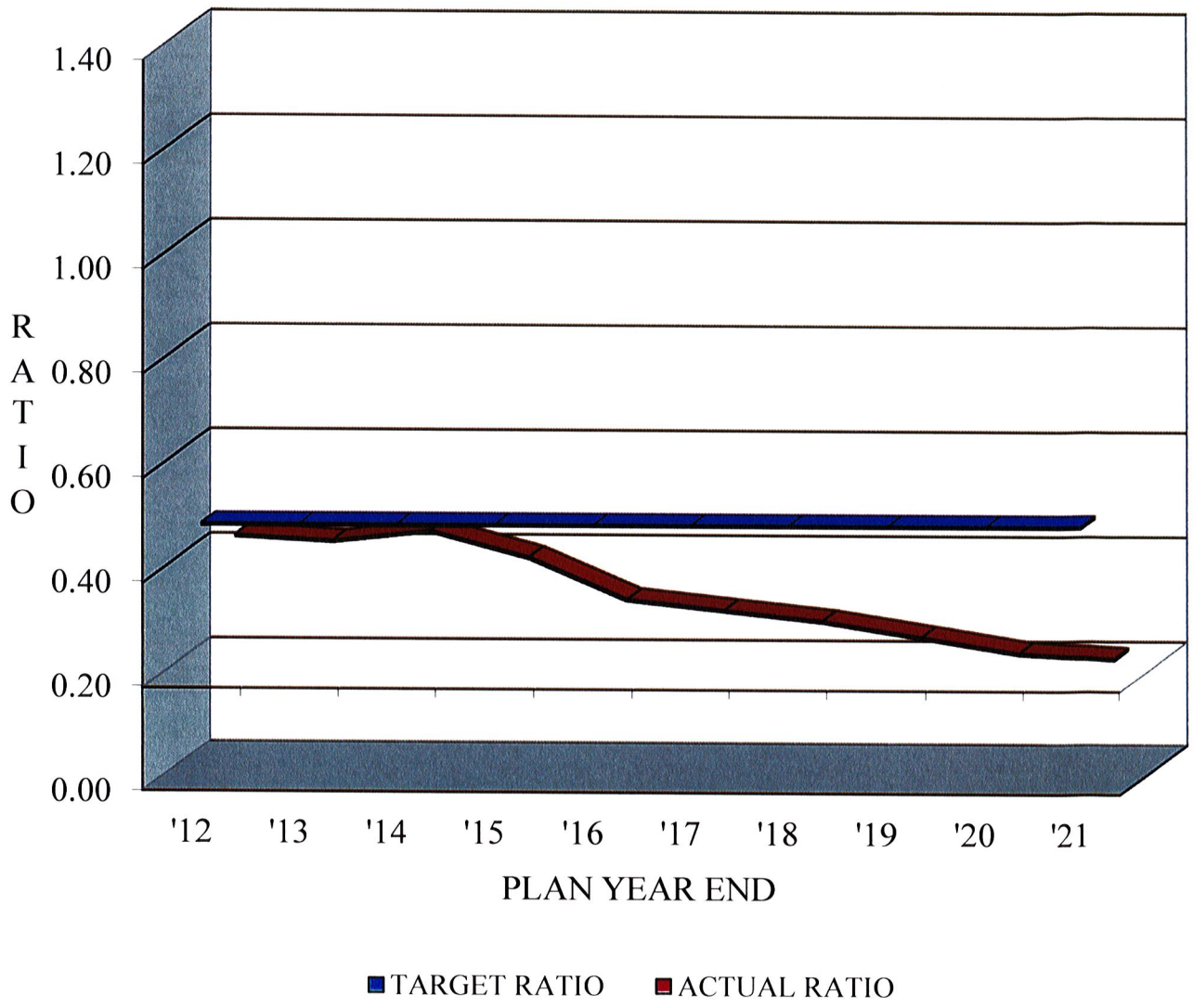
| 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 | 6/21 |
|---|---|---|---|---|---|---|---|---|---|
| 0.39 | 1.00 | 1.14 | 0.50 | 0.48 | 0.74 | 0.72 | 0.63 | 0.58 | 0.95 |

**EXHIBIT 24 - ACTIVES TO OTHER PARTICIPANTS RATIO** - Measures a Plan's population mix. A ratio of less than 2.0 indicates a probable future necessity of burdensome contribution rates for active participants:

| 6/12 | 6/13 | 6/14 | 6/15 | 6/16 | 6/17 | 6/18 | 6/19 | 6/20 | 6/21 |
|---|---|---|---|---|---|---|---|---|---|
| 0.50 | 0.23 | 0.23 | 0.21 | 0.21 | 0.21 | 0.20 | 0.20 | 0.19 | 0.19 |

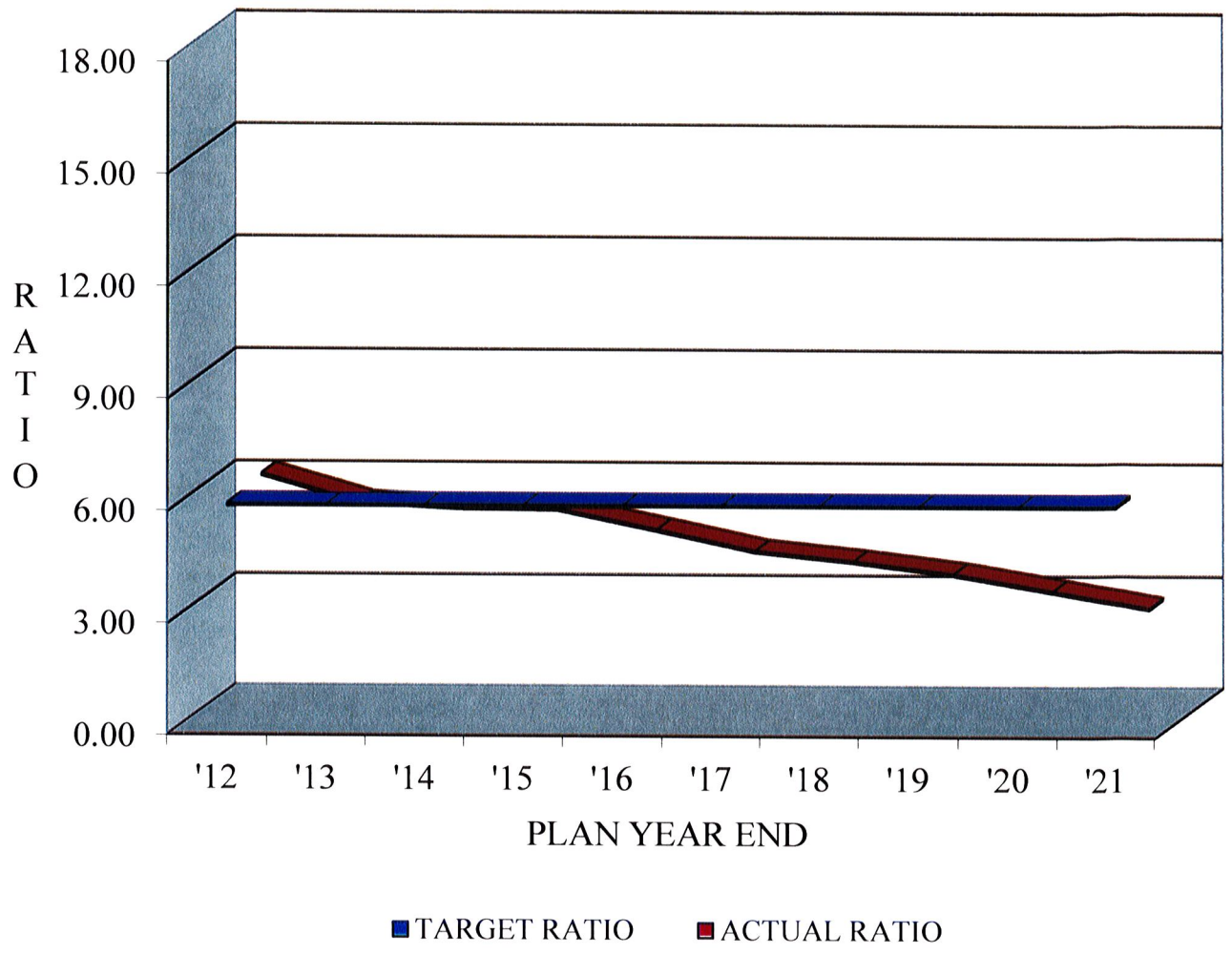
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO VESTED BENEFITS RATIO



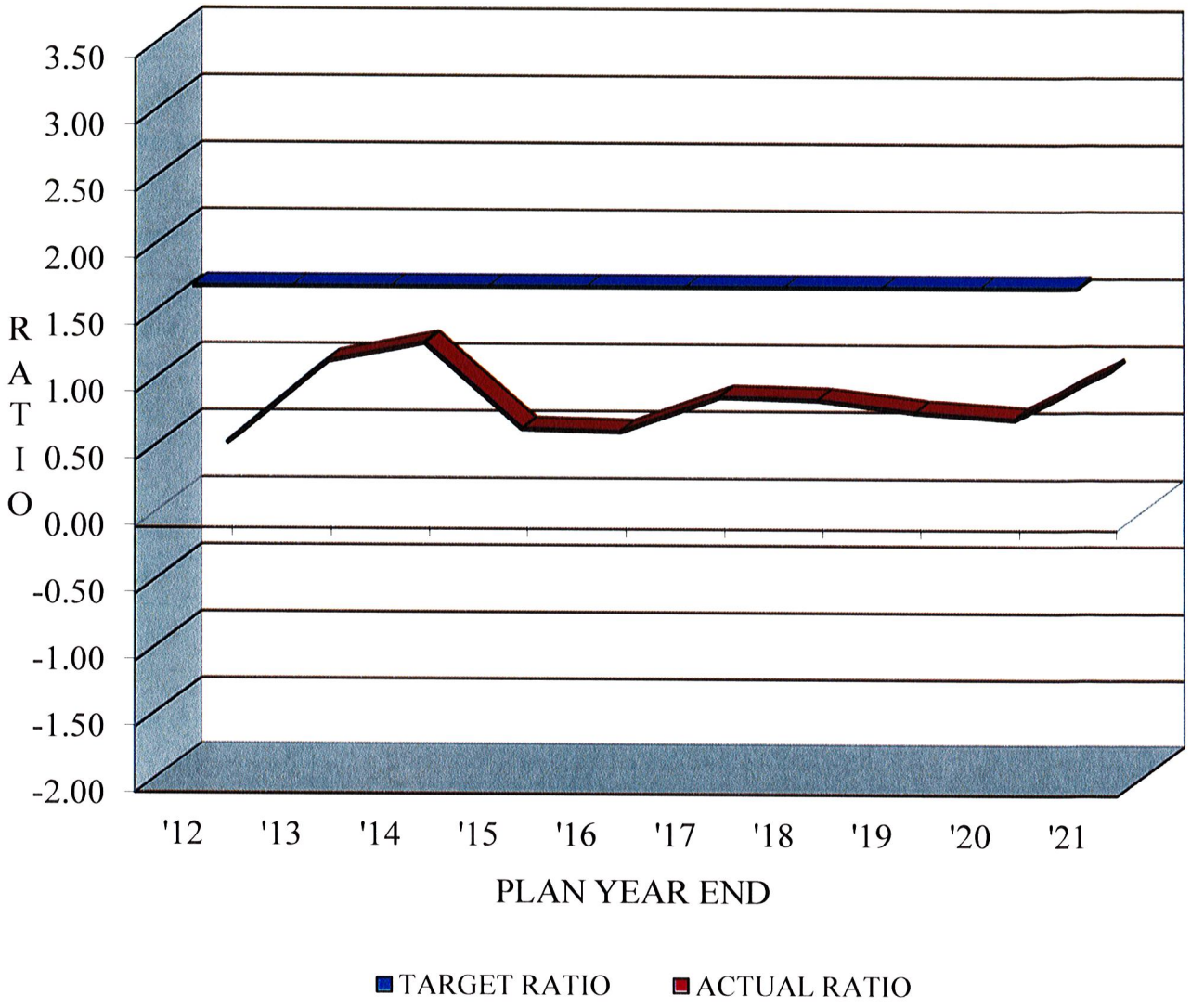
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ASSET TO BENEFIT PAYOUT RATIO



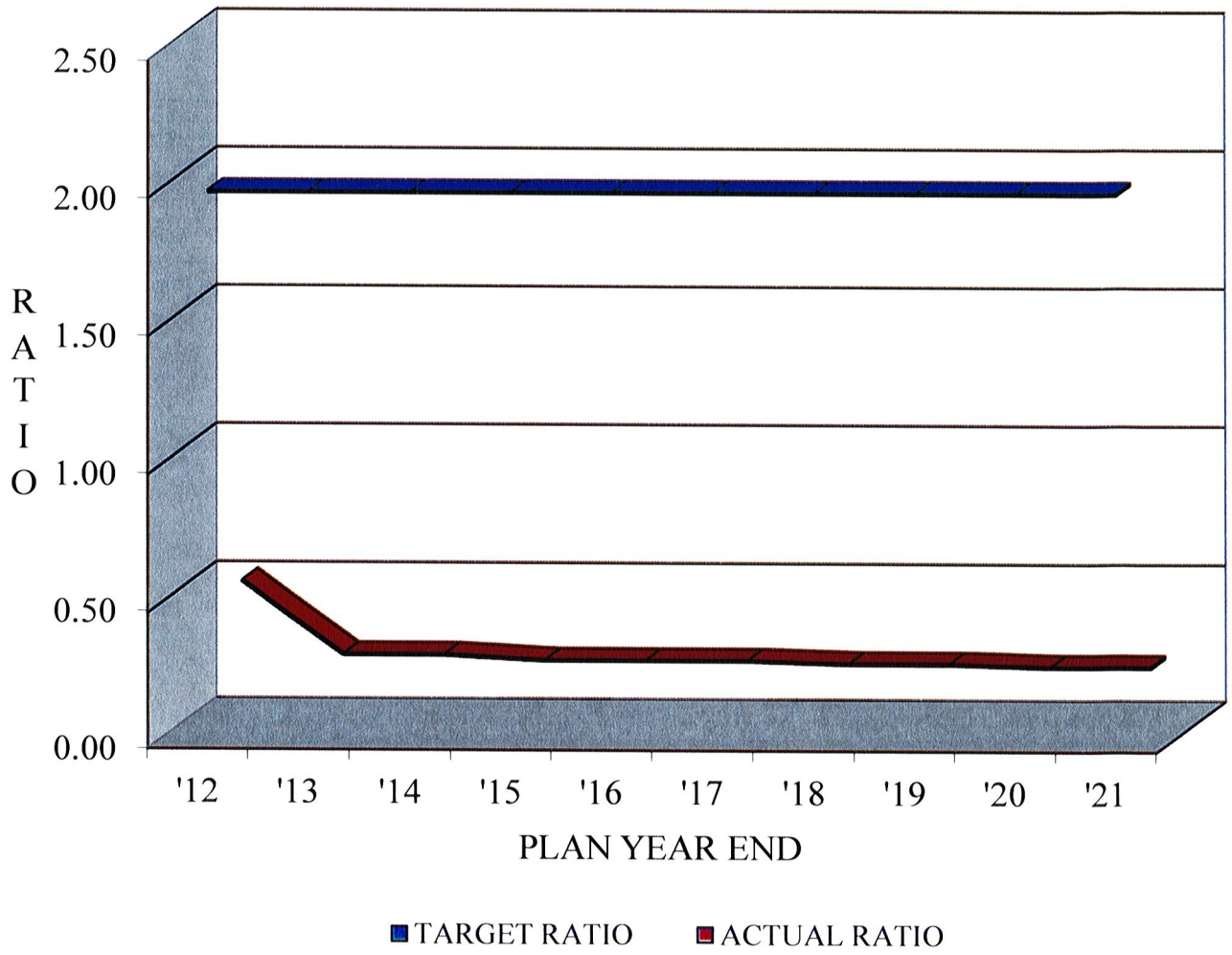
# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

INCOME TO EXPENSE RATIO



# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

ACTIVE TO OTHER PARTICIPANTS RATIO



# SECTION VI

# ACTUARIAL VALUATION METHODS

## SECTION VI - ACTUARIAL VALUATION METHODS

In order to determine plan costs, an Actuarial Cost Method must be applied to actuarial plan liabilities in order to provide a logical and systematic pattern of funding.

**EXHIBIT 25 - ACTUARIAL VALUATION METHODS** - this exhibit describes the Unit Credit Cost Method which is the method used to determine plan costs and the Actuarial Asset Valuation Method, which provides the method of accounting for plan assets in the valuation of plan costs. There have been no changes in any actuarial methods since the July 1, 2020 Valuation Report.

# ACTUARIAL VALUATION METHODS

## I. ACTUARIAL COST METHOD

The method used to determine the costs of this Plan is the Unit Credit Actuarial Cost Method. Under this method, the annual cost of the Plan consists of three parts: (1) Amortization of Actuarial Accrued Liability, (2) Normal Cost, and (3) Amortization of Actuarial Gains and Losses.

An individual's accrued benefit for valuation purposes on any date (i.e. a valuation date) related to a particular separation date is the accrued benefit described under the Plan, using the credited service as of the determination date.

The benefit deemed to accrue for an individual during a plan year is the excess of the accrued benefit for valuation purposes at the end of the year over the accrued benefit for valuation purposes at the beginning of the year.

An individual's accrued liability is the present value of the accrued benefit for valuation purposes at the beginning of the plan year, and the normal cost is the present value of the benefit deemed to accrue in the plan year. If multi-decrements are used, the accrued liability and the normal cost for an individual are the sum of the component accrued liabilities and normal costs associated with the various anticipated separation dates. Such accrued liabilities and normal costs reflect the accrued benefits as modified to obtain the benefits payable on those dates, and the probability of the individual separating on those dates.

## II. ASSET VALUATION METHOD

Assets are valued using the 4-year smoothed market value under Approval 15 of Revenue Procedure 95-51, as modified by Revenue Procedure 98-10.

# SECTION VII

# ACTUARIAL VALUATION ASSUMPTIONS

## SECTION VII - ACTUARIAL VALUATION ASSUMPTIONS

Actuarial Assumptions provide the actuary with the ability to project the pattern of future benefit payments that, when discounted to present day worth, provide the actuarial liabilities that can be used in conjunction with the Actuarial Valuation Methods to determine plan funding levels.

**EXHIBIT 26 - ACTUARIAL VALUATION ASSUMPTIONS** - details the actuarial assumptions in use for this plan in the July 1, 2021 actuarial valuation. Based on our annual review of all actuarial assumptions and taking into consideration the provisions of the Pension Protection Act of 2006, we have changed the following:

Mortality:

Healthy Lives – From SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2019 to SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Scale MP-2020.

Disabled Lives – From SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Scale MP-2019 to SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected generationally with Mortality Improvement Scale MP-2020.

Interest:

RPA Liability – From 2.68% to 2.33% as required by law.

# ACTUARIAL VALUATION ASSUMPTIONS

**Mortality:**

**Healthy Lives** - SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2020.

**Disabled Lives** - SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2020.

**RPA Liability** - IRS 2018-2020+ (MP 16-18) Static Mortality.

**Interest:**

**Funding** - A rate of 7.50% per annum net of investment expenses.

**RPA Liability** – 2.33% per annum

**Disclosure Liability** - A rate of 7.50% per annum.

**Assumed Retirement Age:**

**Active participants** – Retirement is assumed at age 62. Early Retirement rates are graduated rates of retirement based on age, service, and contribution level.

**Terminated Vested participants** – The participant's Normal Retirement Age.

**Expenses:** An estimate based on actual administrative expenses incurred in the prior plan year. For the 2021-2022 plan year, this amount is $746,000.

**Termination:** Annual rates based on the following scale as a percentage:

**Freight and UPS -**

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

**Non-Freight -**

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

## ACTUARIAL VALUATION ASSUMPTIONS (Cont'd)

**Annuity Form:** Five Year Certain and Life Thereafter for benefits earned through June 30, 2009.

Single Life Annuity for benefits earned after June 30, 2009.

If a Participant is not eligible to retire as of June 30, 2011 (with eligibility for immediate payment of a Retirement Benefit), the form of the basic Retirement Benefit shall be a Single Life Annuity (for the entire basic Retirement Benefit, regardless of when accrued.)

**Future Service:** It is assumed that for all future years, all Members will have future accruals based on the same contribution amount as the prior year

**Rates of Disablement:** The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

**Calculation of Benefits:** Benefits are calculated as of the last completed computation period, June 30, 2021.

**Census Data:**

Retired Members -
If spouse date of birth is not available, female spouse is assumed to be three (3) years younger, and male spouse is assumed to be three (3) years older.

Active Members -
If Member's date of birth is not available, the Member is assumed to be age 28 at date of hire.

# SECTION VIII

# SALIENT FEATURES
# OF
# SOUTHWESTERN PENNSYLVANIA
# AND WESTERN MARYLAND AREA
# TEAMSTERS AND EMPLOYERS PENSION FUND

# SALIENT FEATURES OF SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## I. ELIGIBILITY

An Employee covered under a Collective Bargaining Agreement between an Employer and International Brotherhood of Teamsters Local Unions 491 or 453 providing for payments to the Pension Fund or a person employed by an Employer who has an agreement with the Union providing for participation in the Fund.

## II. NORMAL RETIREMENT

A. Normal Retirement Date - The Participant's Normal Retirement Date shall mean:

(a) for retirement benefits (and the Accrued Benefit) earned before July 1, 2009, the later of age 60 or his attained age on the fifth anniversary of date of hire by an Employer even if the date of hire is prior to the date the Employer first became an Employer;

(b) for retirement benefits ( and the accrued Benefit) earned from and after July 1, 2009 and before July 1, 2011, the later of age 62 or his attained age on the fifth anniversary of the commencement of his participation in the Plan; and

(c) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2011, the later of age 65 or his attained age on the fifth anniversary of the commencement of his participation in the Plan.

B. Normal Retirement Annuity Starting Date. The Normal Retirement Annuity Starting Date is the first day of the month coincident with or next following his Normal Retirement Date.

## II. NORMAL RETIREMENT (Cont'd)

C. Amount of Normal Retirement Benefit

(1) For Service prior to October 1, 1987, Participants who entered the Plan before such date will accrue benefits equal to the product of their Credited Service (Past and Future) and the Unit Multiplier in the Appendix of the Plan. For Participants of Local 491 and 872, the maximum Credited Service prior to October 1, 1987 shall be twenty-five (25) years. For Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service up to October 1, 1982 and an additional five (5) Years of Credited Service up to October 1, 1987, making a total of twenty-five (25) years. For Non-Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service prior to October 1, 1987, plus

(2) For service on and after October 1, 1987, but prior to January 1, 2005, Two and Three-Quarter Percent (2.75%) of the amount of Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2000 for which a contribution is received by the Fund on or after February 1, 2000.

(3) Terminated Vested Participants (and terminated nonvested Participants who have not lost their prior service due to a Break in Service) who reenter the Fund on or after January 1, 2000 will not be eligible for the increased unit multiplier of 2.75% until such time as they have completed one (1) Year of Participation (five months, 22 weeks or 1,000 hours of covered employment) subsequent to their reentry.

(4) For service on or after January 1, 2005, but prior to January 1, 2007, one and three quarter percent (1.75%) of the amount of the Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2005 for which a contribution is received by the Fund on or after February 1, 2005.

(5) For service on or after January 1, 2007, one percent (1.00%) of the amount of the Employer Contributions without any reduction paid to the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2007 for which a contribution is received by the Fund on or after February 1, 2007.

## II. NORMAL RETIREMENT (Cont'd)

(6) For service on or after July 1, 2009, one percent (1.00%) of the contributions based on the contribution rate in effect June 30, 2008.

## III. EARLY RETIREMENT BENEFIT

A. Eligibility

A Participant who has:

(1) attained age sixty (60); and

(2) completed five (5) Years of Future Credited Service

is eligible, upon written notice to the Trustees, to retire and receive an Early Retirement Benefit.

B. Early Retirement Date

The Participant may elect to have his Early Retirement Benefit commence on or after his Early Retirement Date which shall be the first day of any month subsequent to the date he satisfies the above requirements.

C. Amount

(1) The Early Retirement Benefit shall be reduced for payment before Normal Retirement Date to is Equivalent Actuarial Value (using the age 62 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2009 and before July 1, 2011 and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011.)

(2) The Retirement Benefit payable under each form of payment shall be Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity; and

(3) The normal form of payment for a Participant not married on the Annuity Starting Date shall be a Single Life Annuity.

(4) No one can retire before the age of sixty (60).

## IV. DISABILITY RETIREMENT

A. A Participant shall not be eligible for a disability Retirement Benefit unless the Participant is in receipt of a disability Retirement Benefit as of June 30, 2011 or the Participant's application for a disability Retirement Benefit was being processed as of June 30, 2011.

B. Cessation of Disability Benefit. The Participant's Disability Benefit will cease upon the earliest of his:

(1) recovery from disability;
(2) attaining his Normal Retirement Date;
(3) election of an Early Retirement Benefit; or
(4) death.

## V. RETIREMENT BENEFIT PAYMENTS

A. Single Life Annuity (Normal Form for Benefits:

The Normal Form for benefits shall be a Single Life Annuity.

The Participant shall receive monthly payments for the life of the Participant, ceasing upon the Participant's death.

B. Five Year Certain:

The Participant shall receive his pension as a monthly life income, with the provision that if the death of the Participant occurs prior to his receipt of 60 monthly payments, the balance of such monthly payments shall be continued to his beneficiary, until a total of 60 monthly payments in all has been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 60 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

C. Ten Year Certain:

Available for retirement benefits commencing on or after August 1, 1996, this is a monthly benefit payable during the Participant's lifetime with the provision that if the death of the Participant occurs prior to his receipt of 120 monthly payments, monthly payments shall be continued to his beneficiary until a total of 120 monthly payments in all have been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 120 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

D. Qualified Joint and Survivor Options:

(1) A married Participant who is entitled to receive a Qualified Joint and Survivor Annuity may, prior to the date that payments commence, elect between:

(i) Qualified Joint and 50% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to fifty percent (50%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse; or

(ii) Qualified Joint and 100% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to one hundred percent (100%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse.

(2) If a Participant's spouse dies before the Participant's Annuity Starting Date, his election of the Qualified Joint and Survivor Annuity shall automatically be revoked.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

E. Automatic Joint and Survivor Benefit

Effective October 1, 1997, the Joint and 100% Survivor Benefit shall be the automatic form of benefit paid unless rejected by the retiree and spouse in writing.

F. Note: The Retirement Benefit payable under each form of payment shall be the Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity.

G. Restoration Benefit

If a Participant retired on or after October 1, 1997 and benefits are being paid in the form of a Qualified Joint and Survivor Annuity and the Participant's spouse dies while the Participant is still living, the Participant's benefit will be restored to the Life Annuity, 5 Year Certain form of benefit and the amount of benefit will be increased to the amount of benefit he would have received if he and his spouse had waived the Qualified Joint and Survivor Annuity and had elected to receive the normal form of benefit.

## VI. VESTED BENEFIT

A. At Normal Retirement Date. Regardless of any other provisions of the Plan, a Participant will be one hundred percent (100%) vested in his Accrued Benefit upon the attainment of his Normal Retirement Date while in the employ of the Employer.

A. Upon Termination Prior to Normal Retirement Date.

(i) Collective Bargaining Employees. A Participant who is in a class of Employees subject to a collective bargaining agreement requiring contributions to the Plan who terminates his employment with the Employer prior to his Normal Retirement Date shall have a vested benefit determined as follows:

## VI. VESTED BENEFIT (Cont'd)

The Participant's vested benefit shall be calculated by multiplying his Accrued Benefit by the following applicable percentage:

| Years of Participation | Vesting Percentage |
|---|---|
| Less than five (5) years | None |
| Five (5) years or more | 100% |

(2) Non-Collective Bargaining Employee. The above schedule shall also apply to Participants not subject to Collective Bargaining.

## VII. DEATH BENEFITS

A. Preretirement

(1) Married Participant. In the case of a Participant who dies prior to his Annuity Starting Date and was legally married on the date of his death, there are no death benefits provided under this Plan unless the Participant is eligible for a Qualified Preretirement Survivor Annuity.

(2). Single Participant.

(a) In the case of a Participant who dies prior to his Annuity Starting Date and was not legally married on the date of his death, there are no death benefits provided under this Plan, except as provided under subparagraph (b) below.

(b) Ten Year Certain Death Benefit for Single Participants. If an unmarried Participant:

(i) has been credited with service earned on or after August 9, 1996.

(ii) has vested benefits not subject to a Qualified Domestic Relations Order under the Plan, and

(iii) dies prior to his Annuity Starting Date,

Then such Participant's beneficiary shall be entitled to receive a Ten Year Certain Death Benefit. The Ten Year Certain Death Benefit shall consist of 120 monthly payments to the beneficiary as if:

(i) in the case of a Participant who dies after the date on which the Participant attained his Earliest Retirement Age, such Participant had retired on the day before his death and had elected immediate retirement under the Life Annuity, Ten Years Certain option, or

(ii) in the case of a Participant who dies before the date on which the Participant would have attained his Earliest Retirement Age, such Participant had:

(A) separated from service on the date of death,

(B) survived to the Earliest Retirement Age,

(C) retired and elected immediate retirement under the Life Annuity, Ten Years Certain option, and

(D) died on the day after the day on which such Participant would have attained his Earliest Retirement Age.

The term "Earliest Retirement Age" means the earliest date on which, under the Plan, the Participant could have elected to receive retirement benefits based on his Years of Service at his death.

Special Note: The Ten Year Certain Death Benefit has been eliminated for deaths occurring on or after July 1, 2017.

B. Post-Retirement

In the case of a Participant who dies subsequent to his Annuity Starting Date, no death benefits shall be payable except as provided under the specific form of benefit being paid.

## VIII. QUALIFIED MILITARY SERVICE

As required by Code Section §401(a)(37), a Participant who dies on or after January 1, 2007 while performing qualified military service (within the meaning of Code §414(u)) and who would have been entitled to reemployment rights under the Plan under the Uniformed Services Employment and Reemployment Rights Act of 1994 at his death shall be treated as follows for purposes of the death benefits payable under this Article:

(a) he shall be credited with service (but not benefit accrual) for the period of his qualified military service; and

(b) he shall be treated as if he had died while in employment with the Employer.

## IX. CASH-OUT OF CERTAIN BENEFITS

If the Employee terminates and the monthly benefit to which he would otherwise be entitled is less than $25, and if the present value of the Employee's vested accrued benefit derived from Employer and Employee contribution is not greater than $5,000, the Employee may, at his option, elect to receive a cash out distribution of the present value of the entire vested portion of such accrued benefit provided that the distribution has not already commenced in the form of an annuity.

## X. UNIT MULTIPLIERS -

See pages 55 thru 58.

## LOCAL

**(491)**

| CONTRIBUTION RATE CLASS | MULTIPLIERS |
|---|---|
| $79.00 - $83.00 (FREIGHT) | $34.00 (for service prior to April 1, 1984) $43.00 (for service between April 1, 1984 thru September 30, 1987). |
| $80.00 - $84.00 - $88.00 (UNITED PARCEL POST) | $34.50 (for service prior to May 1, 1984) - $43.50 (for service on and after May 1, 1984 thru September 30, 1987). |

## TABLE 1

## UNIT MULTIPLIER TABLE

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $72.00 | $34.50 |
| $71.00 | $34.00 |
| $55.00-$58.00-$62.00 | $32.50 |
| $61.00-$65.00 | $32.70 |
| $238.18-$243.18-$248.18 | $31.90 |
| $49.00-$52.00-$56.00 | $31.75 |
| $230.19-$235.19-$240.19 | $31.70 |
| $44.00-$49.00-$54.00 | $31.50 |
| $43.00-$48.00-$53.00 | $31.05 |
| $48.00-$50.00-$52.00 | $30.65 |
| $46.00-$49.00-$52.00 | $30.55 |
| $41.00-$46.00-$51.00 | $30.10 |
| $45.00-$47.00-$49.00 | $29.30 |
| $43.00-$46.00-$49.00 | $28.80 |
| $43.00-$45.00-$47.00 | $27.70 |
| $44.00-$45.00-$46.00 | $27.25 |
| $40.00-$43.00-$46.00 | $27.00 |
| $37.50-$40.50-$43.50 | $25.55 |
| $37.00-$40.00-$43.00 | $25.25 |
| $36.00-$39.00-$42.00 | $24.65 |
| $35.00-$38.00-$41.00 | $24.05 |
| $34.00-$37.00-$40.00 | $23.45 |
| $00.85-$00.90-$00.95 | $22.25 |
| $34.50-$37.00 | $21.75 |
| $31.00-$34.00-$37.00 | $21.70 |
| $30.00-$33.00-$21.10 | $21.10 |
| $29.00-$32.00-$35.00 | $20.50 |
| $28.50-$31.50-$34.50 | $20.20 |
| $140.00-$142.50-$145.00 | $19.50 |
| $116.92-$129.92-$142.92 | $19.45 |
| $000.75 | $17.55 |

**LOCAL**
**(491)**

**(Continued)**

**TABLE II**

**UNIT MULTIPLIER FOR CREDITED SERVICE**

| Contribution Rate Class | Prior to January 1, 1978 | After January 1, 1978 |
|---|---|---|
| $28.00-$31.00-$34.00 | $20.20 | $19.75 |
| $29.00-$31.00-$33.00 | $20.20 | $18.85 |
| $29.00-$32.00 | $20.20 | $17.90 |
| $28.00-$30.00-$32.00 | $20.20 | $17.85 |
| $26.00-$29.00-$32.00 | $20.20 | $17.80 |
| $25.00-$28.00-$31.00 | $20.20 | $16.80 |
| $25.50-$28.00-$30.50 | $20.20 | $16.35 |

**TABLE III**

**UNIT MULTIPLIER TABLE FOR ALL OTHER CLASSES**

**UNIT MULTIPLIERS FOR CREDITED SERVICE PRIOR TO JANUARY 1, 1978 FOR CONTRIBUTION RATE CLASS AS OF JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00 to $25.99 | $20.20 | | |
| $22.00 to $23.99 | $20.00 | $12.00 to $13.99 | $13.00 |
| $20.00 to $21.99 | $19.00 | $10.00 to $11.99 | $11.00 |
| $18.00 to $19.99 | $18.00 | $ 8.00 to $ 9.99 | $ 9.00 |
| $16.00 to $17.99 | $16.50 | $ 6.00 to $ 7.99 | $ 7.00 |
| $14.00 to $15.99 | $14.50 | $ 4.00 to $ 5.99 | $ 5.00 |

**LOCAL**
**(491)**

**TABLE III**
**(Continued)**

**UNIT MULTIPLIERS FOR CREDITED SERVICE AFTER JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $25.00-$28.00-$31.00 | $15.70 | | |
| $25.00-$28.00 | $14.35 | $18.00 | $ 9.30 |
| $24.00-$26.00-$28.00 | $14.25 | $14.00-$18.00 | $ 9.15 |
| $23.00-$25.00-$27.00 | $13.75 | $10.00-$14.00-$18.00 | $ 8.85 |
| $26.00 | $13.40 | $12.50-$15.00 | $ 7.65 |
| $24.00-$25.00-$26.00 | $13.30 | $14.50 | $ 7.50 |
| $18.00-$22.00-$26.00 | $13.00 | $14.00 | $ 7.20 |
| $25.00 | $12.90 | $12.00-$13.00-$14.00 | $ 7.10 |
| $24.00-$25.00 | $12.85 | $10.00-$12.00-$14.00 | $ 7.00 |
| $23.00-$25.00 | $12.80 | $ 8.00-$10.00-$12.00 | $ 5.95 |
| $22.00-$25.00 | $12.80 | $10.00-$11.50 | $ 5.85 |
| $24.00 | $12.40 | $ 4.00-$ 6.50-$ 9.00 | $ 4.35 |
| $23.00 | $11.85 | $ 8.00 | $ 4.10 |
| $20.00-$22.00 | $11.30 | $ 4.00-$ 6.00-$ 8.00 | $ 3.90 |
| $14.00-$19.50-$22.00 | $10.95 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |
| $20 | $10.30 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |

**LOCAL**
**(453)**

| Contribution Rate | Unit Multiplier | Contribution Rate | Unit Multiplier |
|---|---|---|---|
| $390.81 | $50.00 | $105.70 | $18.25 |
| $373.48 | $50.00 | $105.70 | $18.25 |
| $356.15 | $50.00 | $ 95.33 | $18.25 |
| $338.82 | $50.00 | $ 92.16 | $16.00 |
| $291.16 | $50.00 | $ 84.49 | $18.25 |
| $246.96 | $50.00 | $ 74.88 | $13.00 |
| $212.30 | $38.75 | $ 73.66 | $18.25 |
| $194.97 | $36.25 | $ 60.67 | $10.70 |
| $177.64 | $33.75 | $ 56.33 | $10.70 |
| $173.31 | $30.00 | $ 47.66 | $10.70 |
| $161.28 | $28.00 | $ 43.33 | $ 8.60 |
| $158.00 | $28.00 | $ 39.00 | $ 8.60 |
| $151.00 | $27.00 | $ 34.67 | $ 8.60 |
| $149.76 | $26.00 | $ 29.67 | $ 8.60 |
| $146.00 | $26.00 | $ 28.67 | $ 8.60 |
| $144.00 | $25.00 | $ 26.00 | $ 6.75 |
| $134.31 | $25.00 | $ 23.67 | $ 6.75 |
| $127.79 | $25.00 | $ 17.17 | $ 5.40 |
| $121.31 | $25.00 | $ 12.17 | $ 3.75 |
| $111.56 | $25.00 | $ 8.67 | $ 3.75 |
| $108.31 | | | |

## Appendix I
## Supplemental Information for Selection of Actuarial Assumptions

In accordance with ERISA, all actuarial assumptions are selected by the actuary.

A. Interest Rates

The interest rate assumption is the long term expected rate of return on pension plan investments. In coordination with the investment consultant, it is based on the Plan's current asset allocation, expected long term inflation, and long term expected real rates of return on the Plan's major asset classes according to the most recent Horizon Survey.

B. Mortality

Because the population size is insufficient for separate analysis, we have used the most recent blue collar mortality tables provided by the Society of Actuaries and have applied the most recent generational mortality improvement scale.

C. Withdrawal

Rates of turnover have been selected by active participant category based on a historical analysis of actual data along with Trustee input about future work levels.

D. Disability

Rates of disability appropriate for the population have been included.

E. Retirement

Retirement rates have been selected by active participant category based on a historical analysis.

E. Form of Annuity Selection

We assume that participants will select a Single Life Annuity.

F. Expenses

Expected expenses are determined by the prior year's expenses adjusted to take into account anticipated changes in administrative and professional work levels.

## Appendix II
## Risk Measurements

### A. Sensitivity Analysis

The actual costs of the plan will be determined by the experience of the plan over time. The projected liabilities shown in this (or any other) valuation of the plan are dependent upon the assumptions made. The assumed interest rate is one assumption that has a significant impact on the expected costs of the plan. To highlight the effect of this assumption on the calculated liabilities and contribution requirements of the plan, we are showing the impact of a change of 1% in the interest rate.

| | 1% Decrease | Current | 1% Increase |
|---|---|---|---|
| Interest Rate | 6.50% | 7.50% | 8.50% |
| Actuarial Accrued Liability | $225,788,252 | $206,544,416 | $190,082,875 |
| Actuarial Value of Assets | ($39,781,764) | ($39,781,764) | ($39,781,764) |
| Unfunded Actuarial Accrued Liability | $186,006,488 | $166,762,652 | $150,301,111 |
| Funded Percentage | 17.6% | 19.3% | 20.9% |
| Normal Cost | $ 1,938,119 | $ 1,765,894 | $ 1,626,868 |
| Net Amortization Charges | $13,365,582 | $11,695,526 | $10,121,816 |
| Estimated Impact on Minimum Required Contribution Level | $ 723,436 | N/A | ($619,725) |

### B. Asset Volatility Risk

As plans mature they become more sensitive to investment swings. Relatively small changes in investment return can result in big changes in contribution requirements. Based on the actuarial value of assets for the prior plan year, a 10% investment loss relative to the assumed interest rate of 7.00% (i.e. a -2.50% actual one-year return) would result in an increase in the amortization payment of $427,026 for Minimum Required Contribution purposes.

## Appendix II
## Risk Measurements, cont'd

This illustration is provided to help you understand the potential impact of investment losses on contribution requirements and does not take into account the impact of asset smoothing or any other factors.

C. Alternative Liability Measurement

This report was prepared to satisfy the funding requirements of ERISA. The liabilities shown in this valuation are calculated on a going concern basis, meaning that the pension plan is presumed to continue to operate indefinitely. As such, the interest rate assumption used to value plan liabilities was selected to represent the expected long-term investment return on plan assets.

The results disclosed below are provided for informational purposes only and illustrate the liabilities and funding status measured on a terminal basis (rather than going concern basis), which is believed to be more closely associated with a "settlement value" of the plan. However, this is not based on any specific annuity quote and should not be construed as such.

The primary differences between these measurements and those made for funding purposes include:

- benefits valued are only those earned as of the valuation date (accrued benefits),
- assets are reported at fair market value versus actuarial value as of the valuation date, and
- the interest rate of 2.33% was selected to approximate a low-risk bond rate which may be representative of annuity pricing as of the valuation date.

| | |
|---|---|
| Assets at Market Value | $41,980,192 |
| Actuarial Present Value of Accrued Benefits | |
| Retired | $223,833,855 |
| Terminated Vested | 69,059,359 |
| Active | 74,566,987 |
| Total | $367,460,201 |

## MASTER LIST OF
## BENEFIT ILLUSTRATIONS

Pages 63 through and including 175 are a master listing of all retired, terminated vested and active members. These pages are included with the report distributed to the Fund Office.

The information shown for each member is as follows:

1. Name
2. Current Age
3. Normal Retirement Age
4. Normal Retirement Date
5. Percent Vested
6. Estimated Benefit
   - Current Accrued Benefit
   - Current Vested Benefit

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## REVISED

**Actuarial Certification of Funding Status in accordance with the Pension Protection Act of 2006**

**As of**
**July 1, 2021**

**For the Plan Year Beginning July 1, 2021 and Ending June 30, 2022**

Prepared by:

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

September 30, 2021

Board of Trustees
Southwestern Pennsylvania and Western Maryland Area
Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

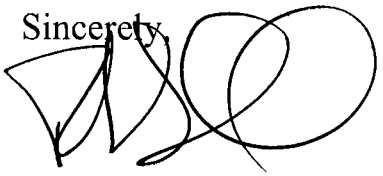
RE: Actuarial Certification of Funding Status as of July 1, 2021
Revised

Trustees:

In accordance with the provisions of the Pension Protection Act of 2006 (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA), I have prepared an actuarial certification of the funding status of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2021. The attached report provides details of the actuarial and projection assumptions and methods used, the resultant projections and the results of the application of the PPA status testing performed.

For the plan year beginning July 1, 2021, the plan is **IN CRITICAL AND DECLINING STATUS** as defined in Section 432 of the Internal Revenue Code. This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. A copy of this certification will be mailed to the Secretary of the Treasury as required by law.

Sincerely,



Randee W. Sekol, EA, MAAA, MSEA, FCA
Consulting Actuary

# ACTUARIAL CERTIFICATION OF FUNDING STATUS UNDER THE PENSION PROTECTION ACT OF 2006

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN:** 25-1046087
**Plan Number:** 001
**Plan Contact Information:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401
Phone: 724-438-0512
Fax: 724-438-4870
**Plan Year of Certification:** July 1, 2021 to June 30, 2022

I hereby certify that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund is **IN CRITICAL AND DECLINING STATUS** for the 2020-21 plan year as defined under Section 432 of the Internal Revenue Code. My projections are based on the Actuarial Valuation that was prepared as of July 1, 2020.

This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. The actuarial assumptions, projection assumptions and methods used follow this certification. This certification is based on the understanding that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund qualifies as a multiemployer plan in accordance with the law for the 2021-2022 plan year.

To the best of my knowledge, the information supplied in this certification including the following exhibits is complete and accurate, and in my opinion represent my best estimate of anticipated experience under the plan.

Randee W. Sekol, EA, MAAA, MSEA, FCA
Enrolled Actuary No. 20-03192
Foster & Foster Consulting Actuaries, Inc.
1136 Hamilton Street, Suite 103
Allentown, PA 18101
Phone: 610-435-9577
Fax: 239-481-0634
Date: September 30, 2021

**EXHIBIT I**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING

Test 1

| | | |
|---|---|---|
| 1. Was the plan certified to be in Critical Status for the prior plan year? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 304(d)? | YES | |
| 3. Critical status if both #1 and #2 are YES? | | **CRITICAL** |

Test 2

| | | |
|---|---|---|
| 1. Is Funded Percentage below 65%? | YES | |
| 2. Is the sum of assets and the present value of expected contributions for the current plan year and each of the next 6 plan years less than the present value of benefits to be paid during that period? | YES | |
| 3. Critical status if both #1 and #2 are YES? | | **CRITICAL** |

Test 3

| | | |
|---|---|---|
| 1. Does the plan have an accumulated funding deficiency in the current plan year? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency within the 3 succeeding plan years (4 succeeding Plan Years if the Funded Percentage is 65% or less)? | YES | |
| 3. Critical Status if either #1 or #2 is YES? | | **CRITICAL** |

Test 4

| | | |
|---|---|---|
| 1. Does normal cost plus interest on the unfunded accrued liability exceed the expected contributions? | YES | |
| 2. Is the present value of nonforfeitable benefits for inactives greater than the present value of nonforfeitable benefits for actives? | YES | |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 4 plan years? | YES | |
| 4. Critical Status if #1, #2 and #3 are "YES"? | | **CRITICAL** |

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING, cont'd

Test 5

| | |
|---|---|
| 1. Is the sum of the market value of assets plus the expected contributions for the current and 4 succeeding plan years less than the present value of benefits expected to be paid during that period including plan expenses? | NO |
| 2. Critical Status if #1 is "YES"? | **NOT CRITICAL** |

**CONCLUSION: THE PLAN IS IN CRITICAL STATUS**

## CRITICAL AND DECLINING STATUS TESTING

Test 1

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 14 plan years? | YES |
| 3. Critical and Declining Status if both #1 and #2 are "YES"? | **CRITICAL & DECLINING** |

Test 2

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Is the inactive to active participant ratio greater than 2 to 1? | YES |
| 4. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 19 plan years? | YES |
| 5. Critical and Declining Status if either #2 or #3 is "YES" and both #1 and #4 are "YES"? | **CRITICAL & DECLINING** |

**CONCLUSION: THE PLAN IS IN CRITICAL AND DECLINING STATUS**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

**ENDANGERED STATUS TESTING**

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 6 plan years taking into account any extension of amortization periods under PPA Section 304(d)? | YES |
| 4. Endangered Status if #1 is "NO" and either #2 or #3 is "YES"? | **NOT ENDANGERED** |

**CONCLUSION: THE PLAN IS NOT IN ENDANGERED STATUS**

## EXHIBIT II

## PENSION PROTECTION ACT OF 2006
## PROJECTION RESULTS

| Year | Active Population | Inactive Population | Actuarial Value of Assets | Accrued Benefit Liability | Accrued Benefit Funded % | 06/30 Credit Balance |
|---|---|---|---|---|---|---|
| 2021 | 445 | 2,367 | $38,592,100 | $206,097,698 | 18.7% | ($108,971,370) |
| 2022 | 438 | 2,373 | 32,280,214 | 204,625,717 | 15.8% | (121,060,408) |
| 2023 | 431 | 2,375 | 25,656,953 | 202,707,285 | 12.7% | (133,239,648) |
| 2024 | 424 | 2,368 | 19,197,409 | 200,384,101 | 9.6% | (145,400,485) |
| 2025 | 418 | 2,358 | 10,899,796 | 197,620,936 | 5.5% | (154,902,199) |
| 2026 | 411 | 2,343 | 2,142,446 | 194,375,609 | 1.1% | (165,076,917) |
| 2027 | 405 | 2,325 | 0 | 190,645,940 | 0.0% | (168,089,023) |

# EXHIBIT III

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Plan Changes:** The Trustees adopted a Rehabilitation Plan on April 2, 2009, which did not eliminate any "adjustable benefits" for those benefits earned through June 30, 2009, but changed future benefit accruals for service earned on and after July 1, 2009 as follows:

- Benefit accrual equal to 1% of contributions required to be made on behalf of the participant based on the contribution rate that was in effect on July 1, 2008.
- Benefits earned after July 1, 2009 will be payable as a Straight Life Annuity with other forms determined based on an actuarial equivalent.
- Benefits earned after July 1, 2009 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Special 25 and 30 & Out Benefit Levels are frozen at their accrued level as of June 30, 2009.
- Contribution levels required to be increased by 8% for each year in the future.

The Trustees adopted an update to the Rehabilitation Plan on February 11, 2011, incorporating the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all participants not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the Five (5) Year Certain and Life Subsidy applies only to benefits earned prior to July 1, 2009.
- Benefits earned from July 1, 2009 through June 30, 2011 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Benefits earned on and after July 1, 2011 are paid without reduction at Normal Retirement Age 65 and reduced actuarially for early commencement.
- The 25 and out retirement prior to age 55 is eliminated for all participants not eligible to retire on or before July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the 25 and out retirement prior to age 55.
- Early retirement subsidy is eliminated for all participants who are not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the early retirement subsidy applies only to benefits earned prior to July 1, 2009.
- Twenty-five (25) and Out no reduction for early retirement is eliminated except for participants with 25 years as of July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the Twenty-five (25) and Out no reduction only for benefits earned prior to July 1, 2009.
- All disability benefits are eliminated unless in pay status or unless an application for disability benefits was in process on or before June 30, 2011.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2014, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all individuals who are not receiving a retirement benefit with an effective date on or before July 1, 2014.
- No one can retire on or after July 1, 2014 before age 60, whether they are age 55 with 15 years of service or have obtained 25 years of service.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2017, which incorporated the following changes:

- The Pre-Retirement Ten (10) Year Certain and Life Death Benefit as eliminated.
- The Joint & Survivor Pop-Up Benefit was eliminated.

The Trustees adopted an update to the Rehabilitation Plan effective July 12, 2019 to change the contribution increase requirements for all employers to no more than 6% per year effective August 1, 2019.

## EXHIBIT III, cont'd

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Assets:**

Valued as of: June 30, 2021
Source of assets: Unaudited financial statement
Adjustments: None

**Method Used to Project Assets:** Assets are projected based on a 7.5% investment return. The investment return assumption is based on the application of historical investment returns by asset class applied to the current investment portfolio.

**Method Used to Project Liabilities:** Liabilities are projected based on deterministic forecasting techniques and actuarial and projection assumptions.

**Other Anticipated Changes from Original Valuation/Schedule MB:** None.

**Active Membership:** Active membership for UPS is assumed to remain constant for all future years. Active membership for all other active contributing employers is assumed to decline by 2% per year.

**Anticipated Employer Contributions:**

Basis for current year: Reflects the contribution rates in the collective bargaining/participation agreements as of the valuation year.

Basis for projection years: For purposes of testing for Endangered and Critical Status, we consider only the actual increases in the collective bargaining agreements already scheduled to take effect in future years. For purposes of testing for Critical and Declining Status, we consider the actual increases in the collective bargaining agreements already scheduled to take effect in future years plus 6.0% for all employers.

## EXHIBIT IV

## PENSION PROTECTION ACT OF 2006
## ACTUARIAL METHODS AND ASSUMPTIONS

**Actuarial Cost Method:** Unit Credit Cost Method

**Actuarial Asset Valuation Method:** 4 Year Smoothed market value in accordance with Approval 15 of Revenue Procedure 95-51 as modified by Revenue Procedure 98-10.

**Actuarial Assumptions:**

Mortality: SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2019.

Disability Mortality: SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2019.

Interest: A rate of 7.5% per annum.

Retirement Age: Active participants - Retirement rates are graduated rates of retirement based on age, service, and contribution level.
Terminated Vested participants – The participant's Normal Retirement Age.

Termination: Annual rates based on the following scale as a percentage:

Freight and UPS -

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

Non-Freight -

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

Expenses: An estimated amount based on the actual expenses paid in the prior plan year.

Incidence of Disability, Active Lives: The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

# Southwestern PA & Western Maryland Area Teamsters and Employers Pension Fund

## July 1, 2022
## Actuarial Valuation

December 22, 2022

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

December 22, 2022

Board of Trustees
Southwestern PA & Western Maryland Area Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

Re: Actuarial Valuation as of July 1, 2022

Dear Trustees:

We are pleased to present the results of the Southwestern PA & Western Maryland Area Teamsters and Employers Pension Fund actuarial valuation report as of July 1, 2022 for the plan year beginning July 1, 2022 and ending June 30, 2023.

**Valuation Highlights**
The fund experienced an actuarial loss of $1,487,358. Actuarial gains and losses result from deviations between actual plan experience and actuarial assumptions. Components of the actuarial loss included an $813,141 loss on the actuarial value of assets and a $674,217 loss on the accrued liability.

The fund received employer contributions during the year of $8,914,347, as compared to the minimum required contribution of $133,148,816 prior to any use of the credit balance. The Funding Standard Account Funding Deficiency increased from $110,397,944 on July 1, 2021 to $123,926,719 on July 1, 2022.

The Pension Protection Act funded percentage as of July 1, 2022 is 16.0%.

**Actuarial Methods and Assumptions**
Since the prior report, the mortality rates changed to PRI-2012 Blue Collar Dataset Amount-Weighted Mortality projected forward generationally with Mortality Improvement Scale MP-2021. This change resulted in an increase in the plan's accrued liability of $1,449,068, an increase in the plan's normal cost of $9,038, and an increase in the plan's present value of accrued benefits of $1,449,068.

Additionally, the interest rate used to value current liability under RPA '94 was updated from 2.33% to 2.27% as mandated by the IRS.

**Plan Changes**
There were no changes in plan provisions since the prior report.

**Contribution Requirements**
Based on the results of this valuation, the minimum required contribution for the plan year ending on June 30, 2023 is $147,228,189 after considering the credit balance. The maximum deductible contribution is over $484 million. The anticipated employer contributions for the year do not satisfy minimum funding standards for the plan year ending on June 30, 2023.

**2022 PPA Zone Certification**
The Plan was certified to be in Critical and Declining Status on September 28, 2022 based on the estimated funding percentage of 16.2% and an expectation that the plan will become insolvent in the current plan year or any of the next fourteen years. This report confirms the Deep Red Zone certification.

**Data Sources**
In preparing this report, we have relied upon information provided to us regarding plan provisions and plan participants provided by the plan administrator. The actuarial value of assets was determined based upon information supplied by DiClaudio & Kramer, LLC. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness so we have no reason to doubt the substantial accuracy of the information.

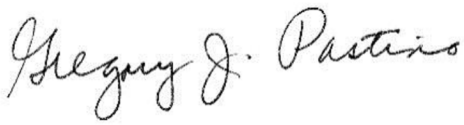
**Actuarial Certification**
This report has been prepared in accordance with generally accepted actuarial principles and practices and meets the requirements of the Pension Protection Act of 2006. This report was completed assuming the Plan is qualified as a multiemployer plan for the year.

The interest rate and mortality table used to calculate the Current Liability are mandated by the IRS. In our opinion, all other assumptions are reasonable and provide the best estimate of the future experience under the Plan. To the best of our knowledge, the report fairly reflects the assets and liabilities as of July 1, 2022.

The undersigned are familiar with the immediate and long-term aspects of pension valuations, and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein.

To our knowledge, no associate of Foster & Foster, Inc. working on this report has any direct financial interest or indirect material interest in the Southwestern PA & Western Maryland Area Teamsters and Employers Pension Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

Regards,



Gregory J. Pastino, ASA, EA, MAAA
Enrollment Number: 20-03916

# TABLE OF CONTENTS


Summary of Results ..... 1
Executive Summary ..... 2
Balance Sheet ..... 7
Market Value of Assets ..... 8
Assets History ..... 10
Development of Experience Gain/Loss ..... 11
Actuarial Gain/Loss ..... 12
Funding Standard Account ..... 13
Funding Amortization Bases, Minimum Basis ..... 14
Summary of Minimum Required Contribution Limits ..... 17
Projection of Credit Balance and Funded Percentage Over 15 Years ..... 18
Projection of the Market Value of Assets Over 20 Years ..... 19
Summary of Maximum Contribution Limit ..... 21
Funding Amortization Bases, Maximum Basis ..... 22
ASC 960; Statement of PVAB and Reconciliation from Prior Year ..... 23
Discussion of Risk ..... 24
Participation Reconciliation ..... 27
Statistical Data – Active Participants ..... 28
Inactive Demographics ..... 29
Actuarial Assumptions and Methods ..... 30
Summary of Plan Provisions ..... 33
Development of Full Funding Limits - Minimum Contribution Basis ..... 43
Development of Full Funding Limits - Maximum Contribution Basis ..... 44

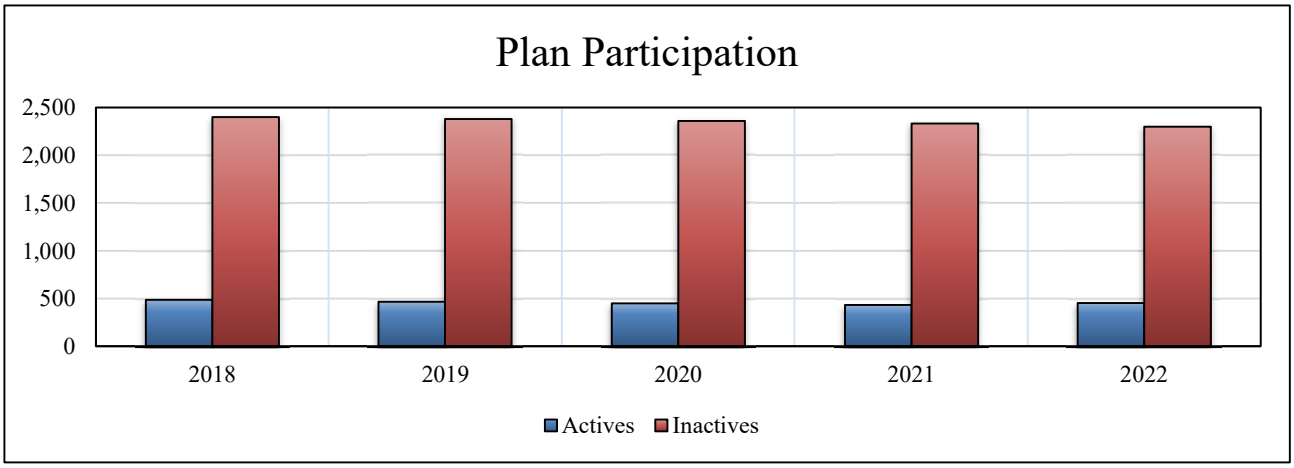
# SUMMARY OF RESULTS

| | July 1, 2021 | July 1, 2022 |
|---|---|---|
| 1. Number of Participants | | |
| a. Active Participants | 435 | 456 |
| b. Vested Terminated Participants | 716 | 693 |
| c. Retirees and Beneficiaries | 1,618 | 1,610 |
| d. Total (a) + (b) + (c) | 2,769 | 2,759 |
| 2. Normal Cost | | |
| a. For Benefits | 1,019,894 | 943,230 |
| b. For Expenses | 746,000 | 519,000 |
| c. Total (a) + (b) | 1,765,894 | 1,462,230 |
| 3. Accrued Liability | | |
| a. Active Participants | 32,356,239 | 30,010,247 |
| b. Vested Terminated Participants | 24,230,390 | 25,270,723 |
| c. Retirees and Beneficiaries | 149,957,787 | 152,943,799 |
| d. Total (a) + (b) + (c) | 206,544,416 | 208,224,769 |
| 4. Present Value of Accumulated Plan Benefits | | |
| a. Vested | 205,907,247 | 207,576,670 |
| b. Total | 206,544,416 | 208,224,769 |
| 5. Asset Values | | |
| a. Market Value | 41,980,192 | 30,903,619 |
| b. Actuarial Value | 39,781,764 | 33,342,254 |
| c. Market Value of Assets Return | 19.70% | -7.41% |
| d. Actuarial Value of Assets Return | 8.70% | 5.14% |
| 6. Actuarial (Gain)/Loss (Recognized) | 282,255 | 1,487,358 |
| 7. Accrued Liability Funded Ratio 5(b)/3(d) | 19.3% | 16.0% |
| 8. Accumulated Plan Benefits Funded Ratio | | |
| a. Vested | | |
| (i) Market Value 5(a)/4(a) | 20.4% | 14.9% |
| (ii) Actuarial Value 5(b)/4(a) | 19.3% | 16.1% |
| b. Total | | |
| (i) Market Value 5(a)/4(b) | 20.3% | 14.8% |
| (ii) Actuarial Value 5(b)/4(b) (PPA) | 19.3% | 16.0% |
| 9. Unfunded Actuarial Accrued Liability 3(d) - 5(b) | 166,762,652 | 174,882,515 |
| 10. Unfunded Vested Benefits 4(a) - 5(a) | 163,927,055 | 176,673,051 |
| 11. Contribution for the Year | | |
| a. Maximum Deductible | 480,872,683 | 484,951,367 |
| b. Minimum Required After Credit Balance | 133,148,816 | 147,228,189 |
| c. Prior Year Actual | 8,668,438 | 8,914,347 |
| 12. PPA Information | | |
| a. Status | Critical and Declining | Critical and Declining |
| b. Funded Ratio 5(b)/4(b) | 19.3% | 16.0% |
| c. Projected Funding Deficiency | 2021 | 2022 |
| 13. Credit Balance | (110,397,944) | (123,926,719) |

# EXECUTIVE SUMMARY - PLAN PARTICIPATION

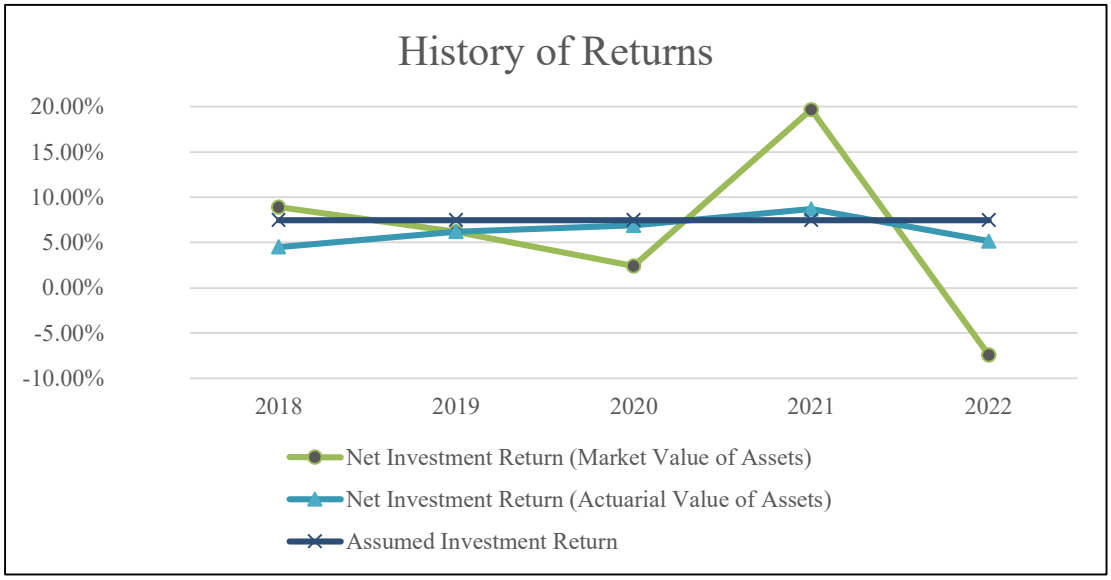
## Plan Participation

| Date | Actives | Vested Terminated Participants | Retirees and Beneficiaries | Total |
|---|---|---|---|---|
| 7/1/2018 | 488 | 790 | 1,612 | 2,890 |
| 7/1/2019 | 467 | 766 | 1,617 | 2,850 |
| 7/1/2020 | 452 | 727 | 1,634 | 2,813 |
| 7/1/2021 | 435 | 716 | 1,618 | 2,769 |
| 7/1/2022 | 456 | 693 | 1,610 | 2,759 |



# EXECUTIVE SUMMARY - HISTORY OF RETURNS

| Plan Year Ended 6/30 | Net Investment Return (Market Value of Assets) | Net Investment Return (Actuarial Value of Assets) | Assumed Investment Return |
|---|---|---|---|
| 2018 | 8.90% | 4.50% | 7.50% |
| 2019 | 6.20% | 6.20% | 7.50% |
| 2020 | 2.40% | 6.90% | 7.50% |
| 2021 | 19.70% | 8.70% | 7.50% |
| 2022 | -7.41% | 5.14% | 7.50% |
| 5-year average | 5.59% | 6.28% | |



# EXECUTIVE SUMMARY - FUNDED STATUS

## Funded Status - Market Value of Assets Basis

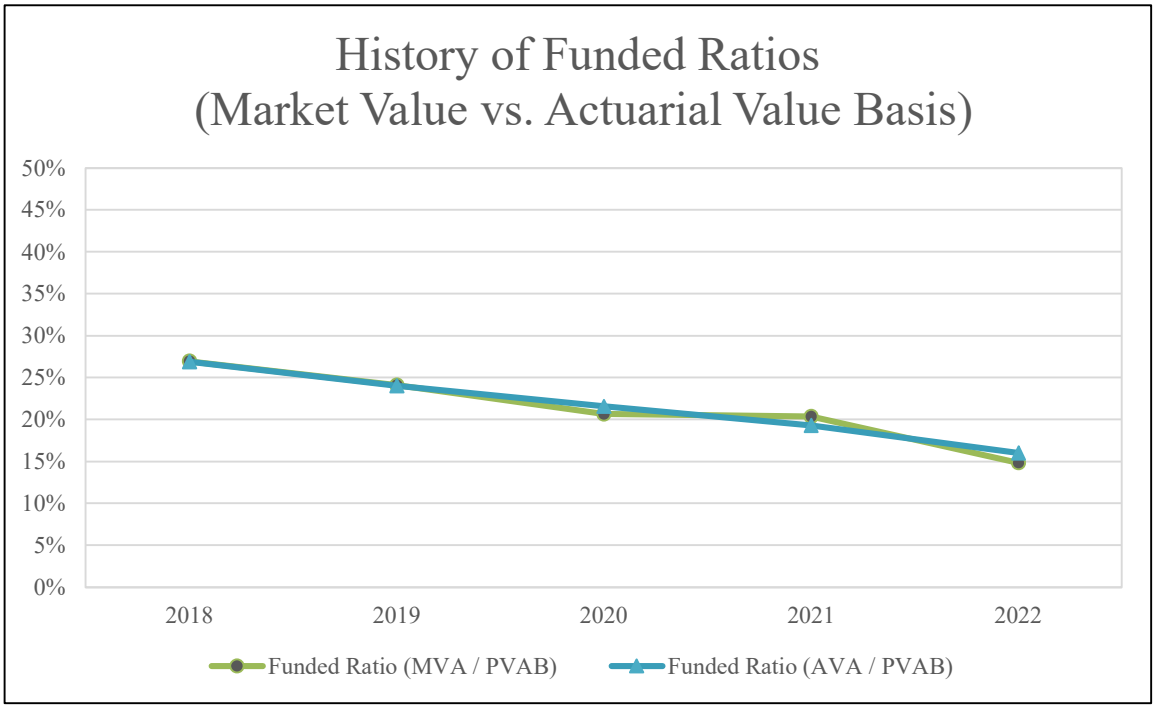
| | 7/1/2021 | 7/1/2022 |
|---|---|---|
| Present Value of Vested Benefits (PVVB) | 205,907,247 | 207,576,670 |
| Market Value of Assets (MVA) | 41,980,192 | 30,903,619 |
| Unfunded Vested Benefits (MVA Basis) | 163,927,055 | 176,673,051 |
| Funded Ratio (MVA / PVVB) | 20.4% | 14.9% |
| Present Value of Accrued Benefits (PVAB) | 206,544,416 | 208,224,769 |
| Unfunded Accrued Benefits (MVA Basis) | 164,564,224 | 177,321,150 |
| Funded Ratio (MVA / PVAB) | 20.3% | 14.8% |

## Funded Status -Actuarial Value of Assets Basis

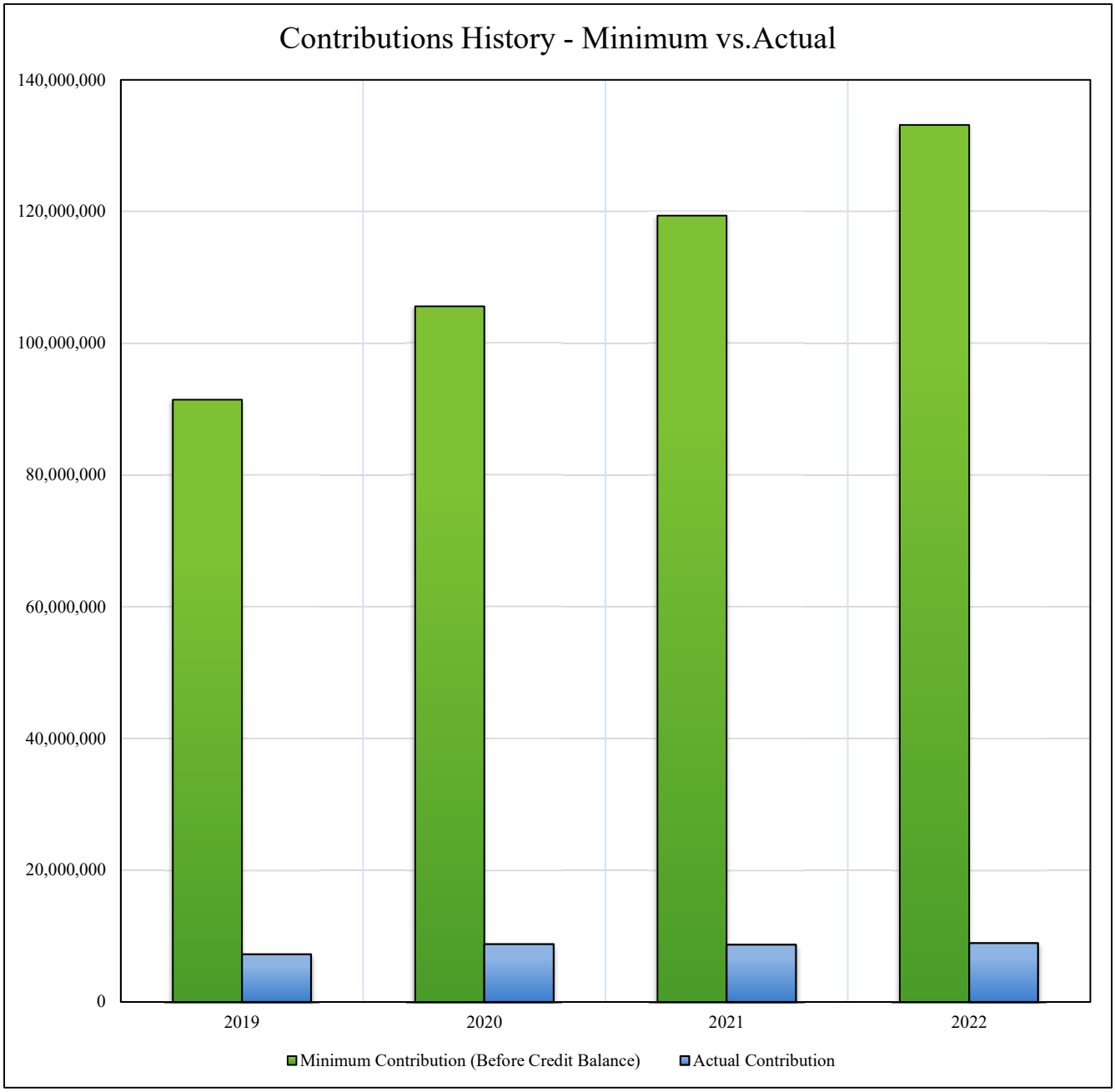
| | 7/1/2021 | 7/1/2022 |
|---|---|---|
| Present Value of Vested Benefits (PVVB) | 205,907,247 | 207,576,670 |
| Actuarial Value of Assets (AVA) | 39,781,764 | 33,342,254 |
| Unfunded Vested Benefits (AVA Basis) | 166,125,483 | 174,234,416 |
| Funded Ratio (AVA / PVVB) | 19.3% | 16.1% |
| Present Value of Accrued Benefits (PVAB) | 206,544,416 | 208,224,769 |
| Unfunded Accrued Benefits (AVA Basis) | 166,762,652 | 174,882,515 |
| Funded Ratio (AVA / PVAB) | 19.3% | 16.0% |

## History of Funded Ratios

| Date | Funded Ratio (MVA / PVAB) | Funded Ratio (AVA / PVAB) |
|---|---|---|
| 7/1/2018 | 26.9% | 26.9% |
| 7/1/2019 | 24.1% | 24.0% |
| 7/1/2020 | 20.6% | 21.6% |
| 7/1/2021 | 20.3% | 19.3% |
| 7/1/2022 | 14.8% | 16.0% |



# EXECUTIVE SUMMARY - CONTRIBUTIONS HISTORY



# BALANCE SHEET

| ASSETS | MARKET VALUE |
|---|---|
| Cash and Cash Equivalents: | |
| Money Market | 50,132 |
| Cash | 2,885,854 |
| Total Cash and Equivalents | 2,935,986 |
| Receivables: | |
| Employer Contributions | 707,628 |
| Prepaids | 44,624 |
| Other | 7,861 |
| Accrued Past Due Interest | 18,652 |
| Total Receivable | 778,765 |
| Investments: | |
| Mutual Funds | 25,031,176 |
| Total Investments | 25,031,176 |
| Other Assets | 2,204,801 |
| Total Assets | 30,950,728 |
| LIABILITIES | |
| Liabilities: | |
| Payable: | |
| Accounts Payable | 47,109 |
| Total Liabilities | 47,109 |
| Net Assets: | |
| Active and Retired Members' Equity | 30,903,619 |
| NET POSITION RESTRICTED FOR PENSIONS | 30,903,619 |
| TOTAL LIABILITIES AND NET ASSETS | 30,950,728 |

# MARKET VALUE OF ASSETS

| | | |
|---|---|---|
| ADDITIONS | | |
| Contributions: | | |
| Employer | 8,101,869 | |
| Withdrawal Liability | 812,478 | |
| Total Contributions | | 8,914,347 |
| Investment Income: | | |
| Net Realized and Unrealized Gain (Loss) | (3,442,978) | |
| Net Increase in Fair Value of Investments | | (3,442,978) |
| Interest & Dividends | | 720,996 |
| Less Investment Expense [1] | | (81,372) |
| Net Investment Income | | (2,803,354) |
| Other | | 0 |
| Total Additions | | 6,110,993 |
| DEDUCTIONS | | |
| Distributions to Members: | | |
| Benefit Payments | 16,668,708 | |
| Total Distributions | | 16,668,708 |
| Administrative Expenses | | 518,858 |
| Other | | 0 |
| Total Deductions | | 17,187,566 |
| Net Increase in Net Position | | (11,076,573) |
| NET POSITION RESTRICTED FOR PENSIONS | | |
| Beginning of the Year | | 41,980,192 |
| End of the Year | | 30,903,619 |

[1] Investment Related expenses include investment advisory, custodial and performance monitoring fees.

# DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

Actuarial Assets for funding purposes are developed by recognizing the total actuarial investment gain or loss for each Plan Year over a four year period. In the first year, 25% of the gain or loss is recognized. In the second year 50%, in the third year 75%, and in the fourth year 100% of the gain or loss is recognized. The actuarial investment gain or loss is defined as the actual return on investments minus the actuarial assumed investment return. Actuarial Assets shall not be less than 80% nor greater than 120% of the Market Value of Assets.

Gains/(Losses) Not Yet Recognized

| Plan Year Ending | Gain/(Loss) | Amounts Not Yet Recognized by Valuation Year | | | | |
|---|---|---|---|---|---|---|
| | | 2022 | 2023 | 2024 | 2025 | 2026 |
| 6/30/2019 | (667,526) | 0 | 0 | 0 | 0 | 0 |
| 6/30/2020 | (2,349,688) | (587,422) | 0 | 0 | 0 | 0 |
| 6/30/2021 | 4,720,204 | 2,360,102 | 1,180,051 | 0 | 0 | 0 |
| 6/30/2022 | (5,615,087) | (4,211,315) | (2,807,543) | (1,403,772) | 0 | 0 |
| Total | | (2,438,635) | (1,627,492) | (1,403,772) | 0 | 0 |

Development of Investment Gain/Loss

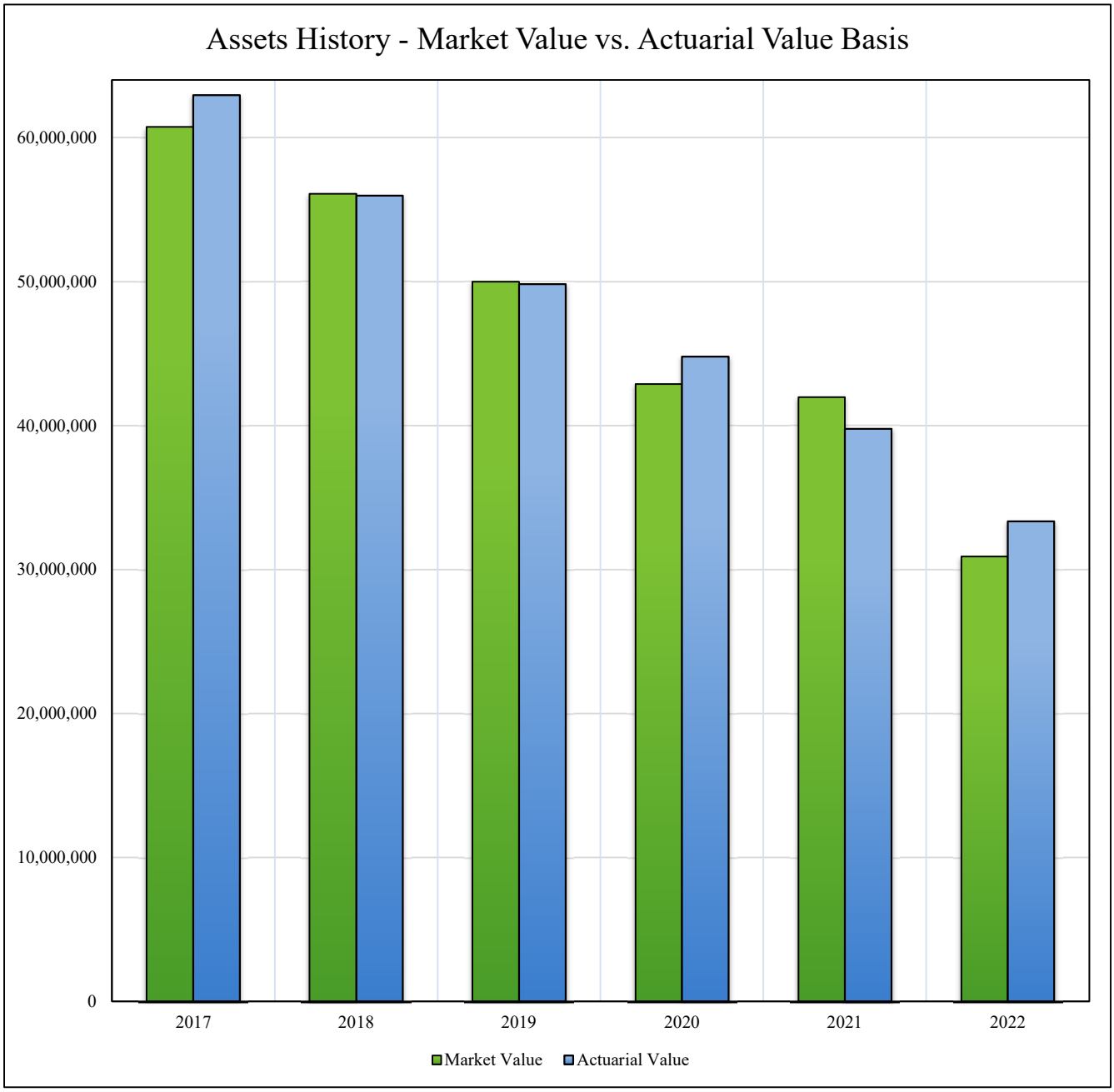
| | |
|---|---|
| Market Value of Assets, 6/30/2021 | 41,980,192 |
| Contributions, Excluding Receivable, Less Benefit Payments & Expenses | (8,980,847) |
| Expected Investment Earnings[1] | 2,811,733 |
| Actual Net Investment Earnings | (2,803,354) |
| 2022 Actuarial Investment Gain/(Loss) | (5,615,087) |

[1] Expected Investment Earnings = 7.50% x (41,980,192 + 0.5 x -8,980,847)

Development of Actuarial Value of Assets

| | |
|---|---|
| Market Value of Assets, 6/30/2022 | 30,903,619 |
| (Gains)/Losses Not Yet Recognized | 2,438,635 |
| Actuarial Value of Assets, 6/30/2022 | 33,342,254 |
| (A) 6/30/2021 Actuarial Assets: | 39,781,764 |
| (I) Net Investment Income: | |
| 1. Interest and Dividends | 720,996 |
| 2. Realized Gains (Losses) | (3,442,978) |
| 3. Change in Actuarial Value | 4,637,063 |
| 4. Investment Expenses | (81,372) |
| Total | 1,833,709 |
| (B) 6/30/2022 Actuarial Assets: | 33,342,254 |
| Actuarial Asset Rate of Return = (2 x I) / (A + B - I): | 5.14% |
| Market Value of Assets Rate of Return: | -7.41% |
| 6/30/2022 Limited Actuarial Assets: | 33,342,254 |
| Actuarial Gain/(Loss) due to Investment Return (Actuarial Asset Basis) | (813,142) |

# ASSETS HISTORY



# DEVELOPMENT OF EXPERIENCE GAIN/LOSS

| | |
|---|---|
| (a) Unfunded Accrued Liability, July 1, 2021 | $166,762,652 |
| (b) Normal Cost | 1,765,894 |
| (c) Contributions | 8,914,347 |
| (d) Interest at 7.50% to end of year | 12,331,890 |
| (e) Expected Unfunded Accrued Liability, July 1, 2022<br>(a) + (b) - (c) + (d) | 171,946,089 |
| (f) Change in UAAL due to Assumption Change | 1,449,068 |
| (g) Actual Unfunded Accrued Liability, July 1, 2022 | 174,882,515 |
| (h) Actuarial (Gain)/Loss (g) - (e) + (f) | 1,487,358 |

# ACTUARIAL (GAIN)/LOSS

| Liability Experience | |
|---|---|
| Accrued Liability, July 1, 2021 | 206,544,416 |
| Normal Cost | 1,765,894 |
| Benefit Payments and Expenses | (17,187,566) |
| Interest at 7.50% to end of year | 14,978,740 |
| Expected Accrued Liability, July 1, 2022 | 206,101,484 |
| Actual Accrued Liability, July 1, 2022 | 208,224,769 |
| Change in Accrued Liability from Assumption Change | 1,449,068 |
| Accrued Liability (Gain)/Loss | 674,217 |

| Asset Experience | |
|---|---|
| Actuarial Value of Assets (AVA), July 1, 2021 | 39,781,764 |
| Benefit Payments and Expenses | (17,187,566) |
| Contributions, Excluding Receivable | 8,206,719 |
| Expected Earnings at 7.50% to end of year | 2,646,850 |
| Receivable Contributions | 707,628 |
| Expected AVA, July 1, 2022 | 34,155,395 |
| Actual AVA, July 1, 2022 | 33,342,254 |
| Asset (Gain)/Loss | 813,141 |

| | |
|---|---|
| Total Actuarial (Gain)/Loss | $1,487,358 |

| Plan Year Ended 6/30 | Net Liability (Gain)/Loss |
|---|---|
| 2018 | (142,442) |
| 2019 | (480,038) |
| 2020 | 1,342,162 |
| 2021 | 761,560 |
| 2022 | 674,217 |

# FUNDING STANDARD ACCOUNT

| | |
|---|---|
| **Charges** | |
| 1. Prior Year Accumulated Funding Deficiency | 110,397,944 |
| 2. Normal Cost, Including Administrative Expenses | 1,765,894 |
| 3. Total Amortization Charges | 14,238,824 |
| 4. Interest to the end of year | 9,480,200 |
| 5. Total | $135,882,862 |
| **Credits** | |
| 5. Prior year Credit Balance | 0 |
| 6. Employer Contributions | 8,914,347 |
| 7. Total Amortization Credits | 2,543,298 |
| 8. Interest to End of Year | 498,498 |
| 9. Full-Funding Limitation Credits | 0 |
| 10. Total | $11,956,143 |
| Credit Balance, June 30, 2022, (10) – (4) | -$123,926,719 |

# FUNDING AMORTIZATION BASES, MINIMUM BASIS*

| | Date Established | Remaining Years | Outstanding Balance | Amortization Charge or Credit |
|---|---|---|---|---|
| 1. Amortization Charges | | | | |
| Assumpt. | 7/1/1994 | 7 | 504,805 | 88,658 |
| Amend. | 7/1/1996 | 9 | 377,454 | 55,044 |
| Amend. | 7/1/1997 | 10 | 1,169,510 | 158,494 |
| Amend. | 7/1/1998 | 11 | 4,311,067 | 548,197 |
| Assumpt. | 7/1/1998 | 11 | 3,684,697 | 468,548 |
| Amend. | 7/1/2000 | 13 | 1,679,728 | 192,292 |
| Amend. | 7/1/2001 | 14 | 1,259,413 | 138,005 |
| Act. Loss | 7/1/2003 | 1 | 1,186,294 | 1,186,294 |
| Act. Loss | 7/1/2004 | 2 | 2,299,371 | 1,191,240 |
| Act. Loss | 7/1/2005 | 3 | 2,197,572 | 786,092 |
| Act. Loss | 7/1/2006 | 4 | 2,239,182 | 621,904 |
| Act. Loss | 7/1/2007 | 5 | 1,117,782 | 257,001 |
| Assumpt. | 7/1/2007 | 20 | 5,087,749 | 464,250 |
| Act. Loss | 7/1/2008 | 6 | 1,680,984 | 333,140 |
| Act. Loss | 7/1/2009 | 2 | 5,144,667 | 2,665,309 |
| Act. Loss | 7/1/2011 | 4 | 3,082,306 | 856,071 |
| Act. Loss | 7/1/2012 | 5 | 3,657,742 | 840,990 |
| Act. Loss | 7/1/2015 | 8 | 555,722 | 88,257 |
| Act. Loss | 7/1/2016 | 9 | 762,412 | 111,182 |
| Assumpt. | 7/1/2016 | 9 | 15,190,270 | 2,215,196 |
| Act. Loss | 7/1/2017 | 10 | 18,162 | 2,461 |
| Assumpt. | 7/1/2017 | 10 | 1,063,820 | 144,171 |
| Act. Loss | 7/1/2018 | 11 | 1,311,689 | 166,795 |
| Act. Loss | 7/1/2019 | 12 | 177,441 | 21,339 |
| Act. Loss | 7/1/2020 | 13 | 1,490,925 | 170,679 |
| Act. Loss | 7/1/2021 | 14 | 271,448 | 29,745 |
| Experience Loss | 7/1/2022 | 15 | 1,487,358 | 156,743 |
| Assumption Change | 7/1/2022 | 15 | 1,449,068 | 152,708 |
| Total | | | $64,458,638 | $14,110,805 |
| 2. Amortization Credits | | | | |
| Act. Gain | 7/1/2010 | 3 | 1,062,993 | 380,243 |
| Act. Gain | 7/1/2013 | 6 | 1,726,429 | 342,146 |
| Act. Gain | 7/1/2014 | 7 | 3,091,438 | 542,944 |
| Amend. | 7/1/2014 | 7 | 806,104 | 141,575 |
| Assumpt. | 7/1/2018 | 11 | 2,978,950 | 378,805 |
| Assumpt. | 7/1/2019 | 12 | 487,400 | 58,614 |
| Assumpt. | 7/1/2020 | 13 | 593,940 | 67,993 |
| Assumpt. | 7/1/2021 | 14 | 798,950 | 87,548 |
| Total | | | $13,502,842 | $2,543,299 |

**Includes 5-year extension of amortization charge bases established prior to 7/1/2009.*

| | | |
|---|---|---|
| 3. Total Charges minus Credits: (1)-(2) | $50,955,796 | $11,567,506 |
| 4. Credit balance on July 1, 2022 | (123,926,719) | |
| 5. Accumulated reconciliation account | 0 | |
| 6. Balance test: (3)-(4)-(5) | 174,882,515 | |
| 7. Unfunded actuarial accrued liability | | |
| (a) Actuarial accrued liability | 208,224,769 | |
| (b) Actuarial value of assets | 33,342,254 | |
| (c) Unfunded liability: (a)-(b) | 174,882,515 | |
| (d) Unfunded liability with balance equation minimum | 174,882,515 | |

# AMORTIZATION BASES, WITHOUT EXTENSION

| | Date Established | Remaining Years | Outstanding Balance | Amortization Charge or Credit |
|---|---|---|---|---|
| 1. Amortization Charges | | | | |
| Assumpt. | 7/1/1994 | 2 | 195,352 | 101,206 |
| Amend. | 7/1/1996 | 4 | 221,103 | 61,409 |
| Amend. | 7/1/1997 | 5 | 761,699 | 175,130 |
| Amend. | 7/1/1998 | 6 | 3,030,363 | 600,561 |
| Assumpt. | 7/1/1998 | 6 | 2,590,074 | 513,304 |
| Amend. | 7/1/2000 | 8 | 1,307,161 | 207,598 |
| Amend. | 7/1/2001 | 9 | 1,015,301 | 148,061 |
| Assumpt. | 7/1/2007 | 15 | 4,599,511 | 484,712 |
| Act. Loss | 7/1/2008 | 1 | 385,549 | 385,549 |
| Act. Loss | 7/1/2009 | 2 | 5,144,667 | 2,665,309 |
| Act. Loss | 7/1/2011 | 4 | 3,082,306 | 856,071 |
| Act. Loss | 7/1/2012 | 5 | 3,657,742 | 840,990 |
| Act. Loss | 7/1/2015 | 8 | 555,722 | 88,257 |
| Act. Loss | 7/1/2016 | 9 | 762,412 | 111,182 |
| Assumpt. | 7/1/2016 | 9 | 15,190,268 | 2,215,196 |
| Act. Loss | 7/1/2017 | 10 | 18,162 | 2,461 |
| Assumpt. | 7/1/2017 | 10 | 1,063,820 | 144,171 |
| Act. Loss | 7/1/2018 | 11 | 1,311,689 | 166,795 |
| Act. Loss | 7/1/2019 | 12 | 177,441 | 21,339 |
| Act. Loss | 7/1/2020 | 13 | 1,490,925 | 170,679 |
| Act. Loss | 7/1/2021 | 14 | 271,448 | 29,745 |
| Experience Loss | 7/1/2022 | 15 | 1,487,358 | 156,743 |
| Assumption Change | 7/1/2022 | 15 | 1,449,068 | 152,708 |
| Total | | | $49,769,141 | $10,299,176 |
| 2. Amortization Credits | | | | |
| Act. Gain | 7/1/2010 | 3 | 1,062,993 | 380,243 |
| Amend. | 7/1/2011 | 4 | 1,956,638 | 543,431 |
| Act. Gain | 7/1/2013 | 6 | 1,726,429 | 342,146 |
| Act. Gain | 7/1/2014 | 7 | 3,091,438 | 542,944 |
| Amend. | 7/1/2014 | 7 | 806,104 | 141,575 |
| Assumpt. | 7/1/2018 | 11 | 2,978,950 | 378,805 |
| Assumpt. | 7/1/2019 | 12 | 487,400 | 58,614 |
| Assumpt. | 7/1/2020 | 13 | 593,940 | 67,993 |
| Assumpt. | 7/1/2021 | 14 | 798,950 | 87,548 |
| Total | | | $13,502,842 | $2,543,299 |
| 3. Total Charges minus Credits: (1)-(2) | | | $36,266,299 | $7,755,877 |

# SUMMARY OF MINIMUM REQUIRED CONTRIBUTION LIMITS

| | |
|---|---|
| 1. Funding interest rate | 7.50% |
| 2. Accumulated funding deficiency on July 1, 2022 | 123,926,719 |
| 3. Normal cost | $1,462,230 |
| 4. Net amortization charges/(credits) | 11,567,506 |
| 5. Interest at rate (1) to June 30, 2023 on (2)+(3)+(4) | 10,271,734 |
| 6. Preliminary minimum: (2)+(3)+(4)+(5) | 147,228,189 |
| 7. Full funding limitation | |
| (a) Based on actuarial accrued liability | 192,192,134 |
| (b) Based on current liability | 305,625,062 |
| (c) Greater of (a) and (b) | 305,625,062 |
| (d) Full funding credit: (6)-(c), not less than 0 | 0 |
| 8. Preliminary minimum after FFL: (6)-(7)(d) | 147,228,189 |
| 9. Credit balance | |
| (a) Credit balance on July 1, 2022 | 0 |
| (b) Interest at rate (1) to June 30, 2023 on (a) | 0 |
| (c) Credit balance with interest: (a)+(b) | 0 |
| 10. Minimum required contribution June 30, 2023: (8)-(9)(c) | 147,228,189 |

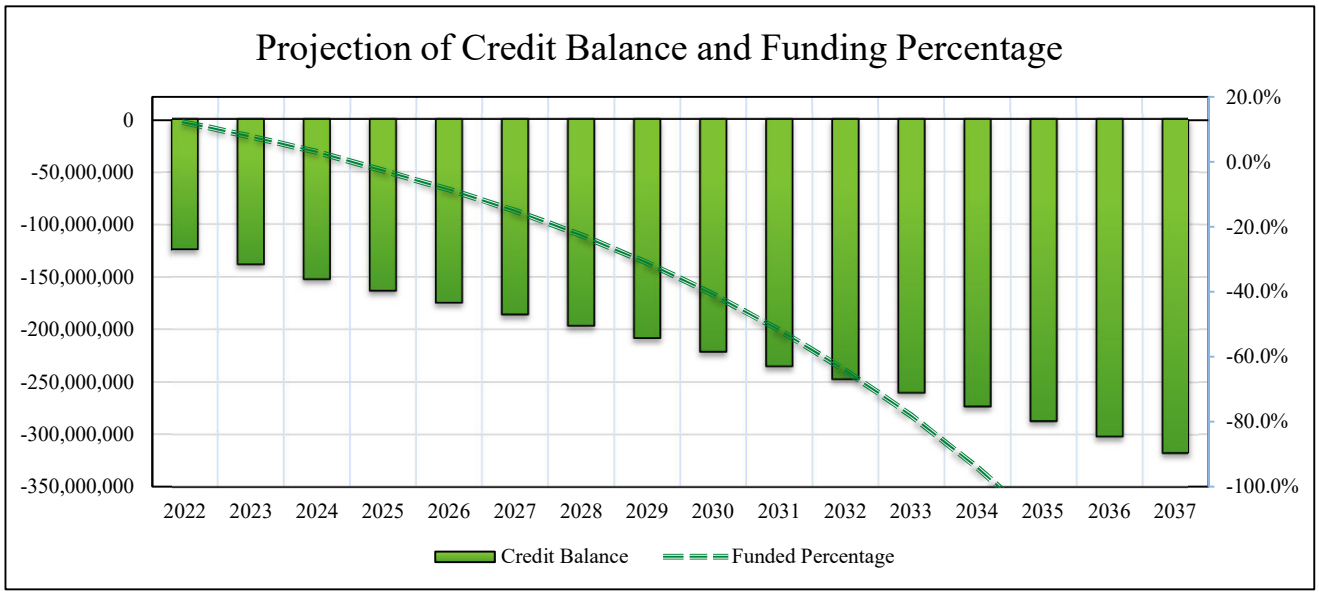
## PROJECTION OF CREDIT BALANCE AND FUNDED PERCENTAGE OVER 15 YEARS

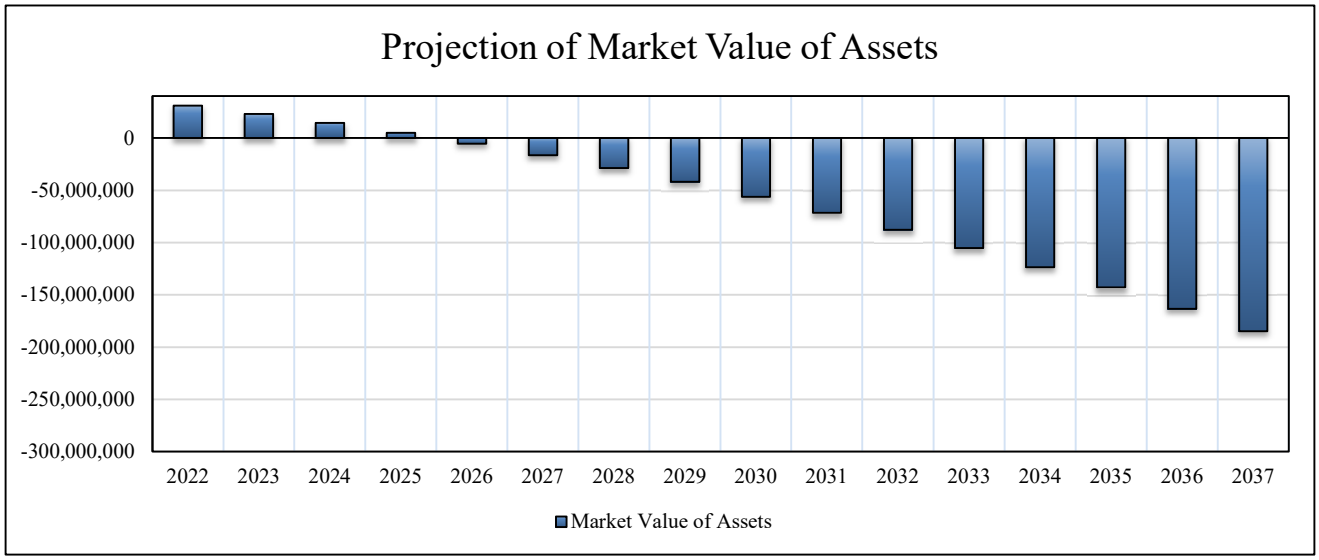
| Plan Year Beginning 7/1 | Credit Balance, Beginning of Year | Normal Cost | Net Amortization Charge / (Credit) | Anticipated Sponsor Contributions | Interest | Credit Balance, End of Year | Funded Percentage, End of Year (Actuarial Value of Assets Basis) |
|---|---|---|---|---|---|---|---|
| 2022 | (123,926,719) | 1,462,230 | 11,567,506 | 8,649,000 | (9,973,933) | (138,281,388) | 12.1% |
| 2023 | (138,281,388) | 1,436,972 | 10,381,212 | 8,649,000 | (10,933,130) | (152,383,702) | 7.7% |
| 2024 | (152,383,702) | 1,415,441 | 6,524,663 | 8,649,000 | (11,699,948) | (163,374,754) | 3.1% |
| 2025 | (163,374,754) | 1,396,409 | 6,118,814 | 8,649,000 | (12,492,411) | (174,733,388) | -2.6% |
| 2026 | (174,733,388) | 1,373,337 | 5,184,270 | 8,649,000 | (13,272,487) | (185,914,482) | -8.5% |
| 2027 | (185,914,482) | 1,340,655 | 4,086,279 | 8,649,000 | (14,026,269) | (196,718,685) | -15.1% |
| 2028 | (196,718,685) | 1,304,100 | 4,095,285 | 8,649,000 | (14,834,518) | (208,303,588) | -22.6% |
| 2029 | (208,303,588) | 1,265,200 | 4,691,146 | 8,649,000 | (15,745,158) | (221,356,092) | -31.1% |
| 2030 | (221,356,092) | 1,218,296 | 4,602,889 | 8,649,000 | (16,713,958) | (235,242,235) | -40.8% |
| 2031 | (235,242,235) | 1,179,720 | 2,221,467 | 8,649,000 | (17,573,919) | (247,568,341) | -51.8% |
| 2032 | (247,568,341) | 1,149,628 | 1,916,341 | 8,649,000 | (18,473,236) | (260,458,546) | -64.2% |
| 2033 | (260,458,546) | 1,122,772 | 1,111,606 | 8,649,000 | (19,377,632) | (273,421,556) | -78.2% |
| 2034 | (273,421,556) | 1,106,168 | 1,148,881 | 8,649,000 | (20,351,408) | (287,379,013) | -94.1% |
| 2035 | (287,379,013) | 1,093,598 | 853,903 | 8,649,000 | (21,375,151) | (302,052,665) | -112.1% |
| 2036 | (302,052,665) | 1,085,037 | 773,701 | 8,649,000 | (22,469,018) | (317,731,421) | -132.6% |
| 2037 | (317,731,421) | 1,084,192 | 464,250 | 8,649,000 | (23,621,652) | (334,252,515) | -155.9% |

## PROJECTION OF THE MARKET VALUE OF ASSETS OVER 20 YEARS

| Plan Year Beginning 7/1 | Market Value of Assets, Beginning of Year | Anticipated Sponsor Contributions | Expected Benefit Payments | Anticipated Expenses | Interest | Market Value of Assets, End of Year | Actuarial Value of Assets, End of Year | PVAB, End of Year |
|---|---|---|---|---|---|---|---|---|
| 2022 | 30,903,619 | 8,649,000 | 17,979,823 | 519,000 | 1,948,403 | 23,002,199 | 24,953,107 | 206,134,054 |
| 2023 | 23,002,199 | 8,649,000 | 18,010,541 | 519,000 | 1,354,645 | 14,476,303 | 15,778,297 | 203,826,285 |
| 2024 | 14,476,303 | 8,649,000 | 18,221,514 | 519,000 | 707,291 | 5,092,080 | 6,215,097 | 201,101,781 |
| 2025 | 5,092,080 | 8,649,000 | 18,449,453 | 519,000 | -5,074 | -5,232,447 | -5,232,447 | 197,914,667 |
| 2026 | -5,232,447 | 8,649,000 | 18,632,282 | 519,000 | -786,269 | -16,520,998 | -16,520,998 | 194,272,398 |
| 2027 | -16,520,998 | 8,649,000 | 18,710,102 | 519,000 | -1,635,829 | -28,736,929 | -28,736,929 | 190,240,294 |
| 2028 | -28,736,929 | 8,649,000 | 18,800,388 | 519,000 | -2,555,409 | -41,962,726 | -41,962,726 | 185,772,755 |
| 2029 | -41,962,726 | 8,649,000 | 18,891,008 | 519,000 | -3,550,742 | -56,274,476 | -56,274,476 | 180,833,375 |
| 2030 | -56,274,476 | 8,649,000 | 18,878,211 | 519,000 | -4,623,644 | -71,646,331 | -71,646,331 | 175,485,895 |
| 2031 | -71,646,331 | 8,649,000 | 18,695,767 | 519,000 | -5,769,691 | -87,981,789 | -87,981,789 | 169,884,575 |
| 2032 | -87,981,789 | 8,649,000 | 18,449,272 | 519,000 | -6,985,607 | -105,286,668 | -105,286,668 | 164,086,330 |
| 2033 | -105,286,668 | 8,649,000 | 18,195,194 | 519,000 | -8,273,945 | -123,625,806 | -123,625,806 | 158,087,773 |
| 2034 | -123,625,806 | 8,649,000 | 17,883,214 | 519,000 | -9,637,681 | -143,016,701 | -143,016,701 | 151,945,648 |
| 2035 | -143,016,701 | 8,649,000 | 17,480,013 | 519,000 | -11,076,878 | -163,443,593 | -163,443,593 | 145,748,811 |
| 2036 | -163,443,593 | 8,649,000 | 17,088,570 | 519,000 | -12,594,216 | -184,996,378 | -184,996,378 | 139,484,794 |
| 2037 | -184,996,378 | 8,649,000 | 16,618,140 | 519,000 | -14,193,034 | -207,677,552 | -207,677,552 | 133,238,789 |
| 2038 | -207,677,552 | 8,649,000 | 16,094,876 | 519,000 | -15,874,499 | -231,516,927 | -231,516,927 | 127,073,561 |
| 2039 | -231,516,927 | 8,649,000 | 15,505,811 | 519,000 | -17,640,362 | -256,533,101 | -256,533,101 | 121,071,342 |
| 2040 | -256,533,101 | 8,649,000 | 14,904,524 | 519,000 | -19,494,027 | -282,801,652 | -282,801,652 | 115,255,646 |
| 2041 | -282,801,652 | 8,649,000 | 14,307,307 | 519,000 | -21,441,773 | -310,420,732 | -310,420,732 | 109,635,963 |

# PROJECTIONS OF CREDIT BALANCE, FUNDED PERCENTAGE, AND MARKET VALUE OF ASSETS



# SUMMARY OF MAXIMUM TAX-DEDUCTIBLE CONTRIBUTION LIMITS

| | |
|---|---|
| 1. Funding interest rate | 7.50% |
| 2. Normal Cost | $1,462,230 |
| 3. Amortization amounts (i.e., limit adjustments) | 23,700,392 |
| 4. Interest at rate (1) to June 30, 2022 on (2)+(3) | 1,887,197 |
| 5. Preliminary limit: (2)+(3)+(4) | 27,049,819 |
| 6. Full funding limitation | |
| (a) Based on actuarial accrued liability | 192,192,134 |
| (b) Based on current liability | 305,625,062 |
| (c) Greater of (a) and (b) | 305,625,062 |
| 7. End of year minimum contribution | 147,228,189 |
| 8. Cont. necessary to fund 140% of current liability | 484,951,365 |
| 9. Maximum tax deductible contribution: lesser of (5) or (6)(c), but not less than max of (7) or (8) | 484,951,365 |

# FUNDING AMORTIZATION BASES, MAXIMUM BASIS

| Amortization Base(s) | Initial 10-Year Base | 10-Year Amortization Amount | Unamortized Balance (Beg. of Year) | Limit Adjustment |
|---|---|---|---|---|
| Fresh Start | $174,882,515 | $23,700,392 | $174,882,515 | $23,700,392 |

# ASC960: STATEMENT OF PVAB AND RECONCILIATION FROM PRIOR YEAR

| | |
|---|---|
| 1. Actuarial present value of accrued plan benefits | |
| (a) Actuarial present value of vested benefits | |
| (i) Participants currently receiving benefits | 152,943,799 |
| (ii) Participants entitled to deferred benefits | 25,270,723 |
| (iii) Other participants | 29,362,148 |
| (iv) Total | 207,576,670 |
| (b) Actuarial present value of nonvested benefits | 648,099 |
| (c) Actuarial present value of accrued plan benefits: (a)(iv)+(b) | 208,224,769 |
| (d) ASC 960 discount rate for accrued plan benefits | 7.50% |
| 2. ASC 960 market value of assets | 30,903,619 |
| 3. Unfunded PVAB (Surplus assets): (1)(c)-(2) | 177,321,150 |
| 4. Funded percentage: (2)/(1)(c) | 14.8% |
| 5. Changes in present value | |
| (a) PVAB as of July 1, 2021 | 206,544,416 |
| (b) Changes due to: | |
| (i) Decrease in discount period at 7.50% | 14,877,055 |
| (ii) Benefits paid | (16,668,708) |
| (iii) Assumption changes | 1,449,068 |
| (iv) Plan amendments | 0 |
| (v) Additional benefits earned, including experience gains and losses | 2,022,938 |
| (vi) Total change | 1,680,353 |
| (c) PVAB as of July 1, 2022: (a)+(b)(vi) | 208,224,769 |

# DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined under various assumption scenarios. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. Whenever possible, the recommended assumptions in this report reflect conservatism to allow for some margin of unfavorable future plan experience. However, it is still possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.

- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

- Contribution Risk: Risks associated with the items outlined above will inherently create varying liabilities and assets resulting in volatility in contributions. Actuarial losses on assets and liabilities will lead to higher contribution amounts, while actuarial gains on assets and liabilities will lead to lower contribution amounts.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature plans with a substantial inactive liability. Similarly, mature plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in table following titled "Plan Maturity Measures and Other Risk Metrics". Highlights of this information are discussed below:

- The Support Ratio, determined as the ratio of active to inactive members has stayed about the same from July 1, 2019 to July 1, 2022, indicating that the plan's maturity level has not significantly changed during the period.

- The Accrued Liability Ratio, determined as the ratio of the Inactive Accrued Liability, which is the accrued liability associated with those receiving payments to the Total Accrued Liability, is 85.6%. With a plan of this maturity, losses due to lower than expected investment returns or demographic factors may result in larger increases in contribution requirements than would be needed for a less mature plan.

- The Funded Ratio, determined as the ratio of the Actuarial Value of Assets to the Total Accrued Liability, has decreased from 24.1% on July 1, 2019 to 16.0% on July 1, 2022.

- Benefits are currently being paid from the plan at a rate of 53.9% of assets. When this statistic is large, the plan may be at risk of not being able to pay benefits when due.

- The Net Cash Flow Ratio, determined as the ratio of the Net Cash Flow (contributions minus benefit payments and administrative expenses) to the Market Value of Assets, decreased from -18.6% on July 1, 2019 to -26.8% on July 1, 2022. The current Net Cash Flow Ratio of -26.8% indicates that contributions are not currently covering the plan's benefit payments and administrative expenses.

It is important to note that the actuary has identified the risks above as the most significant risks based on the characteristics of the plan and the nature of the project, however, it is not an exhaustive list of potential risks that could be considered. Additional advanced modelling, as well as the identification of additional risks, can be provided at the request of the audience addressed in this report.

# PLAN MATURITY MEASURES AND OTHER RISK METRICS

| | 7/1/2019 | 7/1/2020 | 7/1/2021 | 7/1/2022 |
|---|---|---|---|---|
| Support Ratio | | | | |
| Total Actives | 467 | 452 | 435 | 456 |
| Total Inactives | 2,383 | 2,361 | 2,334 | 2,303 |
| Actives / Inactives | 19.6% | 19.1% | 18.6% | 19.8% |
| Accrued Liability (AL) Ratio | | | | |
| Inactive Accrued Liability | 170,210,785 | 172,547,650 | 174,188,177 | 178,214,522 |
| Total Accrued Liability | 206,680,047 | 207,048,438 | 206,544,416 | 208,224,769 |
| Inactive AL / Total AL | 82.4% | 83.3% | 84.3% | 85.6% |
| Funded Ratio | | | | |
| Actuarial Value of Assets (AVA) | 49,841,920 | 44,779,010 | 39,781,764 | 33,342,254 |
| Total Accrued Liability | 206,680,047 | 207,048,438 | 206,544,416 | 208,224,769 |
| AVA / Total Accrued Liability | 24.1% | 21.6% | 19.3% | 16.0% |
| Assets to Benefit Payout Ratio | | | | |
| Benefits Paid in Prior Year | 15,969,008 | 16,316,472 | 16,438,765 | 16,668,708 |
| Market Value of Assets (MVA) | 50,002,183 | 42,879,037 | 41,980,192 | 30,903,619 |
| Ratio | 31.9% | 38.1% | 39.2% | 53.9% |
| Net Cash Flow Ratio | | | | |
| Net Cash Flow [1] | (9,290,316) | (8,215,539) | (8,515,640) | (8,273,219) |
| Market Value of Assets (MVA) | 50,002,183 | 42,879,037 | 41,980,192 | 30,903,619 |
| Ratio | -18.6% | -19.2% | -20.3% | -26.8% |

[1] Determined as contributions minus benefit payments and administrative expenses.

# PARTICIPANT RECONCILIATION

| | Actives | Term Vesteds | Retirees, Beneficiaries, and Disableds | Total Participant Count |
|---|---|---|---|---|
| **As of July 1, 2021** | 435 | 716 | 1,618 | 2,769 |
| Terminations | | | | |
| -Vested | (23) | 23 | | 0 |
| -Not Vested | (21) | | | (21) |
| Benefit Suspended | | | | 0 |
| Disablements | | | | 0 |
| Retirements | (18) | (40) | 58 | 0 |
| Deaths | (5) | (6) | (96) | (107) |
| Returns to Active/Rehires | 1 | (1) | | 0 |
| Payments Expired | | | (2) | (2) |
| Acquisitions/New Hires | 87 | | | 87 |
| Adjustments | | 1 | 32 | 33 |
| Net Change | 21 | (23) | (8) | (10) |
| **As of July 1, 2022** | 456 | 693 | 1,610 | 2,759 |

# STATISTICAL DATA - ALL ACTIVE PARTICIPANTS

| | Years of service: | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Age: | <1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40+ | **Total** |
| Under 25 | 10 | 13 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24 |
| 25 to 29 | 11 | 14 | 7 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 34 |
| 30 to 34 | 6 | 13 | 9 | 9 | 3 | 0 | 0 | 0 | 0 | 0 | 40 |
| 35 to 39 | 6 | 14 | 14 | 5 | 8 | 0 | 0 | 0 | 0 | 0 | 47 |
| 40 to 44 | 2 | 14 | 13 | 7 | 7 | 12 | 0 | 0 | 0 | 0 | 55 |
| 45 to 49 | 2 | 3 | 1 | 5 | 5 | 6 | 4 | 1 | 0 | 0 | 27 |
| 50 to 54 | 5 | 10 | 11 | 4 | 6 | 19 | 12 | 5 | 0 | 0 | 72 |
| 55 to 59 | 2 | 3 | 6 | 13 | 6 | 14 | 9 | 12 | 7 | 1 | 73 |
| 60 to 64 | 3 | 1 | 4 | 1 | 5 | 12 | 9 | 11 | 4 | 5 | 55 |
| 65 to 69 | 0 | 1 | 4 | 3 | 4 | 3 | 4 | 5 | 0 | 4 | 28 |
| 70 & up | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| **Total** | 47 | 86 | 70 | 49 | 44 | 66 | 38 | 35 | 11 | 10 | 456 |

| | 7/1/2021 | 7/1/2022 |
|---|---|---|
| Active Average Age | 48.8 | 46.8 |
| Active Average Service | 16.2 | 14.5 |

# INACTIVE DEMOGRAPHICS

| | Average Age |
|---|---|
| Retirees | 73.6 |
| Beneficiaries | 78.3 |
| Disabled Retirees | 76.0 |
| Term Vested | 54.3 |

| | Retired, Survivor, and Disabled | | Vested | |
|---|---|---|---|---|
| Attained Age | No. | Avg. Annuities | No. | Avg. Annuities |
| Under 30 | 1 | 5,651 | 1 | 3,052 |
| 30 to 34 | 0 | 0 | 10 | 3,048 |
| 35 to 39 | 1 | 3,641 | 28 | 3,680 |
| 40 to 44 | 2 | 3,173 | 57 | 3,931 |
| 45 to 49 | 2 | 4,788 | 73 | 6,272 |
| 50 to 54 | 6 | 11,997 | 141 | 5,402 |
| 55 to 59 | 14 | 13,898 | 202 | 8,263 |
| 60 to 64 | 164 | 13,497 | 130 | 7,837 |
| 65 to 69 | 320 | 12,098 | 39 | 9,335 |
| 70 to 74 | 340 | 11,499 | 10 | 9,857 |
| 75 to 79 | 254 | 10,857 | 2 | 4,410 |
| 80 to 84 | 238 | 9,764 | 0 | 0 |
| 85 to 89 | 154 | 7,449 | 0 | 0 |
| 90 to 94 | 87 | 4,218 | 0 | 0 |
| 95 & up | 27 | 2,566 | 0 | 0 |
| Total | 1,610 | 10,529 | 693 | 6,839 |

# ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rates

Funding:

Healthy Lives – PRI-2012 Blue Collar Dataset Amount-Weighted Mortality Table projected forward generationally with Mortality Improvement Scale MP-2021.
Disabled Lives – PRI-2012 Total Dataset Disabled Amount-Weighted Mortality Table projected forward generationally with Mortality Improvement Scale MP-2021.

Current Liability: IRS 2018-2022+ (MP 16-20) Static Mortality.

Net Investment Return

Funding: A rate of 7.50% per annum net of investment expenses.

Current Liability:
RPA Liability A rate of 2.27% per annum

Disclosure Liability A rate of 7.50% per annum.

Retirement Age

Active participants – Retirement is assumed at age 62. Early Retirement rates are graduated rates of retirement based on age, service, and contribution level.

Terminated Vested participants – The participant's Normal Retirement Age.

Expenses An estimate based on actual administrative expenses incurred in the prior plan year. For the 2022-2023 plan year, this amount is $519,000.

Termination Annual rates based on the following scale as a percentage:

Freight and UPS -

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

Non-Freight -

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

Annuity Form

Five Year Certain and Life Thereafter for benefits earned through June 30, 2009.

Single Life Annuity for benefits earned after June 30, 2009.

If a Participant is not eligible to retire as of June 30, 2011 (with eligibility for immediate payment of a Retirement Benefit), the form of the basic Retirement Benefit shall be a Single Life Annuity (for the entire basic Retirement Benefit, regardless of when accrued.)

Future Service It is assumed that for all future years, all Members will have future accruals based on the same contribution amount as the prior year.

Rates of Disablement The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

Calculation of Benefits Benefits are calculated as of the last completed computation period, June 30, 2022.

Census Data

Retired Members -
If spouse date of birth is not available, female spouse is assumed to be three (3) years younger, and male spouse is assumed to be three (3) years older.

Active Members -
If Member's date of birth is not available, the Member is assumed to be age 28 at date of hire.

Cost Method Traditional Unit Credit.

Actuarial Value of Asset Method Assets are valued using a Four-Year Smoothing Method, under Approval 15 of Revenue Procedure 95-51, as modified by Revenue Procedure 98-10, subject to a minimum of 80% and a maximum of 120% of fair market value.

## Changes Since Prior Year

Since the prior report, the mortality rates changed to PRI-2012 Blue Collar Dataset Amount-Weighted Mortality projected forward generationally with Mortality Improvement Scale MP-2021. This change resulted in an increase in the plan's accrued liability of $1,449,068, an increase in the plan's normal cost of $9,038, and an increase in the plan's present value of accrued benefits of $1,449,068.

**Projection Assumptions**

| | |
|---|---|
| Contribution Rates | Employer contribution is an estimate based on negotiated contribution increases for the 2022-2023 year. |
| Projection Assumptions | The experience of the plan during the projection is assumed to match the expected experience based on the plan's current actuarial assumptions. |
| Net Investment Return | The expected net investment return is assumed to be 7.50% per year for the duration of the projection period. |
| Investment Smoothing | The Plan's current smoothing method was used to determine the Actuarial Value of Assets. |
| Administrative Expenses | Based on the reported expenses for the year ending June 30, 2022. |
| Significant Events | No significant events are known and likely during the duration of this projection. As a result, we have not factored any significant events into our projection. |
| Projected Industry Activity | New entrants are assumed to replace decrementing actives, resulting in a level active population over the course of the projection. |

## I. ELIGIBILITY

An Employee covered under a Collective Bargaining Agreement between an Employer and International Brotherhood of Teamsters Local Unions 491 or 453 providing for payments to the Pension Fund or a person employed by an Employer who has an agreement with the Union providing for participation in the Fund.

## II. NORMAL RETIREMENT

A. Normal Retirement Date - The Participant's Normal Retirement Date shall mean:

(a) for retirement benefits (and the Accrued Benefit) earned before July 1, 2009, the later of age 60 or his attained age on the fifth anniversary of date of hire by an Employer even if the date of hire is prior to the date the Employer first became an Employer;

(b) for retirement benefits ( and the accrued Benefit) earned from and after July 1, 2009 and before July 1, 2011, the later of age 62 or his attained age on the fifth anniversary of the commencement of his participation in the Plan; and

(c) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2011, the later of age 65 or his attained age on the fifth anniversary of the commencement of his participation in the Plan.

B. Normal Retirement Annuity Starting Date. The Normal Retirement Annuity Starting Date is the first day of the month coincident with or next following his Normal Retirement Date.

C. Amount of Normal Retirement Benefit

(1) For Service prior to October 1, 1987, Participants who entered the Plan before such date will accrue benefits equal to the product of their Credited Service (Past and Future) and the Unit Multiplier in the Appendix of the Plan. For Participants of Local 491 and 872, the maximum Credited Service prior to October 1, 1987 shall be twenty-five (25) years. For Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service up to October 1, 1982 and an additional five (5) Years of Credited Service up to October 1, 1987, making a total of twenty-five (25) years. For Non-Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service prior to October 1, 1987, plus

(2) For service on and after October 1, 1987, but prior to January 1, 2005, Two and Three-Quarter Percent (2.75%) of the amount of Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2000 for which a contribution is received by the Fund on or after February 1, 2000.

(3) Terminated Vested Participants (and terminated nonvested Participants who have not lost their prior service due to a Break in Service) who reenter the Fund on or

after January 1, 2000, will not be eligible for the increased unit multiplier of 2.75% until such time as they have completed one (1) Year of Participation (five months, 22 weeks or 1,000 hours of covered employment) subsequent to their reentry.

(4) For service on or after January 1, 2005, but prior to January 1, 2007, one and three quarter percent (1.75%) of the amount of the Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2005 for which a contribution is received by the Fund on or after February 1, 2005.

(5) For service on or after January 1, 2007, one percent (1.00%) of the amount of the Employer Contributions without any reduction paid to the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2007 for which a contribution is received by the Fund on or after February 1, 2007.

(6) For service on or after July 1, 2009, one percent (1.00%) of the contributions based on the contribution rate in effect June 30, 2008.

## III. EARLY RETIREMENT BENEFIT

A. Eligibility

A Participant who has:

(1) attained age sixty (60); and

(2) completed five (5) Years of Future Credited Service

is eligible, upon written notice to the Trustees, to retire and receive an Early Retirement Benefit.

B. Early Retirement Date

The Participant may elect to have his Early Retirement Benefit commence on or after his Early Retirement Date which shall be the first day of any month subsequent to the date he satisfies the above requirements.

C. Amount

(1) The Early Retirement Benefit shall be reduced for payment before Normal Retirement Date to is Equivalent Actuarial Value (using the age 62 Normal Retirement Age for the Accrued Benefit earned from
and after July 1, 2009 and before July 1, 2011 and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011.)

(2) The Retirement Benefit payable under each form of payment shall be Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity; and

(3) The normal form of payment for a Participant not married on the Annuity Starting Date shall be a Single Life Annuity.

(4) No one can retire before the age of sixty (60).

## IV. DISABILITY RETIREMENT

A. A Participant shall not be eligible for a disability Retirement Benefit unless the Participant is in receipt of a disability Retirement Benefit as of June 30, 2011 or the Participant's application for a disability Retirement Benefit was being processed as of June 30, 2011.

B. Cessation of Disability Benefit. The Participant's Disability Benefit will cease upon the earliest of his:

(1) recovery from disability;
(2) attaining his Normal Retirement Date;
(3) election of an Early Retirement Benefit; or
(4) death.

## V. RETIREMENT BENEFIT PAYMENTS

A. Single Life Annuity (Normal Form for Benefits:

The Normal Form for benefits shall be a Single Life Annuity.

The Participant shall receive monthly payments for the life of the Participant, ceasing upon the Participant's death.

B. Five Year Certain:

The Participant shall receive his pension as a monthly life income, with the provision that if the death of the Participant occurs prior to his receipt of 60 monthly payments, the balance of such monthly payments shall be continued to his beneficiary, until a total of 60 monthly payments in all has been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 60 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

C. Ten Year Certain:

Available for retirement benefits commencing on or after August 1, 1996, this is a monthly benefit payable during the Participant's lifetime with the provision that if the death of the Participant occurs prior to his receipt of 120 monthly payments, monthly payments shall be continued to his beneficiary until a total of 120 monthly payments in all have been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 120 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

D. Qualified Joint and Survivor Options:

(1) A married Participant who is entitled to receive a Qualified Joint and Survivor Annuity may, prior to the date that payments commence, elect between:

(i) Qualified Joint and 50% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to fifty percent (50%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse; or

(ii) Qualified Joint and 100% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to one hundred percent (100%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse.

(2) If a Participant's spouse dies before the Participant's Annuity Starting Date, his election of the Qualified Joint and Survivor Annuity shall automatically be revoked.

E. Automatic Joint and Survivor Benefit

Effective October 1, 1997, the Joint and 100% Survivor Benefit shall be the automatic form of benefit paid unless rejected by the retiree and spouse in writing.

F. Note: The Retirement Benefit payable under each form of payment shall be the Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity.

G. Restoration Benefit

If a Participant retired on or after October 1, 1997 and benefits are being paid in the form of a Qualified Joint and Survivor Annuity and the Participant's spouse dies while the Participant is still living, the Participant's benefit will be restored to the Life Annuity, 5 Year Certain form of benefit and the amount of benefit will be increased to the amount of benefit he would have received if he and his spouse had waived the Qualified Joint and Survivor Annuity and had elected to receive the normal form of benefit.

Special Note: The Restoration Benefit feature has been eliminated for any pension with an effective date of payment on or after July 1, 2017. As a result, if the effective date for the payment of a participant's pension is on or after July 1, 2017, the participant will continue to be paid an actuarially reduced pension if the spouse dies before the participant.

## VI. VESTED BENEFIT

A. At Normal Retirement Date. Regardless of any other provisions of the Plan, a Participant will be one hundred percent (100%) vested in his Accrued Benefit upon the attainment of his Normal Retirement Date while in the employ of the Employer.

B. Upon Termination Prior to Normal Retirement Date.

(i) Collective Bargaining Employees. A Participant who is in a class of Employees subject to a collective bargaining agreement requiring contributions to the Plan who terminates his employment with the Employer prior to his Normal Retirement Date shall have a vested benefit determined as follows:

The Participant's vested benefit shall be calculated by multiplying his Accrued Benefit by the following applicable percentage:

| Years of Participation | Vesting Percentage |
|---|---|
| Less than five (5) years | None |
| Five (5) years or more | l00% |

(2) Non-Collective Bargaining Employee. The above schedule shall also apply to Participants not subject to Collective Bargaining.

## VII. DEATH BENEFITS

A. Preretirement

(1) Married Participant. In the case of a Participant who dies prior to his Annuity Starting Date and was legally married on the date of his death, there are no death benefits provided under this Plan unless the Participant is eligible for a Qualified Preretirement Survivor Annuity.

(2). Single Participant.

(a) In the case of a Participant who dies prior to his Annuity Starting Date and was not legally married on the date of his death, there are no death benefits provided under this Plan, except as provided under subparagraph (b) below.

(b) Ten Year Certain Death Benefit for Single Participants. If an unmarried Participant:

(i) has been credited with service earned on or after August 9, 1996.

(ii) has vested benefits not subject to a Qualified Domestic Relations Order under the Plan, and

(iii) dies prior to his Annuity Starting Date,

Then such Participant's beneficiary shall be entitled to receive a Ten Year Certain Death Benefit. The Ten Year Certain Death Benefit shall consist of 120 monthly payments to the beneficiary as if:

(i) in the case of a Participant who dies after the date on which the Participant attained his Earliest Retirement Age, such Participant had retired on the day before his death and had elected immediate retirement under the Life Annuity, Ten Years Certain option, or

(ii) in the case of a Participant who dies before the date on which the Participant would have attained his Earliest Retirement Age, such Participant had:

(A) separated from service on the date of death,

(B) survived to the Earliest Retirement Age,

(C) retired and elected immediate retirement under the Life Annuity, Ten Years Certain option, and

(D) died on the day after the day on which such Participant would have attained his Earliest Retirement Age.

The term "Earliest Retirement Age" means the earliest date on which, under the Plan, the Participant could have elected to receive retirement benefits based on his Years of Service at his death.

Special Note: The Ten Year Certain Death Benefit has been eliminated for deaths occurring on or after July 1, 2017.

B. Post-Retirement

In the case of a Participant who dies subsequent to his Annuity Starting Date, no death benefits shall be payable except as provided under the specific form of benefit being paid.

## VIII. QUALIFIED MILITARY SERVICE

As required by Code Section §401(a)(37), a Participant who dies on or after January 1, 2007 while performing qualified military service (within the meaning of Code §414(u)) and who would have been entitled to reemployment rights under the Plan under the Uniformed Services Employment and Reemployment Rights Act of 1994 at his death shall be treated as follows for purposes of the death benefits payable under this Article:

(a) he shall be credited with service (but not benefit accrual) for the period of his qualified military service; and

(b) he shall be treated as if he had died while in employment with the Employer.

## IX. CASH-OUT OF CERTAIN BENEFITS

If the Employee terminates and the monthly benefit to which he would otherwise be entitled is less than $25, and if the present value of the Employee's vested accrued benefit derived from Employer and Employee contribution is not greater than $5,000, the Employee may, at his option, elect to receive a cash out distribution of the present value of the entire vested

portion of such accrued benefit provided that the distribution has not already commenced in the form of an annuity.

## X. UNIT MULTIPLIERS -

**LOCAL**
**(491)**

| CONTRIBUTION RATE CLASS | MULTIPLIERS |
|---|---|
| $79.00 - $83.00 (FREIGHT) | $34.00 (for service prior to April 1, 1984) $43.00 (for service between April 1, 1984 thru September 30, 1987). |
| $80.00 - $84.00 - $88.00 (UNITED PARCEL POST) | $34.50 (for service prior to May 1, 1984) - $43.50 (for service on and after May 1, 1984 thru September 30, 1987). |

**TABLE 1**
**UNIT MULTIPLIER TABLE**

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $72.00 | $34.50 |
| $71.00 | $34.00 |
| $55.00-$58.00-$62.00 | $32.50 |
| $61.00-$65.00 | $32.70 |
| $238.18-$243.18-$248.18 | $31.90 |
| $49.00-$52.00-$56.00 | $31.75 |
| $230.19-$235.19-$240.19 | $31.70 |
| $44.00-$49.00-$54.00 | $31.50 |
| $43.00-$48.00-$53.00 | $31.05 |
| $48.00-$50.00-$52.00 | $30.65 |
| $46.00-$49.00-$52.00 | $30.55 |
| $41.00-$46.00-$51.00 | $30.10 |
| $45.00-$47.00-$49.00 | $29.30 |
| $43.00-$46.00-$49.00 | $28.80 |
| $43.00-$45.00-$47.00 | $27.70 |
| $44.00-$45.00-$46.00 | $27.25 |
| $40.00-$43.00-$46.00 | $27.00 |
| $37.50-$40.50-$43.50 | $25.55 |
| $37.00-$40.00-$43.00 | $25.25 |
| $36.00-$39.00-$42.00 | $24.65 |
| $35.00-$38.00-$41.00 | $24.05 |
| $34.00-$37.00-$40.00 | $23.45 |
| $00.85-$00.90-$00.95 | $22.25 |
| $34.50-$37.00 | $21.75 |
| $31.00-$34.00-$37.00 | $21.70 |
| $30.00-$33.00-$21.10 | $21.10 |
| $29.00-$32.00-$35.00 | $20.50 |
| $28.50-$31.50-$34.50 | $20.20 |
| $140.00-$142.50-$145.00 | $19.50 |
| $116.92-$129.92-$142.92 | $19.45 |
| $000.75 | $17.55 |

**LOCAL**
**(491)**

**(Continued)**

**TABLE II**

**UNIT MULTIPLIER FOR**
**CREDITED SERVICE**

| Contribution Rate Class | Prior to January 1, 1978 | After January 1, 1978 |
|---|---|---|
| $28.00-$31.00-$34.00 | $20.20 | $19.75 |
| $29.00-$31.00-$33.00 | $20.20 | $18.85 |
| $29.00-$32.00 | $20.20 | $17.90 |
| $28.00-$30.00-$32.00 | $20.20 | $17.85 |
| $26.00-$29.00-$32.00 | $20.20 | $17.80 |
| $25.00-$28.00-$31.00 | $20.20 | $16.80 |
| $25.50-$28.00-$30.50 | $20.20 | $16.35 |

**TABLE III**

**UNIT MULTIPLIER TABLE**
**FOR ALL OTHER CLASSES**

**UNIT MULTIPLIERS FOR CREDITED SERVICE PRIOR TO JANUARY 1, 1978**
**FOR CONTRIBUTION RATE CLASS AS OF JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00 to $25.99 | $20.20 | | |
| $22.00 to $23.99 | $20.00 | $12.00 to $13.99 | $13.00 |
| $20.00 to $21.99 | $19.00 | $10.00 to $11.99 | $11.00 |
| $18.00 to $19.99 | $18.00 | $ 8.00 to $ 9.99 | $ 9.00 |
| $16.00 to $17.99 | $16.50 | $ 6.00 to $ 7.99 | $ 7.00 |
| $14.00 to $15.99 | $14.50 | $ 4.00 to $ 5.99 | $ 5.00 |

**LOCAL**
**(491)**

**TABLE III**
**(Continued)**

**UNIT MULTIPLIERS FOR CREDITED SERVICE AFTER JANUARY 1, 1978**

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00-$25.00 | $12.85 | $10.00-$12.00-$14.00 | $ 7.00 |
| $23.00-$25.00 | $12.80 | $ 8.00-$10.00-$12.00 | $ 5.95 |
| $22.00-$25.00 | $12.80 | $10.00-$11.50 | $ 5.85 |
| $24.00 | $12.40 | $ 4.00-$ 6.50-$ 9.00 | $ 4.35 |
| $23.00 | $11.85 | $ 8.00 | $ 4.10 |
| $20.00-$22.00 | $11.30 | $ 4.00-$ 6.00-$ 8.00 | $ 3.90 |
| $14.00-$19.50-$22.00 | $10.95 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |
| $20 | $10.30 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |

**LOCAL**
**(453)**

| Contribution Rate | Unit Multiplier | Contribution Rate | Unit Multiplier |
|---|---|---|---|
| $390.81 | $50.00 | $105.70 | $18.25 |
| $373.48 | $50.00 | $105.70 | $18.25 |
| $356.15 | $50.00 | $ 95.33 | $18.25 |
| $338.82 | $50.00 | $ 92.16 | $16.00 |
| $291.16 | $50.00 | $ 84.49 | $18.25 |
| $246.96 | $50.00 | $ 74.88 | $13.00 |
| $212.30 | $38.75 | $ 73.66 | $18.25 |
| $194.97 | $36.25 | $ 60.67 | $10.70 |
| $177.64 | $33.75 | $ 56.33 | $10.70 |
| $173.31 | $30.00 | $ 47.66 | $10.70 |
| $161.28 | $28.00 | $ 43.33 | $ 8.60 |
| $158.00 | $28.00 | $ 39.00 | $ 8.60 |
| $151.00 | $27.00 | $ 34.67 | $ 8.60 |
| $149.76 | $26.00 | $ 29.67 | $ 8.60 |
| $146.00 | $26.00 | $ 28.67 | $ 8.60 |
| $144.00 | $25.00 | $ 26.00 | $ 6.75 |
| $134.31 | $25.00 | $ 23.67 | $ 6.75 |
| $127.79 | $25.00 | $ 17.17 | $ 5.40 |
| $121.31 | $25.00 | $ 12.17 | $ 3.75 |
| $111.56 | $25.00 | $ 8.67 | $ 3.75 |
| $108.31 | | | |

# DEVELOPMENT OF FULL FUNDING LIMITS - MINIMUM CONTRIBUTION BASIS

| | |
|---|---|
| 1. 100% actuarial accrued liab. full funding limit | |
| (a) Actuarial accrued liab. as of July 1, 2022 | $208,224,769 |
| (b) Normal cost to end of Plan Year | 1,462,230 |
| (c) Value of assets as of July 1, 2022 | |
| (i) Lesser of actuarial and market value | 30,903,619 |
| (ii) Credit balance | 0 |
| (iii) Plan assets: (i)-(ii) | 30,903,619 |
| (d) Interest to June 30, 2023 on | |
| (i) Liabilities: items (a) and (b) | 15,726,525 |
| (ii) Assets: item (c)(iii) | 2,317,771 |
| (iii) At rate | 7.50% |
| (e) Minimum basis 100% AAL FFL: (a)+(b)-(c)(iii)+(d)(i)-(d)(ii), min zero | $192,192,134 |
| 2. Est. current liability at June 30, 2023 | |
| (a) Total current liability as of July 1, 2022 | |
| (i) Retirees and benef. receiving payments | $226,325,488 |
| (ii) Terminated vested participants | 70,172,325 |
| (iii) Active participants | 68,954,591 |
| (iv) Total liability: (i)+(ii)+(iii) | 365,452,404 |
| (b) Vested current liability as of July 1, 2022 | |
| (i) Retirees and benef. receiving payments | 226,325,488 |
| (ii) Terminated vested participants | 70,172,325 |
| (iii) Active participants | 67,652,005 |
| (iv) Total vested liability: (i)+(ii)+(iii) | 364,149,818 |
| (c) Normal cost to end of Plan Year | 3,055,627 |
| (d) Est. benefit disbursements to June 30, 2023 | 18,017,209 |
| (e) Interest to December 31, 2021 on | |
| (i) Items (a) and (c) | 8,365,132 |
| (ii) Item (d) for 1/2 year | 203,348 |
| (iii) At rate | 2.27% |
| (f) Estimated eoy current liability: (a)+(c)-(d)+(e)(i)-(e)(ii) | $358,652,606 |
| 3. Estimated assets for current liability FFL | |
| (a) Actuarial assets as of July 1, 2022 | $33,342,254 |
| (b) Est. benefit disbursements to June 30, 2023 | 18,017,209 |
| (c) Est. employee contributions to June 30, 2023 | 0 |
| (d) Est. return at rate (1)(d)(iii) to June 30, 2023 on | |
| (i) Item (a) | 2,500,669 |
| (ii) Items (b)-(c) for 1/2 year | 663,431 |
| (e) Estimated assets as of June 30, 2023: (a)-(b)+(c)+(d)(i)-(d)(ii) | $17,162,283 |
| 4. 90% current liab. minimum full funding limit | |
| (a) 90% eoy RPA current liab.: .9x(2)(f) | $322,787,345 |
| (b) 90% current liab. FFL: (a)-(3)(e), min zero | $305,625,062 |

# DEVELOPMENT OF FULL FUNDING LIMITS - MAXIMUM CONTRIBUTION BASIS

| | |
|---|---|
| 1. 100% actuarial accrued liab. full funding limit | |
| (a) Actuarial accrued liab. as of July 1, 2022 | $208,224,769 |
| (b) Normal cost to end of Plan Year | 1,462,230 |
| (c) Value of assets as of July 1, 2022 | |
| (i) Lesser of actuarial and market value | 30,903,619 |
| (ii) Conts. included in (i) but not yet deducted | 0 |
| (iii) Applicable assets: (i)-(ii) | 30,903,619 |
| (d) Interest to June 30, 2023 on | |
| (i) Liabilities: items (a) and (b) | 15,726,525 |
| (ii) Assets: item (c)(i) | 2,317,771 |
| (iii) At rate | 7.50% |
| (e) Maximum basis 100% AAL FFL: (a)+(b)-(c)(iii)+(d)(i)-d(ii), min zero | $192,192,134 |
| 2. Est. eoy current liability | |
| (a) Current liability as of July 1, 2022 | $365,452,404 |
| (b) Normal cost | 3,055,627 |
| (c) Est. benefit disbursements to June 30, 2023 | 18,017,209 |
| (d) Interest to June 30, 2023 on | |
| (i) Items (a) and (b) | 8,365,132 |
| (ii) Item (c) for 1/2 year | 203,348 |
| (iii) At rate | 2.27% |
| (e) Estimated end of Plan Year current liability: (a)+(b)-(c)+(d)(i)-(d)(ii) | $358,652,606 |
| 3. Est. assets for current liability limit | |
| (a) Actuarial assets as of July 1, 2022 | $33,342,254 |
| (b) Conts. included in (a) but not yet deducted | 0 |
| (c) Est. benefit disbursements to June 30, 2023 | 18,017,209 |
| (d) Est. employee contributions to June 30, 2023 | 0 |
| (e) Estimated return to June 30, 2023 at rate (1)(d)(iii) | |
| (i) Item (a) | 2,500,669 |
| (ii) Items (c)-(d) for 1/2 year | 663,431 |
| (f) Estimated assets as of June 30, 2023: (a)-(b)-(c)+(d)+(e)(i)-(e)(ii) | $17,162,283 |
| 4. 90% current liab. minimum full funding limit | |
| (a) 90% of eoy RPA current liability: .9x(2)(e) | $322,787,345 |
| (b) 90% current liab. FFL: (a)-(3)(f), min zero | 305,625,062 |
| 5. Contribution to fund 140% of eoy current liability: 1.4x(2)(e)-(3)(f), min zero | $484,951,365 |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## Actuarial Certification of Funding Status in accordance with the Pension Protection Act of 2006

**As of**
**July 1, 2022**

**For the Plan Year Beginning July 1, 2022 and Ending June 30, 2023**

Prepared by:

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

September 28, 2022

Board of Trustees
Southwestern Pennsylvania and Western Maryland Area
Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401

RE: Actuarial Certification of Funding Status as of July 1, 2022

Trustees:

In accordance with the provisions of the Pension Protection Act of 2006 (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA), I have prepared an actuarial certification of the funding status of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of July 1, 2021. The attached report provides details of the actuarial and projection assumptions and methods used, the resultant projections and the results of the application of the PPA status testing performed.

For the plan year beginning July 1, 2022, the plan is **IN CRITICAL AND DECLINING STATUS** as defined in Section 432 of the Internal Revenue Code. This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. A copy of this certification will be mailed to the Secretary of the Treasury as required by law.

Sincerely,

Gregory J. Pastino

Gregory J. Pastino, ASA, EA, MAAA
Senior Consulting Actuary

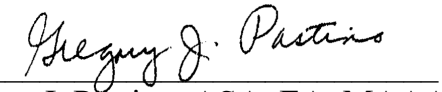
# ACTUARIAL CERTIFICATION OF FUNDING STATUS UNDER THE PENSION PROTECTION ACT OF 2006

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN:** 25-1046087
**Plan Number:** 001
**Plan Contact Information:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401
Phone: 724-438-0512
Fax: 724-438-4870
**Plan Year of Certification:** July 1, 2022 to June 30, 2023

I hereby certify that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund is **IN CRITICAL AND DECLINING STATUS** for the 2020-21 plan year as defined under Section 432 of the Internal Revenue Code. My projections are based on the Actuarial Valuation that was prepared as of July 1, 2021.

This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. The actuarial assumptions, projection assumptions and methods used follow this certification. This certification is based on the understanding that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund qualifies as a multiemployer plan in accordance with the law for the 2022-2023 plan year.

To the best of my knowledge, the information supplied in this certification including the following exhibits is complete and accurate, and in my opinion represent my best estimate of anticipated experience under the plan.



Gregory J. Pastino, ASA, EA, MAAA
Enrolled Actuary No. 20-03916
Foster & Foster Consulting Actuaries, Inc.
1136 Hamilton Street, Suite 103
Allentown, PA 18101
Phone: 610-435-9577
Fax: 239-481-0634
Date: September 28, 2022

**EXHIBIT I**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

## CRITICAL STATUS TESTING

Test 1

| | | |
|---|---|---|
| 1. Was the plan certified to be in Critical Status for the prior plan year? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 304(d)? | YES | |
| 3. Critical status if both #1 and #2 are YES? | | **CRITICAL** |

Test 2

| | | |
|---|---|---|
| 1. Is Funded Percentage below 65%? | YES | |
| 2. Is the sum of assets and the present value of expected contributions for the current plan year and each of the next 6 plan years less than the present value of benefits to be paid during that period? | YES | |
| 3. Critical status if both #1 and #2 are YES? | | **CRITICAL** |

Test 3

| | | |
|---|---|---|
| 1. Does the plan have an accumulated funding deficiency in the current plan year? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency within the 3 succeeding plan years (4 succeeding Plan Years if the Funded Percentage is 65% or less)? | YES | |
| 3. Critical Status if either #1 or #2 is YES? | | **CRITICAL** |

Test 4

| | | |
|---|---|---|
| 1. Does normal cost plus interest on the unfunded accrued liability exceed the expected contributions? | YES | |
| 2. Is the present value of nonforfeitable benefits for inactives greater than the present value of nonforfeitable benefits for actives? | YES | |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 4 plan years? | YES | |
| 4. Critical Status if #1, #2 and #3 are "YES"? | | **CRITICAL** |

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

**CRITICAL STATUS TESTING, cont'd**

Test 5

| | |
|---|---|
| 1. Is the sum of the market value of assets plus the expected contributions for the current and 4 succeeding plan years less than the present value of benefits expected to be paid during that period including plan expenses? | NO |
| 2. Critical Status if #1 is "YES"? | **NOT CRITICAL** |

**CONCLUSION: THE PLAN IS IN CRITICAL STATUS**

**CRITICAL AND DECLINING STATUS TESTING**

Test 1

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 14 plan years? | YES |
| 3. Critical and Declining Status if both #1 and #2 are "YES"? | **CRITICAL & DECLINING** |

Test 2

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Is the inactive to active participant ratio greater than 2 to 1? | YES |
| 4. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 19 plan years? | YES |
| 5. Critical and Declining Status if either #2 or #3 is "YES" and both #1 and #4 are "YES"? | **CRITICAL & DECLINING** |

**CONCLUSION: THE PLAN IS IN CRITICAL AND DECLINING STATUS**

**EXHIBIT I, cont'd**

**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION**

**ENDANGERED STATUS TESTING**

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 6 plan years taking into account any extension of amortization periods under PPA Section 304(d)? | YES |
| 4. Endangered Status if #1 is "NO" and either #2 or #3 is "YES"? | **NOT ENDANGERED** |

**CONCLUSION: THE PLAN IS NOT IN ENDANGERED STATUS**

## EXHIBIT II

## PENSION PROTECTION ACT OF 2006
## PROJECTION RESULTS

| Year | Active Population | Inactive Population | Actuarial Value of Assets | Accrued Benefit Liability | Accrued Benefit Funded % | 06/30 Credit Balance |
|---|---|---|---|---|---|---|
| 2022 | 428 | 2,343 | $33,135,390 | $204,871,850 | 16.2% | ($120,758,584) |
| 2023 | 422 | 2,344 | 25,963,001 | 202,773,870 | 12.8% | (131,193,098) |
| 2024 | 415 | 2,339 | 19,240,596 | 200,376,003 | 9.6% | (141,615,054) |
| 2025 | 409 | 2,329 | 11,067,170 | 197,509,546 | 5.6% | (149,369,950) |
| 2026 | 403 | 2,311 | 4,057,636 | 194,137,200 | 2.1% | (157,752,682) |
| 2027 | 396 | 2,289 | 0 | 190,316,648 | 0.0% | (162,675,459) |

# EXHIBIT III

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Plan Changes:** The Trustees adopted a Rehabilitation Plan on April 2, 2009, which did not eliminate any "adjustable benefits" for those benefits earned through June 30, 2009, but changed future benefit accruals for service earned on and after July 1, 2009 as follows:

- Benefit accrual equal to 1% of contributions required to be made on behalf of the participant based on the contribution rate that was in effect on July 1, 2008.
- Benefits earned after July 1, 2009 will be payable as a Straight Life Annuity with other forms determined based on an actuarial equivalent.
- Benefits earned after July 1, 2009 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Special 25 and 30 & Out Benefit Levels are frozen at their accrued level as of June 30, 2009.
- Contribution levels required to be increased by 8% for each year in the future.

The Trustees adopted an update to the Rehabilitation Plan on February 11, 2011, incorporating the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all participants not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the Five (5) Year Certain and Life Subsidy applies only to benefits earned prior to July 1, 2009.
- Benefits earned from July 1, 2009 through June 30, 2011 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Benefits earned on and after July 1, 2011 are paid without reduction at Normal Retirement Age 65 and reduced actuarially for early commencement.
- The 25 and out retirement prior to age 55 is eliminated for all participants not eligible to retire on or before July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the 25 and out retirement prior to age 55.
- Early retirement subsidy is eliminated for all participants who are not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the early retirement subsidy applies only to benefits earned prior to July 1, 2009.
- Twenty-five (25) and Out no reduction for early retirement is eliminated except for participants with 25 years as of July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the Twenty-five (25) and Out no reduction only for benefits earned prior to July 1, 2009.
- All disability benefits are eliminated unless in pay status or unless an application for disability benefits was in process on or before June 30, 2011.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2014, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all individuals who are not receiving a retirement benefit with an effective date on or before July 1, 2014.
- No one can retire on or after July 1, 2014 before age 60, whether they are age 55 with 15 years of service or have obtained 25 years of service.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2017, which incorporated the following changes:

- The Pre-Retirement Ten (10) Year Certain and Life Death Benefit as eliminated.
- The Joint & Survivor Pop-Up Benefit was eliminated.

The Trustees adopted an update to the Rehabilitation Plan effective July 12, 2019 to change the contribution increase requirements for all employers to no more than 6% per year effective August 1, 2019.

## EXHIBIT III, cont'd

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Assets:**

Valued as of: June 30, 2022
Source of assets: Unaudited financial statement from plan auditor DiClaudio & Kramer, LLC
Adjustments: None

**Method Used to Project Assets:** Assets are projected based on a 7.5% investment return. The investment return assumption is based on the application of historical investment returns by asset class applied to the current investment portfolio.

**Method Used to Project Liabilities:** Liabilities are projected based on deterministic forecasting techniques and actuarial and projection assumptions.

**Other Anticipated Changes from Original Valuation/Schedule MB:** None.

**Active Membership:** Active membership for UPS is assumed to remain constant for all future years. Active membership for all other active contributing employers is assumed to decline by 2% per year.

**Anticipated Employer Contributions:**

Basis for current year: Reflects the contribution rates in the collective bargaining/participation agreements as of the valuation year.

Basis for projection years: For purposes of testing for Endangered and Critical Status, we consider only the actual increases in the collective bargaining agreements already scheduled to take effect in future years. For purposes of testing for Critical and Declining Status, we consider the actual increases in the collective bargaining agreements already scheduled to take effect in future years plus 6.0% for all employers.

## EXHIBIT IV

## PENSION PROTECTION ACT OF 2006
## ACTUARIAL METHODS AND ASSUMPTIONS

**Actuarial Cost Method:** Unit Credit Cost Method

**Actuarial Asset Valuation Method:** 4 Year Smoothed market value in accordance with Approval 15 of Revenue Procedure 95-51 as modified by Revenue Procedure 98-10.

**Actuarial Assumptions:**

Mortality: SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2020.

Disability Mortality: SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2020.

Interest: A rate of 7.5% per annum.

Retirement Age: Active participants - Retirement rates are graduated rates of retirement based on age, service, and contribution level.
Terminated Vested participants – The participant's Normal Retirement Age.

Termination: Annual rates based on the following scale as a percentage:

Freight and UPS -

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

Non-Freight -

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

Expenses: An estimated amount based on the actual expenses paid in the prior plan year.

Incidence of Disability, Active Lives: The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund
Application for Special Financial Assistance
EIN 25-1046087 /PN 001
Checklist Item #22.a – Section D, Item 1

March 10, 2023

*Submitted electronically via PBGC's e-Filing Portal*

Pension Benefit Guaranty Corporation
1200 K Street, NW
Washington, DC 20005

**RE: Application for Special Financial Assistance**

To Whom It May Concern:

On behalf of the Board of Trustees of the Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund, we respectfully submit this application for Special Financial Assistance in the amount of **$116,253,045.00**. This application is being submitted in accordance with Section 4262 of the Employee Retirement Income Security Act of 1974 ("ERISA") and Section 4262 of the PBGC's SFA regulation using the basic method to calculate the greatest amount of SFA.

Information required to be submitted under Section D of the Instructions for the SFA Application under the PBGC's SFA regulation can be found in the pages following this cover letter.

Please to not hesitate to contact us if you have any questions regarding this application.

Sincerely,

*Levi K. Logan*

Levi K. Logan, Esq.
412-456-2588
lkl@muslaw.com

Enclosure

CC: Gregory J. Pastino, ASA, EA, MAAA, Foster & Foster

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## Plan Document

**Amended and Restated as of July 1, 2014**

## TABLE OF CONTENTS


Page

**ARTICLE I - DEFINITIONS**

1.1 Accrued Benefit ..... 1
1.2 Annuity Starting Date ..... 1
1.3 Beneficiary ..... 1
1.4 Board of Trustees ..... 1
1.5 Break in Service ..... 2
1.6 Code ..... 2
1.7 Covered Employment ..... 2
1.8 Employee ..... 2
1.9 Employer ..... 2
1.10 Employer Contributions ..... 3
1.11 Equivalent Actuarial Value ..... 3
1.12 ERISA ..... 3
1.13 Last Employer Weekly Contribution Rate ..... 3
1.14 Normal Retirement Age ..... 3
1.15 Normal Retirement Date ..... 4
1.16 One Year Interruption of Service ..... 4
1.17 Participant ..... 4
1.18 Plan ..... 4
1.19 Plan Year ..... 4
1.20 Retirement, Retires or Retired ..... 4
1.21 Retirement Benefit ..... 4
1.22 Spouse ..... 4
1.23 Trustees ..... 4
1.24 Trust Agreement ..... 4
1.25 Trust Fund ..... 4
1.26 Union ..... 4
1.27 Year of Participation ..... 5
1.28 Year of Credited Service ..... 5

**ARTICLE II - PARTICIPATION**

2.1 Commencement of Participation ..... 5
2.2 Termination of Participation ..... 5
2.3 Recommencment of Participation ..... 5
2.4 Special Limit on Participation ..... 5

**ARTICLE III - SERVICE**

3.1 Year of Participation ..... 7
3.2 Year of Credited Service ..... 7
3.3 Break in Service ..... 9
3.4 Maternity and Paternity Leave ..... 10
3.5 Military Service (USERRA) ..... 10

**ARTICLE IV - BENEFITS**

4.1 Basic Retirement Benefit ..... 11

## TABLE OF CONTENTS

Page


4.2 Normal Retirement Benefit ..... 12
4.3 Postponed Retirement ..... 12
4.4 Early Retirement Benefit ..... 12
4.5 Vested Retirement Benefit ..... 13
4.6 Special Benefits – Partial Pensions Using Related Plan Service ..... 13
4.7 Nonforfeitability of Normal Retirement Benefit ..... 15
4.8 Forfeitures ..... 15
4.9 Adjustment for Payment after Normal Retirement Date ..... 15
4.10 Non-Duplication of Retirement Benefit Eligibility ..... 16
4.11 Limitations on Benefits ..... 16

**ARTICLE V – PAYMENT OF BENEFITS**

5.1 In General ..... 20
5.2 Time of Payment ..... 21
5.3 Form of Payment for Participants ..... 22
5.4 Election of Form of Payment ..... 23
5.5 Special Payment Provisions for Disability Retirement Benefit ..... 24
5.6 Suspension of Pension ..... 25
5.7 De Minimis Benefits ..... 27
5.8 Direct Rollover Election ..... 27
5.9 Required Time and Form of Payment ..... 28
5.10 Failure to Provide Information ..... 29
5.11 Forfeiture/Reinstatement of Benefits ..... 29
5.12 Incompetency ..... 29
5.13 Special Payment Rule ..... 30

**ARTICLE VI – DEATH BENEFITS**

6.1 Ten Year Certain Death Benefit ..... 30
6.2 Qualified Preretirement Survivor Annuity ..... 32
6.3 Death in Qualified Military Service ..... 32
6.4 Required Time of Payment ..... 33

**ARTICLE VII – CONTRIBUTIONS**

7.1 Employer Contributions ..... 33
7.2 Irrevocability of Contributions ..... 33
7.3 Employee Contributions ..... 34
7.4 Reciprocal Agreements ..... 34
7.5 Exclusion of Certain Employer Contributions ..... 34

**ARTICLE VIII – WITHDRAWAL LIABILITY**

8.1 Free Look ..... 34
8.2 Adoption of Strict Application of Construction Industry Rules ..... 35

**ARTICLE IX - PLAN ADMINISTRATION**

9.1 Plan Administrator/Named Fiduciary ..... 36
9.2 Powers and Duties ..... 36

## TABLE OF CONTENTS

Page


9.3 Compensation, Expenses and Liability ..... 37
9.4 Claims, Appeals and Review Procedure ..... 38
9.5 Information from Participants ..... 41
9.6 Status Determination of Suspension of Pension Upon Reemployment ..... 41

**ARTICLE X - AMENDMENT; MERGER; TRANSFER; TERMINATION**

10.1 Amendment ..... 42
10.2 Merger, Consolidation or Transfer of Assets ..... 42
10.3 Plan Termination ..... 42

**ARTICLE XI - MISCELLANEOUS PROVISIONS**

11.1 Participant's Rights ..... 43
11.2 Plan Assets ..... 43
11.3 Spendthrift Clause ..... 43
11.4 Costs ..... 44
11.5 Separability ..... 44
11.6 Gender and Number ..... 44
11.7 Applicable Law ..... 44

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## Plan Document

(Amended and Restated as of July 1, 2014)

## PREAMBLE

WHEREAS, the Plan was established effective July 1, 1956 as the Teamsters Local Union 491 and Industry Pension Fund by trustees representing the Teamsters, Chauffeurs, Warehousemen and Helpers Local Union 491 and the employers who entered into labor contracts with said Local Union, which included the execution of an Agreement and Declaration of Trust and the adoption of a Pension Plan, for the purpose of providing pension benefits;

WHEREAS, on January 1, 1989, the Cumberland, Maryland Area Teamsters Pension Fund merged into the Teamsters Local Union 491 and Industry Pension Fund;

WHEREAS, the Pension Plan was subsequently amended from time to time, including an amendment and restatement adopted January 26, 2010 effective as of July 1, 2009; and

WHEREAS, the Board of Trustees wishes to amend the terms of the Plan to make the changes necessary to comply with the current tax qualification requirements of the Code and to incorporate the applicable terms of prior amendments..

NOW, THEREFORE, the Board of Trustees hereby amends the Plan in its entirety as follows, effective as of July 1, 2014, except as otherwise provided herein, to be applicable to Employees whose Covered Employment terminates on or after said effective date:

## ARTICLE I

## DEFINITIONS

1.1 **Accrued Benefit** shall mean a Participant's basic Retirement Benefit calculated under Section 4.1 as of any given date.

1.2 **Annuity Starting Date** shall mean the date as of which a Participant's Retirement Benefit is first payable.

1.3 **Beneficiary** shall mean the person or persons designated by a Participant or otherwise determined in accordance with terms of the Plan to receive any death benefits due under the Plan.

1.4 **Board of Trustees** shall mean the Board of Trustees established by the Trust Agreement and consisting of the persons acting in the capacity of Trustees from time to time pursuant to the Trust Agreement.

1.5 **Break in Service** shall mean one or more One Year Interruptions of Service that results in the forfeiture of the Years of Participation and Years of Credited Service credited to the Participant before the One Year Interruption of Service.

1.6 **Code** shall mean the Internal Revenue Code of 1986, as the same may be amended from time to time.

1.7 **Covered Employment** shall mean employment with an Employer for which the Employer is obligated to make Employer Contributions to the Trust Fund on an Employee's behalf.

1.8 **Employee** shall mean:

(a) An employee covered by a collective bargaining agreement in effect between an Employer and the Union, providing for such Employer's participation in the Trust Fund.

(b) An employee of the Union, upon being proposed by the Union and accepted by the Board of Trustees, and the Union shall make payments to the Trust Fund for said employee as agreed by the Union.

(c) An employee of the Trust Fund or Teamsters Local Union 491 Health and Welfare Fund, and the Trust Fund or said Health and Welfare Fund shall make payments to the Trust Fund for their respective said employees as agreed by the Trust Fund and Health and Welfare Fund.

(d) An employee not covered by a collective bargaining agreement in effect between an Employer and the Union, but for whom the Employer desires to include in the Plan, provided that the acceptance of said employee is in writing and the terms and conditions thereof are approved by the Board of Trustees.

1.9 **Employer** shall mean:

(a) An employer that has in force and in effect a collective bargaining agreement with the Union providing for the employer's participation in the Trust Fund.

(b) The Union, provided that the Union shall make appropriate Employer Contributions on behalf of its Employees to the Trust Fund.

(c) The Trust Fund, provided that the Trust Fund shall make appropriate Employer Contributions on behalf of its Employees to the Trust Fund.

(d) The Teamsters Local Union 491 Health and Welfare Fund, provided that the Health and Welfare Fund shall make appropriate Employer Contributions on behalf of its Employees to the Trust Fund.

(e) An employer who desires to include employees not covered by a collective bargaining agreement with the Union, provided that the acceptance of said employees is in writing and the terms and conditions thereof are approved by the Board of Trustees.

1.10 **Employer Contributions** shall mean payments made or required to be made by Employers to the Fund in the amounts specified in a Collective Bargaining Agreement or other legal agreement.

1.11 **Equivalent Actuarial Value** shall mean a benefit or amount of equivalent actuarial value computed, except as otherwise specified herein:

(a) for a (non-disabled) Participant, on the basis of the 1951 Group Annuity Table for Males and interest at the rate of 7½% compounded annually; and

(b) if the following would produce a higher lump sum value than the assumptions in (a) above, the equivalent lump sum value shall be determined in the manner described for the determination of present value under Code § 417(e)(3) on the basis of the applicable mortality table specified under Code § 417(e)(3)(B) by the Commissioner of Internal Revenue for the Plan Year of determination and interest equal to the applicable interest rate specified under Code § 417(e)(3)(C) by the Commissioner of Internal Revenue for the fourth calendar month prior to the calendar month in which the Annuity Starting Date would occur.

1.12 **ERISA** shall mean the Employee Retirement Income Security Act of 1974, as the same may be amended from time to time.

1.13 **Last Employer Weekly Contribution Rate** shall mean and shall be determined as follows:

(a) Last Employer Weekly Contribution Rate shall mean the most recent weekly negotiated contribution rate actually contributed on behalf of a retiring or otherwise terminating Employee by a participating Employer, but not less than the largest contribution rate provided for in a negotiated contract in effect on September 1, 1975.

(b) An hourly contribution rate shall be converted to a weekly contribution rate by multiplying said hourly rate by 40. A monthly contribution rate shall be converted to a weekly contribution rate by dividing said hourly rate by four and one-third. A percentage of pay contribution rate shall be converted to a weekly contribution rate by dividing the total contributions paid on the Participant's behalf during the 12-month period which produces the highest result by 52.

(c) If a retiring or otherwise terminating Participant has not worked for the same Employer for the 12 months preceding termination, then the Last Employer Weekly Contribution Rate shall be based on service with the last Employer for which the Participant did work 12 consecutive months.

1.14 **Normal Retirement Age** shall mean:

(a) for retirement benefits (and the Accrued Benefit) earned before July 1, 2009, the later of age 60 or his attained age on the fifth anniversary of date of hire by an Employer even if the date of hire is prior to the date the Employer first became an Employer;

(b) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2009 and before July 1, 2011, the later of age 62 or his attained age on the fifth anniversary of the commencement (initially or after a Break in Service) of his participation in the Plan; and

(c) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2011, the later of age 65 or his attained age on the fifth anniversary of the commencement (initially or after a Break in Service) of his participation in the Plan.

1.15 **Normal Retirement Date** shall mean the first day of the calendar month following the date on which the Participant attains Normal Retirement Age.

1.16 **One Year Interruption of Service** shall mean a calendar year in which less than 13 weeks of contributions are made to the Trust Fund, as otherwise required by an Employer on behalf of a Participant.

1.17 **Participant** shall mean an Employee who becomes and remains a participant in accordance with Article II.

1.18 **Plan** shall mean the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund set forth herein, as the same may be amended from time to time.

1.19 **Plan Year** shall mean the 12 consecutive month period commencing on July 1 of each year.

1.20 **Retirement, Retires or Retired** shall mean the termination of employment for reasons other than death after the Participant has satisfied the eligibility requirements for a normal, postponed or early Retirement Benefit.

1.21 **Retirement Benefit** shall mean the monthly benefit a Participant, and where applicable, his Spouse or beneficiary, is eligible to receive in accordance with the provisions of the Plan.

1.22 **Spouse** shall mean the individual to whom a Participant is legally married under applicable law (as further addressed in Section 5.1).

1.23 **Trustees** shall mean the members of the Board of Trustees selected and acting as trustees for the Fund in accordance with the Trust Agreement.

1.24 **Trust Agreement** shall mean the Agreement and Declaration of Trust, as amended from time to time thereafter.

1.25 **Trust Fund** shall mean the trust estate (and assets of) the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund.

1.26 **Union** shall mean the Teamsters, Chauffeurs, Warehousemen and Helpers Local Unions 491 and 453.

1.27 **Year of Participation** shall mean a year of participation credited under Section 3.1.

1.28 **Year of Credited Service** shall mean a year of credited service credited under Section 3.2.

## ARTICLE II

## PARTICIPATION

### 2.1 Commencement of Participation

An Employee shall become a Participant in the Plan as of the first day of the calendar month following:

(a) the completion of a probationary period of Covered Employment (not to exceed one year) provided for in the collective bargaining agreement between the Employer and the Union; or

(b) the date of Covered Employment if no probationary period is required.

### 2.2 Termination of Participation

A Participant's participation in the Plan shall terminate on the earliest of the following:

(a) death;

(b) Retirement;

(c) termination of Covered Employment for any reason other than death or Retirement, or

(d) a One Year Interruption in Service.

### 2.3 Recommencment of Participation

(a) A former Participant who returns to Covered Employment after a termination of participation shall again become a Participant in the Plan on the date he so returns to Covered Employment.

(b) If an employee employed by an Employer in other than Covered Employment transfers to Covered Employment, said Employee shall become a Participant in the Plan on the date he so transfers to Covered Employment.

### 2.4 Special Limit on Participation

(a) Notwithstanding any contrary provisions, the participation of (and the accrual of benefits by) a Participant who is both a highly compensated employee within the meaning of subsection (d) of this Section and a non-collectively bargained employee within the meaning of subsection (e) of this Section may be

prospectively conditioned upon the submission by the Employer or Employers who contribute (or who are obligated to contribute) on behalf of such Participant of a demonstration and certification satisfactory to the Board of Trustees that the portion of the Plan which covers the non-collectively bargained employees (including the Participant) of such Employer(s) satisfies the applicable minimum coverage and general nondiscrimination requirements of Code §§ 410(b) and 401(a)(4).

(b) For purposes of demonstrating satisfaction with any applicable nondiscrimination requirements of the Code under this Section, an Employer who contributes to the Plan on behalf of non-collectively bargained employees may elect to use any definition of compensation that complies with the provisions of Treas. Reg. §1.414(s)-1 (or its successor) to apply such nondiscrimination requirements to the portion of the Plan which is required to be tested as a separate plan of such Employer, provided that the definition of compensation so elected by an Employer is used consistently to the extent required by Treas. Reg. §1.414(s)-1 (or its successor).

(c) For purposes of demonstrating satisfaction with any applicable nondiscrimination requirements of the Code under this Section, the annual compensation of a Participant taken into account for any Plan Year shall not exceed $200,000, with said dollar amount proportionately reduced for any Plan Year shorter than twelve months and adjusted at the same time and in the same manner as provided by Code § 401(a)(17). Said annual compensation limit shall be applied separately with respect to the compensation of an Employee from each Employer maintaining the Plan, rather than the total compensation from all Employers maintaining the Plan.

(d) For purposes of this Section, a Participant shall be considered a highly compensated employee for a Plan Year (the "current Plan Year") if, as determined in accordance with Code §414(q), the Participant performs service for an Employer during the current Plan Year and either:

(1) is a 5-percent owner within the meaning of Code § 416(i)(1)(A)(iii) at any time during the current Plan Year or preceding Plan Year; and

(2) during the preceding Plan Year, received compensation (within the meaning of Code § 415(e)(3)) of more than $80,000, or such higher amount prescribed pursuant to Code § 414(q)(1), and if elected by the Employer, was also among the top 20 percent paid employees determined by excluding employees under Code § 414(q)(5).

(e) For purposes of this Section, a non-collectively bargained employee shall mean an Employee for whom an Employer is obligated to contribute pursuant to a legal agreement with the Board of Trustees, and not a collective bargaining agreement with the Union; provided, however, for this purpose, such an Employee shall be treated as a collectively bargained employee to the extent provided by I.T. Reg. §1.410(b)-6(d)(2)(ii)(A) through (D) (or any successor).

## ARTICLE III

## SERVICE

### 3.1 Year of Participation

(a) A Participant shall be credited with a Year of Participation for a calendar year in which he has at least five Months of Service or 22 Weeks of Service. If contributions are required to be made to the Trust Fund on an hourly or daily basis, the Participant shall be credited with a Year of Participation for a calendar year in which a Participant has at least 1,000 Hours of Service or 100 Days of Service.

(b) With respect to Years of Participation as of July 1, 1976, a Participant shall be credited with one Year of Participation for each full Year of Credited Service credited to the Participant as of July 1, 1976.

(c) For Years of Participation after January 1, 1976, a Participant shall be credited with a Year of Participation for each full Year of Past Credited Service granted after January 1, 1976 under Section 3.2, up to a maximum of five said Years of Participation.

(d) If an Employer is a member of a controlled group (within the meaning of Code § 414(b), (c) or (m)), and if a Participant transfers to Covered Employment with the Employer from employment with a member of the controlled group that is not Covered Employment, the Participant's pre-transfer employment with said member of the controlled group shall be recognized for the purpose of determining the Participant's Years of Participation. If a Participant transfers from Covered Employment with the Employer to employment with a member of the controlled group that is not Covered Employment, said post-transfer employment shall be recognized for the purpose of determining the Participant's Years of Participation.

(e) A Participant's contiguous noncovered service shall be recognized for the purpose of determining the Participant's Years of Participation. For this purpose:

(1) noncovered service shall mean employment with an Employer that is not Covered Employment (and not otherwise recognized for purposes of determining Years of Participation), including service before the date an Employer becomes an Employer; and

(2) such noncovered service shall be contiguous noncovered service if the noncovered service precedes or follows Covered Employment and no quit, discharge or retirement occurs between the noncovered service and Covered Employment.

### 3.2 Year of Credited Service

(a) A Participant shall be credited with Years of Credited Service equal to the total of his Past Credited Service, Future Credited Service and Service.

(b) A Participant's Past Credited Service shall be equal to his total years and weeks of employment with all Employers before his entry date into the Plan since his last Break in Service, provided that his entry date coincides with his Employer's entry into the Plan and his entry date was before October 1, 1987. However, in no event shall Past Credited Service be credited to a Participant for any period of employment with an Employer, or successor, whose participation in the Plan is voluntarily or involuntarily terminated before the date Participant retires.

(c) A Participant's Future Credited Service shall be equal to his total years and completed weeks of service with all Employers on and after his entry date into the Plan since his last Break in Service for which contributions to the Trust Fund have been made, as required, by Employers on the Participant's behalf.

(d) Service shall be equal to:

(1) Any period for which contribution is required, in accordance with the terms of a collective bargaining agreement, to be made to the Trust Fund by an Employer on behalf of a Participant and for which such Participant is required to be credited with at least one hour of service under DOL Reg. § 2530.200b-2.

(2) Any period which is required to be credited with at least one hour of service under DOL Reg. § 2530.200b-2 and for which a contribution is not required to be made to the Trust Fund by an Employer on behalf of a Participant, if any, arising out of arbitration, for periods of time for which the Participant is paid or entitled to payment under a collective bargaining agreement, or for which back pay irrespective of mitigation of damages is awarded or agreed to by the Employer.

(e) Other Current Credited Service shall mean any periods of service for:

(1) intervals of not more than three months arising out of transfer of employment among Employers;

(2) layoffs not exceeding two years;

(3) authorized strikes;

(4) lockouts;

(5) service in the Armed Forces of the United States, provided that the Participant has the consent of the Employer or as required by the Selective Service Act of 1948 as from time to time in effect, or subsequent federal act of like intent or purpose, and provided that he returns to work with an Employer within 90 days after the termination of such active service or within such longer period during which his employment rights are protected by law;

(6) periods of not more than one year arising out of sickness or injury;

(7) authorized union duties; and

(8) maternity and paternity leave described in Section 3.4.

(f) Year of Service shall mean 52 weeks of service.

(g) Week of Service shall mean a week for which a weekly contribution to the Trust Fund is made, as required, by an Employer on behalf of a Participant.

(h) Day of Service shall mean a day for which a daily contribution is required to be made to the Trust Fund by an Employer on behalf of a Participant.

3.3 **Break in Service**

(a) Notwithstanding any contrary provisions, a Participant shall be considered to have a Break in Service and his Years of Participation and Years of Credited Service credited to a Participant prior to the Break in Service shall be forfeited if:

(1) the Participant is not vested in his Accrued Benefit; and

(2) the Participant incurs the greater of (i) five consecutive One Year Interruptions of Service or (ii) consecutive One Year Interruptions of Service at least equal to the number of Years of Participation since the Participant's last Break in Service.

(b) In determining whether a Participant has incurred a Break in Service, the following absences from work shall not be counted against him provided he returns to Covered Employment immediately following such absence:

(1) authorized strikes;

(2) lockouts;

(3) military service during time of war or national emergency or under a national conscription law, if the Participant has reemployment rights and applies for and is reemployed following discharge within the period provided by law; provided, however, that a Participant who re-enlists shall not receive Credited Service for the period of such re-enlistment;

(4) authorized union duties;

(5) authorized leave of absence, which shall mean an Interruption of Service, approved by the Board of Trustees or the provisions of the plan, subject to the terms of such approval; and

(6) maternity and paternity leave described in Section 3.4.

(c) Termination date shall mean the date on which a Participant terminates his service in Covered Employment for any reason other than death or retirement

and shall be deemed to the last day of the period for which a contribution was required to be paid into the Trust Fund on behalf of the Participant immediately prior to a One Year Interruption of Service.

## 3.4 Maternity and Paternity Leave

(a) For purposes of determining whether a Break in Service has occurred for participation and vesting purposes, an individual shall be deemed to have completed hours of service for an absence from work by reason of (i) the individual's pregnancy, (ii) the birth of his child, (iii) the placement of a child with him for adoption, or (iv) the care of such child immediately following such birth or placement.

(b) During the period of a maternity or paternity absence described in subsection (a) of this Section, the individual shall be deemed to have completed hours of service equal to (1) the number of hours that normally would have been credited to him but for the absence, or (2) if the normal work hours are unknown, eight hours of service for each normal workday during the leave. The total number of said hours for any period shall not exceed 501 hours.

(c) The hours of service required to be credited under this Section shall be credited only (i) in the year in which the absence begins if necessary to prevent a break in service in that year, or (ii) in the following year.

## 3.5 Military Service (USERRA)

Notwithstanding any contrary provisions, Participants with reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) with respect to this Plan shall be provided benefits and service credit with respect to qualified military service in accordance with Code § 414(u). For this purpose, service credited to a Participant with reemployment rights under USERRA for the period of qualified military service shall be determined by the number of hours credited to the Participant for the 12 consecutive months preceding the period of his qualified military service, whether or not the Participant was in Covered Employment continuously during such 12-month period. However, if said Participant's Covered Employment initially commenced within the 12 consecutive month period preceding the period of his qualified military service, the number of hours credited for the period of qualified military service shall be determined by an estimated number of hours based upon the number of hours credited to the Participant for the period of his Covered Employment preceding the period of his qualified military service, but said estimated number of hours shall in no event exceed the average number of hours of all Participants in Covered Employment during the period of the Participant's qualified military service.

## ARTICLE IV

## BENEFITS

### 4.1 Basic Retirement Benefit

(a) A Participant's basic Retirement Benefit under the Plan shall be a monthly amount commencing on his Normal Retirement Date, or Annuity Starting Date if later, equal to the sum of the following (computed to actual dollars and cents).

(1) For service prior to October 1, 1987, if the Participant entered the Plan before such date, the Unit Multiplier set forth in Appendix to the Plan multiplied by his Credited Service (Past and Future). If a member of Local 491 or 872, the maximum Credited Service prior to October 1, 1987 shall be 25 years. If a freight member of Local 453, the maximum Credited Service prior to October 1, 1982 shall be 20 years, with an additional five years of Credited Service up to October 1, 1987, for a total of 25 years. If a non-freight member of Local 453, the maximum Credited Service prior to October 1, 1987 shall be 20 years.

(2) For service on or after October 1, 1987 but prior to January 1, 2005, 2.75% of the amount of Employer Contributions without any reduction paid into the Fund for the Participant for said service, if the Participant is active and has one hour of service on after January 1, 2000 for which a contribution is received on or after February 1, 2000.

(3) For service on or after January 1, 2005 but prior to January 1, 2007, 1.75% of the amount of Employer Contributions without any reduction paid into the Fund for the Participant for said service, if the Participant is active and has one hour of service on after January 1, 2005 for which a contribution is received on or after February 1, 2005.

(4) For service on or after January 1, 2007 but prior to July 1, 2009, 1.00% of the amount of Employer Contributions without any reduction paid into the Fund for the Participant for said service, if the Participant is active and has one hour of service on after January 1, 2007 for which a contribution is received on or after February 1, 2007.

(5) For service on or after July 1, 2009, 1.00% of the amount of Employer Contributions based on the contribution rate in effect on June 30, 2008, without any reduction paid into the Fund for the Participant for said service, if the Participant is active and has one hour of service on after July 1, 2009 for which a contribution is received on or after August 1, 2009.

(b) If a former vested Participant or a former nonvested Participant who has not incurred a Break in Service recommences participation in the Plan on or after January 1, 2000, said Participant shall not eligible for the benefit under subsection (a) of this Section and shall have service on or after October 1, 1987 determined under the prior provisions of the Plan unless and until the Participant

has completed one Year of Participation (5 months, 22 weeks or 1,000 hours of Covered Employment) subsequent to the recommencement of participation.

(c) The form of the basic Retirement Benefit shall be a Single Life Annuity described in Section 5.3 (for the entire basic Retirement Benefit, regardless of when accrued). This subsection shall apply to a Participant whose employment terminated before July 1, 2014 (in place of the terms of the Plan in effect at such termination), unless the Participant is receiving a Retirement Benefit under the terms of the Plan previously in effect as of July 1, 2014 (because payment was being made as of that date or because application for payment was made by June 30, 2014 and the application was approved).

4.2 **Normal Retirement Benefit**

(a) A Participant who terminates Covered Employment and Retires on or after his attainment of Normal Retirement Age shall be eligible to receive a normal Retirement Benefit in the manner provided for in the Plan.

(b) An eligible Participant's normal Retirement Benefit shall be equal to his basic Retirement Benefit calculated under Section 4.1 at his termination of Covered Employment.

4.3 **Postponed Retirement**

(a) A Participant who continues in Covered Employment beyond his Normal Retirement Date may Retire as of the first day of any calendar month thereafter. Benefits will be postponed until the Participant's actual retirement unless:

(1) His Hours of Service are less than 40 during any month or four-to five-week payroll period ending in a calendar month (see Section 5.6 regarding suspension of benefits) in which case an adjustment shall be made at actual retirement; or

(2) He attains age 70½ (see Section 5.9 regarding required minimum distributions).

(b) The postponed Retirement Benefit shall be calculated using the formula for the normal Retirement Benefit in Section 4.2, and Years of Service and Contributions will be credited to the date of the Participant's actual retirement.

4.4 **Early Retirement Benefit**

(a) A Participant shall be eligible to receive an early Retirement Benefit in the manner provided for in the Plan if he terminates Covered Employment and Retires on or after the date he has attained at least age 60 and been credited with at least 5 years of Future Credited Service.

(b) An eligible Participant's early Retirement Benefit shall be equal to his basic Retirement Benefit calculated under Section 4.1 at his termination of Covered Employment, but reduced to its Equivalent Actuarial Value for payment beginning

before his Normal Retirement Date (using the age 60 Normal Retirement Age for the Accrued Benefit earned before July 1, 2009, the age 62 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2009 and before July 1, 2011, and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011).

(c) This Section shall apply to a Participant whose employment terminated before July 1, 2014 (in place of the terms of the Plan in effect at such termination), unless the Participant is receiving a Retirement Benefit under the terms of the Plan previously in effect as of July 1, 2014 (because payment was being made as of that date or because application for payment was made by June 30, 2014 and the application was approved).

4.5 **Vested Retirement Benefit**

(a) A Participant shall have a nonforfeitable right (within the meaning of Code § 411) to 100 percent of his Accrued Benefit upon and after the date on which he has been credited with five Years of Participation.

(b) A Participant shall be eligible to receive a vested Retirement Benefit in the manner provided for in the Plan if:

(1) his employment terminates before eligibility for a normal, postponed or early Retirement Benefit (and before death); and

(2) he has been credited with at least 5 Years of Participation.

(c) An eligible Participant's vested Retirement Benefit shall be equal to his basic Retirement Benefit calculated under Section 4.1 at his termination of Covered Employment, but reduced to its Equivalent Actuarial Value for payment beginning before his Normal Retirement Date (using the age 60 Normal Retirement Age for the Accrued Benefit earned before July 1, 2009, the age 62 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2009 and before July 1, 2011, and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011).

(d) This Section shall apply to a Participant whose employment terminated before July 1, 2014 (in place of the terms of the Plan in effect at such termination), unless the Participant is receiving a Retirement Benefit under the terms of the Plan previously in effect as of July 1, 2014 (because payment was being made as of that date or because application for payment was made by June 30, 2014 and the application was approved).

4.6 **Special Benefits – Partial Pensions Using Related Plan Service**

(a) Partial Pensions are provided under the Plan for Employees who would otherwise lack sufficient service credit to be eligible for any pension because their years of employment were divided between different pension plans or, if eligible, whose pensions would be less than the full amount because of such division of employment.

(b) By resolution duly adopted, the Board of Trustees may recognize one or more other pension plans, which have executed a Reciprocal Agreement to which the Plan is a party, as a Related Plan.

(c) Service Credits accumulated and maintained by an Employee under a Related Plan shall be recognized under the Plan as Related Service Credits. The Board of Trustees shall compute Related Service Credits on the basis on which that credited has been earned and credited under the Related Plan certified by the Related Plan to the Plan.

(d) The total of an Employee's service credit under the Plan and Related Service Credit together comprise the Employee's Combined Service Credit. Not more than one year of Combined Service Credit shall be counted in any calendar year.

(e) An Employee shall be eligible for a Partial Pension under the Plan if he satisfies all of the following requirements:

(1) He would be eligible for any type of pension under the Plan (other than a Partial Pension) if his Combined Service Credit were treated as service credit under the Plan.

(2) In addition to any other requirements necessary to be eligible under paragraph (1) of this subsection, he has, under the Plan, at least two years of service credit based on actual employment after his Effective Date of coverage.

(3) He is found to be (i) eligible for a partial pension from a Related Plan and (ii) eligible for a partial pension under the Terminal Plan. The Terminal Plan shall be deemed to be the Plan associated with the local union which represents the Employee at the time of or immediately prior to, his retirement. If at that time the Employee was not represented by any one such local union, then the Terminal Plan is the one to which the bulk of contributions were paid on behalf of the Employee in the 36 consecutive calendar months immediately preceding his retirement.

(4) A Pension is not payable to him from a Related Plan independently of its provisions for a Partial Pension. However, an Employee who is entitled to a pension other than a Partial Pension from the Plan or a Related Plan may elect to waive the other pension and qualify for the Partial Pension.

(f) Related Service Credits shall count as service under the Plan for the purpose of determining whether or not a Break in Service has occurred which could cause loss of prior service. However, such Related Service Credits shall not count as Vesting Service for the purpose of determining an Employee's right to nonforfeitable benefit under the Plan.

(g) If an Employee is eligible for more than one type of pension under the Plan, he shall be entitled to elect the type of pension he is to receive.

(h) The amount of the Partial Pension shall be determined as follows:

(1) the amount of the pension to which the employee would be entitled under the Plan taking into account his combined Service Credit shall be determined, then

(2) the amount of service credit earned with the Plan since July 1, 1956 shall be divided by the total amount of Combined Service Credit earned by the Employee since July 1, 1956, then

(3) the fraction so determined in paragraph (2) of this subsection shall be multiplied by the pension amount determined in paragraph (1) of this subsection and the result shall be the Partial Pension amount payable by the Plan.

(i) The payment of the Partial Pension shall be subject to all of the conditions contained in the plan applicable to other types of pensions including, but not limited to, retirement as herein defined and timely application. Partial Pension payments subject to this Article shall be limited to monthly pension payments to a pensioner or to monthly payments or death benefits to the survivor of a pensioner.

## 4.7 Nonforfeitability of Normal Retirement Benefit

A Participant's right to a normal Retirement Benefit shall be nonforfeitable (within the meaning of Code § 411) upon and after his attainment of Normal Retirement Age while in Covered Employment. Provided such Participant otherwise satisfies the requirements for payment under the Plan, he shall be eligible to receive the normal Retirement Benefit as provided in the Plan.

## 4.8 Forfeitures

(a) Benefits are payable under this Plan only as provided for in the case of normal or early retirement, termination with a deferred vested benefit, or death.

(b) In the event of a Participant's death at such time a benefit is not payable under the Plan or in the event a Participant's Covered Employment terminates without a vested benefit, such Participant (or any person claiming under such Participant) shall have no right, title or interest in any benefit under the Plan.

(c) Any gains resulting from forfeitures shall not be applied to increase any benefits to which a Participant or his spouse or beneficiary would otherwise receive under the Plan.

## 4.9 Adjustment for Payment after Normal Retirement Date

If payment of a Retirement Benefit to a former Participant eligible to have payment begin on his Normal Retirement Date begins after the Normal Retirement Date, the Retirement Benefit shall be adjusted to its Equivalent Actuarial Value to reflect said later payment.

## 4.10 Non-Duplication of Retirement Benefit Eligibility

No Participant shall be eligible to receive a Retirement Benefit under more than one provision of the Plan providing for the payment of Retirement Benefits.

## 4.11 Limitations on Benefits

(a) This Section sets forth the limitations on benefits required by Code § 415. This Section is intended to comply with the limitations of Code § 415 as interpreted by final regulations issued on April 5, 2007 generally effective for Limitation Years beginning on and after July 1, 2007. This Section shall be applied and interpreted accordingly, and to the extent so required, the limits of Code § 415 are incorporated herein by reference.

(b) Notwithstanding any contrary provisions, the annual amount of a Participant's accrued benefit under the Plan attributable to Employer Contributions shall not exceed $160,000 at any time during the Limitation Year; provided that as of January 1 of each calendar year and effective for the Limitation Year ending in or with said calendar year, the dollar amount as adjusted for cost-of-living increases by the Commissioner of Internal Revenue pursuant to Code § 415(d)(1) shall be substituted for the dollar amount specified in this subsection. Such adjusted dollar limitation shall apply to all Participants, whether active or not.

(c) If a Participant's annuity starting date is before his attainment of age 62, the dollar limitation set forth in subsection (b) above shall be adjusted to an age 62 dollar limit as follows:

(1) Subject to paragraphs (2), (3) and (4) of this subsection, the age 62 dollar limit for this purpose shall be an amount of single life annuity payable as of the annuity starting date that has the same actuarial equivalent present value of the dollar limitation payable as a deferred single life annuity at age 62, with the actuarial equivalent present value determined on the basis of the applicable mortality table prescribed by the Commissioner of Internal Revenue under Code § 415(b)(2)(E)(v) for purposes of the adjustment of the Code § 415 limitation for defined benefit plans and interest at the rate of five percent per annum.

(2) If the Plan has an immediate single life annuity payable both at the annuity starting date and at age 62, the age 62 dollar limit, if less than the age 62 dollar limit determined under paragraph (1) of this subsection, shall be equal to the dollar limitation multiplied by the ratio of the amount of the immediate single life annuity payable under the Plan to the amount of single life annuity payable under the Plan at age 62, with both said amounts determined without applying the limitations of Code § 415.

(3) For purposes of determining the age 62 dollar limit, no adjustment shall be made under paragraph (1) of this subsection for the probability of the Participant's death after the annuity starting date and before age 62 to the extent a forfeiture does not occur upon the participant's death before the annuity starting date.

(4) Notwithstanding any contrary provisions, the age 62 dollar limit shall not decrease on account of an increase in age or the performance of additional service.

(d) If a Participant's annuity starting date is after his attainment of age 65, the dollar limitation set forth in subsection (b) above shall be adjusted to an age 65 dollar limit as follows:

(1) Subject to paragraphs (2) and (3) of this subsection, the age 65 dollar limit for this purpose shall be an amount of single life annuity payable as of the annuity starting date that has the same actuarial equivalent present value of the dollar limitation payable as a single life annuity at age 65, with the actuarial equivalent present value determined on the basis of the applicable mortality table prescribed by the Commissioner of Internal Revenue under Code § 415(b)(2)(E)(v) for purposes of the adjustment of the Code § 415 limitation for defined benefit plans and interest at the rate of five percent per annum.

(2) If the Plan has an immediate single life annuity payable both at the annuity starting date and at age 65, the age 65 dollar limit, if less than the age 65 dollar limit determined under paragraph (1) of this subsection, shall be equal to the dollar limitation multiplied by the ratio of (i) the amount of the immediate single life annuity payable to the Participant, computed disregarding the accruals after age 65, but including any actuarial adjustments, and without applying the limitations of Code § 415 to (ii) the amount of single life annuity that would be payable to an age 65 hypothetical participant with the same accrued benefit (with no increases for commencement after age 65) as the Participant, determined disregarding the accruals after age 65 and without applying the limitations of Code § 415.

(3) For purposes of determining the age 65 dollar limit, no adjustment shall be made under paragraph (1) of this subsection for the probability of the Participant's death after the annuity starting date and after age 65 to the extent a forfeiture does not occur upon the participant's death before the annuity starting date.

(e) Excluding a joint and survivor annuity form of payment (where the spouse is the survivor annuitant) and the value of any ancillary benefits, if a Participant's retirement benefit is paid in a form other than a single life annuity, it shall be adjusted to its actuarial equivalent on a single life annuity basis for the purpose of applying the dollar limitation set forth in subsection (b) above as follows:

(1) Subject to paragraph (2) of this subsection, the actuarial equivalent single life annuity for purposes of this limitation shall be the greater of:

(A) the amount that would be payable to the Participant as of the same annuity starting date under the single life annuity form of payment of the Plan; or

(B) the amount that would be payable to the Participant as of the same annuity starting date under a single life annuity if determined on the basis of the applicable mortality table prescribed by the Commissioner of Internal Revenue under Code § 415(b)(2)(E)(v) for purposes of the adjustment of the Code § 415 limitation for defined benefit plans and interest at the rate of five percent per annum.

(2) For payment of a retirement benefit in a single payment (or a form otherwise subject to Code § 417(e)(3)), the actuarial equivalent single life annuity for purposes of this limitation shall be the greatest of:

(A) the amount that would be payable to the Participant as of the same annuity starting date under a single life annuity that has the same present value as the actual form of payment when determined on the basis of the Plan's Actuarial Equivalent factors;

(B) the amount that would be payable to the Participant as of the same annuity starting date under a single life annuity that has the same present value as the actual form of payment when determined on the basis of the applicable mortality table prescribed by the Commissioner of Internal Revenue under Code § 415(b)(2)(E)(v) for purposes of the adjustment of the Code § 415 limitation for defined benefit plans and interest at the rate of five and one-half percent per annum; and

(C) the amount that would be payable to the Participant as of the same annuity starting date under a single life annuity that has the same present value as the actual form of payment (computed on the basis of the applicable mortality table and applicable interest rate), divided by 1.5.

(f) If a Participant has less than ten years of participation, the dollar limitation set forth in subsection (b) above, as adjusted under subsections (c), (d) and (e) above, shall be multiplied by the ratio of his years of participation to ten but not by less than one-tenth. For this purpose, a year of participation shall mean the full or partial year of benefit accrual service credited for each accrual computation period in which (i) the Participant is credited with at least the number of hours of service (or the period of service) required to accrue a benefit for the accrual computation period and (ii) is a participant under the Plan's eligibility provisions on at least one day in the accrual computation period. If a Participant is permanently and totally disabled within the meaning of Code § 415(c)(3)(C)(i) for an accrual computation period, a year of participation shall be credited for the accrual computation period.

(g) The annual benefit payable with respect to a Participant's under the Plan attributable to Employer Contributions shall be deemed not to exceed the dollar limitation set forth in subsection (b) above if such annual benefit does not exceed $10,000 for the Limitation Year (or a prior Limitation Year); provided that:

(1) the Participant has never participated in a tax qualified defined contribution plan maintained by the Employer as the result of a collective bargaining agreement with the Union; and

(2) if a Participant has less than ten years of service, said dollar imitation shall be multiplied by the ratio of his years of service to ten but not by less than one-tenth, with a year of service credited for this purpose for each accrual computation period in which the Participant is credited with at least the number of hours of service (or the period of service) required to accrue a benefit for the accrual computation period taking into account service with the Employer (or a predecessor employer).

(h) If a Participant has multiple annuity starting dates within meaning of Code § 415, the limitations of this Section shall be applied as of each of the annuity starting dates taking into account the benefits that have been or will be provided at all of the annuity starting dates to the extent and in the manner required by Code § 415.

(i) The Plan shall not be aggregated with another multiemployer plan (as defined in Code § 414(f)) or with a defined contribution plan for purposes of Code § 415. Also, only the benefits provided under the Plan by an Employer shall be taken into account under another plan maintained by the Employer that is not a multiemployer plan for Code § 415 purposes (which shall not include the compensation limitation in any case) and any reduction required by Code § 415 shall be made under such other plan.

(j) For purposes of this Section:

(1) "Employer" shall mean the Employer of the Participant, and any corporation included with the Employer in a controlled group of corporations (as determined under Code § 414(b) as modified by Code § 415(h)), any trade or business under common control with the Employer (as determined under Code § 414(c) as modified by Code § 415(h)), and any organization included with the Employer in an affiliated service groups (as determined under Code § 414(m)).

(2) "Limitation Year" shall mean the Plan Year.

(k) Notwithstanding any contrary provisions, and in accordance with final regulations issued under Code § 415 on April 5, 2007, the application of this Section as amended in accordance with said final regulations shall not reduce the amount of accrued benefit below the amount of the benefit accrued as of the last day of the Limitation Year immediately prior to the effective date of said final regulations for the Plan, as determined under the provisions of the Plan adopted and in effect before April 5, 2007 to the extent the same were in compliance with the requirements of Code § 415 in effect prior to the effective date of said final regulations for the Plan.

## ARTICLE V

## PAYMENT OF BENEFITS

### 5.1 In General

(a) Subject to Section 5.9, a Participant must file a proper application for payment of a Retirement Benefit and the application approved by the Board of Trustees (or its designee) before payment may commence. Application by a Participant must be filed during the 180-day period ending on the Annuity Starting Date (and shall constitute a Participant's consent to the payment of benefits). An application may be withdrawn at any time before the Annuity Starting Date, or if later, by the end of the 7-day period following the date the Participant is provided with the required information regarding the payment of benefits.

(b) To the extent and in the manner required by ERISA and the Code, a Participant shall be provided with the required information on the payment of a Retirement Benefit when the Participant applies for the same, including (i) a general description of the material features for the payment of benefits and an explanation of the relative values of optional forms of benefit in a manner that satisfies the notice requirements of Code § 417(a)(3) and Treas. Reg. §1.414(a)(3)-1 (or its successor) and (ii) a notice of the Participant's right to defer the payment and the right to at least a 30-day period to consider his application and elections.

(c) Except as otherwise specifically provided for in the Plan, a Retirement Benefit shall be paid monthly as of the first day of each calendar month at the time and in the manner provided in this Article.

(d) The last payment of a Retirement Benefit payable for life shall be made on the first day of the calendar month in which the Participant's death (or if applicable, a surviving Spouse's or beneficiary's death) occurs.

(e) Marital Status for purposes of the Plan shall be determined and shall be subject to the following:

(1) For purposes of determining the form of payment payable to a Participant (under Section 5.3), a Participant shall be considered to be married if such Participant has a Spouse as of his Annuity Starting Date; provided, however, if the Participant and Spouse have not been married throughout the one-year period ending on the Participant's Annuity Starting Date, the survivor annuity under the Qualified Joint and 50% Survivor Annuity and the Qualified Joint and 100% Survivor Annuity shall not be effective until the Participant and the Spouse (to whom he was married on his Annuity Starting Date) have been married for one (1) year.

(2) For purposes of the ten year certain death benefit and the qualified preretirement survivor annuity (under Sections 6.1 and 6.2), a Participant shall be considered to be married if such Participant has been married to

his Spouse throughout the one-year period ending on the date of his death.

(3) A former Spouse of a Participant can be treated as the Spouse of the Participant to the extent provided for in a "qualified domestic relations order", as defined in Code § 414(p) and ERISA § 206(d)(3). In such case, any later Spouse of the Participant shall not be treated as the Spouse over said former Spouse.

(4) The Board of Trustees shall be entitled to rely on the written representation last filed by the Participant prior to the Annuity Starting Date or date of death as to the Participant's marital status. Such reliance shall include the right to deny benefits to a person claiming to be the Spouse of a Participant in contradiction to the aforementioned representation of the Participant. Any payments made in good faith pursuant to the statements contained in an application for payments shall discharge all of the obligations of the Plan to the extent of such payments.

(5) For purposes of determining marital status under the Plan, same-sex marriages shall be recognized from and after June 26, 2013 (and not before that date). The Board of Trustees shall determine the validity of a Participant's same-sex marriage entered into from June 26, 2013 through September 15, 2013 based on the laws of the state in which the Participant was then domiciled. The Board of Trustees shall determine the validity of a Participant's same-sex marriage entered into on or after September 16, 2013 based on the laws of the state in which the Participant's marriage was (or is) celebrated.

5.2 **Time of Payment**

(a) The normal, postponed and early Retirement Benefit shall be payable to a Participant as of the first day of the calendar month following the later of (i) the date his retirement or (ii) the date he applies for such Retirement Benefit; provided that he is eligible for such Retirement Benefit and his application therefor is approved.

(b) A vested Retirement Benefit shall be payable to the Participant as of the first day of the calendar month following the latest of (i) his attainment of age 60, (ii) the date he applies for the vested Retirement Benefit, or (iii) the date his employment terminates. This subsection shall apply to a Participant whose employment terminated before July 1, 2014 (in place of the terms of the Plan in effect at such termination), unless the Participant is receiving a Retirement Benefit under the terms of the Plan previously in effect as of July 1, 2014 (because payment was being made as of that date or because application for payment was made by June 30, 2014 and the application was approved).

(c) Notwithstanding the foregoing subsections of this Section, a Retirement Benefit shall not be payable any earlier than 30 days after, nor later than 180 days after, the date the Participant is provided with the required information on the payment of a Retirement Benefit; provided, however, the Retirement Benefit shall be payable within the 30-day period following the date the Participant is provided

with said information if the Participant then applies for the payment of benefits and the actual payment is not made within the 7-day period that begins after the date the Participant is provided with said information.

5.3 **Forms of Payment**

(a) The forms for payment of a Retirement Benefit to Participants shall be as follows:

(1) Single Life Annuity - Under the Single Life Annuity form of payment, the Retirement Benefit shall be paid to the Participant monthly for his lifetime with no amount payable after his death.

(2) 5 Year Certain and Life Annuity - Under the 5 Year Certain and Life Annuity form of payment, the Retirement Benefit shall be paid to the Participant monthly for his lifetime, with the provision that upon his death after his Annuity Starting Date, but before 60 monthly payments have been made, the balance of said monthly payments shall be continued to the beneficiary designated by the Participant when he elects this form of payment or the beneficiary subsequently designated by the Participant pursuant to Section 5.4.

(3) 10 Year Certain and Life Annuity - Under the 10 Year Certain and Life Annuity form of payment, the Retirement Benefit shall be paid monthly to the Participant for his lifetime, with the provision that upon his death after his Annuity Starting Date, but before 120 monthly payments have been made, the balance of said monthly payments shall be continued to the beneficiary designated by the Participant when he elects this form of payment or the beneficiary subsequently designated by the Participant pursuant to Section 5.4.

(4) Qualified Joint and 50% Survivor Annuity (for married participants) – Under the Qualified Joint and 50% Survivor Annuity form of payment, the Retirement Benefit shall be paid to the Participant monthly for his lifetime, with the provision that upon his death after the Annuity Starting Date, 50 percent of the monthly payment previously payable to the Participant shall be continued to and for the lifetime of his surviving Spouse to whom he was married on his Annuity Starting Date; with the further provision that (for a Participant who retires on or after October 1, 1997) if said Spouse dies after the Annuity Starting Date and before the Participant, beginning with the calendar month following the Spouse's death, the Participant's monthly payment shall be increased to the amount it would have been if the Participant had elected the normal form of payment for Participants without a Spouse.

(5) Qualified Joint and 100% Survivor Annuity (for married participants) – Under the Qualified Joint and 100% Survivor Annuity form of payment, the Retirement Benefit shall be paid to the Participant monthly for his lifetime, with the provision that upon his death after the Annuity Starting Date, 100 percent of the monthly payment previously payable to the Participant shall be continued to and for the lifetime of his surviving Spouse to whom he

was married on his Annuity Starting Date; with the further provision that (for a Participant who retires on or after October 1, 1997) if said Spouse dies after the Annuity Starting Date and before the Participant, beginning with the calendar month following the Spouse's death, the Participant's monthly payment shall be increased to the amount it would have been if the Participant had elected the normal form of payment for Participants without a Spouse.

(b) The Retirement Benefit payable under each form of payment shall be the Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity.

(c) The normal form of payment shall be:

(1) for a Participant married on the Annuity Starting Date, a Qualified Joint and 100% Survivor Annuity; and

(2) for a Participant not married on the Annuity Starting Date, a Single Life Annuity.

(d) This Section shall apply to a Participant whose employment terminated before July 1, 2014 (in place of the terms of the Plan in effect at such termination), unless the Participant is receiving a Retirement Benefit under the terms of the Plan previously in effect as of July 1, 2014 (because payment was being made as of that date or because application for payment was made by June 30, 2014 and the application was approved).

5.4 **Election of Form of Payment**

(a) During the 180-day period ending on the Annuity Starting Date, a Participant may elect a form of payment described in Section 5.3 by filing a written election with the Board of Trustees in the manner prescribed by the Board of Trustees. Said election may be made and revoked in writing at any time and any number of times during said 180-day period, but may not be made or revoked thereafter.

(b) For a Participant married on the Annuity Starting Date, no election of a form of payment other than the Qualified Joint and 50% Survivor Annuity or Qualified Joint and 100% Survivor Annuity shall be effective unless said election specifies the elected form of payment and, if the 5 Year Certain Life Annuity or 10 Year Certain Life and Annuity, designates a specific Beneficiary under said form of payment and either:

(1) the Participant's Spouse consents in writing to said election during the 180-day period ending on the Annuity Starting Date and the Spouse's consent acknowledges the effect of said election and is witnessed by a notary public or by any person that may be designated for that purpose by the Board of Trustees; or

(2) the Participant establishes to the satisfaction of the Board of Trustees that (i) there is no Spouse, (ii) the Spouse cannot be located, or (iii) such other

conditions exist as may be prescribed by regulations issued by the Secretary of the Treasury.

(c) Spousal consent pursuant to subsection (b) of this Section to a Participant's election shall be effective only with respect to the Spouse granting said consent or with whom said spousal consent is otherwise established and shall be irrevocable by the Spouse with respect to said election.

(d) If a Participant designates a trust as beneficiary under a form of payment, the Spouse need only consent to the designation of the trust as Beneficiary and need not consent to the designation of trust beneficiaries or to any change in trust beneficiaries.

(e) A Participant may change his designation of a beneficiary under the 5 Year Certain and Life Annuity or 10 Year Certain And Life Annuity at any time after his Annuity Starting Date; provided, however, that if the Participant was married on his Annuity Starting Date and designates a beneficiary other than the Spouse to whom he was married on his Annuity Starting Date, either (i) his Spouse consents to the designation in the manner prescribed by subsection (b) of this Section except for the 180-day consent period or (ii) his Spouse previously executed in the manner prescribed by subsection (b) of this Section a general spousal consent which permits the Participant to change the beneficiary without further spousal consent and which acknowledges that the spouse voluntarily relinquished the right to limit spousal consent to a specific Beneficiary.

(f) If there is no beneficiary designated by the Participant or surviving at the death of the Participant under the 5 Year Certain and Life Annuity or 10 Year Certain and Life Annuity, the commuted value of the balance of the remaining monthly payments shall be paid in a lump sum to the Participant's estate.

(g) If a beneficiary designated by the Participant under the 5 Year Certain and Life Annuity or 10 Year Certain And Life Annuity survives the Participant but dies before a total of 60 monthly payments or 120 monthly payments have been paid thereunder respectively, the commuted value of the balance of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

5.5 **Special Payment Provisions for Disability Retirement Benefit**

(a) Payment of the disability Retirement Benefit (pursuant to the prior terms of the Plan) to a Participant shall cease upon the earliest of the following to occur:

(1) his recovery from his disability;

(2) his attainment of Normal Retirement Date;

(3) his election to receive an early Retirement Benefit; or

(4) his death.

(b) If a Participant attains his Normal Retirement Date while in receipt of a disability Retirement Benefit, payment of his disability Retirement Benefit shall cease, and he shall thereupon begin to receive a normal Retirement Benefit based on his basic Retirement Benefit with no reduction for the prior payment of disability Retirement Benefit. The Participant, if he becomes eligible for an early Retirement Benefit, may elect to discontinue the payment of the disability Retirement Benefit and to commence the early Retirement Benefit.

(c) All optional forms of payment shall be available for the payment of the disability Retirement Benefit. A new election of an optional form of payment shall be available for the payment of the normal Retirement Benefit or the early Retirement Benefit.

(d) If a Participant dies in receipt of a disability Retirement Benefit, death benefits, if any, shall be determined in accordance with the form of payment in effect for the payment of the disability Retirement Benefit.

5.6 **Suspension of Pension**

(a) An early Retirement Benefit (including early payment of a vested Retirement Benefit) payable to a Participant shall be suspended for any calendar month before his Normal Retirement Date in which the Participant is employed in the same industry or same trade or craft, and in the same geographical area covered by the plan. On or after the Participant's Normal Retirement Date, said Retirement Benefit shall be suspended in accordance with subsection (b) of this Section.

(b) Normal or postponed Retirement Benefits payable to a Participant (and an early Retirement Benefits after the Participant has attained his Normal Retirement Date) shall be suspended for any calendar month in which the Participant is employed for fifty (50) or more hours by an Employer who is, at time of employment or has been within five (5) years prior thereto, an Employer (as defined in the Plan), in the same industry or same trade or craft, and within the same geographical area covered by the Plan.

(c) A former Participant is required to notify the Board of Trustees of any such disqualifying employment (under subsection (a) or (b) of this Section) after the commencement of Retirement Benefits from the Plan. In addition, the Board of Trustees may request from a Participant access to reasonable information for the purpose of verifying any employment. Failure of a Participant to notify the Board of Trustees of any such disqualifying employment shall permit the Board of Trustees to presume such employment qualifies for a suspension of benefits.

(d) If the Board of Trustees becomes aware that a former Participant is employed in disqualifying employment that could result in the suspension of benefits, the Board of Trustees shall apply this Section on the basis of a rebuttable presumption that such Participant's employment for any relevant month exceeded the minimum number of hours that could be worked without resulting in the suspension of benefits. Also, if such employment is with an employer at a building or construction site, the Board of Trustees shall apply this Section on the basis of the rebuttable presumption that such Participant was engaged in said

employment during any relevant month for so long as the employer has been and remains actively engaged at that building or construction site.

(e) If payment of a Retirement Benefit has been suspended, payment of the Retirement Benefit shall resume no later than the first day of the third calendar month after the calendar month in which the Participant ceases to be employed disqualifying employment. The initial payment upon resumption shall include the payment scheduled to occur in the calendar month when payments resume and any amounts withheld during the period between the termination of disqualifying employment and the resumption of payments, less any permitted offsets under subsection (f) of this Section. Upon cessation of the disqualifying employment, the Participant may:

(1) begin receiving the Retirement Benefit to which he was entitled prior to the suspension without the right to alter the form of payment; and

(2) be entitled to apply for any additional benefits accrued from additional Employer Contributions and exercise all elective options with respect to the additional benefits, provided, however, any such recalculation of benefits and related elected options shall not be made more frequently than annually.

(f) Any monthly payments of a Retirement Benefit previously made during those calendar months in which the Participant was reemployed and ineligible for said payment shall be offset against the Retirement Benefit which resumes under subsection (e) of this Section; provided, however, except for the initial payment described in subsection (e) of this Section, the offset shall not exceed 25 percent of the amount of Retirement Benefit otherwise payable.

(g) No payment shall be withheld by the Plan pursuant to this Section unless the Plan notifies the Participant by personal delivery or first class mail during the first calendar month in which the Plan withholds payments that his benefits are suspended. Such notification shall contain a description of the specific reasons why benefit payments are being suspended, a description of the Plan provision relating to the suspension of payments, a copy of such provisions, and a statement to the effect that applicable U.S. Department of Labor regulations may be found in Section 2530.203-3 of the Code of Federal Regulations. In addition, the notice shall inform the Participant of the Plan's procedures for affording a review of the suspension of benefits.

(h) The provisions of this Section shall not be applied to suspend the benefits of a Participant whose Retirement Benefit commenced as a result of attaining age 70½. Also, if such Participant continues to work after age 70½, he shall have his benefit recalculated on the annual anniversary of his benefit commencement date.

5.7 **De Minimis Benefits**

Notwithstanding any contrary provisions, if the Employee terminates (on or after March 28, 2005) and the monthly benefit to which he would otherwise be entitled is less than $25, and if the Equivalent Actuarial Value present value of the Employee's vested accrued benefit derived from Employer (and any Employee) Contributions is not greater than $5,000, the Employee may, at his option, elect to receive a cash out distribution of said present value of the entire vested portion of such accrued benefit, provided that distribution has not already commenced in the form of an annuity.

5.8 **Direct Rollover Election**

(a) A Distributee who is eligible to receive a distribution from the Plan which is an Eligible Rollover Distribution may elect to transfer said distribution in a Direct Rollover to an Eligible Retirement Plan specified by the Distributee .

(b) Notwithstanding any contrary provisions of this Section (except as otherwise required by Code § 401(a)(31)), (i) a Direct Rollover can be elected for part of an Eligible Rollover Distribution only if the amount so elected is at least five hundred dollars ($500.00), (ii) only one Eligible Retirement Plan may be designated for a Direct Rollover, (iii) a Direct Rollover election made with respect to one payment in a series of payments shall apply to all subsequent payments until another election is made by the Distributee, and (iv) no Direct Rollover election is required to be provided for an Eligible Rollover Distribution of less than two hundred dollars ($200.00) (when aggregated with all other Eligible Rollover Distributions for the taxable year).

(c) For purposes of this Section, the following terms shall have the meaning given to them in this subsection:

(1) "Direct Rollover" shall mean a payment by the Plan to the eligible retirement plan specified by the Distributee.

(2) "Distributee" shall mean (i) an employee or former employee and (ii) the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is an alternate payee under a qualified domestic relations order, as defined in Code § 414(p), with respect to the interest of the spouse or former spouse.

(3) Eligible Retirement Plan" shall mean an individual retirement account (including a Roth IRA) described in Code § 408(a), an individual retirement annuity (including a Roth IRA) described in Code § 408(b), a qualified trust described in Code § 401(a), an annuity plan described in Code § 403(a), an annuity contract described in Code § 403(b), and an eligible deferred compensation plan described in Code § 457(b) maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state that will separately account for a Direct Rollover (from this Plan).

(4) "Eligible Rollover Distribution" shall mean any distribution of all or any portion of the balance to the credit of the Distributee under the Plan, but excluding (as applicable) (i) any distribution which is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life or life expectancy of the Distributee and the Distributee's designated beneficiary or for a specified period of ten years or more, (ii) any distribution to the extent such distribution is required under Code § 401(a)(9), (iii) the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities), and (iv) any hardship distribution.

(d) In conformance with Code § 402(c)(11), a Beneficiary eligible to receive a distribution from the Plan on account of a Participant's death may elect to transfer said distribution in a direct rollover to an individual retirement plan (described in clause (i) or (ii) of Code § 402(c)(8) and including a Roth IRA) established by the Beneficiary for this purpose, provided that (i) the Beneficiary is not otherwise a Distributee, (ii) the Beneficiary is a designated beneficiary as defined in Code § 401(a)(9)(E), and (iii) the distribution would otherwise be an Eligible Rollover Distribution but for the requirement that the distribution be made to a Distributee.

(e) An election and Direct Rollover under this Section shall be made in accordance with procedures prescribed by the Board of Trustees in conformance with Code § 401(a)(31).

5.9 **Required Time and Form of Payment**

(a) Payment of a Retirement Benefit to a Participant entitled to the same shall, as required by Code § 401(a)(14), be made or commence no later than the 60th day after the latest of the close of the Plan Year in which (i) the Participant attains the earlier of age 65 or Normal Retirement Age, (ii) occurs the 10th anniversary of the year in which the Participant commenced participation in the Plan, or (iii) the Participant terminates Covered Employment; provided, however, subject to subsection (b) of this Section, (i) such Participant may elect a later date of payment, and (ii) such Participant's failure to file an application for benefits shall be deemed to be such an election of a later date of payment.

(b) Payment of a Participant's Retirement Benefit shall, as required by and in the manner consistent with Code § 401(a)(9) (and Treas. Reg. § 1.401(a)(9)-2 through Treas. Reg. § 1.401(a)(9)-9, as the same may be amended from time to time), including the minimum distribution incidental benefit requirement of Code § 401(a)(9)(G), which shall supersede all inconsistent provisions herein, commence no later than April 1 of the calendar year following the calendar year in which he attains age 70½, regardless of whether he has then retired.

(c) As required by and in the manner consistent with Code § 401(a)(9) (and Treas. Reg. § 1.401(a)(9)-2 through Treas. Reg. § 1.401(a)(9)-9, as the same may be amended from time to time), including the minimum distribution incidental benefit requirement of Code § 401(a)(9)(G), which shall supersede all inconsistent provisions herein, the 5 Year Certain and Life Annuity form of payment and the

10 Year Certain and Life Annuity form of payment shall be available to a Participant only if the respective certain period does not exceed the applicable distribution period under the Uniform Lifetime Table set forth in Treasury Regulation § 1.72-9 determined as follows:

(1) If the Participant is age 70 or older as of his birthday in the calendar year that contains his Annuity Starting Date, the applicable distribution period shall be equal to the distribution period under said Uniform Lifetime Table for an employee the same age as the Participant as of his birthday in that calendar year.

(2) If the Participant is younger than age 70 as of his birthday in the calendar year that contains his Annuity Starting Date, the applicable distribution period shall be equal to the distribution period under said Uniform Lifetime Table for an age 70 employee plus an additional period equal to 70 over the Participant's age as of his birthday in that calendar year.

5.10 **Failure to Provide Information**

(a) Upon the failure of a Participant or a Spouse or beneficiary to provide the information requested or required to be provided under the Plan, the Administrator may postpone (if payment of a Retirement Benefit has not yet commenced) or suspend (if payment of a Retirement Benefit has commenced) the payment of Retirement Benefit to said individual.

(b) Once the Participant or Spouse or beneficiary whose Retirement Benefit was postponed or suspended pursuant to subsection (a) of this Section provides the requested or required information, such postponed or suspended Retirement Benefit shall be paid in accordance with the terms of the Plan.

5.11 **Forfeiture/Reinstatement of Benefits**

Notwithstanding any contrary provisions, a Participant's Retirement Benefit shall be forfeited if the Board of Trustees is unable to locate the Participant or other individual to whom payment of such Retirement Benefit is due. Any said forfeited Retirement Benefit shall be restored as soon as practicable after valid claim is made therefor by such Participant or other individual.

5.12 **Incompetency**

If a Participant or other individual to whom an amount is payable under this Plan is legally incompetent, the Board of Trustees may cause payment of such amount to be made to the Participant or individual or to his legal representative in such manner as the Board of Trustees determine is in accordance with the requirements of applicable law. Such payment, to the extent made, shall fully discharge the Board of Trustees and Plan from liability on account thereof.

5.13 **Special Payment Rule**

(a) This Section shall apply to a Participant if:

(1) the Participant's Normal Retirement Age is less than age 65 for any part of his Accrued Benefit;

(2) the Participant continues in Covered Employment after his Normal Retirement Age;

(3) payment of the Participant's Retirement Benefit attributable to his Accrued Benefit for which his Normal Retirement Age is less than age 65 cannot be suspended under Section 5.6 in accordance with Code § 411(a)(3)(B); and

(4) his Accrued Benefit equals the Code § 415 dollar limit set forth in Section 4.11 at any time between age 62 and 65.

(b) If this Section applies to a Participant:

(1) Payment shall be made to the Participant under this Section if and as necessary to avoid a forfeiture under Code § 411 regardless of whether the Participant applies for the payment and notwithstanding any contrary provisions.

(2) The amount of the payment under this Section shall be equal to the adjustment that would be made under the Plan on an Equivalent Actuarial Value basis to reflect a delayed payment if his Accrued Benefit for which his Normal Retirement Age is less than age 65 was not paid for the first calendar month between age 62 and age 65 for which his Accrued Benefit equals the Code § 415 dollar limit.

(3) Payment under this Section shall be made for the first month between age 62 and 65 that the Participant's Accrued Benefit equals the Code § 415 dollar limit.

(4) A Participant shall elect a form of payment in accordance with the applicable provisions of the Plan for the payment made under this Section. Said form of payment election shall apply to all amounts paid under this Section.

## ARTICLE VI

## DEATH BENEFITS

6.1 **Ten Year Certain Death Benefit**

(a) A beneficiary of a Participant shall be eligible for the payment of a ten year certain death benefit if:

(1) the Participant dies before his Annuity Starting Date;

(2) the Participant has been credited with service earned on or after August 9, 1996;

(3) the Participant is not married on the date of his death or has been married to his Spouse for less than one year on the date of his death; and

(4) the Participant satisfies the age and/or service requirements to be eligible for Retirement Benefit (or is otherwise vested in his Accrued Benefit) as of the earlier of the date of his death or the date of his termination of Covered Employment.

(b) The ten year certain death benefit shall be equal to 120 monthly payments of the amount of Retirement Benefit that would have been payable to the Participant under the 10 Year Certain and Life Annuity form of payment (described in Section 5.3) calculated by assuming that (i) payment of the Participant's Retirement Benefit commenced as of the date payment of the ten year certain death benefit commences and (ii) the Participant died after the payment of his Retirement Benefit commenced.

(c) The ten year certain death benefit shall be payable to an eligible beneficiary beginning:

(1) in the case of a Participant who dies after the earliest date payment of his Retirement Benefit could have commenced, as of the first day of the calendar month following the later of (i) the date of the Participant's death or (ii) the date the beneficiary applies for the ten year certain death benefit; and

(2) in the case of a Participant who dies before the earliest date payment of his Retirement Benefit could have commenced, as of the first day of the calendar month following the later of (i) the first day on which the Participant's Retirement Benefit could have commenced had he survived or (ii) the date the beneficiary applies for the ten year certain death benefit.

(e) A Participant shall designate a Beneficiary for this purpose, and may change said Beneficiary designation from time to time, in a written designation filed with the Board of Trustees in the manner and form prescribed by the Board of Trustees. Said Beneficiary designation shall be immediately cancelled if the Participant marries and is married for one year. If there is no beneficiary designated by the Participant or surviving at the death of the Participant, his estate shall be the Beneficiary for this purpose.

(f) If a beneficiary designated by the Participant for purposes of the ten year certain death benefit survives the Participant but dies before a total of 120 monthly payments have been paid, the remaining payments shall be paid to a beneficiary designated by the beneficiary who died while receiving the monthly payments. If said beneficiary has not designated a beneficiary or no designated beneficiary

survives the death of said beneficiary, said beneficiary's estate shall be the beneficiary.

## 6.2 Qualified Preretirement Survivor Annuity

(a) The Spouse of a Participant shall be eligible for payment of a qualified preretirement survivor annuity if:

(1) the Participant dies before his Annuity Starting Date;

(2) the Participant is married to his spouse for at least one year on the date of his death; and

(3) the Participant satisfies the age and/or service requirements to be eligible for Retirement Benefit (or is otherwise vested in his Accrued Benefit) as of the earlier of the date of his death or the date of his termination of Covered Employment.

(b) The qualified preretirement survivor annuity shall be equal to the survivor annuity that would have been payable to the Spouse upon the Participant's death under the Qualified Joint and 100% Survivor Annuity form of payment (described in Section 5.3) calculated by assuming that (i) payment of the Participant's Retirement Benefit commenced as of the date payment of the qualified preretirement survivor annuity commences and (ii) the Participant died after the payment of his Retirement Benefit commenced.

(c) The qualified preretirement survivor annuity shall be payable to an eligible Spouse:

(1) in the case of a Participant who dies after the earliest date payment of his Retirement Benefit could have commenced, as of the first day of the calendar month following the later of (i) the date of the Participant's death or (ii) the date the spouse applies for the qualified preretirement survivor annuity; and

(2) in the case of a Participant who dies before the earliest date payment of his Retirement Benefit could have commenced, as of the first day of the calendar month following the later of (i) the first day on which the Participant's Retirement Benefit could have commenced had he survived or (ii) the date the spouse applies for the qualified preretirement survivor annuity.

(d) Once approved, the qualified preretirement survivor annuity shall be paid monthly during the Spouse's lifetime commencing as of the date set forth in subsection (c) of this Section and ending with the last payment due on or before the Spouse's death.

## 6.3 Death in Qualified Military Service

As and to the extent required by Code § 401(a)(37), a Participant who dies on or after January 1, 2007 while performing qualified military service (within the meaning of Code §

414(u)) and who would have been entitled to reemployment rights under the Plan under the Uniformed Services Employment and Reemployment Rights Act of 1994 at his death shall be treated as follows for purposes of the death benefits payable under this Article:

(a) he shall be credited with service (but not benefit accrual) for the period of his qualified military service; and

(b) he shall be treated as if he had died while in employment with an Employer.

### 6.4 Required Time of Payment

As required by and in the manner consistent with Code § 401(a)(9) (and Treas. Reg. § 1.401(a)(9)-2 through Treas. Reg. § 1.401(a)(9)-9, as the same may be amended from time to time), including the minimum distribution incidental benefit requirement of Code § 401(a)(9)(G), which shall supersede all inconsistent provisions herein:

(a) Payment of the ten year certain death benefit under Section 6.1 to a Beneficiary not the Participant's Spouse shall begin no later than December 31 of the calendar year following the calendar year in which first payable.

(b) Payment of the ten year certain death benefit under Section 6.1 or qualified preretirement survivor annuity under Section 6.4 to the Participant's Spouse shall begin no later than the later of (i) December 31 of the calendar year immediately following the calendar year in which the Participant dies or (ii) December 31 of the calendar year in which the Participant would have attained age 70½.

## ARTICLE VII

## CONTRIBUTIONS

### 7.1 Employer Contributions

Each Employer shall contribute to the Fund the amounts specified in the Collective Bargaining Agreement entered into by such Employer or in the written participation agreement entered into with the Board of Trustees as they may be negotiated or renegotiated from time to time; provided, however, if such contributions are based on compensation, compensation shall be limited in the same manner as specified in Section 2.4(c). Each Employer shall forward such Employer Contributions to the Fund at such time or times and in such manner as the Board of Trustees may prescribe, together with such information as the Board of Trustees may require, and shall otherwise be bound by any collection provisions established for the same from time to time.

### 7.2 Irrevocability of Contributions

All contributions by an Employer to the Fund shall be irrevocable; provided, however, to the extent and in the manner permitted by ERISA, the Board of Trustees may authorize a return of an overpayment of Employer Contributions made by reason of a mistake of fact or law.

## 7.3 Employee Contributions

No Employee shall be required or permitted to make any contribution to the Fund.

## 7.4 Reciprocal Agreements

The Board of Trustees may enter into, continue, amend and terminate agreements or arrangements with the board of trustees of other multiemployer, defined benefit funds to reciprocate employer contributions to and from such other funds under such terms and conditions as the Board of Trustees believes appropriate. Employer contributions reciprocated to this Fund pursuant to said agreements and arrangements shall be treated as Employer Contributions hereunder subject to all of the terms and provisions of the Plan. To the extent employer contributions are reciprocated to such other defined benefit fund, the employee/participant for whom said contributions are reciprocated shall look solely to said defined benefit fund for the benefits attributable to such reciprocated contributions and said benefits shall be determined solely by the terms and provisions of said defined benefit fund.

## 7.5 Exclusion of Certain Employer Contributions

Notwithstanding any contrary provisions, payments made or required to be made by Employers to the Fund shall not be treated as Employer Contributions for purposes of calculating any benefits for or with respect to a Participant if and to the extent:

(a) the Collective Bargaining Agreement or other legal agreement under which the payments are made provides that said payments are not to be used in calculating benefits under the Plan;

(b) a funding improvement plan or rehabilitation plan provides that said payments are not to be used in calculating benefits under the Plan; or

(c) as required by ERISA § 305 and Code § 432, the payments consist of the employer surcharge due thereunder.

# ARTICLE VIII

# WITHDRAWAL LIABILITY

## 8.1 Free Look

Notwithstanding any other provisions of the Multiemployer Pension Plan Amendments Act of 1980 concerning the obligation of a withdrawing employer for the payment of withdrawal liability, the "free look" exemption provided under Section 4210 of the Act shall be applicable for any employer entering this Pension Fund on or after May 1, 1990 under the following terms and conditions:

(a) An Employer who withdraws from this Pension Fund in complete or partial withdrawal is not liable to the Pension Fund if the said Employer:

(1) Had an obligation to contribute to this Pension Fund after the date of the enactment of the Multiemployer Pension Plan Amendments Act of 1980; and

(2) Had an obligation to contribute to this Pension Fund for three (3) consecutive plan years preceding the date on which the Employer withdraws;

(3) Was required to make contributions to this Pension Fund for each such plan year in an amount equal to less than two (2%) percent of the sum of all Employer Contributions made to the Pension Fund for each such year; and,

(4) Has never avoided withdrawal liability with this Pension Fund because of the application of provision.

(b) This Section shall apply to the entry of a new Contributing Employer only if the ratio of the assets of this Pension Fund for the Plan Year preceding the first Plan Year for which the Employer was required to contribute to this Pension Fund to the benefit payments made during that Plan Year was at least eight (8) to one (1).

8.2 **Adoption of Strict Application of Construction Industry Rules**

Notwithstanding any other provisions of the Multiemployer Pension Plan Amendments Act of 1980 ("MPPAA"), the Trustees hereby adopt a construction industry rule, as authorized by Section 4203(b)(1)(B)(ii) of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §1383(b)(1)(B)(ii), effective for qualifying employers who withdraw after June 15, 2006.

(a) For the purpose of this provision, an employer in the building and construction industry means an employer with substantially all of its employees, defined in this provision as 85% or more, for whom the employer has an obligation to contribute under the plan, working in the building and construction industry, as further defined below.

(b) The building and construction industry means work done on a project-by-project basis at a job site, such as a building or other structure, or a public works project, such as a road or pipeline.

(c) For purposes of this exemption, an employer does not qualify for the exemption if its covered work involves delivering or providing materials to a job site.

(d) It is the intention of the trustees that the exemption be narrowly applied to employers who have a temporary, project type obligation to contribute; typically employers having wide-area collective bargaining agreements applicable whenever and wherever the employer secures work on a construction project.

(e) The Trustees shall have sole discretion in interpreting the scope of this narrow exception. It is intended that this exemption by applied narrowly, and that if there

is a question as to whether the exemption applies, the term shall be interpreted by erring on the side of denying application of the exemption.

(f) Upon request of an employer, the Chairman and Secretary Trustees are delegated with authority to make advance determinations as to whether a particular set of facts entitles an employer and its covered operation to application of this construction industry rule.

(g) When applicable, a construction industry employer shall only be deemed to have withdrawn from the Fund in those circumstances specifically enumerated in Section 4203(b) of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. §1383(b)

## ARTICLE IX

## PLAN ADMINISTRATION

### 9.1 Plan Administrator/Named Fiduciary

(a) The Plan shall be operated and administered by the Board of Trustees, and the Board of Trustees shall be the plan administrator and the plan sponsor for purposes of ERISA. The Board of Trustees shall have all of the powers, authority and discretion to carry out the provisions of the Plan; however, the details of administering the Plan may be vested by the Board of Trustees in an administrator/manager appointed by the Board of Trustees to serve at its will.

(b) The Board of Trustees shall be the named fiduciary of the Plan for purposes of ERISA. The Board of Trustees may designate any other person as a named fiduciary by an instrument in writing signed by it, delivered to the designated named fiduciary, and acknowledged and accepted in writing by such designated fiduciary. Any such designation may be modified or amended by written agreement between the parties and may be revoked by either party by written notice delivered to the other party.

(c) Any named fiduciaries who have joint and severable duties and responsibilities under the Plan may allocate such duties and responsibilities (other than the duty to invest all or a portion of the Fund) to any one or more of them, and any named fiduciary may delegate to any person such responsibility he has with respect to the Plan (other than the duty to invest all or a portion of the Fund). Any such allocation or delegation shall be made by written agreement between the parties, may be amended or modified by written agreement between such parties, and may be revoked by either party by written notice delivered to the other party.

### 9.2 Powers and Duties

(a) The Board of Trustees shall have all the powers necessary to operate, administer and manage the Plan in accordance with its terms, including:

(1) to interpret and apply the terms of the Plan, including the right to remedy possible ambiguities, inconsistencies or omissions;

(2) to make and enforce rules and regulations for the administration and operation of the Plan;

(3) to reject any collective bargaining agreement of an Employer and all contributions due thereunder whenever the Board of Trustees determines that any provision of said collective bargaining agreement or practice of the Employer related to the employees covered by the collective bargaining agreement is inconsistent with the practices and rules of the Pension Fund or is adverse to the Pension Fund;

(4) to determine and assess withdrawal liability in accordance with the requirements of ERISA, and to adopt, modify and apply such interpretations, rules and procedures as the Board of Trustees deems necessary or desirable for the determination and assessment of said withdrawal liability;

(5) to decide all questions, including factual questions, related to participation in the Plan, the eligibility for, and payment of, benefits hereunder;

(6) to prescribe procedures for filing an application for benefits and to review applications for review of denial thereof;

(7) to authorize the payment of Retirement Benefits and other benefits to the Participants, Spouses and Beneficiaries, including the right to adjust prospective payments of Retirement Benefits to recapture or compensate for any overpayments or underpayments theretofore made and the right to recapture said overpayments from the Participants, Spouses and Beneficiaries directly; and

(8) to maintain all necessary records for the administration of the Plan.

(b) All determinations and actions of the Board of Trustees with respect to any matter relating to the Plan shall be final, conclusive and binding upon all persons.

9.3 **Compensation, Expenses and Liability**

(a) Trustees receiving full-time pay from their Employer or the Union shall not receive compensation from the Fund for the performance of their duties. The Fund shall pay or reimburse the Trustees for all reasonable expenses which they may incur in the performance of their duties.

(b) Except as required by ERISA or any other applicable law, no Trustee shall be personally liable upon any contract or other instrument made or executed by him or on his behalf in the administration of the Plan, and no Trustee shall be liable for any action in good faith taken or omitted, nor for any act or omission of any other Trustee or other person with duties or responsibilities under the Plan.

(c) The Trustees shall be indemnified by the Fund against all loss, liability and expenses to the maximum extent permitted by ERISA. The Trustees shall be

permitted to procure any liability insurance (including waiver of recourse under fiduciary policies purchased by the Fund) as permitted by law or regulation with respect to the performance of their duties.

9.4 **Claims, Appeals and Review Procedure**

(a) Claims for benefits under the Plan shall be filed in accordance with the procedures established by the Board of Trustees and on forms available from the Board of Trustees upon request.

(b) A claim for benefits shall be decided within a reasonable period of time following the Plan's receipt of the claim, but not later than 90 days after receipt.

(c) If special circumstances require, the initial 90-day period to consider a claim may be extended for up to an additional 90 days. Written (or electronic) notice of an extension shall be provided to the claimant before the end of the applicable prior period. Such notice shall indicate the circumstances requiring the extension and the date by which the Plan expects to decide the claim.

(d) If a claim for benefits is wholly or partially denied:

(1) Written (or electronic) notice of the denial shall be provided to the claimant by the date established by subsections (b) and (c) of this Section to decide the claim.

(2) The denial notice shall set forth (i) the specific reasons for the denial, (ii) specific references to the pertinent provisions of the Plan, (iii) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation why it is necessary, (iv) an explanation of the procedures for review of the denied claim, including the applicable time limits, and (v) a statement of the claimant's right to bring a civil action under ERISA following an adverse determination upon review.

(e) A claimant may appeal a denial of benefits to the Board of Trustees for review. Such appeal shall be made in writing no later than 60 days of the date of the denial. An appeal shall set forth all of the reasons the claim should not have been denied and identify and include all of the issues related to the claim for benefits. A claimant shall be entitled to review all relevant documents and to receive copies free of charge and to submit written documents, records and other information related to the claim and have the same taken into account whether or not previously submitted or considered.

(f) If an appeal is timely filed, the Board of Trustees shall conduct a full and fair review of the claim and provide written (or electronic) notice of its decision on review to the claimant.

(g) For so long as the Board of Trustees hold regularly scheduled meetings at least quarterly, the decision on review shall be made no later than the date of the first meeting of the Board of Trustees that follows the receipt of the application for

review from the claimant. However, if received within 30 days preceding the date of the first meeting, the decision shall be made no later than the date of the second meeting of the Board of Trustees that follows the receipt of the application for review. If special circumstances require a further extension of time for processing, the decision on review shall be made no later than the third meeting of the Board of Trustees that follows the Plan's receipt of the request for review. A written (or electronic) notice of such extension that describes the special circumstances and the date by which the Board of Trustees expect to decide the request for review shall be provided to the claimant before the commencement of any such extension. Written (or electronic) notice of the Board of Trustees' decision on review shall be provided to the claimant within five days of the meeting at which the decision is made.

(h) If the Board of Trustees do not hold regularly scheduled meetings at least quarterly, the decision on review shall be made and written (or electronic) notice of the Board of Trustees decision provided to the claimant within a reasonable period of time following the receipt of the application for review from the claimant, but not later than 60 days after receipt, or 45 days after receipt if a Disability Benefit claim. If special circumstances require, said initial 60-day period and 45-day period may be extended by an additional 60 days and 45 days, respectively. A written (or electronic) notice of such extension that describes the special circumstances and the date by which the Board of Trustees expect to decide the request for review shall be provided to the claimant before the commencement of any such extension.

(i) If the Board of Trustees' decision on the review of an appeal is adverse, the notice of the decision shall set forth (i) the specific reasons for the decision, (ii) specific references to the pertinent provisions of the Plan, (iii) a statement that the claimant is entitled to review all relevant documents and to receive copies free of charge, and (iv) a statement of the claimant's right to bring a civil action under ERISA.

(j) At the claimant's expense, a duly authorized representative of a claimant may act on behalf of the claimant in filing a claim for benefits or requesting a review of any denial thereof. The Board of Trustees may establish reasonable procedures for determining whether an individual has been duly authorized to act on behalf of a claimant.

(k) The following provisions apply to a claim related to a disability Retirement Benefit (paid or payable pursuant to the prior terms of the Plan):

(1) A claim for the disability Retirement Benefit shall be decided not later than 45 days after receipt of the claim.

(2) The initial 45-day period to consider the disability Retirement Benefit claim may be initially extended for up to an additional 30 days and then for up to an additional 30 days after the initial extension if, in each case, the extension is necessary due to matters outside the control for the Plan. In addition to the circumstances requiring the extension and the date by which the Plan expects to decide the claim, the notice of such extension

shall also explain (i) the standards on which entitlement to the benefit is based, (ii) the unresolved issues that prevent a decision on the claim, and (iii) any additional information needed to resolve said issues.

(3) If the reason for extending a period to decide the disability Retirement Benefit claim is due to the claimant's failure to submit information necessary to decide the claim, the claimant shall be so notified and shall be provided with at least a 45-day period to provide the material or information. In such case, the period to decide said claim shall be tolled until the date the claimant responds to the request for additional information.

(4) The denial notice for the disability Retirement Benefit claim shall include (i) any internal rule, guideline, protocol or other similar criterion relied on for the denial, or a statement that it was relied on and a copy will be provided free of charge upon the claimant's request and (ii) if the denial was based on a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the denial, applying the plan terms to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon the claimant's request.

(5) A claimant may appeal a denial of a claim for the disability Retirement Benefit to the Board of Trustees no later than 180 days of the date of the denial.

(6) For a review of the disability Retirement Benefit claim on appeal:

(A) The review shall not afford any deference to the initial benefit determination, and it shall not be made by the individual who made the initial benefit determination or by a subordinate of that individual.

(B) If the initial benefit determination was based on a medical judgment, the determination shall be made after consultation with a health care professional who has appropriate training and experience in the relevant field of medicine. Said health care professional shall not be an individual who was consulted with respect to the initial benefit determination or a subordinate of that individual.

(C) It shall provide for the identification of medical or vocational experts whose advice was obtained on behalf of the plan in connection with an adverse benefit determination, without regard to whether the advice was relied on in making the determination.

(7) When the Board of Trustees do not hold regularly scheduled meetings at least quarterly, the decision on review of the disability Retirement Benefit claim on appeal shall be made and written (or electronic) notice of decision provided to the claimant not later than 45 days after receipt. If

special circumstances require, said initial 45-day period may be extended by an additional 45 days.

(8) For the disability Retirement Benefit claim, the notice of adverse decision by Board of Trustees on appeal shall also include (i) any internal rule, guideline, protocol or other similar criterion relied on for the decision, or a statement that it was relied on and a copy will be provided free of charge upon the claimant's request and (ii) if the decision was based on a medical necessity or experimental treatment or similar exclusion or limit, an explanation of the scientific or clinical judgment for the decision, applying the plan terms to the claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon the claimant's request.

(l) No legal action can be taken against the Plan or the Board of Trustees more than three years after a claim for benefits has been made. For this purpose, a claim for benefits is deemed to have been made on: (i) the date an application for benefits is denied on review by the Board of Trustees, if the claim is to recover benefits not paid by the Plan; (ii) the date benefits are suspended, if the claim is to recover benefits suspended under the Plan; or (iii) the date of the benefit statement that was provided for the applicable period of Service, if the claim is in regard to the Board of Trustees' (or designee's) computation of service and benefits under the Plan.

## 9.5 Information from Participants

(a) Each Employee, Participant, Spouse and Beneficiary shall furnish the Board of Trustees in the form prescribed by it and at its request, such personal data, affidavits, authorizations to obtain information, or other information as the Board of Trustees deems necessary or desirable for the administration of the Plan.

(b) Misstatements or misrepresentations by an Employee, Participant, Spouse, or Beneficiary to the extent they affect their participation or benefits hereunder, shall be handled in accordance with the rules of the Board of Trustees. In no event shall the Plan be obligated to provide Retirement Benefits or benefits in excess of those which would have been provided had there been no misstatement or misrepresentation.

## 9.6 Status Determination of Suspension of Pension Upon Reemployment

A former Participant shall have the right to request in writing that the Board of Trustees determine whether employment contemplated by such Participant is employment that would result in the suspension of the payment of Retirement Benefits. Such request shall be made in accordance with the Plan's claims and appeal procedures.

## ARTICLE X

## AMENDMENT; MERGER; TRANSFER; TERMINATION

### 10.1 Amendment

(a) The Board of Trustees reserves the right to amend the Plan at any time and for any reason. Any such amendment shall be in writing and formally adopted by a duly adopted resolution of the Board of Trustees or by the unanimous written concurrence of all of the Trustees then in office.

(b) To the extent required by ERISA and the Code, no amendment shall reduce a Participant's accrued benefit.

(c) No modification or amendment shall make it possible for any part of the Fund to be used for, or diverted to purposes other than for the exclusive benefit of the Participants and Beneficiaries, or for the payment of the expenses of administration of the Plan and Fund.

(d) Any modification or amendment of the Plan may be made which the Board of Trustees deems necessary or appropriate to make the Plan conform to the requirements of any valid law or governmental regulation now or hereafter enacted or promulgated, or to qualify the Plan and the Fund as exempt under existing or future federal, state or local income tax laws and regulations.

### 10.2 Merger, Consolidation or Transfer of Assets

The Plan can be merged with another plan, or its assets or liabilities transferred to another plan, only if each participant in the Plan would be entitled to a benefit immediately after the merger or transfer as if the plan then terminated which is at least equal to the benefit he would have been entitled to if the Plan had terminated immediately before such merger or transfer.

### 10.3 Plan Termination

(a) The Board of Trustees reserves the right to terminate the Plan at any time and for any reason. Any such termination shall be formally adopted by a duly adopted resolution of the Board of Trustees or by the unanimous written concurrence of all of the Trustees then in office.

(b) Upon a termination or partial termination of the Plan, as and to the extent required by Code § 411(d)(3), each affected employee shall be fully vested in his Accrued Benefit as of the date of such termination or partial termination to the extent then funded.

(c) Upon the complete termination of the Plan, the assets of the Fund, after providing for the expenses of the Plan, shall be allocated and distributed in the manner prescribed and to the extent permitted by ERISA and the Code and the

applicable provisions of the Plan. The Fund shall be the sole source of benefits under the Plan.

(d) No part of the assets shall be returned to any Employer or inure to the benefit of any Employer.

## ARTICLE XI

## MISCELLANEOUS PROVISIONS

### 11.1 Participant's Rights

(a) The existence of the Plan shall not create or change any contract, express or implied, between the Employer and its Employees and shall not affect the Employer's right to take any action with respect to its Employees, including terminating their Employment at any time.

(b) No person shall have any vested rights under the Plan and Fund except to the extent that such rights may accrue to him as provided under the Plan. Furthermore, any person with vested rights under the Plan shall look solely to the Plan and Fund and the assets thereunder for satisfaction of such vested rights. Except as otherwise may be required by ERISA, and except for the liability for making Employer Contributions, the Employer, Union and Trustees (and their principals, officers, directors and employees) do not assume any liability or responsibility for the payment of benefits, or for the sufficiency of Plan assets to pay all benefits, and under no circumstances shall any liability or responsibility therefor be attached to the Employer, Union and Trustees (and their principals, officers, directors and employees).

### 11.2 Plan Assets

All assets of the Plan shall be held in trust pursuant to the terms of the Trust Agreement, which is incorporated herein by this reference.

### 11.3 Spendthrift Clause

(a) As and to the extent required by ERISA and the Code, benefits and interests in the Plan shall not be anticipated, assigned, alienated, subject to attachment, garnishment, levy, execution, or other legal or equitable process, or otherwise be subject to the claims of creditors, and any attempt to do so shall be void.

(b) Notwithstanding subsection (a) of this Section, all or a part of a Participant's benefits may be assigned and paid to an alternate payee (and the Participant's benefits correspondingly reduced) to the extent required and in the manner provided for under Code § 414(p) and ERISA § 206(d)(3) with respect to a "qualified domestic relations order" as said term is defined in Code § 414(p) and ERISA § 206(d)(3). All present value calculations for purposes of a qualified domestic relations order shall be made using the appropriate factors, including the applicable interest rate, of the Plan and, no payment shall be made prior to

the Participant's "earliest retirement age" as said term is defined in Code § 414(p) and ERISA § 206(d)(3).

(c) The Board of Trustees shall establish such procedures pursuant to Code § 414(p) and ERISA § 206(d)(3) as it deems necessary or desirable to determine the qualified status of domestic relations orders and to administer distributions under a qualified domestic relations orders, including procedures relating to:

(1) a Participant's eligibility to receive benefits during the period the Board of Trustees is determining whether a domestic relations order with respect to the Participant's benefits is a qualified domestic relations order and/or during the period after the Board of Trustees has been notified that a qualified domestic relations order is being sought with respect to the Participant's benefits; and

(2) the administration and payment of benefits for alternate payees pursuant to qualified domestic relations orders.

(d) Notwithstanding subsection (a) of this Section, all or part of a Participant's benefits may be offset against an amount that the Participant is ordered to pay to the Plan under a judgment, order, decree or settlement described in Code § 401(a)(13)(C) issued or entered into on or after August 5, 1997.

## 11.4 Costs

All costs of administering the Plan, including the fees and expenses of the accountants, actuaries, legal counsel and other agents for the Plan or the Trustees, shall be paid from the Fund and no responsibility or liability therefor shall be asserted against any Employer, the Union, or the Trustees.

## 11.5 Separability

The Articles and Sections of this document shall be deemed separable so that the invalidity of any portion hereof shall not affect the validity of the remainder.

## 11.6 Gender and Number

The use of the singular shall be interpreted to include the plural and the plural the singular, as the context shall require. The use of the masculine, feminine or neuter shall be interpreted to include the masculine, feminine or neuter, as the context shall require.

## 11.7 Applicable Law

To the extent not preempted by Federal law, the provisions of the Plan shall be governed and construed under the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, this amendment and restatement of the Plan has been duly executed on this 15th day of January, 2015.

Union Trustee

By: _____

Employer Trustee

By: _____

# APPENDIX A

(491)

| CONTRIBUTION RATE CLASS | MULTIPLIERS |
|---|---|
| $79.00 - $83.00 (FREIGHT) | $34.00 (for service prior to April 1, 1984)<br>$43.00 (for service between April 1, 1984 and September 30, 1987 inclusive) |
| $80.00 - $84.00 - $88.00 (UNITED PARCEL POST) | $34.50 (for service prior to May 1, 1984)<br>$43.50 (for service between May 1, 1984 and September 30, 1987 inclusive) |

## TABLE 1

## UNIT MULTIPLIER TABLE

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $72.00 | $34.50 |
| $71.00 | $34.00 |
| $55.00 - $58.00 - $62.00 | $32.50 |
| $61.00 - $65.00 | $32.70 |
| $238.18 - $243.18 - $248.18 | $31.90 |
| $49.00 - $52.00 - $56.00 | $31.75 |
| $230.19 - $235.19 - $240.19 | $31.70 |
| $44.00 - $49.00 - $54.00 | $31.50 |
| $43.00 - $48.00 - $53.00 | $31.05 |
| $48.00 - $50.00 - $52.00 | $30.65 |
| $46.00 - $49.00 - $52.00 | $30.55 |
| $41.00 - $46.00 - $51.00 | $30.10 |
| $45.00 - $47.00 - $49.00 | $29.30 |
| $43.00 - $46.00 - $49.00 | $28.80 |
| $43.00 - $45.00 - $47.00 | $27.70 |
| $44.00 - $45.00 - $46.00 | $27.25 |
| $40.00 - $43.00 - $46.00 | $27.00 |
| $37.50 - $40.50 - $43.50 | $25.55 |
| $37.00 - $40.00 - $43.00 | $25.25 |
| $36.00 - $39.00 - $42.00 | $24.65 |
| $35.00 - $38.00 - $41.00 | $24.05 |
| $34.00 - $37.00 - $40.00 | $23.45 |
| $00.85 - $00.90 - $00.95 | $22.25 |
| $34.50 - $37.00 | $21.75 |
| $31.00 - $34.00 - $37.00 | $21.70 |
| $30.00 - $33.00 - $21.10 | $21.10 |
| $29.00 - $32.00 - $35.00 | $20.50 |
| $28.50 - $31.50 - $34.50 | $20.20 |
| $140.00 - $142.50 - $145.00 | $19.50 |
| $116.92 - $129.92 - $142.92 | $19.45 |
| $000.75 | $17.55 |

# APPENDIX A

(491)
(Continued)

TABLE II

UNIT MULTIPLIER FOR CREDITED SERVICE

| Contribution Rate Class | Prior to January 1, 1978 | After January 1, 1978 |
|---|---|---|
| $28.00 - $31.00 – $34.00 | $20.20 | $19.75 |
| $29.00 - $31.00 – $33.00 | $20.20 | $18.85 |
| $29.00 - $32.00 | $20.20 | $17.90 |
| $28.00 – $30.00 - $32.00 | $20.20 | $17.85 |
| $26.00 - $29.00 - $32.00 | $20.20 | $17.80 |
| $25.00 - $28.00 - $31.00 | $20.20 | $16.80 |
| $25.50 - $28.00 - $30.50 | $20.20 | $16.35 |

TABLE III

UNIT MULTIPLIER TABLE FOR ALL OTHER CLASSES

UNIT MULTIPLIERS FOR CREDITED SERVICE PRIOR TO JANUARY 1, 1978 FOR CONTRIBUTION RATE CLASS AS OF JANUARY 1, 1978

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00 to $25.99 | $20.20 | | |
| $22.00 to $23.99 | $20.00 | $12.00 to $13.99 | $13.00 |
| $20.00 to $21.99 | $19.00 | $10.00 to $11.99 | $11.00 |
| $18.00 to $19.99 | $18.00 | $ 8.00 to $ 9.99 | $ 9.00 |
| $16.00 to $17.99 | $16.50 | $ 6.00 to $ 7.99 | $ 7.00 |
| $14.00 to $15.99 | $14.50 | $ 4.00 to $5.99 | $ 5.00 |
| $25.00 - $28.00 - $31.00 | $15.70 | | |
| $25.00 - $28.00 | $14.35 | $18.00 | $9.30 |
| $24.00 - $26.00 - $28.00 | $14.25 | $14.00 - $18.00 | $9.15 |
| $23.00 - $25.00 - $27.00 | $13.75 | $10.00 - $14.00 - $18.00 | $8.85 |
| $26.00 | $13.40 | $12.50 - $15.00 | $7.65 |
| $24.00 - $25.00 - $26.00 | $13.30 | $14.50 | $7.50 |
| $18.00 - $22.00 - $26.00 | $13.00 | $14.00 | $7.20 |
| $25.00 | $12.90 | $12.00 - $13.00 - $14.00 | $7.10 |
| $24.00 - $25.00 | $12.85 | $10.00 - $12.00 - $14.00 | $7.00 |
| $23.00 - $25.00 | $12.80 | $800 - $10.00 - $12.00 | $5.95 |
| $22.00 - $25.00 | $12.80 | $10.00 - $11.50 | $5.85 |
| $24.00 | $12.40 | $ 4.00 - $ 6.50 - $9.00 | $4.35 |
| $23.00 | $11.85 | $8.00 | $4.10 |
| $20.00 - $22.00 | $11.30 | $ 4.00 - $ 6.00 - $ 8.00 | $3.90 |
| $14.00 - $19.50 - $22.00 | $10.95 | $ 2.00 - $ 4.00 - $ 6.00 | $2.85 |
| $20.00 | $10.30 | $ 2.00 - $ 4.00 - $ 6.00 | $2.85 |

# APPENDIX B

(453)

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $390.81 | $50.00 | $105.70 | $18.25 |
| $373.48 | $50.00 | $105.70 | $18.25 |
| $356.15 | $50.00 | $ 95.33 | $18.25 |
| $338.82 | $50.00 | $ 92.16 | $16.00 |
| $291.16 | $50.00 | $ 84.49 | $18.25 |
| $246.96 | $50.00 | $ 74.88 | $13.00 |
| $212.30 | $38.75 | $ 73.66 | $18.25 |
| $194.97 | $36.25 | $ 60.67 | $10.70 |
| $177.64 | $33.75 | $ 56.33 | $10.70 |
| $173.31 | $30.00 | $ 47.66 | $10.70 |
| $161.28 | $28.00 | $ 43.33 | $ 8.60 |
| $158.00 | $28.00 | $39.00 | $ 8.60 |
| $151.00 | $27.00 | $34.67 | $ 8.60 |
| $149.76 | $26.00 | $29.67 | $ 8.60 |
| $146.00 | $26.00 | $28.67 | $ 8.60 |
| $144.00 | $25.00 | $26.00 | $ 6.75 |
| $134.31 | $25.00 | $23.67 | $ 6.75 |
| $127.79 | $25.00 | $17.17 | $ 5.40 |
| $121.31 | $25.00 | $12.17 | $ 3.75 |
| $111.56 | $25.00 | $ 8.67 | $ 3.75 |
| $108.31 | $25.00 | | |

**FIRST AMENDMENT**
**TO THE**
**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS**
**PENSION FUND**
**(As Amended and Restated July 1, 2014)**

WHEREAS, the Board of Trustees has the right to amend the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund, as amended and restated July 1, 2014 (the "Plan"); and

WHEREAS, the Board of Trustees approved an amendment at its October 14, 2016 meeting to amend the deemed beneficiary provisions under the certain and life annuity forms of payment and the ten year certain death benefit.

NOW, THEREFORE, the Board of Trustees amends the Plan, effective October 14, 2016, as follows:

1. Section 5.4(f) is amended to read as follows:

   (f) If there is no beneficiary designated by the Participant or surviving at the death of the Participant under the 5 Year Certain and Life Annuity or 10 Year Certain and Life Annuity, the Participant shall be deemed to have designated the following beneficiaries, with priority in the order named, for the balance of any monthly payments due under said form of payment: (1) the surviving spouse; (2) the surviving children (to be shared equally); (3) the surviving parents (to be shared equally); and (4) the Participant's estate.

2. Section 5.4(g) is amended to read as follows:

   (g) If a beneficiary designated by the Participant under the 5 Year Certain and Life Annuity or 10 Year Certain And Life Annuity survives the Participant but dies before a total of 60 monthly payments or 120 monthly payments have been paid thereunder respectively, the remaining payments shall be paid to a beneficiary designated by the beneficiary who died while receiving the monthly payments. If said beneficiary has not designated a beneficiary or no designated beneficiary survives the death of said beneficiary, said beneficiary's estate shall be the beneficiary.

3. Section 5.6(b) is amended to read as follows:

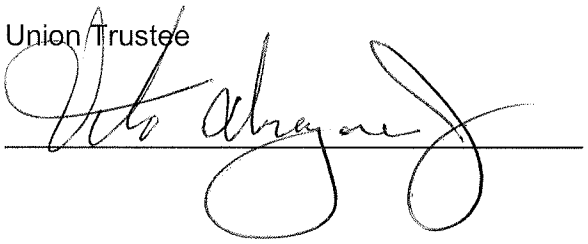
   (b) Normal or postponed Retirement Benefits payable to a Participant (and early Retirement Benefits after the Participant has attained his Normal Retirement Date) shall be suspended for any calendar month in which the Participant is employed for one hundred (100) or more hours by an Employer who, at the time of employment or within five (5) years prior thereto, is an Employer (as defined in the Plan) in the same industry, trade or craft and within the same geographical area covered by the Plan.

4. Section 6.1(e) is amended to read as follows:

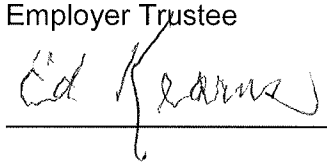
(e) A Participant shall designate a Beneficiary for this purpose, and may change said Beneficiary designation from time to time, in a written designation filed with the Board of Trustees in the manner and form prescribed by the Board of Trustees. Said Beneficiary designation shall be terminated if the Participant marries and remains married for one year. If there is no Beneficiary designated by the Participant or surviving at the death of the Participant, the Participant shall be deemed to have designated the following beneficiaries, with priority in the order named, for the balance of any monthly payments due under said form of payment: (1) the surviving spouse; (2) the surviving children (to be shared equally); (3) the surviving parents (to be shared equally); and (4) the Participant's estate.

IN WITNESS WHEREOF, this Amendment has been duly executed on this 20th day of January, 2017.

Union Trustee



Employer Trustee



**SECOND AMENDMENT**
**TO THE**
**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS**
**PENSION FUND**
**(As Amended and Restated July 1, 2014)**

WHEREAS, the Board of Trustees has the right to amend the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund, as amended and restated July 1, 2014 (the "Plan"); and

WHEREAS, the Plan has been certified to be in critical status within the meaning of Section 305 of the Employee Retirement Income Security Act and Section 432 of the Internal Revenue Code; and

WHEREAS, the Board of Trustees has adopted an updated Rehabilitation Plan.

NOW, THEREFORE, the Board of Trustees hereby amends the Plan, effective July 1, 2017, as follows:

1. Section 5.3(a)(4) is amended to read as follows:

   (4) Qualified Joint and 50% Survivor Annuity (for married participants) – Under the Qualified Joint and 50% Survivor Annuity form of payment, the Retirement Benefit shall be paid to the Participant monthly for his lifetime, with the provision that upon his death after the Annuity Starting Date, 50 percent of the monthly payment previously payable to the Participant shall be continued to and for the lifetime of his surviving Spouse to whom he was married on his Annuity Starting Date; with the further provision that for a Participant (who retires on or after October 1, 1997 and) whose Annuity Starting Date is before July 1, 2017, if said Spouse dies after the Annuity Starting Date and before the Participant, beginning with the calendar month following the Spouse's death, the Participant's monthly payment shall be increased to the amount it would have been if the Participant had elected the normal form of payment for Participants without a Spouse.

2. Section 5.3(a)(5) is amended to read as follows:

   (5) Qualified Joint and 100% Survivor Annuity (for married participants) – Under the Qualified Joint and 100% Survivor Annuity form of payment, the Retirement Benefit shall be paid to the Participant monthly for his lifetime, with the provision that upon his death after the Annuity Starting Date, 100 percent of the monthly payment previously payable to the Participant shall be continued to and for the lifetime of his surviving Spouse to whom he was married on his Annuity Starting Date; with the further provision that for a Participant (who retires on or after October 1, 1997 and) whose Annuity Starting Date is before July 1, 2017, if said Spouse dies after the Annuity Starting Date and before the Participant, beginning with the calendar month following the Spouse's death, the Participant's monthly payment shall be increased to the amount it would have been if the Participant had elected the normal form of payment for Participants without a Spouse.

3. Section 6.1(a) is amended to read as follows:

(a) A beneficiary of a Participant shall be eligible for the payment of a ten year certain death benefit if:

(1) the Participant dies before his Annuity Starting Date and before July 1, 2017;

(2) the Participant has been credited with service earned on or after August 9, 1996;

(3) the Participant is not married on the date of his death or has been married to his Spouse for less than one year on the date of his death; and

(4) the Participant satisfies the age and/or service requirements to be eligible for Retirement Benefit (or is otherwise vested in his Accrued Benefit) as of the earlier of the date of his death or the date of his termination of Covered Employment.

IN WITNESS WHEREOF, this Amendment has been duly executed on this 7th day of April, 2017.

Union Trustee

Employer Trustee

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## Trust Agreement

**Amended and Restated as of January 1, 2020**

## TABLE OF CONTENTS

Page


**ARTICLE I - TRUST**

1.01 Continuation of Trust ..... 1
1.02 Purpose of Trust ..... 1

**ARTICLE II - DEFINITIONS**

2.01 Agreement and Declaration of Trust or Trust Agreement ..... 2
2.02 Board of Trustees ..... 2
2.03 Employee ..... 2
2.04 Employer ..... 2
2.05 Employer Contributions ..... 2
2.06 ERISA ..... 2
2.07 Fund ..... 2
2.08 Plan ..... 2
2.09 Trustees ..... 2
2.10 Union ..... 2

**ARTICLE III – TRUST FUND**

3.01 Fund ..... 2
3.02 Application of the Fund ..... 3

**ARTICLE IV - PARTICIPATION AND BENEFITS**

4.01 Plan Participation ..... 3
4.02 Benefits ..... 3

**ARTICLE V - CONTRIBUTIONS**

5.01 Employer Contributions ..... 3
5.02 Remittance Reports/Payments/Audits ..... 4
5.03 Delinquent Contributions ..... 4
5.04 Venue for Collection ..... 5
5.05 Irrevocability of Contributions ..... 5
5.06 Reciprocal Agreements ..... 5

**ARTICLE VI – TRUSTEES AND ADMINISTRATION**

6.01 Board of Trustees ..... 5
6.02 Term of Service/Removal/Resignation ..... 6
6.03 Successor Appointments ..... 6
6.04 Meetings/Quorum/Voting ..... 7
6.05 Resolution of Disputes ..... 8
6.06 Signatures ..... 8
6.07 Legal Proceedings ..... 8
6.08 Committees/Administrative Manager ..... 8
6.09 Fiduciary Provisions ..... 9
6.10 Power to Construe ..... 9
6.11 Investment of the Fund ..... 9
6.12 Additional Powers ..... 10
6.13 Books and Records ..... 12

## TABLE OF CONTENTS


Page

6.14 Compensation; Expenses ..... 12
6.15 Liability; Insurance ..... 12

**ARTICLE VII - AMENDMENT; MERGER; TERMINATION**

7.01 Amendment ..... 13
7.02 Merger, Consolidation or Transfer of Assets ..... 13
7.03 Plan Termination ..... 13

**ARTICLE VIII - MISCELLANEOUS PROVISIONS**

8.01 Adoption of Trust Agreement ..... 14
8.02 Spendthrift ..... 14
8.03 Costs ..... 14
8.04 Separability ..... 14
8.05 Gender and Number ..... 14
8.06 Situs ..... 14

**SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**

# TRUST AGREEMENT

(Amended and Restated as of January 1, 2020)

## PREAMBLE

**WHEREAS**, the Fund was established effective July 1, 1956 as the Teamsters Local Union No. 491 and Industry Pension Fund which included the execution of an Agreement and Declaration of Trust;

**WHEREAS**, such Agreement and Declaration of Trust created a jointly trusteed pension fund administered in accordance with the provisions of Section 302(c) of the Labor-Management Relations Act of 1947;

**WHEREAS**, the Cumberland, Maryland Area Teamsters Pension Fund merged with and into the Teamsters No. Local Union No. 491 and Industry Pension Fund effective January 1, 1989;

**WHEREAS,** the Agreement and Declaration of Trust was amended and restated as the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund effective January 1, 1990; and

**WHEREAS**, such Agreement and Declaration of Trust has been amended from time to time, and the Board of Trustees wishes to amend and restate the provisions of the Agreement and Declaration of Trust as so amended.

**NOW THEREFORE**, the Board of Trustees hereby amends the Agreement and Declaration of Trust in its entirety as follows, effective as of January 1, 2020.

## ARTICLE I

## TRUST

### 1.01 Continuation of Trust

This Trust Agreement continues the trust known as the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund, and the assets held in trust thereunder shall continue to be held in trust in accordance with the terms of the Trust Agreement.

### 1.02 Purpose of Trust

The purpose of the trust is to hold the assets used to provide benefits under the Plan.

## ARTICLE II

## DEFINITIONS

2.01 **Agreement and Declaration of Trust or Trust Agreement** shall mean this instrument, including any amendments thereto.

2.02 **Board of Trustees** shall mean the board of trustees under the Trust Agreement consisting of the persons selected and acting as Trustees.

2.03 **Employee** shall mean an employee of an Employer as further defined by the Plan.

2.04 **Employer** shall mean an Employer as defined in the Plan.

2.05 **Employer Contributions** shall mean the payments made or required to be made by Employers to the Fund in the amounts specified in a collective bargaining agreement or a written participation agreement with the Board of Trustees.

2.06 **ERISA** shall mean the Employee Retirement Income Security Act of 1974, as amended.

2.07 **Fund** shall mean the trust estate of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund described in Section 3.01.

2.08 **Plan** shall mean the pension plan providing for the payment of pension benefits and set forth in the plan document titled the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund.

2.09 **Trustees** shall mean the persons selected and acting as trustees for the Fund in accordance with the Trust Agreement.

2.10 **Union** shall mean Local Union No. 491 or Local Union No. 453 affiliated with the International Brotherhood of Teamsters; provided, however, if either such Local Union ceases to exist as an independent organization (due to dissolution, merger or otherwise), Union shall thereafter mean the other Local Union for all purposes of this Agreement, including for the appointment and removal of Trustees and the amendment of the Agreement notwithstanding the references herein to a specific Local Union.

## ARTICLE III

## TRUST FUND

3.01 **Fund**

(a) The trust estate hereunder shall consist of the Plan assets currently held in trust, together with such sums of money as shall be paid or delivered to the Fund from time to time hereafter in accordance with the Plan and the Trust Agreement, plus all investments made therewith and proceeds thereof and all earnings and profits thereon, and less any losses thereon and the payments and disbursements made by the Board of Trustees hereunder.

(b) The Board of Trustees may deposit all or a portion of the Fund with a corporate trustee or custodian and enter into such agreements with said trustee or custodian on such terms and conditions as the Board of Trustees deems necessary or desirable.

3.02 **Application of the Fund**

(a) The Fund shall be applied for the purpose of providing benefits due under the Plan (including the accumulation of reserves therefor) and to pay the reasonable expenses of administering the Plan and Fund.

(b) No person shall have any right or interest in or to the Fund except to the extent such rights accrue to him as provided in the Plan.

(c) The Fund shall be the sole source of the benefits under the Plan. Under no circumstances shall the Union, Employers, and Trustees have any liability for the payment of benefits.

## ARTICLE IV

## PARTICIPATION AND BENEFITS

4.01 **Plan Participation**

The terms and conditions and rules for participation in the Plan shall be as established by the Board of Trustees from time to time, as set forth in the Plan.

4.02 **Benefits**

The benefits under the Plan shall be those pension benefits as the Board of Trustees shall determine should be provided from time to time to eligible participants in the Plan and their spouses and beneficiaries, as set forth in the Plan. Said benefits may be provided directly from the Fund or by the payment of premiums or fees to an insurance company or other provider of said benefits.

## ARTICLE V

## CONTRIBUTIONS

5.01 **Employer Contributions**

(a) An Employer shall contribute and pay contributions to the Fund in the amount and at the time required under the collective bargaining agreement with the Union or the participation agreement with the Board of Trustees.

(b) The Board of Trustees shall have the power to demand, collect, and receive Employer Contributions and may take such steps as it deems necessary or desirable to effectuate the collection of Employer Contributions. The Board of Trustees shall not be obligated to invoke or exhaust any grievance and arbitration procedures that might be contained in any collective bargaining

agreement to collect unpaid Employer Contributions or to compel an audit of an Employer's records for this purpose.

(c) No Employer shall be responsible for the contributions or other obligations of any other Employer, except as required by a collective bargaining or other agreement or by statute.

5.02 **Remittance Reports/Payments/Audits**

(a) Each Employer shall prepare and submit to the Fund Office periodic remittance reports in accordance with the instructions of the Board of Trustees (or its designees) along with payment of the Employer Contributions due thereunder to the Fund. If an Employer fails to file a proper report, the statute of limitations shall not begin to run until the Employer files a proper report or until the Board of Trustees (or its designees) actually discovers the failure to report.

(b) The Board of Trustees (or its designees) shall have the right to audit and examine any payroll, tax and employment records of an Employer as the Board of Trustees may deem necessary or desirable in connection with the administration of the Plan and the Fund and to require the Employer to provide the Board of Trustees with the same. The Board of Trustees may establish such policies and procedures as it deems necessary or desirable regarding the audit of an Employer's records, including those relating to the payment of audit expenses incurred by the Fund and the payment of legal fees in the event of a lawsuit to compel an audit.

5.03 **Delinquent Contributions**

(a) If an Employer shall fail to contribute and pay Employer Contributions to the Fund when the same shall be due and payable, the Employer shall be considered delinquent and in breach of the Trust Agreement, and unless different amounts are specified in a collective bargaining agreement with the Union or a participation agreement with the Board of Trustees, the Employer shall be required to pay interest on the amount of delinquent Employer Contributions at the rate of 1½ percent per month, or portion thereof, plus liquidated damages equal to the greater of $50 or 10% percent of the total delinquent Employer Contributions, regardless of whether suit has been filed to collect the delinquent Employer Contributions and whether judgment has been entered against the Employer.

(b) The Board of Trustees may take such steps, including the prosecution of, or the intervention in, any proceedings at law, in equity, or in bankruptcy as it may deem necessary or desirable in order to collect delinquent contributions.

(c) The delinquent Employer shall be liable for the Board of Trustees' reasonable expenses, including attorney's fees, court costs, and other disbursements, incurred in the collection of delinquent contributions.

(d) If an Employer is two or more months delinquent in making Employer Contributions and has failed to submit remittance reports showing the Employer

Contributions due, the Board of Trustees shall have the power, in its discretion, to project the amounts due to the Fund by averaging the monthly payments actually made by the Employer for the last three months for which the payments were made or for the last 12 months for which the payments were made, which average is the greater. Such monthly average may be used to determine the amounts due for each delinquent month, including for the purpose of any suit filed, and no other proof need to be furnished to compute the amounts due from the Employer for the delinquent months.

(e) If an Employer remains delinquent in remitting Employer Contributions for a period of 30 calendar days or more, or is habitually or frequently delinquent, the Board of Trustees shall have the power, in its discretion, to require the delinquent Employer to post security for the payment of such delinquencies in the form of cash or a corporate surety bond in the amount as determined to be adequate by the Board of Trustees.

5.04 **Venue for Collection**

The Employer waives any venue requirement and agrees that the District Court of the United States for the Western District of Pennsylvania shall be the proper venue to bring any action for the collection of Employer Contributions.

5.05 **Irrevocability of Contributions**

Employer Contributions shall be irrevocable; provided, however, to the extent and in the manner permitted by ERISA, the Board of Trustees may authorize a return of an overpayment of Employer Contributions made by reason of a mistake of fact or law. Any such return shall be subject to and reduced by any setoffs, claims honored, benefits paid, or obligations incurred with respect to said overpayment.

5.06 **Reciprocal Agreements**

The Board of Trustees may enter into, continue, amend and terminate agreements or arrangements with the trustees of other multiemployer, defined benefit funds to reciprocate employer contributions to and from such other funds under such terms and conditions as the Board of Trustees believes appropriate.

## ARTICLE VI

## TRUSTEES AND ADMINISTRATION

6.01 **Board of Trustees**

(a) The Fund shall be administered by a board of six Trustees. Three of the Trustees shall be designated as Union Trustees, with two of the Union Trustees appointed by Local Union No. 491 affiliated with the International Brotherhood of Teamsters and one of the Union Trustees appointed by Local Union No. 453 affiliated with the International Brotherhood of Teamsters. Three of Trustees shall be designated Employer Trustees, all of whom shall be appointed by the Employers. Employer for this purpose shall not include the Union, the Fund or

the Teamsters Local Union 491 Health and Welfare Fund as an Employer under the Plan and Fund with respect to its employees.

(b) The Trustees hereby accept the trust and agree to perform the duties on their part to be performed under the Trust Agreement.

(c) One of the Trustees shall be elected Chairman of the Board of Trustees and one of the Trustees shall be elected Secretary of the Board of Trustees; provided, however, that at all times, one shall be an Employer Trustee and one shall be a Union Trustee. The Chairman shall alternate, insofar as practicable or desirable on an annual basis between a Union Trustee and an Employer Trustee. The Board of Trustees may elect additional co-officers as they deem appropriate; provided, however, that at all times, one shall be an Employer Trustee and one shall be a Union Trustee.

6.02 **Term of Service/Removal/Resignation**

(a) Each Trustee shall continue to serve as such until his death, incapacity, resignation or removal as herein provided, or until the expiration of any term.

(b) A Trustee may resign at any time and become and remain fully discharged from all future duty or responsibility hereunder upon giving 30 days' notice in writing to the remaining Trustees, or upon such other notice as the remaining Trustees may accept as sufficient. Such notice shall state a date upon which such resignation shall take effect. A resignation shall take effect on the date specified in the notice unless a successor Trustee shall be appointed at an earlier date, in which event such resignation shall take effect immediately upon the acceptance of such successor Trustee.

(c) A Union Trustee may be removed from office at any time by the Union which appointed the Trustee by a written notice of removal delivered to the Chairman and Secretary of the Board of Trustees.

(d) An Employer Trustee may be removed from office at any time by a written notice of removal signed by not less than 50 percent of the Employers and delivered to the Chairman and Secretary of the Board of Trustees. Employer for this purpose shall not include the Union, the Fund or the Teamsters Local Union 491 Health and Welfare Fund as an Employer under the Plan and Fund with respect to its employees.

(e) A Trustee who resigns or is removed shall turn over to Fund any and all property in his possession that is owned by Fund.

6.03 **Successor Appointments**

(a) If a Union Trustee ceases to be a Trustee for any reason, a successor Trustee shall be appointed by the Union that appointed the prior Trustee, and a written notice of appointment shall be delivered by the appointing Union to all of the Trustees serving at that time.

(b) If an Employer Trustee ceases to be a Trustee for any reason, a successor Trustee shall be appointed by the Employers through a notice to them setting forth the name of the nominee selected by the remaining Employer Trustees and stating that the nominee shall be considered appointed unless at least 20 percent of the Employers object to the appointment within 30 days of the date of the notice. Employer for this purpose shall not include the Union, the Fund or the Teamsters Local Union 491 Health and Welfare Fund as an Employer under the Plan and Fund with respect to its employees.

(c) A successor Trustee shall, immediately upon his appointment and acceptance of the trusteeship, become vested with all of the property, rights, powers and duties of a Trustee hereunder with like effect as if originally named as a Trustee.

(d) It is the intention that the Fund shall be administered at all times by an equal number of Employer Trustees and Union Trustees, but until the appointment of a successor Trustee or Trustees as herein provided, the remaining Trustees shall have full power to act.

(e) In the event any party having the right to fill a vacancy on the Board of Trustees shall fail, for a period of 30 days, to fill such vacancy, any Trustee may petition the District Court of the United States for the Western District of Pennsylvania for an order requiring such party to appoint a successor Trustee, and in the event of the failure of such party to comply with such order, may petition such District Court for the appointment by it of a successor Trustee to fill such vacancy.

6.04 **Meetings/Quorum/Voting**

(a) Except as otherwise provided herein, any action taken by the Board of Trustees shall be approved by a majority vote of the Trustees present (in person, by telephone or electronically) at a duly convened meeting of the Board of Trustees at which a quorum is present.

(b) A quorum of the Board of Trustees shall consist of one Employer Trustee and one Union Trustee.

(c) Each Trustee shall have one vote on all matters; provided, however, if there is an unequal number of Employer Trustees or Union Trustees present at any meeting, then, in that event, the group of Trustees being the lesser in number shall be entitled to cast an equal number of votes as the group that has the larger number present at any such meeting. If an additional vote or votes must be cast by a lesser number group of Trustees in order to provide for such equality in voting, each Trustee in the lesser number group of Trustees shall have an additional vote (whole or fractional) equal to the number of absent Trustees from that group necessary to provide for equal voting divided by the number of Trustees present from that group. Any and all actions so taken shall have effect and force as if taken by all of the Trustees.

(d) Regular meetings of the Board of Trustees shall be held on dates fixed by the Board of Trustees from time to time. The Secretary (or designee) shall provide written, electronic or oral notice to the other Trustees of a regular meeting at

least five days prior to the date of the meeting. The Chairman or Secretary may call a special meeting of the Board of Trustees at any time by giving at least two days advance written or electronic notice of the time and place thereof to the remaining Trustees. Meetings of the Board of Trustees may be held at any time without notice if the Trustees consent. Absent objection at the meeting, Trustees present at a meeting shall be deemed to have consented to the meeting call.

(e) Regular and special meetings may be held by telephone or electronically.

(f) Action by the Trustees may also be taken by them in writing without a meeting; provided, that there is unanimous written concurrence by all of the Trustees then in office.

6.05 **Resolution of Disputes**

In the event of a deadlock of the Board of Trustees on any matter, the Trustees shall agree upon an impartial arbitrator to decide the matter in dispute. If the Trustees fail to agree upon an impartial arbitrator within five days, or if a quorum is not available after two called meetings to agree upon an impartial arbitrator, either group of Trustees may petition the District Court of the United States for the Western District of Pennsylvania to appoint an impartial arbitrator to settle the matter in dispute. An impartial arbitrator shall not have the power to add to or subtract from the terms of the Plan or the Trust Agreement.

6.06 **Signatures**

In any instruction or agreement in writing by the Board of Trustees, the Fund and the Board of Trustees shall be bound by the signature of two authorized Trustees, provided that one of them shall be an Employer Trustee and one a Union Trustee. All persons, partnerships, corporations, or associations may rely thereon that such instrument has been duly authorized.

6.07 **Legal Proceedings**

All suits and proceedings to recover Employer Contributions or to enforce or protect any other right, demand, or claim on behalf of the Board of Trustees or the Plan and/or the Fund may be instituted or prosecuted by the Chairman and Secretary, jointly, in their capacities as such, by any two authorized Trustees, provided that one of them shall be an Employer Trustee and one a Union Trustee, or by their respective designee or designees.

6.08 **Committees/Administrative Managers**

(a) The Board of Trustees shall have the power to delegate the authority and responsibility to carry out any duty or responsibility it may have under the Trust Agreement to a committee of Trustees. The number of Trustees serving on such committee shall be determined by the Board of Trustees, provided that the committee shall at all times consist of an equal number of Employer Trustees and Union Trustees.

(b) The Board of Trustees shall have the power to appoint or hire an administrative manager and/or administrative staff to execute the details of policies established by the Board of Trustees and to administer the office of the Fund.

6.09 **Fiduciary Provisions**

(a) The Board of Trustees shall be the named fiduciary of the Fund. The Board of Trustees may designate any other person as a named fiduciary by an instrument in writing signed by it, delivered to the designated named fiduciary, and acknowledged and accepted in writing by such designated fiduciary. Any such designation may be modified or amended by written agreement between the parties and may be revoked by either party by written notice delivered to the other party.

(b) Any named fiduciaries who have joint and severable duties and responsibilities under the Fund may allocate such duties and responsibilities, other than the duty to invest all or a portion of the Fund, to any one or more of them, and any named fiduciary may delegate to any person such responsibility he has with respect to the Fund, other than the duty to invest all or a portion of the Fund. Any such allocation or delegation shall be made by written agreement between the parties, may be amended or modified by written agreement between such parties, and may be revoked by either party by written notice delivered to the other party.

(c) Each named fiduciary and fiduciary shall have only those specific powers, duties and responsibilities specified under the Trust Agreement or as otherwise allocated or delegated pursuant to the Trust Agreement. The Trust Agreement is intended to allocate to each named fiduciary and fiduciary the individual responsibilities allocated or delegated to him, and no such responsibilities shall be shared by two or more fiduciaries unless such sharing shall be specifically provided by the Trust Agreement.

6.10 **Power to Construe**

The Board of Trustees shall have the exclusive power to construe the provisions of the Trust Agreement and the terms used herein, and to promulgate rules and regulations as it deems necessary or desirable for the efficient administration of the Fund. Any such construction and any such rules and regulations so adopted by the Board of Trustees shall be binding upon all persons.

6.11 **Investment of the Fund**

(a) Except as delegated to an investment manager, the Board of Trustees shall have the exclusive authority and responsibility for the investment of the Fund.

(b) The Board of Trustees is authorized to invest and reinvest the Fund as a single fund without distinction between principal and income, at such time or times and in such shares and proportions, as the Board of Trustees believes, in its sole discretion, to be suitable investments for the Fund, including stocks (common or preferred); bonds, debentures, notes and other evidences of indebtedness; real estate and mortgages; insurance company contracts; interests in investment

companies, deposits in a bank or other financial institution under state or federal supervision, including the banking department of any corporate trustee or custodian; and any other kind of security or real or personal property; provided, however, that no investment shall be made in securities or real property of any Employer in violation of the provisions of Title I, Part 4 of ERISA. In making investments under the Fund, the Board of Trustees shall not be limited to any class of investments prescribed by statute, or otherwise, other than ERISA, as legal investments for trust funds.

(c) The Board of Trustees is authorized to invest all or any part of the Fund in a collective, common or pooled fund, including one maintained by a corporate trustee or custodian or an investment manager, for the collective investment of fiduciary accounts or solely as a medium for the collective investment of employee benefit trusts which are similarly tax exempt under the Internal Revenue Code as the Fund, or any statute of similar import. If such investment shall occur, said investment shall be subject to the provisions of the common fund agreement, which is incorporated herein by reference.

(d) The Board of Trustees is authorized to appoint an investment manager or managers (within the meaning of ERISA § 3(38)) and to delegate to such investment manager or managers the authority and responsibility it has to manage, invest and reinvest all or any portion of the Fund.

(e) The Board of Trustees may hold uninvested, from time to time, without liability for interest thereon, such amounts as are necessary for the cash requirements of the Fund. Said amount may be deposited in an account of a bank under state or federal supervision that is a corporate trustee or custodian.

6.12 **Additional Powers**

Without limiting any powers and authority otherwise conferred upon the Board of Trustees by the Trust Agreement or law, the Board of Trustees shall have the following powers and authority with respect to the Fund:

(a) Purchase of Property: To purchase, or subscribe for, any security or other property and to retain the same in the Fund.

(b) Sale, Exchange, Conveyance and Transfer of Property: To sell, exchange, convey, transfer or otherwise dispose of any security or other property held by the Fund by private or public sale; to grant options for the purchase or exchange thereof, including put options and call options for Fund securities and property. No person dealing with the Board of Trustees shall be bound to see to the application of the purchase money or to inquire into the validity, expediency or propriety of any such sale or other disposition.

(c) Leasing and Sale of Real Estate: To sell any real estate which at any time constitutes a part of the Fund, to lease real estate for any term or terms and to execute good and sufficient deeds and leases.

(d) Exercise of Owner's Rights: To vote upon any stocks, bonds or other securities; to give general or special proxies or powers of attorney with or without power of substitution; to exercise any conversion privileges, subscription rights, or other options, and to make any payments incidental thereto; to oppose or to consent to, or otherwise participate in, corporate reorganization or other changes affecting corporate securities, and to delegate discretionary powers, and to pay any assessments or charges in connection therewith; and generally to exercise any of the powers of an owner with respect to stocks, bonds, securities or other properties held as part of the Fund.

(e) Registration of Investments: To cause any securities or other properties held as part of the Fund to be registered in its own name or in the name of one or more of its nominees, and to hold any investments in bearer form, but the books and records of the Fund shall at all times show that all such investments are a part of the Fund.

(f) Borrowing and Lending: To borrow or to raise money for the purposes of the Fund in such amounts, and upon such terms and conditions, as the Board of Trustees shall deem advisable; and, for any sum so borrowed, to issue promissory notes as the Board of Trustees, and to secure the repayment thereof by pledging all, or any part, of the Fund. No person lending money to the Fund shall be bound to see to the application of the money lent or to inquire into the validity, expediency or propriety of any such borrowing. Sums borrowed may be borrowed from any source not prohibited by law.

(g) Retention of Property Acquired: To accept and retain for such time as the Board of Trustees may deem advisable any securities or other property received or acquired by the Fund, whether or not such securities or other property would normally be purchased as trust investments.

(h) Execution of Instruments: To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all deeds, leases, notes, bonds, guarantees, mortgages, contracts, waivers, releases and other instruments that may be necessary or appropriate to carry out the purposes of the Fund and the powers herein granted.

(i) Settlement of Claims and Debts: To settle, compromise or submit to arbitration any claims, debts or damages due or owing to or from the Fund, to commence or defend suits or legal or administrative proceedings, and to represent the Fund in all legal and administrative proceedings.

(j) Collective Bargaining Agreements: To reject any collective bargaining agreement of an Employer and all contributions due thereunder whenever the Board of Trustees determines that any provision of said collective bargaining agreement or practice of the Employer related to the employees covered by the collective bargaining agreement is inconsistent with the practices and rules of the Plan or Fund or is adverse to the Plan or Fund. Any such rejection shall be effective as of the date determined by the Board of Trustees (which can be retroactive to the effective date of the rejected collective bargaining agreement),

and from and after said effective date, said Employer and the employees of said Employer shall not be considered an Employer or Employee hereunder.

(k) Employment of Agents, Counsel and Investment Managers: To employ suitable agents, actuaries, accountants, counsel and other professional consultants as well as investment managers, and to pay their reasonable expenses and compensation from the Fund.

(l) Power to Do Any Necessary Act: To exercise, generally, any of the powers which an individual owner might exercise in connection with property either real, personal or mixed held by the Fund, and to do all such acts, take all such proceedings and execute all such rights and privileges, although not specifically mentioned herein, as the Board of Trustees may deem necessary or desirable to administer the Fund and to carry out the purposes of the Trust Agreement.

6.13 **Books and Records**

The Board of Trustees shall keep accurate books of account and records of all Fund transactions, which shall be audited at least annually by a certified public accountant. A duly signed and certified copy of such audit shall be available to the employers under the Plan and the Union without charge.

6.14 **Compensation; Expenses**

Trustees receiving full-time pay from their Employer or the Union shall not receive compensation from the Fund for the performance of their duties. The Fund shall pay or reimburse the Trustees for all reasonable expenses which they may incur in the performance of their duties.

6.15 **Liability; Insurance**

(a) Except as required by ERISA or any other applicable law, no Trustee shall be personally liable upon any contract or other instrument made or executed by him or on his behalf in the administration of the Plan or Fund, and no Trustee shall be liable for any action in good faith taken or omitted, nor for any act or omission of any other Trustee or other person with duties or responsibilities under the Plan or Fund.

(b) The Trustees shall be indemnified by the Fund against all loss, liability and expenses to the maximum extent permitted by ERISA. The Trustees shall be permitted to procure any liability insurance (including waiver of recourse under fiduciary policies purchased by the Fund) as permitted by law or regulation with respect to the performance of their duties.

## ARTICLE VII

## AMENDMENT; MERGER; TERMINATION

7.01 **Amendment**

(a) The Board of Trustees may amend the Trust Agreement at any time and for any reason. Any such amendment shall be in writing and formally adopted by a duly adopted resolution of the Board of Trustees or by the unanimous written concurrence of all of the Trustees then in office.

(b) Notwithstanding subsection (a) of this Section, no amendment shall be made which would authorize an unequal number of Employer Trustees and Union Trustees or provide for unequal voting by Employer Trustees and Union Trustees.

(c) Notwithstanding subsection (a) of this Section, any proposed amendment regarding the number, manner, and method of appointment and removal of Trustees shall be by unit vote consisting of two units.

(1) One vote shall be held collectively by the two Union Trustees appointed by Local Union No. 491 affiliated with the International Brotherhood of Teamsters and the Employer Trustee appointed from the geographical jurisdiction of Local Union No. 491.

(2) The other vote shall be held collectively by the Union Trustee appointed by Local Union No. 453 affiliated with the International Brotherhood of Teamsters and the Employer Trustee appointed from the geographical jurisdiction of Local Union No. 453.

7.02 **Merger, Consolidation or Transfer of Assets**

The Fund may be merged or consolidated with, or a part of its assets or liabilities transferred to, any other trust at the direction of the Board of Trustees and under such terms and conditions as the Board of Trustees shall specify.

7.03 **Termination**

(a) The trust hereunder may be terminated at any time by the written concurrence of the Trustees.

(b) In the event of a termination, the assets then remaining in the Fund, after providing for the expenses of the Plan and for any payments of benefits theretofore approved or properly due, shall be distributed in the manner determined by the Board of Trustees consistent with the requirements of the Plan and the Internal Revenue Code and ERISA.

(c) In no event shall any part of the Fund revert to the Employers or inure to the benefit of any Employer as the result of the termination of the Fund.

## ARTICLE VIII

## MISCELLANEOUS PROVISIONS

8.01 **Adoption of Trust Agreement**

An Employer adopts and is bound by the Trust Agreement (as the same may be amended from time to time) when it is a party or subject to a collective bargaining agreement or participation agreement obligating the Employer to make Employer Contributions.

8.02 **Spendthrift**

As and to the extent required or permitted by ERISA and the Internal Revenue Code, benefits and interests in the Fund shall not be subject in any matter to alienation, sale, transfer, assignment, pledge, attachment or encumbrance of any kind, or otherwise subject to the claims of creditors (subject to the provisions of the Plan regarding qualified domestic relations orders and benefit offsets for certain violations and breaches).

8.03 **Costs**

All costs of administering the Plan and Fund shall be paid from the Fund, and no responsibility or liability therefor shall be asserted against an Employer, the Union, or a Trustee.

8.04 **Separability**

The Articles and Sections of the Trust Agreement shall be deemed separable so that the invalidity of any portion shall not affect the validity of the remainder.

8.05 **Gender and Number**

The use of the singular shall be interpreted to include the plural and the plural the singular, as the context shall require. The use of the masculine, feminine or neuter shall be interpreted to include the masculine, feminine or neuter, as the context shall require.

8.06 **Situs**

The Trust Agreement is executed and delivered in the Commonwealth of Pennsylvania, to the extent not preempted by Federal law, the provisions of the Trust Agreement shall be governed and construed under the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, this amendment and restatement of the Trust Agreement has been adopted by the Board of Trustees on this _____ day of _____, 2020.

EMPLOYER TRUSTEES:

UNION TRUSTEES:

**IN WITNESS WHEREOF**, this amendment and restatement of the Trust Agreement has been adopted by the Board of Trustees on this _____ day of _____, 2020.

**EMPLOYER TRUSTEES:**

**UNION TRUSTEES:**

IN WITNESS WHEREOF, this amendment and restatement of the Trust Agreement has been adopted by the Board of Trustees on this _____ day of _____, 2020.

EMPLOYER TRUSTEES:

_____

_____

_____

UNION TRUSTEES:

_____

_____

_____

IN WITNESS WHEREOF, this amendment and restatement of the Trust Agreement has been adopted by the Board of Trustees on this _____ day of _____, 2020.

EMPLOYER TRUSTEES:

UNION TRUSTEES:

IN WITNESS WHEREOF, this amendment and restatement of the Trust Agreement has been adopted by the Board of Trustees on this _____ day of _____, 2020.

EMPLOYER TRUSTEES:

UNION TRUSTEES:

**SECOND AMENDMENT**
**TO THE**
**SOUTHWESTERN PENNSYLVANIA AND**
**WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS**
**PENSION FUND**
**TRUST AGREEMENT**
**(Amended and Restated as of January 1, 2020)**

**WHEREAS**, the Board of Trustees has the right to amend the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund Trust Agreement, amended and restated as of January 1, 2020 (the "Trust"); and,

**NOW, THEREFORE**, the Board of Trustees hereby amends the Trust as follows:

1. 6.01 **Board of Trustees**

   (a) The Fund shall be administered by a board of four Trustees. Two of the Trustees shall be designated as Union Trustees, with one of the Union Trustees appointed by Local Union No. 491 affiliated with the International Brotherhood of Teamsters and one of the Union Trustees appointed by Local Union No. 453 affiliated with the International Brotherhood of Teamsters. Two of Trustees shall be designated Employer Trustees, all of whom shall be appointed by the Employers. Employer for this purpose shall not include the Union, the Fund or the Teamsters Local Union 491 Health and Welfare Fund as an Employer under the Plan and Fund with respect to its employees.

2. This amendment is effective August 10, 2021.

**IN WITNESS WHEREOF**, the Board of Trustees has executed this Amendment on this ___ day of _____, 2021.

ON BEHALF OF THE UNION:

UNION TRUSTEES:

ON BEHALF OF THE EMPLOYERS:

EMPLOYER TRUSTEES:

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
# FINANCIAL STATEMENTS
# JUNE 30, 2022 AND 2021

November 15, 2022

DRAFT

SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

TABLE OF CONTENTS


| | Page no. |
|---|---|
| INDEPENDENT AUDITOR'S REPORT | 1 - 2 |
| FINANCIAL STATEMENTS | |
| Statement of Net Assets Available for Benefits | 3 |
| Statement of Changes in Net Assets Available for Benefits | 4 |
| Notes to Financial Statements | 5 - 10 |
| Schedule of Administrative Expenses | 11 |


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# INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Southwestern Pennsylvania and Western
Maryland Area Teamsters and Employers Pension Fund
Uniontown, Pennsylvania

## Opinion

We have audited the financial statements of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of June 30 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of June 30 2022 and 2021, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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DiClaudio & Kramer, LLC

McMurray, Pennsylvania
November 15, 2022

SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

| | JUNE 30, 2022 | JUNE 30, 2021 |
|---|---|---|
| ASSETS | | |
| INVESTMENTS AT FAIR VALUE | | |
| Interest Bearing Cash | $ 50,132 | $ 106,226 |
| Registered Investment Companies | 17,865,852 | 24,095,964 |
| Exchange Traded Funds | 7,165,324 | 9,556,776 |
| Other | 2,204,801 | 3,146,073 |
| | 27,286,109 | 36,905,039 |
| RECEIVABLES | | |
| Employer Contributions | 707,628 | 605,575 |
| Withdrawal Liability (Net of Reserve for Doubtful Accts) | 5,442,783 | 4,987,860 |
| Other Receivable | 7,861 | 808 |
| Accrued Investment Income | 18,652 | 20,072 |
| | 6,176,924 | 5,614,315 |
| CASH - Interest Bearing | 2,885,854 | 4,508,721 |
| OFFICE EQUIPMENT - Net of Accumulated Depreciation of $37,743 and $37,743 | - | - |
| OTHER ASSETS - Prepaid Expenses | 44,624 | 48,589 |
| TOTAL ASSETS | 36,393,511 | 47,076,664 |
| LIABILITIES | | |
| Due to Local # 491 Health & Welfare Fund | 458 | 451 |
| Accounts Payable | 46,651 | 108,161 |
| | 47,109 | 108,612 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 36,346,402 | $ 46,968,052 |

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

SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

| | YEAR ENDED JUNE 30, 2022 | 2021 |
|---|---|---|
| ADDITIONS TO PLAN ASSETS ATTRIBUTED TO: | | |
| INVESTMENTS | | |
| Investment Income | $ 707,477 | $ 788,827 |
| Appreciation (Depreciation) in Investments | (3,442,978) | 6,895,271 |
| | (2,735,501) | 7,684,098 |
| Less Investment Fees | 81,372 | 82,744 |
| | (2,816,873) | 7,601,354 |
| EMPLOYER CONTRIBUTIONS | 8,101,869 | 7,493,419 |
| WITHDRAWAL LIABILITY | | |
| Assessments (Net of Reserve for Doubtful Accts) | 824,346 | 95,000 |
| Interest | 443,055 | 377,314 |
| Change in Doubtful Account Reserves | - | - |
| | 1,267,401 | 472,314 |
| LIQUIDATED DAMAGES AND INTEREST | 13,519 | 15,441 |
| | 13,519 | 15,441 |
| TOTAL ADDITIONS | 6,565,916 | 15,582,528 |
| DEDUCTIONS FROM PLAN ASSETS ATTRIBUTED TO: | | |
| PENSION BENEFITS | 16,668,708 | 16,438,765 |
| ADMINISTRATIVE EXPENSES (See Schedule A) | 518,858 | 745,313 |
| TOTAL DEDUCTIONS | 17,187,566 | 17,184,078 |
| NET INCREASE (DECREASE) IN NET ASSETS | (10,621,650) | (1,601,550) |
| NET ASSETS AVAILABLE FOR BENEFITS - Beginning of Year | 46,968,052 | 48,569,602 |
| NET ASSETS AVAILABLE FOR BENEFITS - End of Year | $ 36,346,402 | $ 46,968,052 |

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



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SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

## NOTE A - DESCRIPTION OF PLAN

Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund was established by an Agreement and Declaration of Trust dated as of July 1, 1956. The Pension Fund provides pension benefits to certain employees of contributing employers. The Pension Fund is currently administered by six trustees, three of whom are designated as employer representatives and three as union representatives. The Plan is a defined benefit pension plan and is subject to the provisions of the Employee Retirement and Income Security Act (ERISA) as amended.

Information about the plan agreement, the vesting and benefit provisions are contained in the Summary Plan Description. Copies of the booklet are available from the fund office.

## NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The financial statements have been prepared on the accrual basis.

Investment Valuation and Income Recognition – Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits – Benefits are recorded when paid.

Fixed Assets/Depreciation – Fixed Assets are recorded at cost and are depreciated over their estimated useful lives using the straight line method of depreciation.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Actuarial Present Value of Accumulated Plan Benefits – The present value of accumulated plan benefits is the amount needed to provide the accrued benefits based on the actuarial assumptions.

## NOTE C - INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Fund by a letter dated November 6, 2015, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended and restated since receiving the determination letter. However, the Plan administrator and the Plan's counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

## NOTE D - CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Plan maintains cash balances at one financial institution in Pennsylvania. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000. At June 30, 2022 and 2021 the Plan's uninsured cash balances equaled $2,816,208 and $4,293,372 respectively.

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## NOTE E - PLAN TERMINATION

In the event of termination and in order to safeguard against any unforeseen contingencies, the right to discontinue the Plan is reserved to the Trustees. Termination shall not permit any part of the Plan to be used for or diverted to purposes other than the exclusive benefit of the Plan's participants and beneficiaries. In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pension. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations.

## NOTE F - FUNDING POLICY / FUNDING STATUS

The funding policy of the Plan is for contributions to be sufficient to meet or exceed the contributions required by the minimum funding standards of the applicable law and regulations without exceeding maximum deductible amounts allowed. This requires communication with the bargaining parties who set the contribution levels through the collective bargaining process and an ongoing review of appropriate benefit levels. As a result of the actuary's certification that the Plan was in Critical Status for the 2008-2009 plan year, the Trustees adopted a Rehabilitation Plan. The Rehabilitation Plan and Schedules are modified as required under federal pension laws which may necessitate additional Plan changes. The most recent actuarial certification of funding status for the year beginning July 1, 2022 indicates the Plan is in Critical and Declining Status and is projected to become insolvent during the 2026-2027 Plan year.

## NOTE G - WITHDRAWAL LIABILITY

At June 30, 2022, nine employers have withdrawn from the Plan and have been assessed a withdrawal liability. At June 30, 2022 and 2021, withdrawal liability receivable was $ 6,837,452 and $ 6,382,528 respectively. The withdrawal liability for the withdrawn employers is payable over the lesser of the number of years to amortize their withdrawal liability or twenty years. Required payments range from $ 1,666 to $ 34,802 per month.

An allowance for doubtful accounts has been established for those employers, who in management's estimation will not make all remaining withdrawal liability payments. The withdrawal liability receivable net of the allowance for doubtful accounts is equal to the present value of management's estimate of the remaining number of payments that will be made by the withdrawn employers, using an interest rate of 7.50%, adjusted for any settlement agreements.

## NOTE H - ADMINISTRATIVE EXPENSES

Administrative expenses common to this Pension Fund, the Teamsters Local Union 491 Health and Welfare Fund, and Chauffeurs, Teamsters, and Helpers Local Union 491 have been allocated to each fund as directed by their Boards of Trustees. This allocation applies to expenses such as salaries, rent and telephone but not to items which related specifically to an individual fund. Generally, these common expenses are initially paid by the Health and Welfare Fund.

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## NOTE I - ACCUMULATED PLAN BENEFITS

Actuarial valuations of the Plan were prepared by Foster & Foster. The present value of accumulated benefits at July 1, 2021 per the actuarial valuation is as follows:

PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

| | July 1, 2021 |
|---|---|
| 1. Actuarial present value of accrued vested benefits: | |
| a) Retired Members | $ 149,957,787 |
| b) Active Participants | 31,719,070 |
| c) Inactive Participants | 24,230,390 |
| | 205,907,247 |
| 2. Actuarial present value of non-vested accumulated plan benefits: | |
| a) Active Participants | 637,169 |
| b) Inactive Participants | - |
| | 637,169 |
| Total Actuarial Present Value of Accumulated Plan Benefits | $ 206,544,416 |

As reported by the actuary, the changes in the present value of accumulated plan benefits during the year ended July 1, 2021 was as follows:

| | Year Ended July 1, 2021 |
|---|---|
| Actuarial present value of accumulated plan benefits – beginning of year | $ 207,738,454 |
| Increase(Decrease) during the year attributable to: | |
| Changes in actuarial assumptions | ( 830,757) |
| Plan amendment | - |
| Benefits accumulated | 1,100,409 |
| Increase for interest due to the decrease in the discount period | 14,975,075 |
| Benefits paid | ( 16,438,765) |
| | ( 1,194,038) |
| Actuarial present value of accumulated - plan benefits – end of year | $ 206,544,416 |

The principal significant assumptions underlying the actuarial computations are as follows:

| | |
|---|---|
| Actuarial cost method | -Unit credit |
| Interest Rate | -7.5% |
| Mortality basis | -SOA RP-2014 Blue Collar with Scale MP-2020 |
| Assumed Retirement Age | -62 |

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## NOTE J - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021:

*Cash Equivalents* - The carrying value of cash equivalents approximates fair value.

Exchange-Traded Funds - Valued at the closing price reported on the active market on which the individual securities are traded.

*Registered Investment Companies* – These investments are valued at the net asset value of shares held by the plan at year end.

*Real Estate Fund* – Valued at unit values provided by the investment manager of the Fund based on the fair value of the underlying investments.

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NOTE J - FAIR VALUE MEASUREMENTS (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2022:

| | | Fair Value Measurements at Reporting Date Using: | | |
|---|---|---|---|---|
| Description | 06/30/22 | Quoted Prices In Active Markets For Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Cash Equivalents | $ 50,132 | $ 50,132 | $ - | $ - |
| Exchange Traded Funds | 7,165,324 | 7,165,324 | - | - |
| Registered Investment Companies | 17,865,852 | 17,865,852 | - | - |
| Assets in Fair Value Hierarchy | 25,081,308 | 25,081,308 | - | - |
| Investments measured at Net Asset Value (a): | | | | |
| Real Estate Investment Fund | 2,204,801 | - | - | - |
| | 2,204,801 | - | - | - |
| Investments at Fair Value | $ 27,286,109 | $ 25,081,308 | $ - | $ - |

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2021:

| | | Fair Value Measurements at Reporting Date Using: | | |
|---|---|---|---|---|
| Description | 06/30/21 | Quoted Prices In Active Markets For Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Cash Equivalents | $ 106,226 | $ 106,226 | $ - | $ - |
| Exchange Traded Funds | 9,556,776 | 9,556,776 | - | - |
| Registered Investment Companies | 24,095,964 | 24,095,964 | - | - |
| Assets in Fair Value Hierarchy | 33,758,966 | 33,758,966 | - | - |
| Investments measured at Net Asset Value (a): | | | | |
| Real Estate Investment Fund | 3,146,073 | - | - | - |
| | 3,146,073 | - | - | - |
| Investments at Fair Value | $ 36,905,039 | $ 33,758,966 | $ - | $ - |

(a) In accordance with subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

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## NOTE K - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of net assets available for benefits.

The actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflations rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Net withdrawal liability receivable is based on an estimate of the number of payments that will be received from the withdrawn employers. Due to uncertainties inherent is estimating the ability and willingness of an employer to make all required payments, it is at least reasonably possible that events will occur in the near term that changes these estimates, and that such changes could be material to the financial statements.

The Covid-19 pandemic has created significant uncertainty, volatility, and economic disruption. The extent in which Covid-19 and any other potential future public health crisis, pandemics, or similar events will adversely impact the Plan, its financial condition, plan assets, and changes in plan assets is dependent on numerous factors, many which are highly uncertain, rapidly changing, and uncontrollable. These factors include, but are not limited to; (i) the duration and scope of the pandemic or other event; (ii) governmental, business, and individual actions that have been taken and continue to be taken in response to the pandemic or other event; (iii) the impact of the pandemic or other event on the Plan's contributing employers and the industries in which they work; (iv) the potential impact on financial markets; and (v) the ability to effectively carry out plan operations. Any of the foregoing factors could amplify other risks and uncertainties described in this note and could materially adversely affect the Plan, its financial condition, plan assets, and changes in plan assets. Because the Covid-19 pandemic is unprecedented and continuously evolving, the other potential impacts to the risk factors and to the Plan are uncertain.

## NOTE L - SUBSEQUENT EVENTS

The Plan evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through November 15, 2022, the day the financial statements were approved and authorized for use.

## NOTE M – RHUMBLINE REIT INDEX FUND

A portion of the Fund's investments are in RhumbLine REIT Index Fund LLC, a pooled fund valued on a daily basis. State Street Bank & Trust Company is the trustee of the Fund and has full investing authority over the assets of the Fund. The Fund invests primarily in publicly traded Real Estate Investment Trusts. The Plan's investment in the Fund at June 30, 2022 and 2021 was $ 2,204,801 and $ 3,146,073 respectively.

To withdraw, in whole or part from the Fund, the Plan must submit a written request. The Trust honors such requests on a daily basis.



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SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
SCHEDULE A
ADMINISTRATIVE EXPENSES
YEAR ENDED JUNE 30,

| | 2022 | | | 2021 |
|---|---|---|---|---|
| | Direct | Allocated | Total | Total |
| Employee Costs | $ - | $ 134,021 | $ 134,021 | $ 136,798 |
| Actuarial and Consulting | 63,494 | - | 63,494 | 54,120 |
| Legal Fees | 87,949 | - | 87,949 | 288,910 |
| Arbitration Expense | - | - | - | 14,546 |
| Printing, Supplies and Postage | 4,850 | 6,153 | 11,003 | 9,830 |
| Fidelity Bond and Fiduciary Insurance | 32,082 | - | 32,082 | 39,870 |
| Office equipment rental / maintenance | - | 32,131 | 32,131 | 31,998 |
| Office Rent | - | 9,410 | 9,410 | 9,410 |
| Pension Benefit Insurance | 85,839 | - | 85,839 | 84,390 |
| Audit Fees | 25,000 | - | 25,000 | 25,000 |
| Depreciation | - | - | - | 1,198 |
| Employer Payroll Audits & Other Accounting | 10,280 | - | 10,280 | 23,390 |
| Telephone, IT Service & Internet | 3,300 | 5,311 | 8,611 | 7,641 |
| Trustee Meeting Expense | 6,343 | - | 6,343 | 10,800 |
| Trustee Educational Seminars | 5,735 | - | 5,735 | - |
| Dues & Subscriptions | 591 | - | 591 | 633 |
| Bank Fees | 364 | - | 364 | 270 |
| Miscellaneous | 4,126 | 1,879 | 6,005 | 6,509 |
| | $ 329,953 | $ 188,905 | $ 518,858 | $ 745,313 |

See auditor's report and notes to financial statements



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SUPPLEMENTAL INFORMATION

SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

TABLE OF CONTENTS


| | Page no. |
|---|---|
| INDEPENDENT AUDITOR'S REPORT | 1 - 2 |
| FINANCIAL STATEMENTS | |
| Statement of Net Assets Available for Benefits | 3 |
| Statement of Changes in Net Assets Available for Benefits | 4 |
| Notes to Financial Statements | 5 - 10 |
| Schedule of Administrative Expenses | 11 |
| SUPPLEMENTARY INFORMATION | |
| Auditor's Report on Supplemental Schedules | 12 |
| Schedule of Assets Held for Investment Purposes | 13 |


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## INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

Board of Trustees
Southwestern Pennsylvania and Western
Maryland Area Teamsters and Employers Pension Fund
Uniontown, PA

We have audited the financial statements of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of and for the year ended June 30, 2022, and our report thereon dated November 15, 2022 which expressed an unmodified opinion on those financial statements appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule of assets held for investment purposes as of June 30, 2022 is presented for purposes of additional analysis and are not a required part of the 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In forming an opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

In our opinion, the information in the accompanying schedule, is fairly stated in all material respects, in relation to the financial statements taken as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

DiClaudio & Kramer, LLC

McMurray, Pennsylvania
November 15, 2022

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SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS

AND EMPLOYERS PENSION FUND

ASSETS HELD FOR INVESTMENT PURPOSES

JUNE 30, 2022

FORM 5500, Schedule H, Part IV, Question I

Federal I.D. - 25-1046087
Plan No. - 001

| (a) (b) Identity of issuer, borrower, lessor or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | | | | | | |
|---|---|---|---|---|---|---|---|
| | Description | Collateral | Maturity Date | Rate of Interest | Par/Shares or Maturity Value | Cost | Current Value |
| CASH EQUIVALENTS | | | | | | | |
| Federated U.S. Treasury Cash Reserves | Money Market | N/A | N/A | variable | 50,132 | $ 50,132 | $ 50,132 |
| REGISTERED INVESTMENT COMPANIES | | | | | | | |
| Vanguard Intermediate Term Bond | Mutual Fund | N/A | N/A | N/A | 926,570 | 11,181,473 | 9,747,521 |
| Vanguard Total Stock Marke Fund | Mutual Fund | N/A | N/A | N/A | 88,454 | 4,713,628 | 8,118,331 |
| | | | | | | 15,895,101 | 17,865,852 |
| EXCHANGE TRADED FUNDS | | | | | | | |
| Ishares Global Infrastructure | ETF | N/A | N/A | N/A | 35,306 | 1,532,141 | 1,650,556 |
| Proshares S&P 500 Dividend | ETF | N/A | N/A | N/A | 64,606 | 4,461,464 | 5,514,768 |
| | | | | | | 5,993,605 | 7,165,324 |
| OTHER | | | | | | | |
| Rhumbline REIT Index Fund | REIT | N/A | N/A | N/A | 50,132 | 2,043,018 | 2,204,801 |
| | | | | | | $ 23,981,856 | $ 27,286,109 |

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# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## REHABILITATION PLAN

**Restated and Updated: July 14, 2017**
**Updated: July 12, 2019**

### Introduction

The Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund (the "Pension Fund") was initially certified by its actuary on August 25, 2008 to be in critical status for the plan year beginning July 1, 2008, as determined under and for the purpose of Section 305 of the Employee Retirement Income Security Act ("ERISA") and Section 432 of the Internal Revenue Code ("Code"). Since then, the actuary certified that the Pension Fund continued to be in critical status for each subsequent plan year through and including the plan year beginning July 1, 2015 and certified that the Pension Fund was in critical and declining status for the plan year beginning July 1, 2016.

As required by law, the Board of Trustees adopted a Rehabilitation Plan for the 2008-2009 plan year and since then has annually reviewed the Rehabilitation Plan and adopted periodic updates. The Board of Trustees adopted a restated and updated Rehabilitation Plan on July 14, 2017 to set forth the then current terms of the Rehabilitation Plan in a single document and is further updating the Rehabilitation Plan on July 12, 2019 to revise the contribution provisions of the Default Schedule.

The Rehabilitation Plan:

1. Sets forth its objective and the rehabilitation period;

2. Includes the current Default Schedule and an Historical Appendix of the terms implemented by prior schedules and updates;

3. Describes the implementation and application of Rehabilitation Plan Schedule(s); and

4. Describes the procedures to review and update the Rehabilitation Plan and Schedule(s).

The Board of Trustees has the sole and full power, authority and discretion to amend the Rehabilitation Plan and the included Schedule(s) and to interpret and apply the terms of the Rehabilitation Plan and Schedule(s) as in effect from time to time.

### Objective

The law requires that a rehabilitation plan for a pension plan in critical status consist of:

1. contribution increases and/or benefit reductions expected to enable the pension plan to emerge from critical status by the end of a 10-year rehabilitation period; or

2. if it is determined that the pension plan cannot reasonably be expected to emerge from critical status by the end of a 10-year rehabilitation period, reasonable measures expected to enable the pension plan to emerge from critical status at a later time or to forestall possible insolvency.

As of its July 14, 2017 restatement and update, the objective of the Rehabilitation Plan is to enable the Pension Fund to forestall the possible insolvency of the Pension Fund.

**Reductions in Benefits**

In addition to accrued benefits, the law also requires the Board of Trustees to consider and make reductions in adjustable benefits, as defined in Section 305 (e)(8) of ERISA and Section 432(e)(8) of the Code, and consisting of benefits, rights and features, early retirement benefits and retirement-type subsidies.

As of July 14, 2017, all adjustable benefits (except actuarially equivalent early retirement benefits and forms of payment) and ancillary benefits have been eliminated, and the accrual rate is at the 1% minimum. Prior benefit reductions and contribution increases are set forth in the Historical Appendix.

**Schedules**

The Rehabilitation Plan must include a Default Schedule that provides for the maximum permitted benefit reductions necessary to achieve the objective of the Rehabilitation Plan before any increase in the contribution rates. The Rehabilitation Plan may include one or more Alternative Schedules providing for a combination of contribution rate increases and/or benefit reductions expected to achieve the objective of the Rehabilitation Plan. The Schedule(s) are provided to the bargaining parties and determine the contribution rate increases and/or benefit reductions that will apply to participants covered by the bargaining parties' collective bargaining agreement.

As of July 14, 2017, the Rehabilitation Plan includes a Default Schedule (only), which is attached hereto and forms part of the Rehabilitation Plan. The more specific terms of a Schedule will be controlling in the absence of the same in the plan document for the Pension Fund. The Board of Trustees has the sole and full power, authority and discretion to interpret the Schedule(s), Rehabilitation Plan and the plan document.

**Implementation and Application of Schedules**

The bargaining parties must adopt a Schedule as part of the collective bargaining agreements entered into or renewed on and after the date the parties are provided with the Schedule(s). If the bargaining parties fail to adopt a Schedule with an effective date no later than 180 days after the date of the expiration of the collective bargaining agreement that was in effect on the date the parties are provided with the Schedule(s), then, as required by law, the Default Schedule shall be implemented for the bargaining parties and the participants covered by the collective bargaining agreement. The bargaining parties may adopt a Schedule before the expiration of the collective bargaining agreement in effect on the date the Schedule(s) are provided.

The Board of Trustees has the sole and full power, authority and discretion to determine whether and when the bargaining parties have adopted a Schedule and the particular Schedule adopted by the parties. Generally, the Board of Trustees will consider the bargaining parties to

have adopted a Schedule if the bargaining parties' collective bargaining agreement adopts or incorporates the Schedule for the term of the agreement or the collective bargaining agreement sets forth terms consistent with the employer contribution requirements of a Schedule.

If an employer contributes to the Pension Fund on behalf of employees both covered and not covered by a collective bargaining agreement, the employees not covered by a collective bargaining agreement shall be treated as if they are covered by the first-to-expire collective bargaining agreement that was in effect on the date the Schedule(s) is provided. If an employer contributes to the Pension Fund only on behalf of employees not covered by a collective bargaining agreement, the employer shall be treated as if it is a bargaining party and its participation agreement treated as if it is a collective bargaining agreement with a term ending on the last day of the plan year in which the employer is provided with the Schedule(s).

A Schedule applies to the pensions and benefits of participants in the manner and at the time specified in the Schedule, which may include participants whose covered employment terminated under the Pension Fund before the adoption or implementation of the Schedule.

Once effective, the pension and benefits of a participant are determined by the terms of the Schedule applicable to the covered employment for which employer contributions are due. Subject to the more specific terms of a Schedule, if a participant is in covered employment under different Schedules, the benefit accrued (the accrued benefit) shall be separately determined under the terms of each applicable Schedule, and the benefits shall be determined under the terms of the Schedule applicable to the last covered employment for which employer contributions are due.

If a participant works outside the jurisdiction of the Pension Fund and has elected under a reciprocal agreement to have employer contributions made to another pension plan transferred to the Pension Fund, said employer contributions shall be credited under the terms of the Default Schedule (absent an agreement by the contributing employer adopting a different Schedule for such work or for work within the jurisdiction of the Pension Fund).

**Reviews and Updates**

Each year (and to the extent required by law), the actuary for the Pension Fund will review and certify whether or not the Pension Fund is in critical status, and during the rehabilitation period, whether or not the Pension Fund is making progress in meeting the objective of the Rehabilitation Plan.

The Board of Trustees will review the Rehabilitation Plan, Schedule(s) and actuarial certification annually and make any updates considered necessary to achieve the objective of the Rehabilitation Plan. This could include contribution rate increases and/or benefit reductions. Notwithstanding any changes in subsequent Schedules (and as provided in the law), the contribution rates in a Schedule provided to the bargaining parties and relied upon by the bargaining parties in negotiating a collective bargaining agreement will remain in effect for the duration of the collective bargaining agreement.

**Other Rules**

As a matter of law, the Board of Trustees may not accept any collective bargaining agreement or participation agreement that provides for a reduction in the level of contributions for any participants, a suspension of contributions with respect to any period of service, or any new

(direct or indirect) exclusion of younger or newly hired employees from participation. The Board of Trustees has the authority to interpret and apply this provision, including determining when any action has the effect of reducing or suspending a contribution obligation or excluding employees from participation.

Employer contributions due to the Pension Fund under the Rehabilitation Plan and Schedule(s) are considered to be employer contributions due to the Pension Fund, and an employer's failure to make timely employer contributions to the Pension Fund at the rates required by the Rehabilitation Plan and Schedule(s) (once adopted or implemented) shall result in such amounts being treated as delinquent employer contributions under the Pension Fund.

As required by law, employers are required to pay an automatic surcharge on employer contributions beginning on the date 30 days after the date the employer is notified that the Pension Fund is in critical status and the surcharge is in effect and ending on the effective date of a collective bargaining agreement or participation agreement with terms consistent with a Schedule. The surcharge is due and payable on the same schedule and under the same terms as the employer contributions on which the surcharge is based, and a failure to pay the surcharge shall be treated as a delinquent employer contribution under the Pension Fund.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DEFAULT SCHEDULE FOR THE 2017 REHABILITATION PLAN

**Updated: July 12, 2019**

### Introduction

The Board of Trustees restated and updated the Rehabilitation Plan ("Rehabilitation Plan") for the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund (the "Pension Fund") on July 14, 2017. This is the Default Schedule under the Rehabilitation Plan. The Default Schedule reflects the terms of the Rehabilitation Plan as in effect immediately prior to its July 14, 2017 restatement and makes no additional changes except for the July 12, 2019 update to the required contribution rate increases. The Default Schedule is part of the Rehabilitation Plan, and it shall remain in effect until amended, replaced or terminated by the Board of Trustees.

### Application and Effective Date

The Default Schedule applies to the bargaining parties who adopt the Schedule or for whom the Schedule is implemented (as described in the Rehabilitation Plan and required by law).

The benefit and contribution provisions of the Default Schedule shall be effective:

1. on the (prospective) effective date specified in the agreement of the bargaining parties adopting the Schedule; or

2. if earlier, 180 days after the date of the expiration of the collective bargaining agreement that was in effect on the date the Schedule is provided to the bargaining parties if the bargaining parties fail to adopt a Schedule with an effective date no later than said 180th day.

The benefit provisions of the Default Schedule shall apply to active and terminated participants from and after the effective date in the manner specified by the Default Schedule and the terms of the Pension Fund. Participants include for this purpose spouses, beneficiaries and alternate payees of participants. The benefit provisions in the Default Schedule reflect reductions and adjustments made to pensions and benefits under prior schedules, including to adjustable benefits. Those reductions and adjustments continue to apply, and pensions and benefits under the Pension Fund are subject to further reduction and adjustment by Board of Trustee action or as a matter of law.

**Benefits**

The Default Schedule requires an accrual of benefits from and after the effective date in accordance with the following:

1. A benefit accrual rate of 1.0% based on the contribution rate in effect on June 30, 2008 shall be used to determine benefit accruals.

2. The normal form of accrued benefit shall be a single life annuity.

3. The normal retirement age (subject to the 5 year requirements) shall be age 65 for benefit accruals from and after July 1, 2011, age 62 for benefit accruals from and after July 1, 2009 and before July 1, 2011, and age 60 for benefit accruals before July 1, 2009.

4. Early retirement shall be available at age 60 and 5 years of service. The early retirement benefit shall be reduced to the actuarial equivalent of the early retirement benefit payable at the normal retirement date if payment begins before the normal retirement date. The same provisions apply to payment of a vested retirement benefit.

5. The forms of payment for a participant without a spouse shall be a single life annuity and an actuarial equivalent 5 year or 10 year certain and life annuity.

6. The forms of payment for a participant with a spouse shall be a single life annuity, an actuarial equivalent 5 year or 10 year certain and life annuity, and an actuarial equivalent 50% or 100% joint and survivor annuity.

7. No disability benefit shall be payable.

8. No death benefit shall be payable other than the qualified preretirement survivor annuity for a participant with a spouse.

**Contribution Rate Increases**

The Default Schedule requires a contribution rate increase of 8% (compounded annually) beginning with the first contribution period coinciding with or next following the effective date of the Schedule and as of each (annual) anniversary of that contribution period; provided, however, if an employer is already subject to contribution rate increases of 8% under a prior schedule, the timing of the 8% increases under the Default Schedule shall be consistent with the prior schedule. The contribution rate increase shall be based on the employer contribution rate under the collective bargaining agreement in effect on the day before the effective date of the Schedule. Once effective, said increases shall continue indefinitely (unless otherwise modified in accordance with the Rehabilitation Plan and applicable law).

Notwithstanding the foregoing, beginning with the contribution period that an employer's contribution rate matches the maximum UPS contribution rate under the Western Pennsylvania Teamsters and Employers Pension Plan, the employer's contribution rate shall be limited to said UPS contribution rate and the subsequent contribution rate increases shall be equal to 6%.

Notwithstanding the foregoing, the contribution rate increase shall be 6% (compounded annually) for collective bargaining agreements entered into on or after August 1, 2019.

All employer contribution increases required by the Default Schedule are non-benefit responsive (i.e., shall not be used to calculate or determine the amount of pensions and benefits payable under the Pension Fund).

PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
PLAN SPONSOR'S EIN: 25-1046087
PLAN NUMBER: 001
SCHEDULE R, UPDATE OF REHABILITATION PLAN

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## HISTORICAL APPENDIX FOR THE 2017 REHABILITATION PLAN

**Updated July 12, 2019**

## Introduction

The Board of Trustees restated and updated the Rehabilitation Plan ("Rehabilitation Plan") for the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund (the "Pension Fund") on July 14, 2017. The Rehabilitation Plan was initially adopted for the 2008-2009 Plan Year, and this is an Historical Appendix that documents benefit reductions and contribution increases implemented since then, including the July 12, 2019 update. The Historical Appendix is included for ease of reference only and shall not modify the terms of any prior schedule.

## 2008-2009 Rehabilitation Plan

The following benefit reductions were implemented effective July 1, 2009.

1. A benefit accrual rate of 1% based on the contribution rate in effect on June 30, 2008 is used to determine benefit accruals from and after July 1, 2009.

2. The normal form of accrued benefit for benefit accruals from and after July 1, 2009 is a single life annuity.

3. An age 62 normal retirement age applies to benefit accruals from and after July 1, 2009.

4. The Special Benefits (of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, a 30-And-Out Monthly Benefit of $3,500, and Partial Pensions) are frozen at the July 1, 2009 benefit accrual levels. All benefit accruals after July 1, 2009 are actuarially reduced for payment before age 62 (regardless of service and age).

5. The amount of the early retirement benefit (age 55 and 15 years) based on benefit accruals from and after July 1, 2009 is reduced to its actuarial equivalent for payment before the normal retirement age. By plan terms, such reduction applies to payment of a vested retirement benefit.

6. The benefit payable under an optional form of payment based on benefit accruals from and after July 1, 2009 is actuarially equivalent to a single life annuity benefit.

The required increase in the employer contribution rate is 8% compounded annually beginning with the first year of the contract negotiated by the bargaining parties after their receipt of the Rehabilitation Plan Schedule and continuing for each year thereafter.

## 2010-2011 Updated Rehabilitation Plan

The following benefit reductions were implemented effective July 1, 2011.

1. The normal form of accrued benefit (for the entire accrued benefit) is a single life annuity for a participant not eligible to retire on or before July 1, 2011 (with eligibility for immediate payment of a retirement benefit).

2. An age 65 normal retirement age applies to benefit accruals from and after July 1, 2011.

3. A Participant shall be eligible for a Special Benefit of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, and a 30-And-Out Monthly Benefit of $3,500 only if the participant was eligible to retire on the respective Special Benefit on or before July 1, 2011.

4. All Special Benefits (of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, a 30-And-Out Monthly Benefit of $3,500, and Partial Pensions) based on benefit accruals after July 1, 2011 are actuarially reduced for payment before age 65 (regardless of service and age).

5. If credited with less than 15 years of service as of June 30, 2011, the early retirement benefit (age 55 and 15 years) is reduced to its actuarial equivalent for payment before the age 65 normal retirement age. By plan terms, such reduction applies to payment of a vested retirement benefit.

6. If credited with 15 or more years of service as of June 30, 2011, the amount of the early retirement benefit (age 55 and 15 years) based on benefit accruals from and after July 1, 2011 is reduced to its actuarial equivalent for payment before the age 65 normal retirement age. By plan terms, such reduction applies to payment of a vested retirement benefit.

7. The benefit payable under an optional form of payment (for the entire accrued benefit) is actuarially equivalent to a single life annuity benefit for a participant not eligible to retire on or before July 1, 2011 (with eligibility for immediate payment of a retirement benefit).

8. Eligibility for the disability benefit is eliminated (unless in receipt of the disability benefit as of June 30, 2011 or unless an application for the disability benefit is in process on or before that date).

The required 8% contribution increase is deemed satisfied by the UPS contribution rates set forth in the collective bargaining agreement as of February 11, 2011.

## 2014 Rehabilitation Plan Update

The following benefit reductions were implemented effective July 1, 2014.

1. The normal form of accrued benefit (for the entire accrued benefit) is a single life annuity for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date.

2. Eligibility for a Special Benefit of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, and a 30-And-Out Monthly Benefit of $3,500 is eliminated as of July 1, 2014.

3. Eligibility for an age 55 early retirement (with 15 years) is eliminated for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date, and replaced with eligibility for early retirement at age 60 with 5 years of service. The early retirement benefit is reduced to its actuarial equivalent for payment before the normal retirement age (age 60 for benefit accruals before July 1, 2009, age 62 for benefit accruals from and after July 1, 2009 and before July 1, 2011, and age 65 for benefit accruals from and after July 1, 2011).

4. Eligibility for an age 55 payment of the vested retirement benefit for a participant with 15 years of service is eliminated for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date, and replaced with eligibility for payment at age 60 with 5 years of service. The vested retirement benefit is reduced to its actuarial equivalent for payment before the normal retirement age (age 60 for benefit accruals before July 1, 2009, age 62 for benefit accruals from and after July 1, 2009 and before July 1, 2011, and age 65 for benefit accruals from and after July 1, 2011).

5. The benefit payable under an optional form of payment (for the entire accrued benefit) is actuarially equivalent to a single life annuity benefit for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date.

The contribution provisions are revised as of July 10, 2014 to limit an employer's contribution rate to the UPS maximum contribution rate under the Western Pennsylvania Teamsters and Employers Pension Fund ($447 per week as of July 14, 2014 or its equivalent) and to provide for contribution rate increases of 6% compounded annually once an employer's contribution rate matches said UPS maximum contribution rate.

**2017 Benefit Reductions**

The following benefit reductions were implemented effective July 1, 2017.

1. The pop-up feature under the 50% and 100% joint and survivor annuity is eliminated for any retirement benefit with an effective date of payment on or after July 1, 2017.

2. The Preretirement 10-Year Certain Death Benefit is eliminated for deaths occurring on or after July 1, 2017.

**2019 Rehabilitation Plan Update**

The contribution provisions are revised as of July 12, 2019 to provide for contribution rate increases of 6% compounded annually for collective bargaining agreements entered into on or after August 1, 2019.

**Version Updates**



| Version | Date updated |
| --- | --- |
| v20220701p | 07/01/2022 |

# TEMPLATE 1

**Form 5500 Projection**

File name: *Template 1 Plan Name* , where "Plan Name" is an abbreviated version of the plan name. v20220701p

For an additional submission due to merger under § 4262.4(f)(1)(ii): *Template 1 Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

For the 2018 plan year until the most recent plan year for which the Form 5500 is required to be filed by the filing date of the initial application, provide the projection of expected benefit payments as required to be attached to the Form 5500 Schedule MB if the response to line 8b(1) of the Form 5500 Schedule MB should be "Yes."

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |

Complete for each Form 5500 that has been filed prior to the date the SFA application is submitted*.

| | 2018 Form 5500 | 2019 Form 5500 | 2020 Form 5500 | 2021 Form 5500 | 2022 Form 5500 | 2023 Form 5500 | 2024 Form 5500 | 2025 Form 5500 |
|---|---|---|---|---|---|---|---|---|
| Plan Year Start Date | 07/01/2018 | 07/01/2019 | 07/01/2020 | 07/01/2021 | | | | |
| Plan Year End Date | 06/30/2019 | 06/30/2020 | 06/30/2021 | 06/30/2022 | | | | |
| Plan Year | Expected Benefit Payments | | | | | | | |
| 2018 | $16,487,558 | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2019 | $16,694,386 | $16,793,931 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2020 | $16,844,947 | $16,914,131 | $17,209,455 | N/A | N/A | N/A | N/A | N/A |
| 2021 | $17,172,582 | $17,160,272 | $17,335,829 | $17,536,801 | N/A | N/A | N/A | N/A |
| 2022 | $17,436,481 | $17,428,115 | $17,581,118 | $17,773,690 | | N/A | N/A | N/A |
| 2023 | $17,652,844 | $17,618,721 | $17,762,429 | $17,859,036 | | | N/A | N/A |
| 2024 | $17,841,129 | $17,764,249 | $17,919,371 | $18,076,054 | | | | N/A |
| 2025 | $17,990,796 | $17,943,941 | $18,116,564 | $18,282,934 | | | | |
| 2026 | $18,037,270 | $18,021,035 | $18,195,767 | $18,382,739 | | | | |
| 2027 | $18,026,884 | $18,026,603 | $18,219,112 | $18,347,479 | | | | |
| 2028 | N/A | $17,994,543 | $18,191,777 | $18,363,187 | | | | |
| 2029 | N/A | N/A | $18,210,446 | $18,357,265 | | | | |
| 2030 | N/A | N/A | N/A | $18,222,265 | | | | |
| 2031 | N/A | N/A | N/A | N/A | | | | |
| 2032 | N/A | N/A | N/A | N/A | N/A | | | |
| 2033 | N/A | N/A | N/A | N/A | N/A | N/A | | |
| 2034 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | |

* Adjust column headers as may be needed due to any changes in the plan year since 2018 and provide supporting explanation. For example, assume the plan has a calendar year plan year, but effective 10/1/2019 the plan year is changed to begin on October 1. For 2019 there will be two 2019 Forms - one for the short plan year from 1/1/2019 to 9/30/2019, and another for the plan year 10/1/2019 to 9/30/2020. For this example, modify the table to show a separate column for each of the separate Forms 5500, and identify the plan year period for each filing.

**Version Updates** v20220701p

| Version | Date updated |
| --- | --- |
| V20220701p | 07/01/2022 |

**TEMPLATE 3**

**Historical Plan Information**

File name: *Template 3 Plan Name* , where "Plan Name" is an abbreviated version of the plan name. v20220701p

For additional submission due to merger under § 4262.4(f)(1)(ii): *Template 3 Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

Provide historical plan information for the 2010 plan year through the plan year immediately preceding the date the plan's initial application was filed that separately identifies: total contributions, total contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rates, and number of active participants at the beginning of each plan year. Also show separately for each of the plan years in the same period all other sources of non-investment income, including, if applicable, withdrawal liability payments collected, reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if any), and other identifiable contribution streams.

If the sum of all contributions and withdrawal liabilities shown on this table does not equal the amount shown as contributions credited to the funding standard account on the plan year Schedule MB of Form 5500, include an explanation as a footnote to this table.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Southwestern PA & Western MD Area Teamsters & ERs Pension Fund |
| EIN: | 25-1046087 |
| PN: | 001 |

| | |
|---|---|
| Unit (e.g. hourly, weekly) | weekly |

| | | | | All Other Sources of Non-Investment Income | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Plan Year (in order from oldest to most recent) | Plan Year Start Date | Plan Year End Date | Total Contributions* | Total Contribution Base Units | Average Contribution Rate | Reciprocity Contributions (if applicable) | Additional Rehab Plan Contributions (if applicable) | Other - Explain if Applicable | Withdrawal Liability Payments Collected | Number of Active Participants at Beginning of Plan Year |
| 2010 | 07/01/2010 | 06/30/2011 | $4,838,424 | 57,980 | $83.45 | $0.00 | $260,773 | $0 | $3,110.00 | 1,115 |
| 2011 | 07/01/2011 | 06/30/2012 | $5,111,878 | 58,864 | $86.84 | $0.00 | $147,854 | $0 | $1,555.00 | 1,132 |
| 2012 | 07/01/2012 | 06/30/2013 | $4,998,285 | 57,408 | $87.07 | $0.00 | $57,918 | $0 | $286,231.00 | 1,104 |
| 2013 | 07/01/2013 | 06/30/2014 | $5,050,892 | 30,472 | $165.76 | $0.00 | $9,683 | $0 | $609,209.00 | 586 |
| 2014 | 07/01/2014 | 06/30/2015 | $5,346,713 | 29,328 | $182.31 | $0.00 | -$48 | $0 | $609,209.00 | 564 |
| 2015 | 07/01/2015 | 06/30/2016 | $5,693,911 | 27,040 | $210.57 | $0.00 | $0 | $0 | $609,209.00 | 520 |
| 2016 | 07/01/2016 | 06/30/2017 | $5,940,994 | 26,728 | $222.28 | $0.00 | $0 | $0 | $609,209.00 | 514 |
| 2017 | 07/01/2017 | 06/30/2018 | $6,081,900 | 26,260 | $231.60 | $0.00 | $0 | $0 | $628,130.00 | 505 |
| 2018 | 07/01/2018 | 06/30/2019 | $6,592,238 | 25,376 | $259.78 | $0.00 | $0 | $0 | $628,255.00 | 488 |
| 2019 | 07/01/2019 | 06/30/2020 | $7,148,783 | 24,284 | $294.38 | $0.00 | $0 | $0 | $1,603,712.00 | 467 |
| 2020 | 07/01/2020 | 06/30/2021 | $7,493,420 | 23,504 | $318.81 | $0.00 | $0 | $0 | $1,175,019.00 | 452 |
| 2021 | 07/01/2021 | 06/30/2022 | $8,101,869 | 22,620 | $358.17 | $0.00 | $0 | $0 | $812,478.00 | 435 |

* Total contributions shown here should be contributions based upon CBUs and should not include items separately shown in any columns under "All Other Sources of Non-Investment Income."

# TEMPLATE 4A

v20221102p

**SFA Determination - under the "basic method" for all plans, and under the "increasing assets method" for MPRA plans**

File name: *Template 4A Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

If submitting additional information due to a merger under § 4262.4(f)(1)(ii): *Template 4A Plan Name Merged* , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.

If submitting additional information due to certain events with limitations under § 4262.4(f)(1)(i): *Template 4A Plan Name Add* , where "Plan Name" is an abbreviated version of the plan name.

If submitting a supplemented application under § 4262.4(g)(6): *Template 4A Supp Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (4) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

IFR filers submitting a supplemented application should see Addendum C for more information.

MPRA plans using the "increasing assets method" should see Addendum D for more information.

For all plans, provide information used to determine the amount of SFA under the "basic method" described in § 4262.4(a)(1).

For MPRA plans, also provide information used to determine the amount of SFA under the "increasing assets method" described in § 4262.4(a)(2)(i).

The information to be provided is:

***NOTE: All items below are provided on Sheet '4A-4 SFA Details .4(a)(1)' unless otherwise indicated.***

a. The amount of SFA calculated using the "basic method", determined as a lump sum as of the SFA measurement date.

b. Non-SFA interest rate required under § 4262.4(e)(1) of PBGC's SFA regulation, including supporting details on how it was determined.
*[Sheet: 4A-1 Interest Rates]*

c. SFA interest rate required under § 4262.4(e)(2) of PBGC's SFA regulation, including supporting details on how it was determined.
*[Sheet: 4A-1 Interest Rates]*

d. Fair market value of assets as of the SFA measurement date. This amount should include any assets at the SFA measurement date attributable to financial assistance received by the plan under section 4261 of ERISA, but should not reflect a payable for amounts owed to PBGC for all amounts of such financial assistance received by the plan.

e. For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"):

   i. Separately identify the projected amount of contributions, projected withdrawal liability payments reflecting a reasonable allowance for amounts considered uncollectible, and other payments expected to be made to the plan (excluding the amount of financial assistance under section 4261 of ERISA and SFA to be received by the plan).

   ii. Identify the benefit payments described in § 4262.4(b)(1) (including any benefits that were restored under 26 CFR 1.432(e)(9)-(1)(e)(3) and excluding the payments in e.iii. below), separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, current active participants, and new entrants.
   *[Sheet: 4A-2 SFA Ben Pmts]*

   Identify total benefit payments paid and expected to be paid from projected SFA assets separately from total benefit payments paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted.

   iii. Separately identify the make-up payments described in § 4262.4(b)(1) attributable to the reinstatement of benefits under § 4262.15 that were previously suspended through the SFA measurement date.
   [Also see applicable examples in Section C, Item (4)e.iii. of the SFA instructions.]

   iv. Separately identify administrative expenses paid and expected to be paid (excluding the amount owed PBGC under section 4261 of ERISA) for premiums to PBGC and for all other administrative expenses.
   *[Sheet: 4A-3 SFA Pcount and Admin Exp]*

   Identify total administrative expenses paid and expected to be paid from projected SFA assets separately from total administrative expenses paid and expected to be paid from non-SFA assets after the projected SFA assets are fully exhausted.

   v. Provide the projected total participant count at the beginning of each year.
   *[Sheet: 4A-3 SFA Pcount and Admin Exp]*

   vi. Provide the projected investment income earned by assets not attributable to SFA based on the non-SFA interest rate in b. above and the projected fair market value of non-SFA assets at the end of each plan year.

   vii. Provide the projected investment income earned by assets attributable to SFA based on the SFA interest rate in c. above (excluding investment returns for the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets) and the projected fair market value of SFA assets at the end of each plan year.

f. The projected SFA exhaustion year. This is the first day of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets. Note this date is only required for the calculation method under which the requested amount of SFA is determined.

Additional instructions for each individual worksheet:

Sheet

**4A-1 SFA Determination - non-SFA Interest Rate and SFA Interest Rate**

See instructions on 4A-1 Interest Rates.

**4A-2 SFA Determination - Benefit Payments for the "basic method" for all plans, and for the "increasing assets method" for MRPA plans**

*This sheet is not required for an IFR filer submitting a supplemented application under § 4262.4(g)(6) if the total projected benefit payments are the same as those used in the application approved under the interim final rule.*

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date), and
--Year-by-year deterministic projection of benefit payments.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), identify benefit payments described in § 4262.4(b)(1) for current retirees and beneficiaries, current terminated vested participants not yet in pay status, currently active participants, and new entrants. Projected benefit payments should be entered based on current participant status as of the SFA census date. On this Sheet 4A-2, show all benefit payments as positive amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245(a) of ERISA, the benefit payments in this Sheet 4A-2 projection should reflect prospective reinstatement of benefits assuming such reinstatements commence as of the SFA measurement date. If the plan restored or partially restored benefits under 26 CFR 1.432(e)(9)-1(e)(3) before the SFA measurement date, the benefit payments in this Sheet 4A-2 should reflect fully restored prospective benefits.

Make-up payments to be paid to restore previously suspended benefits should not be included in this Sheet 4A-2, and are separately shown in Sheet 4A-4.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

## 4A-3 SFA Determination - Participant Count and Administrative Expenses for the "basic method" for all plans, and for the "increasing assets method" for MPRA plans

*This sheet is not required for an IFR filer submitting a supplemented application under § 4262.4(g)(6).*

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date), and
--Year-by-year deterministic projection of participant count and administrative expenses.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), identify the projected total participant count at the beginning of each year, as well as administrative expenses, separately for premiums to PBGC and for all other administrative expenses. On this Sheet 4A-3, show all administrative expenses as positive amounts. Total expenses should match the amounts shown on 4A-4 and 4A-5.

Any amounts owed to PBGC for financial assistance under section 4261 of ERISA should not be included in this Sheet 4A-3.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

## 4A-4 SFA Determination - Details for the "basic method" under § 4262.4(a)(1) for all plans

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date, non-SFA interest rate, SFA interest rate),
--MPRA plan status and, if applicable, certain MPRA information,
--Fair Market Value of Assets as of the SFA measurement date,
--SFA Amount as of the SFA measurement date calculated under the "basic method",
--Projected SFA exhaustion year (only if the requested amount of SFA is determined under the "basic method"), and
--Year-by-year deterministic projection.

For each plan year in the period beginning on the SFA measurement date and ending on the last day of the last plan year ending in 2051 (the "SFA coverage period"), provide each of the items requested in Columns (1) through (12). Show payments INTO the plan as positive amounts and payments OUT of the plan as negative amounts.

If the plan has suspended benefit payments under sections 305(e)(9) or 4245(a) of ERISA, Column (5) should show the make-up payments to be paid to restore the previously suspended benefits. These amounts should be determined as if such make-up payments are paid beginning as of the SFA measurement date. If the plan sponsor elects to pay these amounts as a lump sum, then the lump sum amount is assumed paid as of the SFA measurement date. If the plan sponsor elects to pay equal installments over 60 months, the first monthly payment is assumed paid on the first regular payment date on or after the SFA measurement date. See the examples in the SFA Instructions. If the make-up payments are paid over 60 months, each row in the projection should reflect the monthly payments for that period. The prospective reinstatement of suspended benefits is included in Column (4); Column (5) is only for make-up payments for past benefits that were suspended.

Except for the first row in the projection exhibit, each row must include the full plan year of the indicated information up to the plan year ending in 2051. The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date, so the first row may contain less than a full plan year of information. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

## 4A-5 SFA Determination - Details for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans

This sheet is to only be used by MPRA plans. For such plans, this sheet should be completed in addition to Sheet 4A-4.

On this sheet, you will provide:
--Basic plan information (plan name, EIN/PN, SFA measurement date, non-SFA interest rate, SFA interest rate),
--MPRA plan status, and if applicable, certain MPRA information,
--Fair Market Value of Assets as of the SFA measurement date,
--SFA Amount as of the SFA measurement date calculated under the "increasing assets method",
--Projected SFA exhaustion year (only if the requested amount of SFA is determined under the "increasing assets method"), and
--Year-by-year deterministic projection.

This sheet is identical to Sheet 4A-4, and the information in Columns (1) through (6) should be the same as that used in the "basic method" calculation in Sheet 4A-4. The SFA Amount as of the SFA Measurement Date will differ from that calculated in Sheet 4A-4, as it will be calculated in accordance with § 4262.4(a)(2)(i) as the lowest whole dollar amount (not less than $0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero, and, as of the last day of the SFA coverage period, the sum of projected SFA assets and projected non-SFA assets is greater than the amount of such sum as of the last day of the immediately preceding plan year.

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20221102p | 11/02/2022 | Added clarifying instructions for 4A-2 and 4A-3 |
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

## TEMPLATE 4A - Sheet 4A-1

v20221102p

**SFA Determination - non-SFA Interest Rate and SFA Interest Rate**

Provide the non-SFA interest rate and SFA interest rate used, including supporting details on how they were determined.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund |
| EIN: | 25-1046087 |
| PN: | 001 |
| Initial Application Date: | 03/10/2023 |
| SFA Measurement Date: | 12/31/2022 |
| Last day of first plan year ending after the measurement date: | 06/30/2023 |

For a plan other than a plan described in § 4262.4(g) (i.e., for a plan that has not filed an initial application under PBGC's interim final rule), the last day of the third calendar month immediately preceding the plan's initial application date.
For a plan described in § 4262.4(g) (i.e., for a plan that filed an initial application prior to publication of the final rule), the last day of the calendar quarter immediately preceding the plan's initial application date.

| | | |
|---|---|---|
| Non-SFA Interest Rate Used: | 5.85% | Rate used in projection of non-SFA assets. |
| SFA Interest Rate Used: | 3.77% | Rate used in projection of SFA assets. |

**Development of non-SFA interest rate and SFA interest rate:**

| | | |
|---|---|---|
| Plan Interest Rate: | 7.50% | Interest rate used for the funding standard account projections in the plan's most recently completed certification of plan status before 1/1/2021. |

| | Month Year | Corresponding ERISA Section 303(h)(2)(C)(i), (ii), and (iii) rates disregarding modifications made under clause (iv) of such section. (i) | (ii) | (iii) |
|---|---|---|---|---|
| Month in which plan's initial application is filed, and corresponding segment rates (leave (i), (ii), and (iii) blank if the IRS Notice for this month has not yet been issued): | March 2023 | | | |
| 1 month preceding month in which plan's initial application is filed, and corresponding segment rates: | February 2023 | 2.31% | 3.72% | 4.00% |
| 2 months preceding month in which plan's initial application is filed, and corresponding segment rates: | January 2023 | 2.13% | 3.62% | 3.93% |
| 3 months preceding month in which plan's initial application is filed, and corresponding segment rates: | December 2022 | 1.95% | 3.50% | 3.85% |

24-month average segment rates without regard to interest rate stabilization rules. These rates are issued by IRS each month. For example, the applicable segment rates for August 2021 are 1.13%, 2.70%, and 3.38%. Those rates were issued in IRS Notice 21-50 on August 16, 2021 (see page 2 of notice under the heading "24-Month Average Segment Rates Without 25-Year Average Adjustment").

They are also available on IRS' Funding Yield Curve Segment Rate Tables web page (See Funding Table 3 under the heading "24-Month Average Segment Rates Not Adjusted").

| | | |
|---|---|---|
| Non-SFA Interest Rate Limit *(lowest 3rd segment rate plus 200 basis points)* : | 5.85% | This amount is calculated based on the other information entered above. |
| Non-SFA Interest Rate Calculation *(lesser of Plan Interest Rate and Non-SFA Interest Rate Limit):* | 5.85% | This amount is calculated based on the other information entered above. |
| Non-SFA Interest Rate Match Check: | Match | If the non-SFA Interest Rate Calculation is not equal to the non-SFA Interest Rate Used, provide explanation below. |
| | | |

| | | |
|---|---|---|
| SFA Interest Rate Limit (*lowest average of the 3 segment rates plus 67 basis points* ): | 3.77% | This amount is calculated based on the other information entered. |
| SFA Interest Rate Calculation (*lesser of Plan Interest Rate and SFA Interest Rate Limit* ): | 3.77% | This amount is calculated based on the other information entered above. |
| SFA Interest Rate Match Check: | Match | If the SFA Interest Rate Calculation is not equal to the SFA Interest Rate Used, provide explanation below. |
| | | |

## TEMPLATE 4A - Sheet 4A-2

v20221102p

**SFA Determination - Benefit Payments for the "basic method" for all plans, and for the "increasing assets method" for MRPA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-2.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund |
| EIN: | 25-1046087 |
| PN: | 001 |
| SFA Measurement Date: | 12/31/2022 |

On this Sheet, show all benefit payment amounts as positive amounts.

| | | **PROJECTED BENEFIT PAYMENTS** for: | | | | |
|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Current Retirees and Beneficiaries in Pay Status | Current Terminated Vested Participants | Current Active Participants | New Entrants | Total |
| 12/31/2022 | 06/30/2023 | $8,331,242 | $478,055 | $181,462 | $0 | $8,990,759 |
| 07/01/2023 | 06/30/2024 | $16,229,349 | $1,085,232 | $699,461 | $0 | $18,014,042 |
| 07/01/2024 | 06/30/2025 | $15,776,956 | $1,430,541 | $1,019,359 | $0 | $18,226,856 |
| 07/01/2025 | 06/30/2026 | $15,289,398 | $1,819,495 | $1,347,888 | $0 | $18,456,781 |
| 07/01/2026 | 06/30/2027 | $14,768,416 | $2,193,651 | $1,679,700 | $0 | $18,641,767 |
| 07/01/2027 | 06/30/2028 | $14,227,884 | $2,464,778 | $2,029,230 | $0 | $18,721,892 |
| 07/01/2028 | 06/30/2029 | $13,693,834 | $2,727,528 | $2,393,995 | $4,855 | $18,820,212 |
| 07/01/2029 | 06/30/2030 | $13,163,435 | $2,994,888 | $2,750,231 | $12,645 | $18,921,199 |
| 07/01/2030 | 06/30/2031 | $12,598,177 | $3,178,039 | $3,122,321 | $22,621 | $18,921,158 |
| 07/01/2031 | 06/30/2032 | $11,993,116 | $3,281,507 | $3,444,383 | $33,422 | $18,752,428 |
| 07/01/2032 | 06/30/2033 | $11,345,702 | $3,415,606 | $3,712,241 | $44,429 | $18,517,978 |
| 07/01/2033 | 06/30/2034 | $10,750,966 | $3,516,286 | $3,952,947 | $55,706 | $18,275,905 |
| 07/01/2034 | 06/30/2035 | $10,150,045 | $3,623,283 | $4,135,577 | $68,211 | $17,977,116 |
| 07/01/2035 | 06/30/2036 | $9,547,582 | $3,675,219 | $4,283,187 | $82,593 | $17,588,581 |
| 07/01/2036 | 06/30/2037 | $8,945,948 | $3,755,190 | $4,413,169 | $99,768 | $17,214,075 |
| 07/01/2037 | 06/30/2038 | $8,347,517 | $3,796,467 | $4,499,358 | $119,782 | $16,763,124 |
| 07/01/2038 | 06/30/2039 | $7,754,680 | $3,811,628 | $4,552,302 | $144,534 | $16,263,144 |
| 07/01/2039 | 06/30/2040 | $7,169,913 | $3,795,062 | $4,563,529 | $171,974 | $15,700,478 |
| 07/01/2040 | 06/30/2041 | $6,595,831 | $3,753,668 | $4,577,025 | $201,143 | $15,127,667 |
| 07/01/2041 | 06/30/2042 | $6,035,139 | $3,719,747 | $4,573,283 | $230,773 | $14,558,942 |
| 07/01/2042 | 06/30/2043 | $5,490,297 | $3,653,464 | $4,595,016 | $260,304 | $13,999,081 |
| 07/01/2043 | 06/30/2044 | $4,964,329 | $3,603,217 | $4,612,593 | $289,752 | $13,469,891 |
| 07/01/2044 | 06/30/2045 | $4,459,956 | $3,574,688 | $4,613,583 | $322,092 | $12,970,319 |
| 07/01/2045 | 06/30/2046 | $3,979,484 | $3,486,928 | $4,598,772 | $360,477 | $12,425,661 |
| 07/01/2046 | 06/30/2047 | $3,525,215 | $3,377,126 | $4,559,955 | $404,785 | $11,867,081 |
| 07/01/2047 | 06/30/2048 | $3,100,857 | $3,238,916 | $4,507,090 | $454,629 | $11,301,492 |
| 07/01/2048 | 06/30/2049 | $2,706,432 | $3,106,548 | $4,438,400 | $513,540 | $10,764,920 |
| 07/01/2049 | 06/30/2050 | $2,341,635 | $2,966,196 | $4,352,342 | $577,780 | $10,237,953 |
| 07/01/2050 | 06/30/2051 | $2,009,018 | $2,817,946 | $4,255,103 | $645,932 | $9,727,999 |

## TEMPLATE 4A - Sheet 4A-3

v20221102p

**SFA Determination - Participant Count and Administrative Expenses for the "basic method" for all plans, and for the "increasing assets method" for MPRA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-3.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |
| SFA Measurement Date: | 12/31/2022 |

On this Sheet, show all administrative expense amounts as positive amounts

| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Total Participant Count at Beginning of Plan Year | **PROJECTED ADMINISTRATIVE EXPENSES** for: PBGC Premiums | Other | Total |
|---|---|---|---|---|---|
| 12/31/2022 | 06/30/2023 | 2759 | $88,288 | $388,169 | $476,457 |
| 07/01/2023 | 06/30/2024 | 2696 | $94,360 | $568,084 | $662,444 |
| 07/01/2024 | 06/30/2025 | 2632 | $94,884 | $580,525 | $675,409 |
| 07/01/2025 | 06/30/2026 | 2565 | $95,238 | $593,238 | $688,476 |
| 07/01/2026 | 06/30/2027 | 2498 | $95,524 | $606,230 | $701,754 |
| 07/01/2027 | 06/30/2028 | 2428 | $95,639 | $619,506 | $715,145 |
| 07/01/2028 | 06/30/2029 | 2359 | $95,705 | $633,073 | $728,778 |
| 07/01/2029 | 06/30/2030 | 2290 | $95,699 | $646,937 | $742,636 |
| 07/01/2030 | 06/30/2031 | 2221 | $95,592 | $661,105 | $756,697 |
| 07/01/2031 | 06/30/2032 | 2152 | $111,904 | $675,583 | $787,487 |
| 07/01/2032 | 06/30/2033 | 2079 | $111,351 | $690,378 | $801,729 |
| 07/01/2033 | 06/30/2034 | 2015 | $111,168 | $705,497 | $816,665 |
| 07/01/2034 | 06/30/2035 | 1949 | $110,762 | $720,947 | $831,709 |
| 07/01/2035 | 06/30/2036 | 1884 | $110,271 | $736,736 | $847,007 |
| 07/01/2036 | 06/30/2037 | 1820 | $109,728 | $752,871 | $862,599 |
| 07/01/2037 | 06/30/2038 | 1754 | $108,923 | $769,359 | $878,282 |
| 07/01/2038 | 06/30/2039 | 1689 | $108,028 | $786,208 | $894,236 |
| 07/01/2039 | 06/30/2040 | 1626 | $107,121 | $803,426 | $910,547 |
| 07/01/2040 | 06/30/2041 | 1561 | $105,929 | $821,021 | $926,950 |
| 07/01/2041 | 06/30/2042 | 1498 | $104,710 | $839,001 | $943,711 |
| 07/01/2042 | 06/30/2043 | 1434 | $103,248 | $857,375 | $960,623 |
| 07/01/2043 | 06/30/2044 | 1371 | $101,673 | $876,152 | $977,825 |
| 07/01/2044 | 06/30/2045 | 1311 | $100,134 | $895,340 | $995,474 |
| 07/01/2045 | 06/30/2046 | 1248 | $98,180 | $914,948 | $1,013,128 |
| 07/01/2046 | 06/30/2047 | 1188 | $96,264 | $934,985 | $1,031,249 |
| 07/01/2047 | 06/30/2048 | 1130 | $94,310 | $955,461 | $1,049,771 |
| 07/01/2048 | 06/30/2049 | 1073 | $92,235 | $976,386 | $1,068,621 |
| 07/01/2049 | 06/30/2050 | 1017 | $90,045 | $997,769 | $1,087,814 |
| 07/01/2050 | 06/30/2051 | 961 | $87,643 | $1,019,620 | $1,107,263 |

**TEMPLATE 4A - Sheet 4A-4**

v20221102p

**SFA Determination - Details for the "basic method" under § 4262.4(a)(1) for all plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-4.

**PLAN INFORMATION**

| | | |
|---|---|---|
| Abbreviated Plan Name: | SWPA | |
| EIN: | 25-1046087 | |
| PN: | 001 | |
| MPRA Plan? | No | Meets the definition of a MPRA plan described in § 4262.4(a)(3)? |
| If a MPRA Plan, which method yields the greatest amount of SFA? | | MPRA increasing assets method described in § 4262.4(a)(2)(i).<br>MPRA present value method described in § 4262.4(a)(2)(ii). |
| SFA Measurement Date: | 12/31/2022 | |
| Fair Market Value of Assets as of the SFA Measurement Date: | $27,385,653 | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $116,253,045 | Per § 4262.4(a)(1), the lowest whole dollar amount (not less than $0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero. |
| Projected SFA exhaustion year: | 2029 | Only required on this sheet if the requested amount of SFA is based on the "basic method".<br>Plan Year Start Date of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets. |
| Non-SFA Interest Rate: | 5.85% | |
| SFA Interest Rate: | 3.77% | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments (should match total from Sheet 4A-2) | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 4A-3) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| 12/31/2022 | 06/30/2023 | $4,414,488 | $354,443 | | -$8,990,759 | | -$476,457 | -$9,467,216 | $2,102,141 | $108,887,970 | $0 | $870,776 | $33,025,360 |
| 07/01/2023 | 06/30/2024 | $8,688,368 | $708,887 | | -$18,014,042 | | -$662,444 | -$18,676,486 | $3,753,025 | $93,964,509 | $0 | $2,206,853 | $44,629,468 |
| 07/01/2024 | 06/30/2025 | $8,547,760 | $708,887 | | -$18,226,856 | | -$675,409 | -$18,902,265 | $3,186,154 | $78,248,398 | $0 | $2,881,581 | $56,767,696 |
| 07/01/2025 | 06/30/2026 | $8,444,234 | $708,887 | | -$18,456,781 | | -$688,476 | -$19,145,257 | $2,589,077 | $61,692,218 | $0 | $3,588,639 | $69,509,456 |
| 07/01/2026 | 06/30/2027 | $8,266,544 | $708,887 | | -$18,641,767 | | -$701,754 | -$19,343,521 | $1,961,171 | $44,309,868 | $0 | $4,328,835 | $82,813,722 |
| 07/01/2027 | 06/30/2028 | $8,177,079 | $708,887 | | -$18,721,892 | | -$715,145 | -$19,437,037 | $1,304,094 | $26,176,925 | $0 | $5,104,517 | $96,804,205 |
| 07/01/2028 | 06/30/2029 | $8,013,449 | $708,887 | | -$18,820,212 | | -$728,778 | -$19,548,990 | $618,372 | $7,246,307 | $0 | $5,918,174 | $111,444,715 |
| 07/01/2029 | 06/30/2030 | $7,900,963 | $708,887 | | -$18,921,199 | | -$742,636 | -$7,246,307 | $0 | $0 | -$12,417,528 | $6,620,096 | $114,257,133 |
| 07/01/2030 | 06/30/2031 | $7,774,416 | $708,887 | | -$18,921,158 | | -$756,697 | $0 | $0 | $0 | -$19,677,855 | $6,356,602 | $109,419,183 |
| 07/01/2031 | 06/30/2032 | $7,695,151 | $708,887 | | -$18,752,428 | | -$787,487 | $0 | $0 | $0 | -$19,539,915 | $6,075,298 | $104,358,604 |
| 07/01/2032 | 06/30/2033 | $7,652,969 | $708,887 | | -$18,517,978 | | -$801,729 | $0 | $0 | $0 | -$19,319,707 | $5,784,461 | $99,185,214 |
| 07/01/2033 | 06/30/2034 | $7,573,705 | $423,119 | | -$18,275,905 | | -$816,665 | $0 | $0 | $0 | -$19,092,570 | $5,477,784 | $93,567,251 |
| 07/01/2034 | 06/30/2035 | $7,457,357 | $99,678 | | -$17,977,116 | | -$831,709 | $0 | $0 | $0 | -$18,808,825 | $5,144,569 | $87,460,030 |
| 07/01/2035 | 06/30/2036 | $7,392,154 | $99,678 | | -$17,588,581 | | -$847,007 | $0 | $0 | $0 | -$18,435,588 | $4,796,307 | $81,312,581 |
| 07/01/2036 | 06/30/2037 | $7,312,889 | $99,678 | | -$17,214,075 | | -$862,599 | $0 | $0 | $0 | -$18,076,674 | $4,444,861 | $75,093,335 |
| 07/01/2037 | 06/30/2038 | $7,284,768 | $99,678 | | -$16,763,124 | | -$878,282 | $0 | $0 | $0 | -$17,641,406 | $4,092,944 | $68,929,318 |
| 07/01/2038 | 06/30/2039 | $7,168,420 | $99,678 | | -$16,263,144 | | -$894,236 | $0 | $0 | $0 | -$17,157,380 | $3,743,104 | $62,783,140 |
| 07/01/2039 | 06/30/2040 | $7,140,299 | $99,678 | | -$15,700,478 | | -$910,547 | $0 | $0 | $0 | -$16,611,025 | $3,398,711 | $56,810,803 |
| 07/01/2040 | 06/30/2041 | $7,023,952 | $91,350 | | -$15,127,667 | | -$926,950 | $0 | $0 | $0 | -$16,054,617 | $3,061,957 | $50,933,445 |
| 07/01/2041 | 06/30/2042 | $6,995,831 | $79,691 | | -$14,558,942 | | -$943,711 | $0 | $0 | $0 | -$15,502,653 | $2,733,113 | $45,239,426 |
| 07/01/2042 | 06/30/2043 | $6,916,566 | $0 | | -$13,999,081 | | -$960,623 | $0 | $0 | $0 | -$14,959,704 | $2,411,245 | $39,607,533 |
| 07/01/2043 | 06/30/2044 | $6,851,362 | $0 | | -$13,469,891 | | -$977,825 | $0 | $0 | $0 | -$14,447,716 | $2,094,847 | $34,106,026 |
| 07/01/2044 | 06/30/2045 | $6,772,097 | $0 | | -$12,970,319 | | -$995,474 | $0 | $0 | $0 | -$13,965,793 | $1,784,787 | $28,697,117 |
| 07/01/2045 | 06/30/2046 | $6,706,894 | $0 | | -$12,425,661 | | -$1,013,128 | $0 | $0 | $0 | -$13,438,789 | $1,481,873 | $23,447,095 |
| 07/01/2046 | 06/30/2047 | $6,641,690 | $0 | | -$11,867,081 | | -$1,031,249 | $0 | $0 | $0 | -$12,898,330 | $1,188,648 | $18,379,103 |
| 07/01/2047 | 06/30/2048 | $6,562,425 | $0 | | -$11,301,492 | | -$1,049,771 | $0 | $0 | $0 | -$12,351,263 | $905,854 | $13,496,119 |
| 07/01/2048 | 06/30/2049 | $6,497,221 | $0 | | -$10,764,920 | | -$1,068,621 | $0 | $0 | $0 | -$11,833,541 | $633,436 | $8,793,235 |
| 07/01/2049 | 06/30/2050 | $6,469,099 | $0 | | -$10,237,953 | | -$1,087,814 | $0 | $0 | $0 | -$11,325,767 | $372,347 | $4,308,914 |
| 07/01/2050 | 06/30/2051 | $6,403,896 | $0 | | -$9,727,999 | | -$1,107,263 | $0 | $0 | $0 | -$10,835,262 | $122,454 | $2 |

**TEMPLATE 4A - Sheet 4A-5**

v20221102p

**SFA Determination - Details for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans**

See Template 4A Instructions for Additional Instructions for Sheet 4A-5.

**PLAN INFORMATION**

| | | |
|---|---|---|
| Abbreviated Plan Name: | | |
| EIN: | | |
| PN: | | |
| MPRA Plan? | | Meets the definition of a MPRA plan described in § 4262.4(a)(3)? |
| If a MPRA Plan, which method yields the greatest amount of SFA? | | MPRA increasing assets method described in § 4262.4(a)(2)(i).<br>MPRA present value method described in § 4262.4(a)(2)(ii). |
| SFA Measurement Date: | | |
| Fair Market Value of Assets as of the SFA Measurement Date: | | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | | Per § 4262.4(a)(2)(i), the lowest whole dollar amount (not less than $0) for which, as of the last day of each plan year during the SFA coverage period, projected SFA assets and projected non-SFA assets are both greater than or equal to zero, and, as of the last day of the SFA coverage period, the sum of projected SFA assets and projected non-SFA assets is greater than the amount of such sum as of the last day of the immediately preceding plan year. |
| Projected SFA exhaustion year: | | Only required on this sheet if the requested amount of SFA is based on the "increasing assets method".<br>Plan Year Start Date of the plan year in which the sum of annual projected benefit payments and administrative expenses for the year exceeds the beginning-of-year projected SFA assets. |
| Non-SFA Interest Rate: | | |
| SFA Interest Rate: | | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments (should match total from Sheet 4A-2) | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 4A-3) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| | | | | | | | | | | | | | |

# TEMPLATE 5A

v20220802p

**Baseline - for non-MPRA plans using the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

File name: *Template 5A Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (5) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 5A is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before 1/1/2021 ("pre-2021 certification of plan status"), except the non-SFA and SFA interest rates, and except any assumptions that were changed in accordance with Section III, Acceptable Assumption Changes in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.E. of PBGC's SFA assumptions guidance).*

Provide a separate deterministic projection ("Baseline") using the same calculation methodology used to determine the requested SFA amount, in the same format as Template 4A (Sheets 4A-2, 4A-3, and either 4A-4 or 4A-5) that shows the amount of SFA that would be determined if all underlying assumptions and methods used in the projection were the same as those used in the pre-2021 certification of plan status, except the plan's non-SFA interest rate and SFA interest rate, which should be the same as used in Template 4A (Sheet 4A-1).

For purposes of this Template 5A, any assumption change made in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance should be reflected in this Baseline calculation of the SFA amount and supporting projection information, except that an assumption change for “missing” terminated vested participants described in Section III.E of PBGC’s SFA assumptions guidance should not be reflected in the Baseline projections. See examples in the SFA instructions for Section C, Item (5).

Additional instructions for each individual worksheet:

Sheet

**5A-1 Baseline - Benefit Payments for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

**5A-2 Baseline - Participant Count and Administrative Expenses for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-3, except provide the projected total participant count and administrative expense projection used to determine the Baseline SFA amount.

**5A-3 Baseline - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

For non-MPRA plans, see Template 4A instructions for Sheet 4A-4, except provide the projection used to determine the Baseline SFA amount under the "basic method" described in § 4262.4(a)(1). Unlike Sheet 4A-4, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 5A-3.

For MPRA plans for which the requested amount of SFA is determined under the "increasing assets method", see Template 4A instructions for Sheet 4A-5, except provide the projection used to determine the Baseline SFA amount under the "increasing assets method" described in § 4262.4(a)(2)(i). Unlike Sheet 4A-5, it is not necessary to identify the projected SFA exhaustion year in Sheet 5A-3.

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

## TEMPLATE 5A - Sheet 5A-1

v20220802p

**Baseline - Benefit Payments for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-2, except provide the benefit payment projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |
| SFA Measurement Date: | 12/31/2022 |

On this Sheet, show all benefit payment amounts as positive amounts.

| | | **PROJECTED BENEFIT PAYMENTS** for: | | | | |
|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Current Retirees and Beneficiaries in Pay Status | Current Terminated Vested Participants | Current Active Participants | New Entrants | Total |
| 12/31/2022 | 06/30/2023 | $8,331,242 | $478,055 | $181,462 | $0 | $8,990,759 |
| 07/01/2023 | 06/30/2024 | $16,229,349 | $1,085,232 | $699,461 | $0 | $18,014,042 |
| 07/01/2024 | 06/30/2025 | $15,776,956 | $1,430,541 | $1,019,359 | $0 | $18,226,856 |
| 07/01/2025 | 06/30/2026 | $15,289,398 | $1,819,495 | $1,347,888 | $0 | $18,456,781 |
| 07/01/2026 | 06/30/2027 | $14,768,416 | $2,193,651 | $1,679,700 | $0 | $18,641,767 |
| 07/01/2027 | 06/30/2028 | $14,227,884 | $2,464,778 | $2,029,230 | $0 | $18,721,892 |
| 07/01/2028 | 06/30/2029 | $13,693,834 | $2,727,528 | $2,393,995 | $5,300 | $18,820,657 |
| 07/01/2029 | 06/30/2030 | $13,163,435 | $2,994,888 | $2,750,231 | $13,954 | $18,922,508 |
| 07/01/2030 | 06/30/2031 | $12,598,177 | $3,178,039 | $3,122,321 | $25,200 | $18,923,737 |
| 07/01/2031 | 06/30/2032 | $11,993,116 | $3,281,507 | $3,444,383 | $37,554 | $18,756,560 |
| 07/01/2032 | 06/30/2033 | $11,345,702 | $3,415,606 | $3,712,241 | $50,309 | $18,523,858 |
| 07/01/2033 | 06/30/2034 | $10,750,966 | $3,516,286 | $3,952,947 | $63,499 | $18,283,698 |
| 07/01/2034 | 06/30/2035 | $10,150,045 | $3,623,283 | $4,135,577 | $78,136 | $17,987,041 |
| 07/01/2035 | 06/30/2036 | $9,547,582 | $3,675,219 | $4,283,187 | $94,906 | $17,600,894 |
| 07/01/2036 | 06/30/2037 | $8,945,948 | $3,755,190 | $4,413,169 | $114,048 | $17,228,355 |
| 07/01/2037 | 06/30/2038 | $8,347,517 | $3,796,467 | $4,499,358 | $135,709 | $16,779,051 |
| 07/01/2038 | 06/30/2039 | $7,754,680 | $3,811,628 | $4,552,302 | $162,016 | $16,280,626 |
| 07/01/2039 | 06/30/2040 | $7,169,913 | $3,795,062 | $4,563,529 | $190,982 | $15,719,486 |
| 07/01/2040 | 06/30/2041 | $6,595,831 | $3,753,668 | $4,577,025 | $221,716 | $15,148,240 |
| 07/01/2041 | 06/30/2042 | $6,035,139 | $3,719,747 | $4,573,283 | $252,871 | $14,581,040 |
| 07/01/2042 | 06/30/2043 | $5,490,297 | $3,653,464 | $4,595,016 | $283,760 | $14,022,537 |
| 07/01/2043 | 06/30/2044 | $4,964,329 | $3,603,217 | $4,612,593 | $314,398 | $13,494,537 |
| 07/01/2044 | 06/30/2045 | $4,459,956 | $3,574,688 | $4,613,583 | $347,829 | $12,996,056 |
| 07/01/2045 | 06/30/2046 | $3,979,484 | $3,486,928 | $4,598,772 | $387,197 | $12,452,381 |
| 07/01/2046 | 06/30/2047 | $3,525,215 | $3,377,126 | $4,559,955 | $432,143 | $11,894,439 |
| 07/01/2047 | 06/30/2048 | $3,100,857 | $3,238,916 | $4,507,090 | $482,442 | $11,329,305 |
| 07/01/2048 | 06/30/2049 | $2,706,432 | $3,106,548 | $4,438,400 | $541,975 | $10,793,355 |
| 07/01/2049 | 06/30/2050 | $2,341,635 | $2,966,196 | $4,352,342 | $606,991 | $10,267,164 |
| 07/01/2050 | 06/30/2051 | $2,009,018 | $2,817,946 | $4,255,103 | $676,092 | $9,758,159 |

## TEMPLATE 5A - Sheet 5A-2

v20220802p

**Baseline - Participant Count and Administrative Expenses for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 4A instructions for Sheet 4A-3, except provide the projected total participant count and administrative expense projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |
| SFA Measurement Date: | 12/31/2022 |

On this Sheet, show all administrative expense amounts as positive amounts

| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Total Participant Count at Beginning of Plan Year | **PROJECTED ADMINISTRATIVE EXPENSES** for: PBGC Premiums | Other | Total |
|---|---|---|---|---|---|
| 12/31/2022 | 06/30/2023 | 2759 | $88,288 | $388,169 | $476,457 |
| 07/01/2023 | 06/30/2024 | 2700 | $94,500 | $556,338 | $650,838 |
| 07/01/2024 | 06/30/2025 | 2639 | $92,365 | $556,338 | $648,703 |
| 07/01/2025 | 06/30/2026 | 2575 | $90,125 | $556,338 | $646,463 |
| 07/01/2026 | 06/30/2027 | 2511 | $87,885 | $556,338 | $644,223 |
| 07/01/2027 | 06/30/2028 | 2444 | $85,540 | $556,338 | $641,878 |
| 07/01/2028 | 06/30/2029 | 2377 | $83,195 | $556,338 | $639,533 |
| 07/01/2029 | 06/30/2030 | 2311 | $80,885 | $556,338 | $637,223 |
| 07/01/2030 | 06/30/2031 | 2245 | $78,575 | $556,338 | $634,913 |
| 07/01/2031 | 06/30/2032 | 2174 | $113,048 | $556,338 | $669,386 |
| 07/01/2032 | 06/30/2033 | 2099 | $109,148 | $556,338 | $665,486 |
| 07/01/2033 | 06/30/2034 | 2032 | $105,664 | $556,338 | $662,002 |
| 07/01/2034 | 06/30/2035 | 1964 | $102,128 | $556,338 | $658,466 |
| 07/01/2035 | 06/30/2036 | 1897 | $98,644 | $556,338 | $654,982 |
| 07/01/2036 | 06/30/2037 | 1831 | $95,212 | $556,338 | $651,550 |
| 07/01/2037 | 06/30/2038 | 1764 | $91,728 | $556,338 | $648,066 |
| 07/01/2038 | 06/30/2039 | 1698 | $88,296 | $556,338 | $644,634 |
| 07/01/2039 | 06/30/2040 | 1633 | $84,916 | $556,338 | $641,254 |
| 07/01/2040 | 06/30/2041 | 1566 | $81,432 | $556,338 | $637,770 |
| 07/01/2041 | 06/30/2042 | 1502 | $78,104 | $556,338 | $634,442 |
| 07/01/2042 | 06/30/2043 | 1437 | $74,724 | $556,338 | $631,062 |
| 07/01/2043 | 06/30/2044 | 1372 | $71,344 | $556,338 | $627,682 |
| 07/01/2044 | 06/30/2045 | 1311 | $68,172 | $556,338 | $624,510 |
| 07/01/2045 | 06/30/2046 | 1247 | $64,844 | $556,338 | $621,182 |
| 07/01/2046 | 06/30/2047 | 1186 | $61,672 | $556,338 | $618,010 |
| 07/01/2047 | 06/30/2048 | 1126 | $58,552 | $556,338 | $614,890 |
| 07/01/2048 | 06/30/2049 | 1068 | $55,536 | $556,338 | $611,874 |
| 07/01/2049 | 06/30/2050 | 1011 | $52,572 | $556,338 | $608,910 |
| 07/01/2050 | 06/30/2051 | 955 | $49,660 | $556,338 | $605,998 |

**TEMPLATE 5A - Sheet 5A-3** v20220802p

**Baseline - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the Baseline SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | 12/31/2022 |
| Fair Market Value of Assets as of the SFA Measurement Date: | $27,385,653 |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $109,665,861 |
| Non-SFA Interest Rate: | 5.85% |
| SFA Interest Rate: | 3.77% |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments (should match total from Sheet 5A-1) | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA; should match total from Sheet 5A-2) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| 12/31/2022 | 06/30/2023 | $4,414,488 | $354,443 | | -$8,990,759 | | -$476,457 | -$9,467,216 | $1,977,973 | $102,176,618 | $0 | $870,776 | $33,025,360 |
| 07/01/2023 | 06/30/2024 | $8,744,611 | $708,887 | | -$18,014,042 | | -$650,838 | -$18,664,880 | $3,500,226 | $87,011,964 | $0 | $2,208,498 | $44,687,356 |
| 07/01/2024 | 06/30/2025 | $8,646,185 | $708,887 | | -$18,226,856 | | -$648,703 | -$18,875,559 | $2,924,547 | $71,060,952 | $0 | $2,887,846 | $56,930,274 |
| 07/01/2025 | 06/30/2026 | $8,584,842 | $708,887 | | -$18,456,781 | | -$646,463 | -$19,103,244 | $2,318,902 | $54,276,610 | $0 | $3,602,263 | $69,826,266 |
| 07/01/2026 | 06/30/2027 | $8,449,334 | $708,887 | | -$18,641,767 | | -$644,223 | -$19,285,990 | $1,682,687 | $36,673,307 | $0 | $4,352,715 | $83,337,202 |
| 07/01/2027 | 06/30/2028 | $8,387,991 | $708,887 | | -$18,721,892 | | -$641,878 | -$19,363,770 | $1,017,577 | $18,327,114 | $0 | $5,141,310 | $97,575,390 |
| 07/01/2028 | 06/30/2029 | $8,266,544 | $708,887 | | -$18,820,657 | | -$639,533 | -$18,327,114 | $0 | $0 | -$1,133,076 | $6,473,617 | $111,891,362 |
| 07/01/2029 | 06/30/2030 | $8,196,240 | $708,887 | | -$18,922,508 | | -$637,223 | $0 | $0 | $0 | -$19,559,731 | $6,233,998 | $107,470,756 |
| 07/01/2030 | 06/30/2031 | $8,111,875 | $708,887 | | -$18,923,737 | | -$634,913 | $0 | $0 | $0 | -$19,558,650 | $5,972,956 | $102,705,824 |
| 07/01/2031 | 06/30/2032 | $8,050,531 | $708,887 | | -$18,756,560 | | -$669,386 | $0 | $0 | $0 | -$19,425,946 | $5,696,295 | $97,735,591 |
| 07/01/2032 | 06/30/2033 | $7,966,167 | $708,887 | | -$18,523,858 | | -$665,486 | $0 | $0 | $0 | -$19,189,344 | $5,409,989 | $92,631,290 |
| 07/01/2033 | 06/30/2034 | $7,881,802 | $423,119 | | -$18,283,698 | | -$662,002 | $0 | $0 | $0 | -$18,945,700 | $5,107,688 | $87,098,198 |
| 07/01/2034 | 06/30/2035 | $7,760,355 | $99,678 | | -$17,987,041 | | -$658,466 | $0 | $0 | $0 | -$18,645,507 | $4,779,769 | $81,092,493 |
| 07/01/2035 | 06/30/2036 | $7,690,051 | $99,678 | | -$17,600,894 | | -$654,982 | $0 | $0 | $0 | -$18,255,876 | $4,437,776 | $75,064,122 |
| 07/01/2036 | 06/30/2037 | $7,619,747 | $99,678 | | -$17,228,355 | | -$651,550 | $0 | $0 | $0 | -$17,879,905 | $4,094,057 | $68,997,699 |
| 07/01/2037 | 06/30/2038 | $7,586,525 | $99,678 | | -$16,779,051 | | -$648,066 | $0 | $0 | $0 | -$17,427,117 | $3,751,444 | $63,008,228 |
| 07/01/2038 | 06/30/2039 | $7,465,078 | $99,678 | | -$16,280,626 | | -$644,634 | $0 | $0 | $0 | -$16,925,260 | $3,412,187 | $57,059,911 |
| 07/01/2039 | 06/30/2040 | $7,445,917 | $99,678 | | -$15,719,486 | | -$641,254 | $0 | $0 | $0 | -$16,360,740 | $3,080,162 | $51,324,928 |
| 07/01/2040 | 06/30/2041 | $7,324,470 | $91,350 | | -$15,148,240 | | -$637,770 | $0 | $0 | $0 | -$15,786,010 | $2,757,680 | $45,712,418 |
| 07/01/2041 | 06/30/2042 | $7,305,309 | $79,691 | | -$14,581,040 | | -$634,442 | $0 | $0 | $0 | -$15,215,482 | $2,445,135 | $40,327,070 |
| 07/01/2042 | 06/30/2043 | $7,235,005 | $0 | | -$14,022,537 | | -$631,062 | $0 | $0 | $0 | -$14,653,599 | $2,142,140 | $35,050,616 |
| 07/01/2043 | 06/30/2044 | $7,178,762 | $0 | | -$13,494,537 | | -$627,682 | $0 | $0 | $0 | -$14,122,219 | $1,847,365 | $29,954,524 |
| 07/01/2044 | 06/30/2045 | $7,057,315 | $0 | | -$12,996,056 | | -$624,510 | $0 | $0 | $0 | -$13,620,566 | $1,560,365 | $24,951,638 |
| 07/01/2045 | 06/30/2046 | $7,038,154 | $0 | | -$12,452,381 | | -$621,182 | $0 | $0 | $0 | -$13,073,563 | $1,283,135 | $20,199,364 |
| 07/01/2046 | 06/30/2047 | $6,944,829 | $0 | | -$11,894,439 | | -$618,010 | $0 | $0 | $0 | -$12,512,449 | $1,018,810 | $15,650,554 |
| 07/01/2047 | 06/30/2048 | $6,874,525 | $0 | | -$11,329,305 | | -$614,890 | $0 | $0 | $0 | -$11,944,195 | $767,270 | $11,348,154 |
| 07/01/2048 | 06/30/2049 | $6,818,281 | $0 | | -$10,793,355 | | -$611,874 | $0 | $0 | $0 | -$11,405,229 | $529,699 | $7,290,905 |
| 07/01/2049 | 06/30/2050 | $6,799,120 | $0 | | -$10,267,164 | | -$608,910 | $0 | $0 | $0 | -$10,876,074 | $307,267 | $3,521,218 |
| 07/01/2050 | 06/30/2051 | $6,742,877 | $0 | | -$9,758,159 | | -$605,998 | $0 | $0 | $0 | -$10,364,157 | $100,069 | $7 |

# TEMPLATE 6A

v20220802p

**Reconciliation - for non-MPRA plans using the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

File name: *Template 6A Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (6) of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*This Template 6A is not required if all assumptions and methods used to determine the requested SFA amount are identical to those used in the most recent actuarial certification of plan status completed before 1/1/2021 ("pre-2021 certification of plan status"), except the non-SFA and SFA interest rates, and except any assumptions changed in accordance with Section III, Acceptable Assumption Changes, in PBGC's SFA assumptions guidance (other than the acceptable assumption change for "missing" terminated vested participants described in Section III.E of PBGC's SFA assumptions guidance).*

*This Template 6A is also not required if the requested SFA amount from Template 4A is the same as the SFA amount shown in Template 5A (Baseline).*

If the assumptions/methods used to determine the requested SFA amount differ from those in the "Baseline" projection in Template 5A, then provide a reconciliation of the change in the total amount of SFA due to each change in assumption/method from the Baseline to the requested SFA as shown in Template 4A.

For each assumption/method change from the Baseline through the requested SFA amount, provide a deterministic projection using the same calculation methodology used to determine the requested SFA amount, in the same format as Template 4A (either Sheet 4A-4 or Sheet 4A-5).

Additional instructions for each individual worksheet:

Sheet

**6A-1** **Reconciliation - Summary for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

For Item number 1, show the SFA amount determined in Template 5A using the "Baseline" assumptions and methods. If there is only one change in assumptions/methods between the Baseline (Template 5A) and the requested SFA amount (Template 4A), then show on Item number 2 the requested SFA amount, and briefly identify the change in assumptions from the Baseline.

If there is more than one change in assumptions/methods from the Baseline, show each individual change as a separate Item number. Each Item number should reflect all changes already measured in the prior Item number. For example, the difference between the SFA amount shown for Item number 4 and Item number 5 should be the incremental change due to changing the identified single assumption/method. The Item numbers should show assumption/method changes in the order that they were incrementally measured.

### 6A-2 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

For non-MPRA plans, see Template 4A instructions for Sheet 4A-4, except provide the projection used to determine the intermediate Item number 2 SFA amount from Sheet 6A-1 under the "basic method" described in § 4262.4(a)(1). Unlike Sheet 4A-4, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 6A-2.

For MPRA plans for which the requested amount of SFA is determined under the "increasing assets method", see Template 4A instructions for Sheet 4A-5, except provide the projection used to determine each intermediate SFA amount from Sheet 6A-1 under the "increasing assets method" described in § 4262.4(a)(2)(i). Unlike Sheet 4A-5, it is not necessary to explicitly identify the projected SFA exhaustion year in Sheet 6A-2.

A Reconciliation Details sheet is not needed for the last Item number shown in the Sheet 6A-1 Reconciliation, since the information should be the same as shown in Template 4A. For example, if there is only one assumption change from the Baseline, then Item number 2 should identify what assumption changed between the Baseline and Item number 2, where Item number 2 is the requested SFA amount. Since details on the determination of the requested SFA amount are shown in Template 4A, a separate Sheet 6A-2 Reconciliation Details is not required here.

### 6A-3 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 3 SFA amount from Sheet 6A-1.

### 6A-4 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 4 SFA amount from Sheet 6A-1.

### 6A-5 Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method

See instructions for 6A-2 Reconciliation Details, except for the intermediate Item number 5 SFA amount from Sheet 6A-1.

**Version Updates (newest version at top)**

| Version | Date updated | |
|---|---|---|
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

## TEMPLATE 6A - Sheet 6A-1

v20220802p

**Reconciliation - Summary for the "basic method", or for MPRA plans for which the requested amount of SFA is determined under the "increasing assets method"**

See Template 6A Instructions for Additional Instructions for Sheet 6A-1.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |

| Item number | Basis for Assumptions/Methods. For each Item, briefly describe the incremental change reflected in the SFA amount. | Change in SFA Amount (from prior Item number) | SFA Amount | |
|---|---|---|---|---|
| | | | | NOTE: A sheet with Recon Details is not required for the last Item number provided, since that information should be the same as provided in Template 4A. |
| 1 | Baseline | N/A | $109,665,861 | From Template 5A. |
| 2 | CBU Assumption | $3,933,656 | $113,599,517 | Show details supporting the SFA amount on Sheet 6A-2. |
| 3 | Administrative Expenses | $2,653,528 | $116,253,045 | Show details supporting the SFA amount on Sheet 6A-3. |
| 4 | | | | Show details supporting the SFA amount on Sheet 6A-4. |
| 5 | | | | Show details supporting the SFA amount on Sheet 6A-5. |

Create additional rows as needed, and create additional detailed sheets by copying Sheet 6A-5 and re-labeling the header and the sheet name to be 6A-6, 6A-7, etc.

**TEMPLATE 6A - Sheet 6A-2**

| Item Description (from 6A-1): | CBU Assumption |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |
| MPRA Plan? | No |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | 12/31/2022 |
| Fair Market Value of Assets as of the SFA Measurement Date: | $27,385,653 |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | $113,599,517 |
| Non-SFA Interest Rate: | 5.85% |
| SFA Interest Rate: | 3.77% |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| 12/31/2022 | 06/30/2023 | $4,414,488 | $354,443 | | -$8,990,759 | | -$476,457 | -$9,467,216 | $2,052,122 | $106,184,423 | $0 | $870,776 | $33,025,360 |
| 07/01/2023 | 06/30/2024 | $8,688,368 | $708,887 | | -$18,014,042 | | -$650,838 | -$18,664,880 | $3,651,320 | $91,170,863 | $0 | $2,206,853 | $44,629,468 |
| 07/01/2024 | 06/30/2025 | $8,547,760 | $708,887 | | -$18,226,856 | | -$648,703 | -$18,875,559 | $3,081,337 | $75,376,641 | $0 | $2,881,581 | $56,767,696 |
| 07/01/2025 | 06/30/2026 | $8,444,234 | $708,887 | | -$18,456,781 | | -$646,463 | -$19,103,244 | $2,481,603 | $58,755,000 | $0 | $3,588,639 | $69,509,456 |
| 07/01/2026 | 06/30/2027 | $8,266,544 | $708,887 | | -$18,641,767 | | -$644,223 | -$19,285,990 | $1,851,523 | $41,320,533 | $0 | $4,328,835 | $82,813,722 |
| 07/01/2027 | 06/30/2028 | $8,177,079 | $708,887 | | -$18,721,892 | | -$641,878 | -$19,363,770 | $1,192,777 | $23,149,540 | $0 | $5,104,517 | $96,804,205 |
| 07/01/2028 | 06/30/2029 | $8,013,449 | $708,887 | | -$18,820,212 | | -$639,533 | -$19,459,745 | $505,921 | $4,195,716 | $0 | $5,918,174 | $111,444,715 |
| 07/01/2029 | 06/30/2030 | $7,900,963 | $708,887 | | -$18,921,199 | | -$637,223 | -$4,195,716 | $0 | $0 | -$15,362,706 | $6,444,719 | $111,136,578 |
| 07/01/2030 | 06/30/2031 | $7,774,416 | $708,887 | | -$18,921,158 | | -$634,913 | $0 | $0 | $0 | -$19,556,071 | $6,177,611 | $106,241,421 |
| 07/01/2031 | 06/30/2032 | $7,695,151 | $708,887 | | -$18,752,428 | | -$669,386 | $0 | $0 | $0 | -$19,421,814 | $5,892,853 | $101,116,498 |
| 07/01/2032 | 06/30/2033 | $7,652,969 | $708,887 | | -$18,517,978 | | -$665,486 | $0 | $0 | $0 | -$19,183,464 | $5,598,783 | $95,893,673 |
| 07/01/2033 | 06/30/2034 | $7,573,705 | $423,119 | | -$18,275,905 | | -$662,002 | $0 | $0 | $0 | -$18,937,907 | $5,289,753 | $90,242,342 |
| 07/01/2034 | 06/30/2035 | $7,457,357 | $99,678 | | -$17,977,116 | | -$658,466 | $0 | $0 | $0 | -$18,635,582 | $4,955,130 | $84,118,925 |
| 07/01/2035 | 06/30/2036 | $7,392,154 | $99,678 | | -$17,588,581 | | -$654,982 | $0 | $0 | $0 | -$18,243,563 | $4,606,469 | $77,973,663 |
| 07/01/2036 | 06/30/2037 | $7,312,889 | $99,678 | | -$17,214,075 | | -$651,550 | $0 | $0 | $0 | -$17,865,625 | $4,255,707 | $71,776,312 |
| 07/01/2037 | 06/30/2038 | $7,284,768 | $99,678 | | -$16,763,124 | | -$648,066 | $0 | $0 | $0 | -$17,411,190 | $3,905,632 | $65,655,199 |
| 07/01/2038 | 06/30/2039 | $7,168,420 | $99,678 | | -$16,263,144 | | -$644,634 | $0 | $0 | $0 | -$16,907,778 | $3,558,869 | $59,574,388 |
| 07/01/2039 | 06/30/2040 | $7,140,299 | $99,678 | | -$15,700,478 | | -$641,254 | $0 | $0 | $0 | -$16,341,732 | $3,218,875 | $53,691,508 |
| 07/01/2040 | 06/30/2041 | $7,023,952 | $91,350 | | -$15,127,667 | | -$637,770 | $0 | $0 | $0 | -$15,765,437 | $2,887,937 | $47,929,310 |
| 07/01/2041 | 06/30/2042 | $6,995,831 | $79,691 | | -$14,558,942 | | -$634,442 | $0 | $0 | $0 | -$15,193,384 | $2,566,417 | $42,377,864 |
| 07/01/2042 | 06/30/2043 | $6,916,566 | $0 | | -$13,999,081 | | -$631,062 | $0 | $0 | $0 | -$14,630,143 | $2,253,483 | $36,917,770 |
| 07/01/2043 | 06/30/2044 | $6,851,362 | $0 | | -$13,469,891 | | -$627,682 | $0 | $0 | $0 | -$14,097,573 | $1,947,738 | $31,619,297 |
| 07/01/2044 | 06/30/2045 | $6,772,097 | $0 | | -$12,970,319 | | -$624,510 | $0 | $0 | $0 | -$13,594,829 | $1,650,164 | $26,446,729 |
| 07/01/2045 | 06/30/2046 | $6,706,894 | $0 | | -$12,425,661 | | -$621,182 | $0 | $0 | $0 | -$13,046,843 | $1,361,690 | $21,468,470 |
| 07/01/2046 | 06/30/2047 | $6,641,690 | $0 | | -$11,867,081 | | -$618,010 | $0 | $0 | $0 | -$12,485,091 | $1,084,986 | $16,710,055 |
| 07/01/2047 | 06/30/2048 | $6,562,425 | $0 | | -$11,301,492 | | -$614,890 | $0 | $0 | $0 | -$11,916,382 | $820,935 | $12,177,033 |
| 07/01/2048 | 06/30/2049 | $6,497,221 | $0 | | -$10,764,920 | | -$611,874 | $0 | $0 | $0 | -$11,376,794 | $569,629 | $7,867,089 |
| 07/01/2049 | 06/30/2050 | $6,469,099 | $0 | | -$10,237,953 | | -$608,910 | $0 | $0 | $0 | -$10,846,863 | $332,175 | $3,821,500 |
| 07/01/2050 | 06/30/2051 | $6,403,896 | $0 | | -$9,727,999 | | -$605,998 | $0 | $0 | $0 | -$10,333,997 | $108,602 | $1 |

**TEMPLATE 6A - Sheet 6A-3**

| Item Description (from 6A-1): | |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | |
| EIN: | |
| PN: | |
| MPRA Plan? | |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | |
| Fair Market Value of Assets as of the SFA Measurement Date: | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | |
| Non-SFA Interest Rate: | |
| SFA Interest Rate: | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| | | | | | | | | | | | | | |

**TEMPLATE 6A - Sheet 6A-4**

| Item Description (from 6A-1): | |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | |
| EIN: | |
| PN: | |
| MPRA Plan? | |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | |
| Fair Market Value of Assets as of the SFA Measurement Date: | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | |
| Non-SFA Interest Rate: | |
| SFA Interest Rate: | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| | | | | | | | | | | | | | |

**TEMPLATE 6A - Sheet 6A-5**

| Item Description (from 6A-1): | |
|---|---|

v20220802p

**Reconciliation - Details for the "basic method" under § 4262.4(a)(1) for non-MPRA plans, or for the "increasing assets method" under § 4262.4(a)(2)(i) for MPRA plans for which the requested amount of SFA is determined under that method**

See Template 4A instructions for Sheet 4A-4 or Sheet 4A-5, except provide the projection used to determine the intermediate SFA amount.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | |
| EIN: | |
| PN: | |
| MPRA Plan? | |
| If a MPRA Plan, which method yields the greatest amount of SFA? | |
| SFA Measurement Date: | |
| Fair Market Value of Assets as of the SFA Measurement Date: | |
| SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet: | |
| Non-SFA Interest Rate: | |
| SFA Interest Rate: | |

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Contributions | Withdrawal Liability Payments | Other Payments to Plan (excluding financial assistance and SFA) | Benefit Payments | Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date | Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets | SFA Investment Income Based on SFA Interest Rate | Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8)) | Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets | Non-SFA Investment Income Based on Non-SFA Interest Rate | Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11)) |
| | | | | | | | | | | | | | |

**Version Updates** v20220701p

| Version | Date updated |
| --- | --- |
| v20220701p | 07/01/2022 |

# TEMPLATE 7

v20220701p

## 7a - Assumption/Method Changes for SFA Eligibility

File name: *Template 7 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (7)a. of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

*Sheet 7a of Template 7 is not required if the plan is eligible for SFA under § 4262.3(a)(2) (MPRA suspensions) or § 4262.3(a)(4) (certain insolvent plans) of PBGC's special financial assistance regulation.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed before January 1, 2021.*

*Sheet 7a of Template 7 is not required if the plan is eligible based on a certification of plan status completed after December 31, 2020 but reflects the same assumptions as those in the pre-2021 certification of plan status.*

Provide a table identifying which assumptions/methods used in determining the plan's eligibility for SFA differ from those used in the pre-2021 certification of plan status and brief explanations as to why using those assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable.

This table should identify all changed assumptions/methods (including those that are reflected in the Baseline provided in Template 5A or Template 5B) and should be an abbreviated version of information provided in Section D, Item (6)a. of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used in showing the plan's eligibility for SFA (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| Base Mortality Assumption | RP-2000 mortality table | Pri-2012(BC) mortality table | Prior assumption is outdated. New assumption reflects more recently published experience for blue collar workers. |

Add one line for each assumption/method that has changed from that used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7a is intended as an abbreviated version of more detailed information provided in Section D, Item (6)a. of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption/method has changed is preferred.

## Template 7 - Sheet 7a

v20220701p

### Assumption/Method Changes - SFA Eligibility

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | |
| EIN: | |
| PN: | |

| | |
|---|---|
| Brief description of basis for qualifying for SFA (e.g., critical and declining status in 2020, insolvent plan, critical status and meet other criteria) | |

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used in showing the plan's eligibility for SFA (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| | | | |
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# TEMPLATE 7

v20220701p

## 7b - Assumption/Method Changes for SFA Amount

File name: *Template 7 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

Instructions for Section C, Item (7)b. of the Instructions for Filing Requirements for Multiemployer Plans Applying for Special Financial Assistance:

Provide a table identifying which assumptions/methods used in determining the amount of SFA differ from those used in the pre-2021 certification of plan status (except the non-SFA and SFA interest rates) and brief explanations as to why using those original assumptions/methods is no longer reasonable and why the changed assumptions/methods are reasonable.

Please state if the changed assumption is an extension of the CBU assumption or the administrative expenses assumption as described in Paragraph A "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions.

This table should identify all changed assumptions/methods except for the interest rates (including those that are reflected in the Baseline provided in Template 5A or Template 5B) and should be an abbreviated version of information provided in Section D, Item (6)b. of the SFA filing instructions.

For example, if the mortality assumption used in the pre-2021 certification of plan status is the RP-2000 mortality table, and the plan proposes to change to the Pri-2012(BC) table, complete one line of the table as follows:

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used to determine the requested SFA amount (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| Base Mortality Assumption | RP-2000 mortality table | Pri-2012(BC) mortality table | Original assumption is outdated. New assumption reflects more recently published experience for blue collar workers. |

For example, assume the plan is projected to be insolvent in 2029 in the pre-2021 certification of plan status. The plan changes its CBU assumption by extending the assumption to the later projection years as described in Paragraph A, "Adoption of assumptions not previously factored into pre-2021 certification of plan status" of Section III, Acceptable Assumption Changes of PBGC's guidance on Special Financial Assistance Assumptions. Complete one line of the table as follows:

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used to determine the requested SFA amount (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| CBU Assumption | Decrease from most recent plan year's actual number of CBUs by 2% per year to 2028 | Same number of CBUs for each projection year to 2028 as shown in (A), then constant CBUs for all years after 2028. | Original assumption does not address years after original projected insolvency in 2029. Proposed assumption uses acceptable extension methodology. |

Add one line for each assumption/method that has changed from that used in the most recent certification of plan status completed prior to 1/1/2021.

Since this Template 7b is intended as an abbreviated version of more detailed information provided in Section D, Item (6)b. of the SFA filing instructions, it is not necessary to include full tables of rates at every age (e.g., for retirement, turnover, etc.). Instead, a high level description that focuses on what aspect of the assumption/method has changed is preferred.

## Template 7 - Sheet 7b

v20220701p

### Assumption/Method Changes - SFA Amount

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |

| | (A) | (B) | (C) |
|---|---|---|---|
| Assumption/Method That Has Changed From Assumption Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021 | Brief description of assumption/method used in the most recent certification of plan status completed prior to 1/1/2021 | Brief description of assumption/method used to determine the requested SFA amount (if different) | Brief explanation on why the assumption/method in (A) is no longer reasonable and why the assumption/method in (B) is reasonable |
| Base Mortality Table | RP-2014 Blue Collar Mortality adjusted to 2006 and projected genrationally with Scale MP-2018 | PRI-2012(BC) Mortality Table wth MP-2021 | Original assumption is outdated. New assumption reflects more recently published experience for blue collar workers. |
| CBU Assumption | No change for UPS employees; 2% annual decline for all others | No change for UPS employees for 10 years and annual 1% decline thereafter. For all others, 3% annual decline for 10 years and 1% annual decline thereafter. | CBUs for UPS have remained stable, while the 10 year geometric average decline of other CBUs prior to the COVID exclusion was over 5%. |
| Administrative Expenses | No increase assumed | 2.19% annual increases, with additional adjustments for known increases in PBGC premium rates. | Not reasonable to assume no increases in future expenses. Increases based on the most recent 10-year geometric average of administrative expense increases, net of PBGC premiums. |
| New Entrant Profile | Based on characteristics of prior year's new entrants | Based on the characteristics of the new entrants and rehires to the plan in the five plan years preceding the plan's SFA measurement date | Changed in accordance with PBGC guidance on Acceptable Assumption Changes |
| | | | |
| | | | |
| | | | |

**Version Updates** v20220802p

| Version | Date updated | |
|---|---|---|
| v20220802p | 08/02/2022 | Cosmetic changes to increase the size of some rows |
| v20220701p | 07/01/2022 | |

**TEMPLATE 8**

File name: *Template 8 Plan Name* , where "Plan Name" is an abbreviated version of the plan name.

v20220802p

**Contribution and Withdrawal Liability Details**

Provide details of the projected contributions and withdrawal liability payments used to calculate the requested SFA amount. This should include total contributions, contribution base units (including identification of the base unit used (i.e., hourly, weekly)), average contribution rate(s), reciprocity contributions (if applicable), additional contributions from the rehabilitation plan (if applicable), and any other identifiable contribution streams. For withdrawal liability, separately show amounts for currently withdrawn employers and for future assumed withdrawals. Also provide the projected number of active participants at the beginning of each plan year.

The first row in the projection period is for the period beginning on the SFA measurement date and ending on the last day of the plan year containing the SFA measurement date. For all other periods, provide the full plan year of information up to the plan year ending in 2051.

**PLAN INFORMATION**

| | |
|---|---|
| Abbreviated Plan Name: | SWPA |
| EIN: | 25-1046087 |
| PN: | 001 |

| | |
|---|---|
| Unit (e.g. hourly, weekly) | Weekly |

| | | | | | | | All Other Sources of Non-Investment Income | | |
|---|---|---|---|---|---|---|---|---|---|
| SFA Measurement Date / Plan Year Start Date | Plan Year End Date | Total Contributions* | Total Contribution Base Units | Average Contribution Rate | Reciprocity Contributions (if applicable) | Additional Rehab Plan Contributions (if applicable) | Other - Explain if Applicable | Withdrawal Liability Payments for Currently Withdrawn Employers | Withdrawal Liability Payments for Projected Future Withdrawals | Projected Number of Active Participants (Including New Entrants) at the Beginning of the Plan Year |
| 12/31/2022 | 06/30/2023 | $4,414,488 | 11,856 | $372.34 | | | | $354,443 | $0 | 456 |
| 07/01/2023 | 06/30/2024 | $8,688,368 | 23,192 | $374.63 | | | | $708,887 | $0 | 446 |
| 07/01/2024 | 06/30/2025 | $8,547,760 | 22,672 | $377.02 | | | | $708,887 | $0 | 436 |
| 07/01/2025 | 06/30/2026 | $8,444,234 | 22,204 | $380.30 | | | | $708,887 | $0 | 427 |
| 07/01/2026 | 06/30/2027 | $8,266,544 | 21,632 | $382.14 | | | | $708,887 | $0 | 416 |
| 07/01/2027 | 06/30/2028 | $8,177,079 | 21,216 | $385.42 | | | | $708,887 | $0 | 408 |
| 07/01/2028 | 06/30/2029 | $8,013,449 | 20,696 | $387.20 | | | | $708,887 | $0 | 398 |
| 07/01/2029 | 06/30/2030 | $7,900,963 | 20,280 | $389.59 | | | | $708,887 | $0 | 390 |
| 07/01/2030 | 06/30/2031 | $7,774,416 | 19,812 | $392.41 | | | | $708,887 | $0 | 381 |
| 07/01/2031 | 06/30/2032 | $7,695,151 | 19,604 | $392.53 | | | | $708,887 | $0 | 377 |
| 07/01/2032 | 06/30/2033 | $7,652,969 | 19,448 | $393.51 | | | | $708,887 | $0 | 374 |
| 07/01/2033 | 06/30/2034 | $7,573,705 | 19,240 | $393.64 | | | | $423,119 | $0 | 370 |
| 07/01/2034 | 06/30/2035 | $7,457,357 | 18,980 | $392.91 | | | | $99,678 | $0 | 365 |
| 07/01/2035 | 06/30/2036 | $7,392,154 | 18,824 | $392.70 | | | | $99,678 | $0 | 362 |
| 07/01/2036 | 06/30/2037 | $7,312,889 | 18,616 | $392.83 | | | | $99,678 | $0 | 358 |
| 07/01/2037 | 06/30/2038 | $7,284,768 | 18,512 | $393.52 | | | | $99,678 | $0 | 356 |
| 07/01/2038 | 06/30/2039 | $7,168,420 | 18,252 | $392.75 | | | | $99,678 | $0 | 351 |
| 07/01/2039 | 06/30/2040 | $7,140,299 | 18,148 | $393.45 | | | | $99,678 | $0 | 349 |
| 07/01/2040 | 06/30/2041 | $7,023,952 | 17,888 | $392.66 | | | | $91,350 | $0 | 344 |
| 07/01/2041 | 06/30/2042 | $6,995,831 | 17,784 | $393.38 | | | | $79,691 | $0 | 342 |
| 07/01/2042 | 06/30/2043 | $6,916,566 | 17,576 | $393.52 | | | | $0 | $0 | 338 |
| 07/01/2043 | 06/30/2044 | $6,851,362 | 17,420 | $393.30 | | | | $0 | $0 | 335 |
| 07/01/2044 | 06/30/2045 | $6,772,097 | 17,212 | $393.45 | | | | $0 | $0 | 331 |
| 07/01/2045 | 06/30/2046 | $6,706,894 | 17,056 | $393.23 | | | | $0 | $0 | 328 |
| 07/01/2046 | 06/30/2047 | $6,641,690 | 16,900 | $393.00 | | | | $0 | $0 | 325 |
| 07/01/2047 | 06/30/2048 | $6,562,425 | 16,692 | $393.15 | | | | $0 | $0 | 321 |
| 07/01/2048 | 06/30/2049 | $6,497,221 | 16,536 | $392.91 | | | | $0 | $0 | 318 |
| 07/01/2049 | 06/30/2050 | $6,469,099 | 16,432 | $393.69 | | | | $0 | $0 | 316 |
| 07/01/2050 | 06/30/2051 | $6,403,896 | 16,276 | $393.46 | | | | $0 | $0 | 313 |

* Total contributions shown here should be contributions based upon CBUs and should not include items separately shown in any columns under "All Other Sources of Non-Investment Income."

# PROCEDURES FOR TRUSTEE CONSIDERATION OF EMPLOYER REQUESTS UNDER SECTION 4219(b)(2)(A) OF ERISA

The Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund hereby adopt the following revised and restated rules to implement a uniform procedure for the review of withdrawal liability determinations conducted pursuant to Section 4219(b)(2)(A) of the Employee Retirement Income Security Act ("ERISA").

1. These procedures and rules are adopted pursuant to Section 4219 of ERISA and are subject to any regulations adopted by the Pension Benefit Guaranty Corporation ("PBGC").

2. Any employer that has received from the Pension Fund a "Notice and Demand for Payment of Withdrawal Liability" shall be entitled to a review of the Pension Fund's withdrawal liability determination. Such review shall be conducted by the Board of Trustees, or a Sub-Committee consisting of one employer Trustee and one union Trustee, as appointed by the Pension Fund Board of Trustees.

3. An employer which desires a review of the Pension Fund's withdrawal liability determination must make a written request for review no later than 90 days after the employer receives notice of the demand for payment of withdrawal liability.

4. The employer may request review of any specific matter relating to the determination of the employer's liability and the schedule of payments provided by the Pension Fund. In connection with this review, the employer may identify any inaccuracy in the determination of the amount of the unfunded vested benefits allocated to it. The employer may furnish any additional relevant information in written form. An employer's failure to specifically identify an inaccuracy in the calculation of its liability, the computation of its contribution history, or the determination that it has completely or partially withdrawn, will result in the waiver of such objections not raised and will bind the employer in any further proceeding.

5. If an employer requests that the Pension Fund review its determination of withdrawal liability, but fails to raise a specific issue regarding the determination or identify any specific inaccuracy in the compilation of its contribution history or the calculation of its allocable share of

unfunded vested benefits, the Fund Office, Fund Counsel and Fund Actuary will examine the relevant information in the Pension Fund records and identify any inaccuracy which is apparent. If additional information or clarification is deemed to be desirable, Fund Counsel may request that employer provide such information within 30 days pursuant to Section 4219(a) of ERISA.

6. The Fund's internal review of any matter raised by the employer will entail review of the Pension Fund's contribution history records and any evidence or argument presented by the employer. The Trustees, in their sole discretion, schedule an in-person review meeting and invite the employer and its consultant(s) to attend. If an in-person review meeting is held, it will be informal in nature. No stenographic record of such hearings will not be made and employers will be encouraged to present their position in writing.

7. To the extent practical, the Trustees will complete their review and make a determination within 120 days after an employer's request for review has been received. If the review cannot be completed within 120 days due to the complexity of the issues raised, or for any other reason, the period for review can be continued for such additional time as is agreed upon by the Fund and the employer in writing. Any such continuation of the review period will extend the period for initiation of arbitration as provided in the written continuation agreement. The employer will be provided with written notification of the Trustees' decision, the basis for the decision, and the reason for any change in the determination of the employer's liability or schedule of liability payments.

8. The Trustees may elect to initiate arbitration pursuant to Section 4221 of ERISA to resolve any matter raised by the employer.

9. In the event an employer initiates an arbitration proceeding pursuant to Section 4221(a)(1)(B) of ERISA prior to the completion of the Pension Fund's review process and issuance of the Trustees' decision on review, all matters raised in the request for review shall be deemed to be denied.

10. The decision of the Trustees pursuant to these procedures shall be final, and the employer shall not be entitled to any further review by the Pension Fund.

11. Payments of the monthly withdrawal liability assessment, as specified in the schedule of payments provided by the Pension Fund at the time a formal demand for payment was made, must be made by the employer even though a review procedure has been initiated. The Pension Fund may initiate a lawsuit to collect overdue withdrawal liability payments and assess such additional sums, including interest, as are authorized under law. Any amount collected by the Pension Fund which is subsequently determined to be not due shall be refunded to the employer with interest pursuant to PBGC regulations.

# Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund

Employer MPPAA Withdrawal Liability Statement as of 6/30/2021

(Applicable to Withdrawal Events from 7/1/2021 to 6/30/2022)

Part III – Methods and Assumptions

## MPPAA Allocation Method

(A) Withdrawal Liability Allocation Method - The "Presumptive Method" using 5 year contribution histories of employers as the allocation basis. The Fund is currently in Critical and Declining Status, as defined by the Pension Protection Act of 2006, IRC Section 432, and operates under a Rehabilitation Plan which has eliminated certain "adjustable benefits" as permitted under IRC Section 432(e)(8). As required under IRC Section 432(e)(9) such reductions have been disregarded for the purpose of determining the Fund's unfunded vested benefits. Non-benefit bearing contribution increases on and after 7/1/2015 are disregarded as required under IRC Section 432(g)(3).

(B) De Minimis Rule - The mandatory De Minimis Rule is applicable, as described in Section 4209 of ERISA. This states that the maximum de minimis amount for a plan year is equal to the lesser of 3/4 of 1% of the plan's unfunded vested benefits liability for that plan year or $50,000. The de minimis amount is reduced dollar for dollar for gross withdrawal liability from $100,000 to $150,000.

(C) Calculation of Withdrawal Payments

(1) The annual payment is calculated in accordance with Sections 305(g) and 4219 of ERISA and applicable regulations.
(2) The annual amount due from a withdrawing employer is to be payable on a monthly basis.

(D) Contribution Base Units – The Fund applies the interpretation elaborated in PBGC Opinion Letter 85-13. A contribution base unit (“CBU”) means a unit with respect to which an employer has an obligation to contribute, such as an hour worked or shift worked or a unit of production, under the applicable collective bargaining agreement (or other agreement pursuant to which the employer contributes) or with respect to which the employer would have an obligation to contribute. In situations where an employer has different units of obligation measured under one or more collective bargaining agreements or other agreements, each defined measuring period is a CBU.

(E) Additional limitations on withdrawal liability set forth in 29 U.S.C. Sections 1399 (c)(1)(B) and 1405 may be applicable in certain circumstances if and when an actual withdrawal is triggered. Note: The plan has been amended to adopt the "Construction Industry" definition of "complete withdrawal" applicable in certain situations as provided under 29 U.S.C § 1383((b).

## Actuarial Methods and Assumptions

(A) Asset Valuation Method - Market Value of Assets on an accrual basis as provided by the Pension Fund’s Certified Public Accountant.

(B) Persons Included - Based on data provided to us by the Pension Fund, all persons entitled to coverage under the Plan as of the valuation date are included in the calculations.

# Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund

Employer MPPAA Withdrawal Liability Statement as of 6/30/2021

(Applicable to Withdrawal Events from 7/1/2021 to 6/30/2022)

Part III – Methods and Assumptions

Actuarial Methods and Assumptions (continued)

(C) Significant Actuarial Assumptions

(1) Assumed Retirement Age –Graduated rates of retirement based on age and service and contribution level up to a maximum of age 70.

(2) Unfunded Vested Benefits – The actuary used a blended method to determine the value of Unfunded Vested Benefits for MPPAA allocation purposes. Under this method, the assets are divided by the present value of vested benefits using interest rates and mortality tables issued by the Pension Benefit Guaranty Corporation under ERISA Section 4044 for mass withdrawal liability purposes to determine the funded and unfunded percentage of vested liabilities. The unfunded percentage is then multiplied by the present value of vested benefits using the interest rate and mortality table for ERISA Section 412 funding purposes to arrive at the Unfunded Vested Benefit Liability to be allocated.

(i) ERISA Section 4044 assumptions for June 30, 2021:
Investment return – 1.82% for the first 20 years followed by 1.68%.
Mortality – Section 4044 healthy and disabled mortality tables issued for 2021 by the PBGC.

(ii) ERISA Section 412 Funding assumptions:
Investment return – 7.5% per annum.
Mortality – The Blue Collar RP-2014 Mortality Table for healthy lives and the RP-2014 Disability Mortality Table for disabled lives both adjusted to 2006 using Scale MP-2014 then projected generationally using Scale MP-2020.

# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2021**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2021 or fiscal plan year beginning 07/01/2021 and ending 06/30/2022

**A** This return/report is for:
- [X] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [ ] a single-employer plan
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

**D** Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

**E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ [ ]

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
SOUTHWESTERN PENNSYLVANIA & WESTERN MARYLAND AREA TEAMSTERS & EMPLOYERS PENSION FUND

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 07/01/1956

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)

BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

112 MORGANTOWN ST

UNIONTOWN PA 15401-4214

**2b** Employer Identification Number (EIN) 25-1046087

**2c** Plan Sponsor's telephone number 724-438-0512

**2d** Business code (see instructions) 484110

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | | 01/20/2023 | VITO DRAGONE, JR. |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | 01/20/2023 | LARRY MAYROS |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor

BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

112 MORGANTOWN ST

UNIONTOWN PA 15401-4214

**3b** Administrator's EIN: 25-1046087

**3c** Administrator's telephone number: 724-438-0512

**4** If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:

**a** Sponsor's name

**c** Plan Name

**4b** EIN

**4d** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 2,769 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1)**, **6a(2)**, **6b**, **6c**, and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 435 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 456 |
| **b** | Retired or separated participants receiving benefits | **6b** | 1,185 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 693 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 2,334 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 425 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 2,759 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | |
| **h** | Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 21 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | 28 |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1B

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

**9b** Plan benefit arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☒ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ ___ **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

## Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2021**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2021 or fiscal plan year beginning 07/01/2021 and ending 06/30/2022

| **A** Name of plan | **B** Three-digit plan number (PN) ▶ |
|---|---|
| SOUTHWESTERN PENNSYLVANIA & WESTERN MARYLAND AREA TEAMSTERS & EMPLOYERS PENSION FUND | 001 |

| **C** Plan sponsor's name as shown on line 2a of Form 5500 | **D** Employer Identification Number (EIN) |
|---|---|
| BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND | 25-1046087 |

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions). . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

VANGUARD
P.O. BOX 2600V26

VALLEY FORGE PA 19482

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

RHUMBLINE ADVISERS 04-3118582

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

MEYER, UNKOVIC & SCOTT 25-1008021

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 29 | NONE | 86,749 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

FOSTER & FOSTER, INC. 59-1921114

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 11 | NONE | 63,494 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

INVESTMENT CONSULTING SERVICES 32-0016703

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 27 | NONE | 62,840 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

DICLAUDIO & KRAMER, LLC 27-0889793

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 10 | NONE | 35,280 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

PNC ADVISORS 25-1197336

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 19 52 62 | NONE | 16,691 | Yes ☒ No ☐ | Yes ☒ No ☐ | 0 | Yes ☐ No ☒ |

**(a)** Enter name and EIN or address (see instructions)

[redacted]

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 20 99 | TRUSTEE | 5,526 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

[redacted]

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 20<br>99 | TRUSTEE | 5,400 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |
| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. | |
| | | |

## Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

**Part III** **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **a** | Name: | **b** EIN: |
| **c** | Position: | |
| **d** | Address: | **e** Telephone: |

Explanation:

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 07/01/2021 and ending 06/30/2022

**A** Name of plan
SOUTHWESTERN PENNSYLVANIA & WESTERN MARYLAND AREA TEAMSTERS & EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

**D** Employer Identification Number (EIN)
25-1046087

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 605,575 | 707,628 |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | 5,008,740 | 5,469,296 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 4,614,947 | 2,935,986 |
| **(2)** U.S. Government securities | 1c(2) | 0 | 0 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | 0 | 0 |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | 0 | 0 |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 0 | 0 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 33,652,740 | 25,031,176 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 3,146,073 | 2,204,801 |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| (1) Employer securities | 1d(1) | | |
| (2) Employer real property | 1d(2) | | |
| **e** Buildings and other property used in plan operation | 1e | 48,589 | 44,624 |
| **f** Total assets (add all amounts in lines 1a through 1e) | 1f | 47,076,664 | 36,393,511 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | 108,612 | 47,109 |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 108,612 | 47,109 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 46,968,052 | 36,346,402 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| Income | | (a) Amount | (b) Total |
|---|---|---|---|
| **a Contributions:** | | | |
| (1) Received or receivable in cash from: (A) Employers | 2a(1)(A) | 9,369,270 | |
| (B) Participants | 2a(1)(B) | | |
| (C) Others (including rollovers) | 2a(1)(C) | | |
| (2) Noncash contributions | 2a(2) | | |
| (3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 9,369,270 |
| **b Earnings on investments:** | | | |
| (1) Interest: | | | |
| (A) Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 2,914 | |
| (B) U.S. Government securities | 2b(1)(B) | | |
| (C) Corporate debt instruments | 2b(1)(C) | | |
| (D) Loans (other than to participants) | 2b(1)(D) | | |
| (E) Participant loans | 2b(1)(E) | | |
| (F) Other | 2b(1)(F) | | |
| (G) Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 2,914 |
| (2) Dividends: (A) Preferred stock | 2b(2)(A) | | |
| (B) Common stock | 2b(2)(B) | 5,637 | |
| (C) Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 698,926 | |
| (D) Total dividends. Add lines **2b(2)(A), (B),** and **(C)** | 2b(2)(D) | | 704,563 |
| (3) Rents | 2b(3) | | |
| (4) Net gain (loss) on sale of assets: (A) Aggregate proceeds | 2b(4)(A) | | |
| (B) Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| (C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| (5) Unrealized appreciation (depreciation) of assets: (A) Real estate | 2b(5)(A) | | |
| (B) Other | 2b(5)(B) | -69,045 | |
| (C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | -69,045 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | -3,373,933 |
| c Other income | 2c | | 13,519 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 6,647,288 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 16,668,708 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 16,668,708 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | 186,723 | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | 81,372 | |
| (4) Other | 2i(4) | 332,135 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 600,230 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 17,268,938 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | -10,621,650 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unmodified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

**b** Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) [ ] DOL Regulation 2520.103-8 (2) [ ] DOL Regulation 2520.103-12(d) (3) [X] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DICLAUDIO & KRAMER, LLC (2) EIN: 27-0889793

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| **e** | Was this plan covered by a fidelity bond? | 4e | X | | 500,000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) | 4j | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 | 4n | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
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**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 456416.

# SCHEDULE MB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 07/01/2021 and ending 06/30/2022

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan
SOUTHWESTERN PENNSYLVANIA & WESTERN MARYLAND AREA TEAMSTERS & EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

**D** Employer Identification Number (EIN)
25-1046087

**E** Type of plan: (1) [X] Multiemployer Defined Benefit (2) [ ] Money Purchase (see instructions)

**1a** Enter the valuation date: Month 07 Day 01 Year 2021

| | | | |
|---|---|---|---|
| **b** | Assets | | |
| (1) | Current value of assets | 1b(1) | 41,980,192 |
| (2) | Actuarial value of assets for funding standard account | 1b(2) | 39,781,764 |
| **c** (1) | Accrued liability for plan using immediate gain methods | 1c(1) | 206,544,416 |
| (2) | Information for plans using spread gain methods: | | |
| (a) | Unfunded liability for methods with bases | 1c(2)(a) | |
| (b) | Accrued liability under entry age normal method | 1c(2)(b) | |
| (c) | Normal cost under entry age normal method | 1c(2)(c) | |
| (3) | Accrued liability under unit credit cost method | 1c(3) | 206,544,416 |
| **d** | Information on current liabilities of the plan: | | |
| (1) | Amount excluded from current liability attributable to pre-participation service (see instructions) | 1d(1) | |
| (2) | "RPA '94" information: | | |
| (a) | Current liability | 1d(2)(a) | 367,460,201 |
| (b) | Expected increase in current liability due to benefits accruing during the plan year | 1d(2)(b) | 3,401,647 |
| (c) | Expected release from "RPA '94" current liability for the plan year | 1d(2)(c) | 17,570,180 |
| (3) | Expected plan disbursements for the plan year | 1d(3) | 18,316,180 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN HERE**

12/09/2022
Signature of actuary — Date

Gregory J. Pastino — 2003916
Type or print name of actuary — Most recent enrollment number

FOSTER & FOSTER — 630-620-0200
Firm name — Telephone number (including area code)

184 Shuman Blvd Suite 305
Naperville IL 60563
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

**2** Operational information as of beginning of this plan year:

| | | (1) Number of participants | (2) Current liability |
|---|---|---|---|
| **a** Current value of assets (see instructions) | 2a | | 41,980,192 |
| **b** "RPA '94" current liability/participant count breakdown: | | | |
| (1) For retired participants and beneficiaries receiving payment | | 1,618 | 235,823,308 |
| (2) For terminated vested participants | | 716 | 57,069,906 |
| (3) For active participants: | | | |
| (a) Non-vested benefits | | | 1,224,659 |
| (b) Vested benefits | | | 73,342,328 |
| (c) Total active | | 435 | 74,566,987 |
| (4) Total | | 2,769 | 367,460,201 |
| **c** If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage | 2c | | 11.42% |

**3** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | c) Amount paid by employees |
|---|---|---|---|---|---|
| 12/31/2021 | 8,206,719 | 0 | | | |
| 08/01/2022 | 707,628 | 0 | | | |
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| | | | | | |
| | | | Totals ► 3(b) | 8,914,347 | 3(c) 0 |
| (d) Total withdrawal liability amounts included in line 3(b) total | | | | | 3(d) 812,478 |

**4** Information on plan status:

| | | |
|---|---|---|
| **a** Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) | 4a | 19.3 % |
| **b** Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If entered code is "N," go to line 5 | 4b | D |

**c** Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? [X] Yes [ ] No

**d** If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)? [ ] Yes [X] No

| | | |
|---|---|---|
| **e** If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date | 4e | |
| **f** If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here [X] | 4f | 2027 |

**5** Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

**a** [ ] Attained age normal **b** [ ] Entry age normal **c** [X] Accrued benefit (unit credit) **d** [ ] Aggregate

**e** [ ] Frozen initial liability **f** [ ] Individual level premium **g** [ ] Individual aggregate **h** [ ] Shortfall

**i** [ ] Other (specify):

| | | |
|---|---|---|
| **j** If box h is checked, enter period of use of shortfall method | 5j | |
| **k** Has a change been made in funding method for this plan year? | | ☐ Yes ☒ No |
| **l** If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? | | ☐ Yes ☐ No |
| **m** If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method | 5m | |

**6** Checklist of certain actuarial assumptions:

| | | | | | |
|---|---|---|---|---|---|
| **a** Interest rate for "RPA '94" current liability | 6a | 2.33 % | | | |
| | | Pre-retirement | | Post-retirement | |
| **b** Rates specified in insurance or annuity contracts | | ☐ Yes ☒ No ☐ N/A | | ☐ Yes ☒ No ☐ N/A | |
| **c** Mortality table code for valuation purposes: | | | | | |
| **(1)** Males | 6c(1) | A | | A | |
| **(2)** Females | 6c(2) | A | | A | |
| **d** Valuation liability interest rate | 6d | 7.50% | | 7.50% | |
| **e** Expense loading | 6e | 73.1 % | ☐ N/A | 0.0% | ☐ N/A |
| **f** Salary scale | 6f | 0.00 % | ☐ N/A | | |
| **g** Estimated investment return on actuarial value of assets for year ending on the valuation date | 6g | 8.7% | | | |
| **h** Estimated investment return on current value of assets for year ending on the valuation date | 6h | 19.7% | | | |

**7** New amortization bases established in the current plan year:

| (1) Type of base | (2) Initial balance | (3) Amortization Charge/Credit |
|---|---|---|
| 1 | 282,255 | 29,745 |
| 4 | -830,757 | -87,548 |
| | | |
| | | |
| | | |
| | | |

**8** Miscellaneous information:

| | | |
|---|---|---|
| **a** If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval | 8a | |
| **b(1)** Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule. | | ☒ Yes ☐ No |
| **b(2)** Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule. | | ☒ Yes ☐ No |
| **c** Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? | | ☒ Yes ☐ No |
| **d** If line c is "Yes," provide the following additional information: | | |
| **(1)** Was an extension granted automatic approval under section 431(d)(1) of the Code? | | ☒ Yes ☐ No |
| **(2)** If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended | 8d(2) | 5 |
| **(3)** Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? | | ☐ Yes ☒ No |
| **(4)** If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)) | 8d(4) | |
| **(5)** If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension | 8d(5) | |
| **(6)** If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? | | ☐ Yes ☐ No |
| **e** If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) | 8e | -14,689,497 |

| | | | | |
|---|---|---|---|---|
| **9** Funding standard account statement for this plan year: | | | | |
| **Charges to funding standard account:** | | | | |
| **a** Prior year funding deficiency, if any | | | 9a | 110,397,944 |
| **b** Employer's normal cost for plan year as of valuation date | | | 9b | 1,765,894 |
| **c** Amortization charges as of valuation date: | | Outstanding balance | | |
| (1) All bases except funding waivers and certain bases for which the amortization period has been extended | 9c(1) | 71,468,787 | | 14,238,824 |
| (2) Funding waivers | 9c(2) | | | |
| (3) Certain bases for which the amortization period has been extended | 9c(3) | | | |
| **d** Interest as applicable on lines 9a, 9b, and 9c | | | 9d | 9,480,200 |
| **e** Total charges. Add lines 9a through 9d | | | 9e | 135,882,862 |
| **Credits to funding standard account:** | | | | |
| **f** Prior year credit balance, if any | | | 9f | 0 |
| **g** Employer contributions. Total from column (b) of line 3 | | | 9g | 8,914,347 |
| | | Outstanding balance | | |
| **h** Amortization credits as of valuation date | 9h | 15,104,079 | | 2,543,298 |
| **i** Interest as applicable to end of plan year on lines 9f, 9g, and 9h | | | 9i | 498,498 |
| **j** Full funding limitation (FFL) and credits: | | | | |
| (1) ERISA FFL (accrued liability FFL) | 9j(1) | 181,168,187 | | |
| (2) "RPA '94" override (90% current liability FFL) | 9j(2) | 301,008,066 | | |
| (3) FFL credit | | | 9j(3) | 0 |
| **k** (1) Waived funding deficiency | | | 9k(1) | 0 |
| (2) Other credits | | | 9k(2) | 0 |
| **l** Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) | | | 9l | 11,956,143 |
| **m** Credit balance: If line 9l is greater than line 9e, enter the difference | | | 9m | |
| **n** Funding deficiency: If line 9e is greater than line 9l, enter the difference | | | 9n | 123,926,719 |

| | | | |
|---|---|---|---|
| **9o** Current year's accumulated reconciliation account: | | | |
| (1) Due to waived funding deficiency accumulated prior to the 2021 plan year | 9o(1) | | 0 |
| (2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code: | | | |
| (a) Reconciliation outstanding balance as of valuation date | 9o(2)(a) | | 0 |
| (b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)) | 9o(2)(b) | | 0 |
| (3) Total as of valuation date | 9o(3) | | 0 |
| **10** Contribution necessary to avoid an accumulated funding deficiency. (See instructions.) | 10 | | 123,926,719 |
| **11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions | | | [X] Yes [ ] No |

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection.**

For calendar plan year 2021 or fiscal plan year beginning 07/01/2021 and ending 06/30/2022

**A** Name of plan
SOUTHWESTERN PENNSYLVANIA & WESTERN MARYLAND AREA TEAMSTERS & EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

**D** Employer Identification Number (EIN)
25-1046087

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... 1 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): _____ _____

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... 3 0

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ Yes ☒ No ☐ N/A

**If the plan is a defined benefit plan, go to line 8.**

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... 6a

b Enter the amount contributed by the employer to the plan for this plan year ..... 6b

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... 6c

**If you completed line 6c, skip lines 8 and 9.**

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ Yes ☐ No ☐ N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ Yes ☐ No ☒ N/A

## Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ Increase ☐ Decrease ☐ Both ☒ No

## Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ Yes ☐ No

11 a Does the ESOP hold any preferred stock? ..... ☐ Yes ☐ No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ Yes ☐ No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ Yes ☐ No

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer COOLSPRING STONE SUPPLY

**b** EIN 25-1563818 **c** Dollar amount contributed by employer 458,766

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box [ ] and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month 03 Day 31 Year 2027

**e** Contribution rate information *(If more than one rate applies, check this box [ ] and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) 5.84
(2) Base unit measure: [X] Hourly [ ] Weekly [ ] Unit of production [ ] Other (specify):

**a** Name of contributing employer NEW ENTERPRISE STONE & LIME, INC.

**b** EIN 23-1374051 **c** Dollar amount contributed by employer 623,117

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box [ ] and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month 01 Day 31 Year 2023

**e** Contribution rate information *(If more than one rate applies, check this box [ ] and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) 1103.12
(2) Base unit measure: [ ] Hourly [ ] Weekly [ ] Unit of production [X] Other (specify): PER MONTH

**a** Name of contributing employer BIMBO BAKING USA

**b** EIN 23-2823639 **c** Dollar amount contributed by employer 685,741

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box [X] and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box [X] and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: [ ] Hourly [ ] Weekly [ ] Unit of production [ ] Other (specify): _____

**a** Name of contributing employer UNITED PARCEL SERVICE

**b** EIN 95-1732075 **c** Dollar amount contributed by employer 3,636,950

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box [ ] and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month 07 Day 31 Year 2022

**e** Contribution rate information *(If more than one rate applies, check this box [X] and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: [ ] Hourly [ ] Weekly [ ] Unit of production [ ] Other (specify): _____

**a** Name of contributing employer UNITED DAIRY, INC.

**b** EIN 34-1441090 **c** Dollar amount contributed by employer 1,360,165

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box [ ] and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month 09 Day 30 Year 2024

**e** Contribution rate information *(If more than one rate applies, check this box [ ] and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) 1058.09
(2) Base unit measure: [ ] Hourly [ ] Weekly [ ] Unit of production [X] Other (specify): PER MONTH

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box [ ] and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box [ ] and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: [ ] Hourly [ ] Weekly [ ] Unit of production [ ] Other (specify): _____

| | | | |
|---|---|---|---|
| **14** | Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for: | | |
| | **a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: [X] last contributing employer [ ] alternative [ ] reasonable approximation (see instructions for required attachment) | **14a** | 1,771 |
| | **b** The plan year immediately preceding the current plan year. [ ] Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14b** | 1,772 |
| | **c** The second preceding plan year. [ ] Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14c** | 1,762 |
| **15** | Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to: | | |
| | **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | 1.00 |
| | **b** The corresponding number for the second preceding plan year | **15b** | 1.01 |
| **16** | Information with respect to any employers who withdrew from the plan during the preceding plan year: | | |
| | **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | 2 |
| | **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | 2,268,489 |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. [ ]

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. [ ]

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: 49.9% Investment-Grade Debt: 35.8% High-Yield Debt: 0.0% Real Estate: 8.1% Other: 6.2%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
[ ] 0-3 years [ ] 3-6 years [X] 6-9 years [ ] 9-12 years [ ] 12-15 years [ ] 15-18 years [ ] 18-21 years [ ] 21 years or more

**c** What duration measure was used to calculate line 19(b)?
[ ] Effective duration [ ] Macaulay duration [X] Modified duration [ ] Other (specify):

**20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? [ ] Yes [ ] No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

[ ] Yes.

[ ] No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

[ ] No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

[ ] No. Other. Provide explanation _____

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
# FINANCIAL STATEMENTS
# JUNE 30, 2022 AND 2021

November 15, 2022

SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

TABLE OF CONTENTS


| | Page no. |
|---|---|
| INDEPENDENT AUDITOR'S REPORT | 1 - 2 |
| FINANCIAL STATEMENTS | |
| Statement of Net Assets Available for Benefits | 3 |
| Statement of Changes in Net Assets Available for Benefits | 4 |
| Notes to Financial Statements | 5 - 10 |
| Schedule of Administrative Expenses | 11 |

# INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Southwestern Pennsylvania and Western
Maryland Area Teamsters and Employers Pension Fund
Uniontown, Pennsylvania

## Opinion

We have audited the financial statements of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of June 30 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of June 30 2022 and 2021, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.



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EMPLOYEE BENEFIT PLAN AUDIT QUALITY CENTER

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

DiClaudio & Kramer, LLC

DiClaudio & Kramer, LLC

McMurray, Pennsylvania
November 15, 2022

## SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

| | JUNE 30, 2022 | JUNE 30, 2021 |
|---|---|---|
| **ASSETS** | | |
| **INVESTMENTS AT FAIR VALUE** | | |
| Interest Bearing Cash | $ 50,132 | $ 106,226 |
| Registered Investment Companies | 17,865,852 | 24,095,964 |
| Exchange Traded Funds | 7,165,324 | 9,556,776 |
| Other | 2,204,801 | 3,146,073 |
| | 27,286,109 | 36,905,039 |
| **RECEIVABLES** | | |
| Employer Contributions | 707,628 | 605,575 |
| Withdrawal Liability (Net of Reserve for Doubtful Accts) | 5,442,783 | 4,987,860 |
| Other Receivable | 7,861 | 808 |
| Accrued Investment Income | 18,652 | 20,072 |
| | 6,176,924 | 5,614,315 |
| **CASH - Interest Bearing** | 2,885,854 | 4,508,721 |
| **OFFICE EQUIPMENT - Net of Accumulated Depreciation of $37,743 and $37,743** | - | - |
| **OTHER ASSETS - Prepaid Expenses** | 44,624 | 48,589 |
| **TOTAL ASSETS** | 36,393,511 | 47,076,664 |
| **LIABILITIES** | | |
| Due to Local # 491 Health & Welfare Fund | 458 | 451 |
| Accounts Payable | 46,651 | 108,161 |
| | 47,109 | 108,612 |
| **NET ASSETS AVAILABLE FOR BENEFITS** | $ 36,346,402 | $ 46,968,052 |

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

## SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
## STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

| | YEAR ENDED JUNE 30, 2022 | YEAR ENDED JUNE 30, 2021 |
|---|---|---|
| ADDITIONS TO PLAN ASSETS ATTRIBUTED TO: | | |
| INVESTMENTS | | |
| Investment Income | $ 707,477 | $ 788,827 |
| Appreciation (Depreciation) in Investments | (3,442,978) | 6,895,271 |
| | (2,735,501) | 7,684,098 |
| Less Investment Fees | 81,372 | 82,744 |
| | (2,816,873) | 7,601,354 |
| EMPLOYER CONTRIBUTIONS | 8,101,869 | 7,493,419 |
| WITHDRAWAL LIABILITY | | |
| Assessments (Net of Reserve for Doubtful Accts) | 824,346 | 95,000 |
| Interest | 443,055 | 377,314 |
| Change in Doubtful Account Reserves | - | - |
| | 1,267,401 | 472,314 |
| LIQUIDATED DAMAGES AND INTEREST | 13,519 | 15,441 |
| | 13,519 | 15,441 |
| TOTAL ADDITIONS | 6,565,916 | 15,582,528 |
| DEDUCTIONS FROM PLAN ASSETS ATTRIBUTED TO: | | |
| PENSION BENEFITS | 16,668,708 | 16,438,765 |
| ADMINISTRATIVE EXPENSES (See Schedule A) | 518,858 | 745,313 |
| TOTAL DEDUCTIONS | 17,187,566 | 17,184,078 |
| NET INCREASE (DECREASE) IN NET ASSETS | (10,621,650) | (1,601,550) |
| NET ASSETS AVAILABLE FOR BENEFITS - Beginning of Year | 46,968,052 | 48,569,602 |
| NET ASSETS AVAILABLE FOR BENEFITS - End of Year | $ 36,346,402 | $ 46,968,052 |

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

SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

## NOTE A - DESCRIPTION OF PLAN

Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund was established by an Agreement and Declaration of Trust dated as of July 1, 1956. The Pension Fund provides pension benefits to certain employees of contributing employers. The Pension Fund is currently administered by four trustees, two of whom are designated as employer representatives and two as union representatives. The Plan is a defined benefit pension plan and is subject to the provisions of the Employee Retirement and Income Security Act (ERISA) as amended.

Information about the plan agreement, the vesting and benefit provisions are contained in the Summary Plan Description. Copies of the booklet are available from the fund office.

## NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The financial statements have been prepared on the accrual basis.

Investment Valuation and Income Recognition – Investments are stated at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits – Benefits are recorded when paid.

Fixed Assets/Depreciation – Fixed Assets are recorded at cost and are depreciated over their estimated useful lives using the straight line method of depreciation.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Actuarial Present Value of Accumulated Plan Benefits – The present value of accumulated plan benefits is the amount needed to provide the accrued benefits based on the actuarial assumptions.

## NOTE C - INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Fund by a letter dated November 6, 2015, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended and restated since receiving the determination letter. However, the Plan administrator and the Plan's counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

## NOTE D - CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Plan maintains cash balances at one financial institution in Pennsylvania. Accounts at the financial institution are insured by the Federal Deposit Insurance Corporation up to $250,000. At June 30, 2022 and 2021 the Plan's uninsured cash balances equaled $2,816,208 and $4,293,372 respectively.

## NOTE E - PLAN TERMINATION

In the event of termination and in order to safeguard against any unforeseen contingencies, the right to discontinue the Plan is reserved to the Trustees. Termination shall not permit any part of the Plan to be used for or diverted to purposes other than the exclusive benefit of the Plan's participants and beneficiaries. In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pension. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations.

## NOTE F - FUNDING POLICY / FUNDING STATUS

The funding policy of the Plan is for contributions to be sufficient to meet or exceed the contributions required by the minimum funding standards of the applicable law and regulations without exceeding maximum deductible amounts allowed. This requires communication with the bargaining parties who set the contribution levels through the collective bargaining process and an ongoing review of appropriate benefit levels. As a result of the actuary's certification that the Plan was in Critical Status for the 2008-2009 plan year, the Trustees adopted a Rehabilitation Plan. The Rehabilitation Plan and Schedules are modified as required under federal pension laws which may necessitate additional Plan changes. The most recent actuarial certification of funding status for the year beginning July 1, 2022 indicates the Plan is in Critical and Declining Status and is projected to become insolvent during the 2026-2027 Plan year.

## NOTE G - WITHDRAWAL LIABILITY

At June 30, 2022, six employers have withdrawn from the Plan and have been assessed a withdrawal liability. At June 30, 2022 and 2021, withdrawal liability receivable was $ 6,837,452 and $ 6,382,528 respectively. The withdrawal liability for the withdrawn employers is payable over the lesser of the number of years to amortize their withdrawal liability or twenty years. Required payments range from $ 1,666 to $ 34,802 per month.

An allowance for doubtful accounts has been established for those employers, who in management's estimation will not make all remaining withdrawal liability payments. The withdrawal liability receivable net of the allowance for doubtful accounts is equal to the present value of management's estimate of the remaining number of payments that will be made by the withdrawn employers, using an interest rate of 7.50%, adjusted for any settlement agreements.

## NOTE H - ADMINISTRATIVE EXPENSES

Administrative expenses common to this Pension Fund, the Teamsters Local Union 491 Health and Welfare Fund, and Chauffeurs, Teamsters, and Helpers Local Union 491 have been allocated to each fund as directed by their Boards of Trustees. This allocation applies to expenses such as salaries, rent and telephone but not to items which related specifically to an individual fund. Generally, these common expenses are initially paid by the Health and Welfare Fund.

## NOTE I - ACCUMULATED PLAN BENEFITS

Actuarial valuations of the Plan were prepared by Foster & Foster. The present value of accumulated benefits at July 1, 2021 per the actuarial valuation is as follows:

PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

| | July 1, 2021 |
|---|---|
| 1. Actuarial present value of accrued vested benefits: | |
| a) Retired Members | $ 149,957,787 |
| b) Active Participants | 31,719,070 |
| c) Inactive Participants | 24,230,390 |
| | 205,907,247 |
| 2. Actuarial present value of non-vested accumulated plan benefits: | |
| a) Active Participants | 637,169 |
| b) Inactive Participants | - |
| | 637,169 |
| Total Actuarial Present Value of Accumulated Plan Benefits | $ 206,544,416 |

As reported by the actuary, the changes in the present value of accumulated plan benefits during the year ended July 1, 2021 was as follows:

| | Year Ended July 1, 2021 |
|---|---|
| Actuarial present value of accumulated plan benefits – beginning of year | $ 207,738,454 |
| Increase(Decrease) during the year attributable to: | |
| Changes in actuarial assumptions | ( 830,757) |
| Plan amendment | - |
| Benefits accumulated | 1,100,409 |
| Increase for interest due to the decrease in the discount period | 14,975,075 |
| Benefits paid | ( 16,438,765) |
| | ( 1,194,038) |
| Actuarial present value of accumulated - plan benefits – end of year | $ 206,544,416 |

The principal significant assumptions underlying the actuarial computations are as follows:

| | |
|---|---|
| Actuarial cost method | -Unit credit |
| Interest Rate | -7.5% |
| Mortality basis | -SOA RP-2014 Blue Collar with Scale MP-2020 |
| Assumed Retirement Age | -62 |

## NOTE J - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB), Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021:

*Cash Equivalents* - The carrying value of cash equivalents approximates fair value.

Exchange-Traded Funds - Valued at the closing price reported on the active market on which the individual securities are traded.

*Registered Investment Companies* – These investments are valued at the net asset value of shares held by the plan at year end.

*Real Estate Fund* – Valued at unit values provided by the investment manager of the Fund based on the fair value of the underlying investments.

NOTE J - FAIR VALUE MEASUREMENTS (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2022:

| | | Fair Value Measurements at Reporting Date Using: | | |
|---|---|---|---|---|
| Description | 06/30/22 | Quoted Prices In Active Markets For Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Cash Equivalents | $ 50,132 | $ 50,132 | $ - | $ - |
| Exchange Traded Funds | 7,165,324 | 7,165,324 | - | - |
| Registered Investment Companies | 17,865,852 | 17,865,852 | - | |
| Assets in Fair Value Hierarchy | 25,081,308 | 25,081,308 | - | - |
| Investments measured at Net Asset Value (a): | | | | |
| Real Estate Investment Fund | 2,204,801 | - | - | - |
| | 2,204,801 | - | - | - |
| Investments at Fair Value | $ 27,286,109 | $ 25,081,308 | $ - | $ - |

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of June 30, 2021:

| | | Fair Value Measurements at Reporting Date Using: | | |
|---|---|---|---|---|
| Description | 06/30/21 | Quoted Prices In Active Markets For Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Cash Equivalents | $ 106,226 | $ 106,226 | $ - | $ - |
| Exchange Traded Funds | 9,556,776 | 9,556,776 | - | - |
| Registered Investment Companies | 24,095,964 | 24,095,964 | - | |
| Assets in Fair Value Hierarchy | 33,758,966 | 33,758,966 | - | - |
| Investments measured at Net Asset Value (a): | | | | |
| Real Estate Investment Fund | 3,146,073 | - | - | - |
| | 3,146,073 | - | - | - |
| Investments at Fair Value | $ 36,905,039 | $ 33,758,966 | $ - | $ - |

(a) In accordance with subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

## NOTE K - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of net assets available for benefits.

The actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflations rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Net withdrawal liability receivable is based on an estimate of the number of payments that will be received from the withdrawn employers. Due to uncertainties inherent is estimating the ability and willingness of an employer to make all required payments, it is at least reasonably possible that events will occur in the near term that changes these estimates, and that such changes could be material to the financial statements.

The Covid-19 pandemic has created significant uncertainty, volatility, and economic disruption. The extent in which Covid-19 and any other potential future public health crisis, pandemics, or similar events will adversely impact the Plan, its financial condition, plan assets, and changes in plan assets is dependent on numerous factors, many which are highly uncertain, rapidly changing, and uncontrollable. These factors include, but are not limited to; (i) the duration and scope of the pandemic or other event; (ii) governmental, business, and individual actions that have been taken and continue to be taken in response to the pandemic or other event; (iii) the impact of the pandemic or other event on the Plan's contributing employers and the industries in which they work; (iv) the potential impact on financial markets; and (v) the ability to effectively carry out plan operations. Any of the foregoing factors could amplify other risks and uncertainties described in this note and could materially adversely affect the Plan, its financial condition, plan assets, and changes in plan assets. Because the Covid-19 pandemic is unprecedented and continuously evolving, the other potential impacts to the risk factors and to the Plan are uncertain.

## NOTE L - SUBSEQUENT EVENTS

The Plan evaluated subsequent events and transactions for potential recognition or disclosure in the financial statements through November 15, 2022, the day the financial statements were approved and authorized for use.

## NOTE M – RHUMBLINE REIT INDEX FUND

A portion of the Fund's investments are in RhumbLine REIT Index Fund LLC, a pooled fund valued on a daily basis. State Street Bank & Trust Company is the trustee of the Fund and has full investing authority over the assets of the Fund. The Fund invests primarily in publicly traded Real Estate Investment Trusts. The Plan's investment in the Fund at June 30, 2022 and 2021 was $ 2,204,801 and $ 3,146,073 respectively.

To withdraw, in whole or part from the Fund, the Plan must submit a written request. The Trust honors such requests on a daily basis.

SOUTHWESTERN PENNSYLVANIA AND WESTERN
MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND
SCHEDULE A
ADMINISTRATIVE EXPENSES
YEAR ENDED JUNE 30,

| | 2022 | | | 2021 |
|---|---|---|---|---|
| | Direct | Allocated | Total | Total |
| Employee Costs | $ - | $ 134,021 | $ 134,021 | $ 136,798 |
| Actuarial and Consulting | 63,494 | - | 63,494 | 54,120 |
| Legal Fees | 87,949 | - | 87,949 | 288,910 |
| Arbitration Expense | - | - | - | 14,546 |
| Printing, Supplies and Postage | 4,850 | 6,153 | 11,003 | 9,830 |
| Fidelity Bond and Fiduciary Insurance | 32,082 | - | 32,082 | 39,870 |
| Office equipment rental / maintenance | - | 32,131 | 32,131 | 31,998 |
| Office Rent | - | 9,410 | 9,410 | 9,410 |
| Pension Benefit Insurance | 85,839 | - | 85,839 | 84,390 |
| Audit Fees | 25,000 | - | 25,000 | 25,000 |
| Depreciation | - | - | - | 1,198 |
| Employer Payroll Audits & Other Accounting | 10,280 | - | 10,280 | 23,390 |
| Telephone, IT Service & Internet | 3,300 | 5,311 | 8,611 | 7,641 |
| Trustee Meeting Expense | 6,343 | - | 6,343 | 10,800 |
| Trustee Educational Seminars | 5,735 | - | 5,735 | - |
| Dues & Subscriptions | 591 | - | 591 | 633 |
| Bank Fees | 364 | - | 364 | 270 |
| Miscellaneous | 4,126 | 1,879 | 6,005 | 6,509 |
| | $ 329,953 | $ 188,905 | $ 518,858 | $ 745,313 |

See auditor's report and notes to financial statements

## INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

Board of Trustees
Southwestern Pennsylvania and Western
Maryland Area Teamsters and Employers Pension Fund
Uniontown, PA

We have audited the financial statements of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund as of and for the year ended June 30, 2022, and our report thereon dated November 15, 2022 which expressed an unmodified opinion on those financial statements appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule of assets held for investment purposes as of June 30, 2022 is presented for purposes of additional analysis and is not a required part of the 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In forming an opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

In our opinion, the information in the accompanying schedule, is fairly stated in all material respects, in relation to the financial statements taken as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

DiClaudio & Kramer, LLC

DiClaudio & Kramer, LLC

McMurray, Pennsylvania
November 15, 2022



5000 Waterdam Plaza Drive, Suite 220, McMurray, PA 15317 • t-412.220.7722 • f-412.220.7742 • dk-cpa.com

MEMBER: AMERICAN AND PENNSYLVANIA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS
EMPLOYEE BENEFIT PLAN AUDIT QUALITY CENTER

SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS

AND EMPLOYERS PENSION FUND

ASSETS HELD FOR INVESTMENT PURPOSES

JUNE 30, 2022

Federal I.D. - 25-1046087
Plan No. - 001

FORM 5500, Schedule H, Part IV, Question I

| (a) (b) Identity of issuer, borrower, lessor or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | | | | | | |
|---|---|---|---|---|---|---|---|
| | Description | Collateral | Maturity Date | Rate of Interest | Par/Shares or Maturity Value | Cost | Current Value |
| **CASH EQUIVALENTS** | | | | | | | |
| Federated U.S. Treasury Cash Reserves | Money Market | N/A | N/A | variable | 50,132 | $ 50,132 | $ 50,132 |
| **REGISTERED INVESTMENT COMPANIES** | | | | | | | |
| Vanguard Intermediate Term Bond | Mutual Fund | N/A | N/A | N/A | 926,570 | 11,181,473 | 9,747,521 |
| Vanguard Total Stock Marke Fund | Mutual Fund | N/A | N/A | N/A | 88,454 | 4,713,628 | 8,118,331 |
| | | | | | | 15,895,101 | 17,865,852 |
| **EXCHANGE TRADED FUNDS** | | | | | | | |
| Ishares Global Infrastructure | ETF | N/A | N/A | N/A | 35,306 | 1,532,141 | 1,650,556 |
| Proshares S&P 500 Dividend | ETF | N/A | N/A | N/A | 64,606 | 4,461,464 | 5,514,768 |
| | | | | | | 5,993,605 | 7,165,324 |
| **OTHER** | | | | | | | |
| Rhumbline REIT Index Fund | REIT | N/A | N/A | N/A | 191,261 | 2,043,018 | 2,204,801 |
| | | | | | | $ 23,981,856 | $ 27,286,109 |

Name of the Plan: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-1046087
Plan Number: 001
Schedule MB, line 3 - Withdrawal Liability Amounts

| Dates Amounts Contributed | Withdrawal Liability Payments |
|---|---|
| 7/1/2021 | $15,965.60 |
| 8/4/2021 | 15,965.60 |
| 9/2/2021 | 15,965.60 |
| 10/7/2021 | 15,965.60 |
| 11/4/2021 | 15,965.60 |
| 12/3/2021 | 15,965.60 |
| 1/3/2022 | 15,965.60 |
| 2/2/2022 | 15,965.60 |
| 3/3/2022 | 15,965.60 |
| 4/1/2022 | 15,965.60 |
| 5/3/2022 | 15,965.60 |
| 6/3/2022 | 15,965.60 |
| 7/7/2021 | 34,801.83 |
| 8/13/2021 | 34,801.83 |
| 9/10/2021 | 34,801.83 |
| 10/7/2021 | 34,801.83 |
| 11/10/2021 | 34,801.83 |
| 12/8/2021 | 34,801.83 |
| 1/13/2022 | 34,801.83 |
| 2/10/2022 | 34,801.83 |
| 3/10/2022 | 34,801.83 |
| 4/6/2022 | 34,801.83 |
| 5/12/2022 | 34,801.83 |
| 6/10/2022 | 34,801.83 |
| 7/1/2021 | 1,665.60 |
| 8/4/2021 | 1,665.60 |
| 9/2/2021 | 1,665.60 |
| 10/7/2021 | 1,665.60 |
| 11/4/2021 | 1,665.60 |
| 12/3/2021 | 1,665.60 |
| 1/3/2022 | 1,665.60 |
| 2/2/2022 | 1,665.60 |
| 3/3/2022 | 1,665.60 |
| 4/1/2022 | 1,665.60 |
| 5/3/2022 | 1,665.60 |
| 6/3/2022 | 1,665.60 |
| 6/28/2022 | 13,281.76 |
| 7/7/2021 | 588.00 |
| 9/9/2021 | 1,176.00 |
| 10/7/2021 | 588.00 |
| 11/16/2021 | 588.00 |
| 12/3/2021 | 92,060.00 |
| 5/22/2022 | 75,000.00 |
| | 812,478.12 |

**Name of the Plan: Southwestern Pennsylvania & Western Maryland Area Teamsters and Employers Pension Fund**
**Plan Sponsor's EIN: 25-1046087**
**Plan Number: 001**
**Schedule MB, line 4b – Illustration Supporting Actuarial Certification of Status**

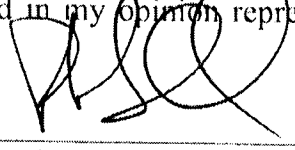
# ACTUARIAL CERTIFICATION OF FUNDING STATUS UNDER THE PENSION PROTECTION ACT OF 2006

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN:** 25-1046087
**Plan Number:** 001
**Plan Contact Information:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Teamsters Building
112 Morgantown Street
Uniontown, PA 15401
Phone: 724-438-0512
Fax: 724-438-4870
**Plan Year of Certification:** July 1, 2021 to June 30, 2022

I hereby certify that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund is **IN CRITICAL AND DECLINING STATUS** for the 2020-21 plan year as defined under Section 432 of the Internal Revenue Code. My projections are based on the Actuarial Valuation that was prepared as of July 1, 2020.

This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. The actuarial assumptions, projection assumptions and methods used follow this certification. This certification is based on the understanding that the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund qualifies as a multiemployer plan in accordance with the law for the 2021-2022 plan year.

To the best of my knowledge, the information supplied in this certification including the following exhibits is complete and accurate, and in my opinion represent my best estimate of anticipated experience under the plan.



Randee W. Sekol, EA, MAAA, MSEA, FCA
Enrolled Actuary No. 20-03192
Foster & Foster Consulting Actuaries, Inc.
1136 Hamilton Street, Suite 103
Allentown, PA 18101
Phone: 610-435-9577
Fax: 239-481-0634
Date: September 30, 2021

# EXHIBIT I

## PENSION PROTECTION ACT OF 2006
## FUNDING STATUS DETERMINATION

## CRITICAL STATUS TESTING

Test 1

| | | |
|---|---|---|
| 1. Was the plan certified to be in Critical Status for the prior plan year? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method and taking into account any extension of amortization periods under section 304(d)? | YES | |
| 3. Critical status if both #1 and #2 are YES? | | **CRITICAL** |

Test 2

| | | |
|---|---|---|
| 1. Is Funded Percentage below 65%? | YES | |
| 2. Is the sum of assets and the present value of expected contributions for the current plan year and each of the next 6 plan years less than the present value of benefits to be paid during that period? | YES | |
| 3. Critical status if both #1 and #2 are YES? | | **CRITICAL** |

Test 3

| | | |
|---|---|---|
| 1. Does the plan have an accumulated funding deficiency in the current plan year? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency within the 3 succeeding plan years (4 succeeding Plan Years if the Funded Percentage is 65% or less)? | YES | |
| 3. Critical Status if either #1 or #2 is YES? | | **CRITICAL** |

Test 4

| | | |
|---|---|---|
| 1. Does normal cost plus interest on the unfunded accrued liability exceed the expected contributions? | YES | |
| 2. Is the present value of nonforfeitable benefits for inactives greater than the present value of nonforfeitable benefits for actives? | YES | |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 4 plan years? | YES | |
| 4. Critical Status if #1, #2 and #3 are "YES"? | | **CRITICAL** |

## EXHIBIT I, cont'd

## PENSION PROTECTION ACT OF 2006
## FUNDING STATUS DETERMINATION

### CRITICAL STATUS TESTING, cont'd

Test 5

| | |
|---|---|
| 1. Is the sum of the market value of assets plus the expected contributions for the current and 4 succeeding plan years less than the present value of benefits expected to be paid during that period including plan expenses? | NO |
| 2. Critical Status if #1 is "YES"? | **NOT CRITICAL** |

**CONCLUSION: THE PLAN IS IN CRITICAL STATUS**

### CRITICAL AND DECLINING STATUS TESTING

Test 1

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 14 plan years? | YES |
| 3. Critical and Declining Status if both #1 and #2 are "YES"? | **CRITICAL & DECLINING** |

Test 2

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Is the inactive to active participant ratio greater than 2 to 1? | YES |
| 4. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 19 plan years? | YES |
| 5. Critical and Declining Status if either #2 or #3 is "YES" and both #1 and #4 are "YES"? | **CRITICAL & DECLINING** |

**CONCLUSION: THE PLAN IS IN CRITICAL AND DECLINING STATUS**

## EXHIBIT I, cont'd

## PENSION PROTECTION ACT OF 2006
## FUNDING STATUS DETERMINATION

### ENDANGERED STATUS TESTING

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 6 plan years taking into account any extension of amortization periods under PPA Section 304(d)? | YES |
| 4. Endangered Status if #1 is "NO" and either #2 or #3 is "YES"? | **NOT ENDANGERED** |

**CONCLUSION: THE PLAN IS NOT IN ENDANGERED STATUS**

# EXHIBIT II

## PENSION PROTECTION ACT OF 2006
## PROJECTION RESULTS

| Year | Active Population | Inactive Population | Actuarial Value of Assets | Accrued Benefit Liability | Accrued Benefit Funded % | 06/30 Credit Balance |
|---|---|---|---|---|---|---|
| 2021 | 445 | 2,367 | $38,592,100 | $206,097,698 | 18.7% | ($108,971,370) |
| 2022 | 438 | 2,373 | 32,280,214 | 204,625,717 | 15.8% | (121,060,408) |
| 2023 | 431 | 2,375 | 25,656,953 | 202,707,285 | 12.7% | (133,239,648) |
| 2024 | 424 | 2,368 | 19,197,409 | 200,384,101 | 9.6% | (145,400,485) |
| 2025 | 418 | 2,358 | 10,899,796 | 197,620,936 | 5.5% | (154,902,199) |
| 2026 | 411 | 2,343 | 2,142,446 | 194,375,609 | 1.1% | (165,076,917) |
| 2027 | 405 | 2,325 | 0 | 190,645,940 | 0.0% | (168,089,023) |

# EXHIBIT III

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Plan Changes:** The Trustees adopted a Rehabilitation Plan on April 2, 2009, which did not eliminate any "adjustable benefits" for those benefits earned through June 30, 2009, but changed future benefit accruals for service earned on and after July 1, 2009 as follows:

- Benefit accrual equal to 1% of contributions required to be made on behalf of the participant based on the contribution rate that was in effect on July 1, 2008.
- Benefits earned after July 1, 2009 will be payable as a Straight Life Annuity with other forms determined based on an actuarial equivalent.
- Benefits earned after July 1, 2009 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Special 25 and 30 & Out Benefit Levels are frozen at their accrued level as of June 30, 2009.
- Contribution levels required to be increased by 8% for each year in the future.

The Trustees adopted an update to the Rehabilitation Plan on February 11, 2011, incorporating the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all participants not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the Five (5) Year Certain and Life Subsidy applies only to benefits earned prior to July 1, 2009.
- Benefits earned from July 1, 2009 through June 30, 2011 are paid without reduction at Normal Retirement Age 62 and reduced actuarially for early commencement.
- Benefits earned on and after July 1, 2011 are paid without reduction at Normal Retirement Age 65 and reduced actuarially for early commencement.
- The 25 and out retirement prior to age 55 is eliminated for all participants not eligible to retire on or before July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the 25 and out retirement prior to age 55.
- Early retirement subsidy is eliminated for all participants who are not eligible to retire on or before July 1, 2011. For those eligible to retire on or before July 1, 2011, the early retirement subsidy applies only to benefits earned prior to July 1, 2009.
- Twenty-five (25) and Out no reduction for early retirement is eliminated except for participants with 25 years as of July 1, 2011. Participants with 25 years as of July 1, 2011 will retain the Twenty-five (25) and Out no reduction only for benefits earned prior to July 1, 2009.
- All disability benefits are eliminated unless in pay status or unless an application for disability benefits was in process on or before June 30, 2011.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2014, which incorporated the following changes:

- The Five (5) Year Certain and Life Subsidy is eliminated for all individuals who are not receiving a retirement benefit with an effective date on or before July 1, 2014.
- No one can retire on or after July 1, 2014 before age 60, whether they are age 55 with 15 years of service or have obtained 25 years of service.

The Trustees adopted an update to the Rehabilitation Plan effective July 1, 2017, which incorporated the following changes:

- The Pre-Retirement Ten (10) Year Certain and Life Death Benefit as eliminated.
- The Joint & Survivor Pop-Up Benefit was eliminated.

The Trustees adopted an update to the Rehabilitation Plan effective July 12, 2019 to change the contribution increase requirements for all employers to no more than 6% per year effective August 1, 2019.

## EXHIBIT III, cont'd

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS

**Assets:**

Valued as of: June 30, 2021
Source of assets: Unaudited financial statement
Adjustments: None

**Method Used to Project Assets:** Assets are projected based on a 7.5% investment return. The investment return assumption is based on the application of historical investment returns by asset class applied to the current investment portfolio.

**Method Used to Project Liabilities:** Liabilities are projected based on deterministic forecasting techniques and actuarial and projection assumptions.

**Other Anticipated Changes from Original Valuation/Schedule MB:** None.

**Active Membership:** Active membership for UPS is assumed to remain constant for all future years. Active membership for all other active contributing employers is assumed to decline by 2% per year.

**Anticipated Employer Contributions:**

Basis for current year: Reflects the contribution rates in the collective bargaining/participation agreements as of the valuation year.

Basis for projection years: For purposes of testing for Endangered and Critical Status, we consider only the actual increases in the collective bargaining agreements already scheduled to take effect in future years. For purposes of testing for Critical and Declining Status, we consider the actual increases in the collective bargaining agreements already scheduled to take effect in future years plus 6.0% for all employers.

# EXHIBIT IV

## PENSION PROTECTION ACT OF 2006
## ACTUARIAL METHODS AND ASSUMPTIONS

**Actuarial Cost Method:** Unit Credit Cost Method

**Actuarial Asset Valuation Method:** 4 Year Smoothed market value in accordance with Approval 15 of Revenue Procedure 95-51 as modified by Revenue Procedure 98-10.

**Actuarial Assumptions:**

Mortality: SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2019.

Disability Mortality: SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2019.

Interest: A rate of 7.5% per annum.

Retirement Age: Active participants - Retirement rates are graduated rates of retirement based on age, service, and contribution level.
Terminated Vested participants – The participant's Normal Retirement Age.

Termination: Annual rates based on the following scale as a percentage:

Freight and UPS -

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

Non-Freight -

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

Expenses: An estimated amount based on the actual expenses paid in the prior plan year.

Incidence of Disability, Active Lives: The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-1046087**
**PLAN NUMBER: 001**
**SCHEDULE MB, LINE 4c – Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan**

The plan actuary initially certified to Critical Status on August 25, 2008, for the plan year beginning July 1, 2008. The Trustees adopted a Rehabilitation Plan on September 24, 2008 that took reasonable measures to reduce benefits and increase contributions (in the context of the pending collective bargaining agreements) to achieve the goal of emerging from Critical Status by June 30, 2029 assuming a favorable investment return of 8% for 2008 and later years.

On September 24, 2009, the Fund's actuary certified that the Fund continued in Critical Status. Based on an analysis by the Trustees, no changes were made to the 2008-2009 Original Rehabilitation Plan.

On September 28, 2010, the Fund's actuary certified that the Fund continued in Critical Status. Based on an analysis by the Trustees, changes were made in the 2010-11 Rehabilitation Plan Update that were designed to permit the Fund to emerge from Critical Status at the later date of June 30, 2033.

On September 28, 2011, the Fund's actuary certified that the Fund continued in Critical Status. Based on an analysis by the Trustees, no changes were made to the 2010-2011 Rehabilitation Plan Update.

On September 28, 2012, the Fund's actuary certified that the Fund continued in Critical Status. The 2010-11 Rehabilitation Plan Update made significant changes to the benefit structure and required 8% contribution increases for the indefinite future with the objective of emerging from Critical Status by June 30, 2033. Based on the most recent 2012-13 forecast analysis, the Trustees concluded that the Plan would not be able to emerge from Critical Status by that date. After careful consideration, the Trustees concluded that any additional benefit reductions and/or any attempt to increase the rate of annual contributions increases above the current 8% per year level would lead to employer withdrawals which would have an immediate negative impact on funding. As a result, the Trustees did not make any changes to benefits or contribution rate increases, but changed the objective of the Rehabilitation Plan to emerge from Critical Status by June 30, 2036.

On September 27, 2013, the Fund's actuary certified that the Fund continued in Critical Status. The 2010-11 Rehabilitation Plan Update made significant changes to the benefit structure and required 8% contribution increases for the indefinite future with the objective of emerging from Critical status by June 30, 2036. Based on the most recent 2013-14 forecast analysis, the Trustees concluded that the Plan would not be able to emerge from Critical Status by that date. Based on analysis by the Trustees, changes were made in the 2013-14 Rehabilitation Plan Update that were designed to permit the Fund to emerge from Critical Status by June 30, 2035.

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-1046087**
**PLAN NUMBER: 001**
**SCHEDULE MB, LINE 4c – Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan**

On September 28, 2014, the Fund's actuary certified that the Fund continued in Critical Status. The 2013-14 Rehabilitation Plan Update made significant changes to the benefit structure and continued 8% contribution increases for the indefinite future with the objective of emerging from Critical status by June 30, 2036. Based on the most recent 2014-15 forecast analysis, the Trustees concluded that the Plan would not be able to emerge from Critical Status until 2038.

On September 30, 2015, the Fund's actuary certified that the Fund continued in Critical Status. The 2013-14 Rehabilitation Plan Update made significant changes to the benefit structure and continued 8% contribution increases for the indefinite future with the objective of emerging from Critical status by June 30, 2036. Based on the 2015-16 forecast analysis, the Trustees concluded that the Plan would not be able to emerge from Critical Status until 2038.

On September 28, 2016, the Fund's actuary certified that the Fund is in Critical and Declining Status and is expected to be insolvent within 10 years.

On September 28, 2017, the Fund's actuary certified that the Fund is in Critical and Declining Status and is expected to be insolvent within 10 years.

On September 28, 2018, the Fund's actuary certified that the Fund is in Critical and Declining Status and is expected to be insolvent within 10 years.

On September 27, 2019, the Fund's actuary certified that the Fund is in Critical and Declining Status and is expected to be insolvent within 10 years.

On September 27, 2020, the Fund's actuary certified that the Fund is in Critical and Declining Status and is expected to be insolvent within 10 years.

On September 30, 2021, the Fund's actuary certified that the Fund is in Critical and Declining Status and is expected to be insolvent within 10 years.

| Prior Rehabilitation Plan Progress | | | Current Rehabilitation Plan Progress | |
|---|---|---|---|---|
| Credit Balance | Funding % | Year | Credit Balance | Funding % |
| (101,736,208) | 26% | 2021 | (108,971,370) | 19% |
| (105,493,278) | 24% | 2022 | (121,060,408) | 16% |
| (108,385,176) | 23% | 2023 | (133,239,648) | 13% |
| (110,190,478) | 21% | 2024 | (145,400,485) | 10% |
| (108,145,748) | 21% | 2025 | (154,902,199) | 6% |
| (105,320,875) | 21% | 2026 | (165,076,917) | 1% |
| (100,743,183) | 22% | 2027 | (168,089,023) | 0% |

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**

**PLAN SPONSOR'S EIN: 25-1046087**

**PLAN NUMBER: 001**

**SCHEDULE MB, LINE 4c – Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan**

| Prior Rehabilitation Plan Progress | | | Current Rehabilitation Plan Progress | |
|---|---|---|---|---|
| Credit Balance | Funding % | Year | Credit Balance | Funding % |
| (93,479,289) | 24% | 2028 | (167,792,244) | 0% |
| (83,491,091) | 28% | 2029 | (166,470,501) | 0% |
| (72,906,391) | 35% | 2030 | (165,632,563) | 0% |
| (59,693,315) | 44% | 2031 | (164,414,275) | 0% |
| (43,781,887) | 56% | 2032 | (160,567,746) | 0% |
| (24,875,407) | 73% | 2033 | (156,443,261) | 0% |
| (2,899,184) | 96% | 2034 | (152,482,400) | 0% |
| 22,490,223 | 125% | 2035 | (148,591,676) | 0% |
| 52,053,538 | 163% | 2036 | (142,356,350) | 0% |
| 86,773,945 | 211% | 2037 | (136,162,192) | 0% |

**Name of the Plan: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund**
**Plan Sponsor's EIN: 25-1046087**
**Plan Number: 001**
**Schedule MB, line 4f - Cash Flow Projections**

| Year | Market Value of Assets | Contributions | Benefit Payments | Administrative Expenses | Investment Return |
|---|---|---|---|---|---|
| 2021 | $41,980,192 | $9,782,216 | $17,536,801 | $746,000 | -$2,875,073 |
| 2022 | 30,604,534 | 10,185,892 | 17,785,890 | 746,000 | 2,015,492 |
| 2023 | 24,274,028 | 10,618,926 | 17,893,555 | 746,000 | 1,552,685 |
| 2024 | 17,806,084 | 11,074,478 | 18,142,586 | 746,000 | 1,075,194 |
| 2025 | 11,067,170 | 11,549,373 | 18,391,021 | 746,000 | 578,114 |
| 2026 | 4,057,636 | 15,053,833 | 18,541,372 | 746,000 | 175,904 |
| 2027 | 0 | 19,288,082 | 18,568,576 | 746,000 | 0 |
| 2028 | 0 | 19,376,668 | 18,657,162 | 746,000 | 0 |
| 2029 | 0 | 19,457,358 | 18,737,852 | 746,000 | 0 |
| 2030 | 0 | 19,413,347 | 18,693,841 | 746,000 | 0 |
| 2031 | 0 | 19,194,652 | 18,475,146 | 746,000 | 0 |
| 2032 | 0 | 18,990,703 | 18,271,197 | 746,000 | 0 |
| 2033 | 0 | 18,720,723 | 18,001,217 | 746,000 | 0 |
| 2034 | 0 | 18,381,646 | 17,662,141 | 746,000 | 0 |
| 2035 | 0 | 17,958,273 | 17,238,766 | 746,000 | 0 |
| 2036 | 0 | 17,809,190 | 16,822,068 | 746,000 | 0 |
| 2037 | 0 | 18,593,194 | 16,316,675 | 746,000 | 0 |
| 2038 | 0 | 19,397,824 | 15,765,001 | 746,000 | 0 |
| 2039 | 0 | 20,129,594 | 15,150,952 | 746,000 | 0 |
| 2040 | 0 | 21,023,778 | 14,521,875 | 746,000 | 0 |

EXHIBIT 25

# ACTUARIAL VALUATION METHODS

## I. ACTUARIAL COST METHOD

The method used to determine the costs of this Plan is the Unit Credit Actuarial Cost Method. Under this method, the annual cost of the Plan consists of three parts: (1) Amortization of Actuarial Accrued Liability, (2) Normal Cost, and (3) Amortization of Actuarial Gains and Losses.

An individual's accrued benefit for valuation purposes on any date (i.e. a valuation date) related to a particular separation date is the accrued benefit described under the Plan, using the credited service as of the determination date.

The benefit deemed to accrue for an individual during a plan year is the excess of the accrued benefit for valuation purposes at the end of the year over the accrued benefit for valuation purposes at the beginning of the year.

An individual's accrued liability is the present value of the accrued benefit for valuation purposes at the beginning of the plan year, and the normal cost is the present value of the benefit deemed to accrue in the plan year. If multi-decrements are used, the accrued liability and the normal cost for an individual are the sum of the component accrued liabilities and normal costs associated with the various anticipated separation dates. Such accrued liabilities and normal costs reflect the accrued benefits as modified to obtain the benefits payable on those dates, and the probability of the individual separating on those dates.

## II. ASSET VALUATION METHOD

Assets are valued using the 4-year smoothed market value under Approval 15 of Revenue Procedure 95-51, as modified by Revenue Procedure 98-10.

EXHIBIT 26

# ACTUARIAL VALUATION ASSUMPTIONS

**Mortality:**

**Healthy Lives** - SOA RP-2014 Blue Collar Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2020.

**Disabled Lives** - SOA RP-2014 Disabled Retiree Mortality Table adjusted backward to 2006 using the MP-2014 Mortality Improvement Scale, then projected forward from 2006 generationally with Mortality Improvement Scale MP-2020.

**RPA Liability** - IRS 2018-2020+ (MP 16-18) Static Mortality.

**Interest:**

**Funding** - A rate of 7.50% per annum net of investment expenses.

**RPA Liability** – 2.33% per annum

**Disclosure Liability** - A rate of 7.50% per annum.

**Assumed Retirement Age:**

**Active participants** – Retirement is assumed at age 62. Early Retirement rates are graduated rates of retirement based on age, service, and contribution level.

**Terminated Vested participants** – The participant's Normal Retirement Age.

**Expenses:** An estimate based on actual administrative expenses incurred in the prior plan year. For the 2021-2022 plan year, this amount is $746,000.

**Termination:** Annual rates based on the following scale as a percentage:

**Freight and UPS -**

| Age | Male | Female |
|---|---|---|
| 25 | 5.3% | 5.3% |
| 40 | 3.8% | 3.8% |
| 55 | 0.3% | 0.3% |

**Non-Freight -**

| Less Than 6 Years of Service | | More than 5 Years of Service | |
|---|---|---|---|
| Service | Rate | Age | Rate |
| 1 | 19.40% | 25 | 9.67% |
| 3 | 10.00% | 40 | 7.75% |
| 5 | 9.22% | 55 | 1.55% |

## ACTUARIAL VALUATION ASSUMPTIONS (Cont'd)

**Annuity Form:** Five Year Certain and Life Thereafter for benefits earned through June 30, 2009.

Single Life Annuity for benefits earned after June 30, 2009.

If a Participant is not eligible to retire as of June 30, 2011 (with eligibility for immediate payment of a Retirement Benefit), the form of the basic Retirement Benefit shall be a Single Life Annuity (for the entire basic Retirement Benefit, regardless of when accrued.)

**Future Service:** It is assumed that for all future years, all Members will have future accruals based on the same contribution amount as the prior year

**Rates of Disablement:** The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

**Calculation of Benefits:** Benefits are calculated as of the last completed computation period, June 30, 2021.

**Census Data:**

Retired Members -
If spouse date of birth is not available, female spouse is assumed to be three (3) years younger, and male spouse is assumed to be three (3) years older.

Active Members -
If Member's date of birth is not available, the Member is assumed to be age 28 at date of hire.

# SALIENT FEATURES OF SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## I. ELIGIBILITY

An Employee covered under a Collective Bargaining Agreement between an Employer and International Brotherhood of Teamsters Local Unions 491 or 453 providing for payments to the Pension Fund or a person employed by an Employer who has an agreement with the Union providing for participation in the Fund.

## II. NORMAL RETIREMENT

A. Normal Retirement Date - The Participant's Normal Retirement Date shall mean:

(a) for retirement benefits (and the Accrued Benefit) earned before July 1, 2009, the later of age 60 or his attained age on the fifth anniversary of date of hire by an Employer even if the date of hire is prior to the date the Employer first became an Employer;

(b) for retirement benefits ( and the accrued Benefit) earned from and after July 1, 2009 and before July 1, 2011, the later of age 62 or his attained age on the fifth anniversary of the commencement of his participation in the Plan; and

(c) for retirement benefits (and the Accrued Benefit) earned from and after July 1, 2011, the later of age 65 or his attained age on the fifth anniversary of the commencement of his participation in the Plan.

B. Normal Retirement Annuity Starting Date. The Normal Retirement Annuity Starting Date is the first day of the month coincident with or next following his Normal Retirement Date.

## II. NORMAL RETIREMENT (Cont'd)

C. Amount of Normal Retirement Benefit

(1) For Service prior to October 1, 1987, Participants who entered the Plan before such date will accrue benefits equal to the product of their Credited Service (Past and Future) and the Unit Multiplier in the Appendix of the Plan. For Participants of Local 491 and 872, the maximum Credited Service prior to October 1, 1987 shall be twenty-five (25) years. For Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service up to October 1, 1982 and an additional five (5) Years of Credited Service up to October 1, 1987, making a total of twenty-five (25) years. For Non-Freight Participants of Local 453, a maximum of twenty (20) years is applied for Credited Service prior to October 1, 1987, plus

(2) For service on and after October 1, 1987, but prior to January 1, 2005, Two and Three-Quarter Percent (2.75%) of the amount of Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2000 for which a contribution is received by the Fund on or after February 1, 2000.

(3) Terminated Vested Participants (and terminated nonvested Participants who have not lost their prior service due to a Break in Service) who reenter the Fund on or after January 1, 2000 will not be eligible for the increased unit multiplier of 2.75% until such time as they have completed one (1) Year of Participation (five months, 22 weeks or 1,000 hours of covered employment) subsequent to their reentry.

(4) For service on or after January 1, 2005, but prior to January 1, 2007, one and three quarter percent (1.75%) of the amount of the Employer Contributions without any reduction paid into the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2005 for which a contribution is received by the Fund on or after February 1, 2005.

(5) For service on or after January 1, 2007, one percent (1.00%) of the amount of the Employer Contributions without any reduction paid to the Fund for Participants who are active and have one (1) Hour of Service on or after January 1, 2007 for which a contribution is received by the Fund on or after February 1, 2007.

## II. NORMAL RETIREMENT (Cont'd)

(6) For service on or after July 1, 2009, one percent (1.00%) of the contributions based on the contribution rate in effect June 30, 2008.

## III. EARLY RETIREMENT BENEFIT

A. Eligibility

A Participant who has:

(1) attained age sixty (60); and

(2) completed five (5) Years of Future Credited Service

is eligible, upon written notice to the Trustees, to retire and receive an Early Retirement Benefit.

B. Early Retirement Date

The Participant may elect to have his Early Retirement Benefit commence on or after his Early Retirement Date which shall be the first day of any month subsequent to the date he satisfies the above requirements.

C. Amount

(1) The Early Retirement Benefit shall be reduced for payment before Normal Retirement Date to is Equivalent Actuarial Value (using the age 62 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2009 and before July 1, 2011 and the age 65 Normal Retirement Age for the Accrued Benefit earned from and after July 1, 2011.)

(2) The Retirement Benefit payable under each form of payment shall be Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity; and

(3) The normal form of payment for a Participant not married on the Annuity Starting Date shall be a Single Life Annuity.

(4) No one can retire before the age of sixty (60).

## IV. DISABILITY RETIREMENT

A. A Participant shall not be eligible for a disability Retirement Benefit unless the Participant is in receipt of a disability Retirement Benefit as of June 30, 2011 or the Participant's application for a disability Retirement Benefit was being processed as of June 30, 2011.

B. Cessation of Disability Benefit. The Participant's Disability Benefit will cease upon the earliest of his:

(1) recovery from disability;
(2) attaining his Normal Retirement Date;
(3) election of an Early Retirement Benefit; or
(4) death.

## V. RETIREMENT BENEFIT PAYMENTS

A. Single Life Annuity (Normal Form for Benefits:

The Normal Form for benefits shall be a Single Life Annuity.

The Participant shall receive monthly payments for the life of the Participant, ceasing upon the Participant's death.

B. Five Year Certain:

The Participant shall receive his pension as a monthly life income, with the provision that if the death of the Participant occurs prior to his receipt of 60 monthly payments, the balance of such monthly payments shall be continued to his beneficiary, until a total of 60 monthly payments in all has been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 60 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

C. Ten Year Certain:

Available for retirement benefits commencing on or after August 1, 1996, this is a monthly benefit payable during the Participant's lifetime with the provision that if the death of the Participant occurs prior to his receipt of 120 monthly payments, monthly payments shall be continued to his beneficiary until a total of 120 monthly payments in all have been paid to the Participant and his beneficiary. If no designated beneficiary survives such retired Participant, then the commuted value of the remaining monthly payments shall be paid in a lump sum to the Participant's estate. If the designated beneficiary survives the Participant but dies before 120 payments shall have been paid out as stated above, the commuted value of the remaining monthly payments shall be paid in a lump sum to said beneficiary's estate.

D. Qualified Joint and Survivor Options:

(1) A married Participant who is entitled to receive a Qualified Joint and Survivor Annuity may, prior to the date that payments commence, elect between:

(i) Qualified Joint and 50% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to fifty percent (50%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse; or

(ii) Qualified Joint and 100% Survivor Annuity. A reduced retirement benefit payable for the life of the Participant with the provision that, if the Participant dies leaving a spouse to whom he was legally married on the Annuity Starting Date, a survivor annuity equal to one hundred percent (100%) of the annuity payable during the joint lives of the Participant and his spouse shall be paid during the life of, and to, such surviving spouse.

(2) If a Participant's spouse dies before the Participant's Annuity Starting Date, his election of the Qualified Joint and Survivor Annuity shall automatically be revoked.

## V. RETIREMENT BENEFIT PAYMENTS (Cont'd)

E. Automatic Joint and Survivor Benefit

Effective October 1, 1997, the Joint and 100% Survivor Benefit shall be the automatic form of benefit paid unless rejected by the retiree and spouse in writing.

F. Note: The Retirement Benefit payable under each form of payment shall be the Equivalent Actuarial Value of the Retirement Benefit under the Single Life Annuity.

G. Restoration Benefit

If a Participant retired on or after October 1, 1997 and benefits are being paid in the form of a Qualified Joint and Survivor Annuity and the Participant's spouse dies while the Participant is still living, the Participant's benefit will be restored to the Life Annuity, 5 Year Certain form of benefit and the amount of benefit will be increased to the amount of benefit he would have received if he and his spouse had waived the Qualified Joint and Survivor Annuity and had elected to receive the normal form of benefit.

## VI. VESTED BENEFIT

A. At Normal Retirement Date. Regardless of any other provisions of the Plan, a Participant will be one hundred percent (100%) vested in his Accrued Benefit upon the attainment of his Normal Retirement Date while in the employ of the Employer.

A. Upon Termination Prior to Normal Retirement Date.

(i) Collective Bargaining Employees. A Participant who is in a class of Employees subject to a collective bargaining agreement requiring contributions to the Plan who terminates his employment with the Employer prior to his Normal Retirement Date shall have a vested benefit determined as follows:

## VI. VESTED BENEFIT (Cont'd)

The Participant's vested benefit shall be calculated by multiplying his Accrued Benefit by the following applicable percentage:

| Years of Participation | Vesting Percentage |
|---|---|
| Less than five (5) years | None |
| Five (5) years or more | 100% |

(2) Non-Collective Bargaining Employee. The above schedule shall also apply to Participants not subject to Collective Bargaining.

## VII. DEATH BENEFITS

A. Preretirement

(1) Married Participant. In the case of a Participant who dies prior to his Annuity Starting Date and was legally married on the date of his death, there are no death benefits provided under this Plan unless the Participant is eligible for a Qualified Preretirement Survivor Annuity.

(2). Single Participant.

(a) In the case of a Participant who dies prior to his Annuity Starting Date and was not legally married on the date of his death, there are no death benefits provided under this Plan, except as provided under subparagraph (b) below.

(b) Ten Year Certain Death Benefit for Single Participants. If an unmarried Participant:

(i) has been credited with service earned on or after August 9, 1996.

(ii) has vested benefits not subject to a Qualified Domestic Relations Order under the Plan, and

## VII. DEATH BENEFITS (cont'd)

(iii) dies prior to his Annuity Starting Date,

Then such Participant's beneficiary shall be entitled to receive a Ten Year Certain Death Benefit. The Ten Year Certain Death Benefit shall consist of 120 monthly payments to the beneficiary as if:

(i) in the case of a Participant who dies after the date on which the Participant attained his Earliest Retirement Age, such Participant had retired on the day before his death and had elected immediate retirement under the Life Annuity, Ten Years Certain option, or

(ii) in the case of a Participant who dies before the date on which the Participant would have attained his Earliest Retirement Age, such Participant had:

(A) separated from service on the date of death,

(B) survived to the Earliest Retirement Age,

(C) retired and elected immediate retirement under the Life Annuity, Ten Years Certain option, and

(D) died on the day after the day on which such Participant would have attained his Earliest Retirement Age.

The term "Earliest Retirement Age" means the earliest date on which, under the Plan, the Participant could have elected to receive retirement benefits based on his Years of Service at his death.

Special Note: The Ten Year Certain Death Benefit has been eliminated for deaths occurring on or after July 1, 2017.

B. Post-Retirement

In the case of a Participant who dies subsequent to his Annuity Starting Date, no death benefits shall be payable except as provided under the specific form of benefit being paid.

## VIII. QUALIFIED MILITARY SERVICE

As required by Code Section §401(a)(37), a Participant who dies on or after January 1, 2007 while performing qualified military service (within the meaning of Code §414(u)) and who would have been entitled to reemployment rights under the Plan under the Uniformed Services Employment and Reemployment Rights Act of 1994 at his death shall be treated as follows for purposes of the death benefits payable under this Article:

(a) he shall be credited with service (but not benefit accrual) for the period of his qualified military service; and

(b) he shall be treated as if he had died while in employment with the Employer.

## IX. CASH-OUT OF CERTAIN BENEFITS

If the Employee terminates and the monthly benefit to which he would otherwise be entitled is less than $25, and if the present value of the Employee's vested accrued benefit derived from Employer and Employee contribution is not greater than $5,000, the Employee may, at his option, elect to receive a cash out distribution of the present value of the entire vested portion of such accrued benefit provided that the distribution has not already commenced in the form of an annuity.

## X. UNIT MULTIPLIERS -

See pages 55 thru 58.

## LOCAL

**(491)**

| CONTRIBUTION RATE CLASS | MULTIPLIERS |
|---|---|
| $79.00 - $83.00 (FREIGHT) | $34.00 (for service prior to April 1, 1984) $43.00 (for service between April 1, 1984 thru September 30, 1987). |
| $80.00 - $84.00 - $88.00 (UNITED PARCEL POST) | $34.50 (for service prior to May 1, 1984) - $43.50 (for service on and after May 1, 1984 thru September 30, 1987). |

## TABLE 1

## UNIT MULTIPLIER TABLE

| Contribution Rate Class | Unit Multiplier |
|---|---|
| $72.00 | $34.50 |
| $71.00 | $34.00 |
| $55.00-$58.00-$62.00 | $32.50 |
| $61.00-$65.00 | $32.70 |
| $238.18-$243.18-$248.18 | $31.90 |
| $49.00-$52.00-$56.00 | $31.75 |
| $230.19-$235.19-$240.19 | $31.70 |
| $44.00-$49.00-$54.00 | $31.50 |
| $43.00-$48.00-$53.00 | $31.05 |
| $48.00-$50.00-$52.00 | $30.65 |
| $46.00-$49.00-$52.00 | $30.55 |
| $41.00-$46.00-$51.00 | $30.10 |
| $45.00-$47.00-$49.00 | $29.30 |
| $43.00-$46.00-$49.00 | $28.80 |
| $43.00-$45.00-$47.00 | $27.70 |
| $44.00-$45.00-$46.00 | $27.25 |
| $40.00-$43.00-$46.00 | $27.00 |
| $37.50-$40.50-$43.50 | $25.55 |
| $37.00-$40.00-$43.00 | $25.25 |
| $36.00-$39.00-$42.00 | $24.65 |
| $35.00-$38.00-$41.00 | $24.05 |
| $34.00-$37.00-$40.00 | $23.45 |
| $00.85-$00.90-$00.95 | $22.25 |
| $34.50-$37.00 | $21.75 |
| $31.00-$34.00-$37.00 | $21.70 |
| $30.00-$33.00-$21.10 | $21.10 |
| $29.00-$32.00-$35.00 | $20.50 |
| $28.50-$31.50-$34.50 | $20.20 |
| $140.00-$142.50-$145.00 | $19.50 |
| $116.92-$129.92-$142.92 | $19.45 |
| $000.75 | $17.55 |

## LOCAL (491)

**(Continued)**

## TABLE II

### UNIT MULTIPLIER FOR CREDITED SERVICE

| Contribution Rate Class | Prior to January 1, 1978 | After January 1, 1978 |
|---|---|---|
| $28.00-$31.00-$34.00 | $20.20 | $19.75 |
| $29.00-$31.00-$33.00 | $20.20 | $18.85 |
| $29.00-$32.00 | $20.20 | $17.90 |
| $28.00-$30.00-$32.00 | $20.20 | $17.85 |
| $26.00-$29.00-$32.00 | $20.20 | $17.80 |
| $25.00-$28.00-$31.00 | $20.20 | $16.80 |
| $25.50-$28.00-$30.50 | $20.20 | $16.35 |

## TABLE III

### UNIT MULTIPLIER TABLE FOR ALL OTHER CLASSES

### UNIT MULTIPLIERS FOR CREDITED SERVICE PRIOR TO JANUARY 1, 1978 FOR CONTRIBUTION RATE CLASS AS OF JANUARY 1, 1978

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $24.00 to $25.99 | $20.20 | | |
| $22.00 to $23.99 | $20.00 | $12.00 to $13.99 | $13.00 |
| $20.00 to $21.99 | $19.00 | $10.00 to $11.99 | $11.00 |
| $18.00 to $19.99 | $18.00 | $ 8.00 to $ 9.99 | $ 9.00 |
| $16.00 to $17.99 | $16.50 | $ 6.00 to $ 7.99 | $ 7.00 |
| $14.00 to $15.99 | $14.50 | $ 4.00 to $ 5.99 | $ 5.00 |

## LOCAL
## (491)

## TABLE III
## (Continued)

## UNIT MULTIPLIERS FOR CREDITED SERVICE AFTER JANUARY 1, 1978

| Contribution Rate Class | Unit Multiplier | Contribution Rate Class | Unit Multiplier |
|---|---|---|---|
| $25.00-$28.00-$31.00 | $15.70 | | |
| $25.00-$28.00 | $14.35 | $18.00 | $ 9.30 |
| $24.00-$26.00-$28.00 | $14.25 | $14.00-$18.00 | $ 9.15 |
| $23.00-$25.00-$27.00 | $13.75 | $10.00-$14.00-$18.00 | $ 8.85 |
| $26.00 | $13.40 | $12.50-$15.00 | $ 7.65 |
| $24.00-$25.00-$26.00 | $13.30 | $14.50 | $ 7.50 |
| $18.00-$22.00-$26.00 | $13.00 | $14.00 | $ 7.20 |
| $25.00 | $12.90 | $12.00-$13.00-$14.00 | $ 7.10 |
| $24.00-$25.00 | $12.85 | $10.00-$12.00-$14.00 | $ 7.00 |
| $23.00-$25.00 | $12.80 | $ 8.00-$10.00-$12.00 | $ 5.95 |
| $22.00-$25.00 | $12.80 | $10.00-$11.50 | $ 5.85 |
| $24.00 | $12.40 | $ 4.00-$ 6.50-$ 9.00 | $ 4.35 |
| $23.00 | $11.85 | $ 8.00 | $ 4.10 |
| $20.00-$22.00 | $11.30 | $ 4.00-$ 6.00-$ 8.00 | $ 3.90 |
| $14.00-$19.50-$22.00 | $10.95 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |
| $20 | $10.30 | $ 2.00-$ 4.00-$ 6.00 | $ 2.85 |

## LOCAL (453)

| Contribution Rate | Unit Multiplier | Contribution Rate | Unit Multiplier |
|---|---|---|---|
| $390.81 | $50.00 | $105.70 | $18.25 |
| $373.48 | $50.00 | $105.70 | $18.25 |
| $356.15 | $50.00 | $ 95.33 | $18.25 |
| $338.82 | $50.00 | $ 92.16 | $16.00 |
| $291.16 | $50.00 | $ 84.49 | $18.25 |
| $246.96 | $50.00 | $ 74.88 | $13.00 |
| $212.30 | $38.75 | $ 73.66 | $18.25 |
| $194.97 | $36.25 | $ 60.67 | $10.70 |
| $177.64 | $33.75 | $ 56.33 | $10.70 |
| $173.31 | $30.00 | $ 47.66 | $10.70 |
| $161.28 | $28.00 | $ 43.33 | $ 8.60 |
| $158.00 | $28.00 | $ 39.00 | $ 8.60 |
| $151.00 | $27.00 | $ 34.67 | $ 8.60 |
| $149.76 | $26.00 | $ 29.67 | $ 8.60 |
| $146.00 | $26.00 | $ 28.67 | $ 8.60 |
| $144.00 | $25.00 | $ 26.00 | $ 6.75 |
| $134.31 | $25.00 | $ 23.67 | $ 6.75 |
| $127.79 | $25.00 | $ 17.17 | $ 5.40 |
| $121.31 | $25.00 | $ 12.17 | $ 3.75 |
| $111.56 | $25.00 | $ 8.67 | $ 3.75 |
| $108.31 | | | |

Name of the Plan: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-1046087
Plan Number: 001
Schedule MB, line 8b(1) - Schedule of Projection of Expected Benefit Payments

| PLAN YEAR | EXPECTED ANNUAL BENEFIT PAYMENTS |
|---|---|
| 2021 | $17,536,801 |
| 2022 | 17,773,690 |
| 2023 | 17,859,036 |
| 2024 | 18,076,054 |
| 2025 | 18,282,934 |
| 2026 | 18,382,739 |
| 2027 | 18,347,479 |
| 2028 | 18,363,187 |
| 2029 | 18,357,265 |
| 2030 | 18,222,265 |

Name of the Plan: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-1046087
Plan Number: 001
Schedule MB, line 8b(2) - Schedule of Active Participant Data

Schedule of Active Participant Data

| | Years of credited service: | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Under 1 | | 1 to 4 | | 5 to 9 | | 10 to 14 | | 15 to 19 | | 20 to 24 | | 25 to 29 | | 30 to 34 | | 35 to 39 | | 40 & up | |
| Attained Age | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. | No. | Avg. Comp. |
| Under 25 | 3 | | 7 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | |
| 25 to 29 | 0 | | 15 | | 6 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | |
| 30 to 34 | 2 | | 12 | | 6 | | 12 | | 1 | | 0 | | 0 | | 0 | | 0 | | 0 | |
| 35 to 39 | 2 | | 16 | | 14 | | 7 | | 7 | | 0 | | 0 | | 0 | | 0 | | 0 | |
| 40 to 44 | 2 | | 8 | | 10 | | 8 | | 5 | | 10 | | 0 | | 0 | | 0 | | 0 | |
| 45 to 49 | 0 | | 9 | | 4 | | 5 | | 10 | | 8 | | 4 | | 0 | | 0 | | 0 | |
| 50 to 54 | 1 | | 8 | | 10 | | 4 | | 6 | | 19 | | 14 | | 7 | | 0 | | 0 | |
| 55 to 59 | 0 | | 3 | | 12 | | 13 | | 11 | | 14 | | 9 | | 13 | | 7 | | 2 | |
| 60 to 64 | 0 | | 1 | | 5 | | 5 | | 9 | | 14 | | 8 | | 15 | | 4 | | 5 | |
| 65 to 69 | 0 | | 0 | | 4 | | 1 | | 4 | | 4 | | 5 | | 2 | | 2 | | 1 | |
| 70 & up | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | | 0 | |

# SCHEDULE MB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2021**

**This Form is Open to Public Inspection**

For calendar plan year 2021 or fiscal plan year beginning 07/01/2021 and ending 06/30/2022

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan
SOUTHWESTERN PENNSYLVANIA & WESTERN MARYLAND AREA TEAMSTERS & EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

**D** Employer Identification Number (EIN)
25-1046087

**E** Type of plan: (1) [X] Multiemployer Defined Benefit (2) [ ] Money Purchase (see instructions)

**1a** Enter the valuation date: Month 07 Day 01 Year 2021

| | | | |
|---|---|---|---|
| **b** | Assets | | |
| (1) | Current value of assets | 1b(1) | 41,980,192 |
| (2) | Actuarial value of assets for funding standard account | 1b(2) | 39,781,764 |
| **c** (1) | Accrued liability for plan using immediate gain methods | 1c(1) | 206,544,416 |
| (2) | Information for plans using spread gain methods: | | |
| (a) | Unfunded liability for methods with bases | 1c(2)(a) | |
| (b) | Accrued liability under entry age normal method | 1c(2)(b) | |
| (c) | Normal cost under entry age normal method | 1c(2)(c) | |
| (3) | Accrued liability under unit credit cost method | 1c(3) | 206,544,416 |
| **d** | Information on current liabilities of the plan: | | |
| (1) | Amount excluded from current liability attributable to pre-participation service (see instructions) | 1d(1) | |
| (2) | "RPA '94" information: | | |
| (a) | Current liability | 1d(2)(a) | 367,460,201 |
| (b) | Expected increase in current liability due to benefits accruing during the plan year | 1d(2)(b) | 3,401,647 |
| (c) | Expected release from "RPA '94" current liability for the plan year | 1d(2)(c) | 17,570,180 |
| (3) | Expected plan disbursements for the plan year | 1d(3) | 18,316,180 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN HERE**

Gregory J. Pastino GJP — Signature of actuary

12/09/2022 — Date

Gregory J. Pastino — Type or print name of actuary

2003916 — Most recent enrollment number

FOSTER & FOSTER — Firm name

630-620-0200 — Telephone number (including area code)

184 Shuman Blvd Suite 305
Naperville IL 60563
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

**2** Operational information as of beginning of this plan year:

| | | (1) Number of participants | (2) Current liability |
|---|---|---|---|
| **a** Current value of assets (see instructions) | 2a | | 41,980,192 |
| **b** "RPA '94" current liability/participant count breakdown: | | | |
| (1) For retired participants and beneficiaries receiving payment | | 1,618 | 235,823,308 |
| (2) For terminated vested participants | | 716 | 57,069,906 |
| (3) For active participants: | | | |
| (a) Non-vested benefits | | | 1,224,659 |
| (b) Vested benefits | | | 73,342,328 |
| (c) Total active | | 435 | 74,566,987 |
| (4) Total | | 2,769 | 367,460,201 |
| **c** If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage | 2c | | 11.42% |

**3** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | c) Amount paid by employees |
|---|---|---|---|---|---|
| 12/31/2021 | 8,206,719 | 0 | | | |
| 08/01/2022 | 707,628 | 0 | | | |
| | | | | | |
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| | | | | | |
| | | | Totals ► 3(b) | 8,914,347 | 3(c) 0 |
| (d) Total withdrawal liability amounts included in line 3(b) total | | | | | 3(d) 812,478 |

**4** Information on plan status:

| | | |
|---|---|---|
| **a** Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) | 4a | 19.3 % |
| **b** Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If entered code is "N," go to line 5 | 4b | D |

**c** Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? [X] Yes [ ] No

**d** If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)? [ ] Yes [X] No

| | | |
|---|---|---|
| **e** If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date | 4e | |
| **f** If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here [X] | 4f | 2027 |

**5** Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

**a** [ ] Attained age normal **b** [ ] Entry age normal **c** [X] Accrued benefit (unit credit) **d** [ ] Aggregate

**e** [ ] Frozen initial liability **f** [ ] Individual level premium **g** [ ] Individual aggregate **h** [ ] Shortfall

**i** [ ] Other (specify):

| | | |
|---|---|---|
| **j** If box h is checked, enter period of use of shortfall method | 5j | |
| **k** Has a change been made in funding method for this plan year? | | ☐ Yes ☒ No |
| **l** If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? | | ☐ Yes ☐ No |
| **m** If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method | 5m | |

**6** Checklist of certain actuarial assumptions:

| | | | | | |
|---|---|---|---|---|---|
| **a** Interest rate for "RPA '94" current liability | 6a | 2.33 % | | | |
| | | Pre-retirement | | Post-retirement | |
| **b** Rates specified in insurance or annuity contracts | | ☐ Yes ☒ No ☐ N/A | | ☐ Yes ☒ No ☐ N/A | |
| **c** Mortality table code for valuation purposes: | | | | | |
| **(1)** Males | 6c(1) | A | | A | |
| **(2)** Females | 6c(2) | A | | A | |
| **d** Valuation liability interest rate | 6d | 7.50% | | 7.50% | |
| **e** Expense loading | 6e | 73.1 % | ☐ N/A | 0.0% | ☐ N/A |
| **f** Salary scale | 6f | 0.00 % | ☐ N/A | | |
| **g** Estimated investment return on actuarial value of assets for year ending on the valuation date | 6g | 8.7% | | | |
| **h** Estimated investment return on current value of assets for year ending on the valuation date | 6h | 19.7% | | | |

**7** New amortization bases established in the current plan year:

| (1) Type of base | (2) Initial balance | (3) Amortization Charge/Credit |
|---|---|---|
| 1 | 282,255 | 29,745 |
| 4 | -830,757 | -87,548 |
| | | |
| | | |
| | | |
| | | |

**8** Miscellaneous information:

| | | |
|---|---|---|
| **a** If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval | 8a | |
| **b(1)** Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule. | | ☒ Yes ☐ No |
| **b(2)** Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule. | | ☒ Yes ☐ No |
| **c** Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? | | ☒ Yes ☐ No |
| **d** If line c is "Yes," provide the following additional information: | | |
| **(1)** Was an extension granted automatic approval under section 431(d)(1) of the Code? | | ☒ Yes ☐ No |
| **(2)** If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended | 8d(2) | 5 |
| **(3)** Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? | | ☐ Yes ☐ No |
| **(4)** If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)) | 8d(4) | |
| **(5)** If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension | 8d(5) | |
| **(6)** If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? | | ☐ Yes ☐ No |
| **e** If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) | 8e | -14,689,497 |

| | | | | |
|---|---|---|---|---|
| **9** Funding standard account statement for this plan year: | | | | |
| **Charges to funding standard account:** | | | | |
| **a** Prior year funding deficiency, if any | | | 9a | 110,397,944 |
| **b** Employer's normal cost for plan year as of valuation date | | | 9b | 1,765,894 |
| **c** Amortization charges as of valuation date: | | Outstanding balance | | |
| (1) All bases except funding waivers and certain bases for which the amortization period has been extended | 9c(1) | 71,468,787 | | 14,238,824 |
| (2) Funding waivers | 9c(2) | | | |
| (3) Certain bases for which the amortization period has been extended | 9c(3) | | | |
| **d** Interest as applicable on lines 9a, 9b, and 9c | | | 9d | 9,480,200 |
| **e** Total charges. Add lines 9a through 9d | | | 9e | 135,882,862 |
| **Credits to funding standard account:** | | | | |
| **f** Prior year credit balance, if any | | | 9f | 0 |
| **g** Employer contributions. Total from column (b) of line 3 | | | 9g | 8,914,347 |
| | | Outstanding balance | | |
| **h** Amortization credits as of valuation date | 9h | 15,104,079 | | 2,543,298 |
| **i** Interest as applicable to end of plan year on lines 9f, 9g, and 9h | | | 9i | 498,498 |
| **j** Full funding limitation (FFL) and credits: | | | | |
| (1) ERISA FFL (accrued liability FFL) | 9j(1) | 181,168,187 | | |
| (2) "RPA '94" override (90% current liability FFL) | 9j(2) | 301,008,066 | | |
| (3) FFL credit | | | 9j(3) | 0 |
| **k** (1) Waived funding deficiency | | | 9k(1) | 0 |
| (2) Other credits | | | 9k(2) | 0 |
| **l** Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) | | | 9l | 11,956,143 |
| **m** Credit balance: If line 9l is greater than line 9e, enter the difference | | | 9m | |
| **n** Funding deficiency: If line 9e is greater than line 9l, enter the difference | | | 9n | 123,926,719 |

| | | | |
|---|---|---|---|
| **9o** Current year's accumulated reconciliation account: | | | |
| (1) Due to waived funding deficiency accumulated prior to the 2021 plan year | 9o(1) | | 0 |
| (2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code: | | | |
| (a) Reconciliation outstanding balance as of valuation date | 9o(2)(a) | | 0 |
| (b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)) | 9o(2)(b) | | 0 |
| (3) Total as of valuation date | 9o(3) | | 0 |
| **10** Contribution necessary to avoid an accumulated funding deficiency. (See instructions.) | 10 | | 123,926,719 |
| **11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions | | | [X] Yes [ ] No |

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-1046087**
**PLAN NUMBER: 001**
**SCHEDULE R, SUMMARY OF REHABILITATION PLAN**

## CRITICAL STATUS REHABILITATION PLAN

**I. 2008-09 Plan Year** - On August 25, 2008, the Fund's actuary certified that the Fund was in Critical Status for the Plan Year beginning July 1, 2008. As a result, the Board of Trustees sent a Notice of Critical Status to all affected parties on September 24, 2008. The Notice provided that:

- the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity),
- the Board of Trustees were required to adopt a Rehabilitation Plan designed to either emerge from Critical Status or to forestall insolvency if all reasonable measures would not permit the Fund to emerge, and
- Employers participating in the Fund were obligated to pay a 5% contribution surcharge to the Fund in the initial critical year and a 10% contribution surcharge is applicable for each succeeding year in which the Fund is in Critical Status until the earliest of the date:
    - the Fund emerges from Critical Status; or,
    - the Employer enters into a new Collective Bargaining Agreement ("CBA") including the adoption of the Rehabilitation Plan schedule in effect at the time of agreement.

The 2008-09 Original Rehabilitation Plan was adopted September 24, 2008 and was designed to permit the Fund to emerge from Critical Status by June 30, 2029.

- Benefit accruals for service on and after July 1, 2009 are equal to 1% of contributions based on the contribution rate in effect on June 30, 2008.
- Benefit earned after July 1, 2009 are fully actuarially reduced for retirement prior to age 62 regardless of age or service.
- Any 25 and 30 & Out Benefits earned as of July 1, 2009 will be frozen and will not increase due to service earned after July 1, 2009.
- Benefits earned after July 1, 2009 will be paid as a Straight Life Annuity and all other forms of annuity will be the actuarial equivalent value of that benefit.
- For contracts negotiated after the Rehabilitation Plan has been sent to the bargaining parties, Employer contribution rates will increase by 8% for that year and for each subsequent year.

**II. 2009-10 Plan Year** – On September 24, 2009 the Fund's actuary certified that the Fund continued in Critical Status. Based on an analysis by the Trustees, no changes were made to the 2008-09 Original Rehabilitation Plan.

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-1046087**
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**SCHEDULE R, SUMMARY OF REHABILITATION PLAN**

**III. 2010–11 Plan Year** - On September 28, 2010 the Fund's actuary certified that the Fund continued in Critical Status. Based on an analysis by the Trustees, changes were made in the 2010-11 Rehabilitation Plan Update that were designed to permit the Fund to emerge from Critical Status at the later date of June 30, 2033. The following is a summary of the Updated 2010-11 Rehabilitation Plan with changes underlined.

- Benefit accruals for service on and after July 1, 2009 are equal to 1% of contributions based on the contribution rate in effect on June 30, 2008.
- Benefit earned between July 1, 2009 and June 30, 2011 are fully actuarially reduced for retirement prior to age 62 regardless of age or service.
- Benefit earned on and after July 1, 2011 are fully actuarially reduced for retirement prior to age 65 regardless of age or service.
- Any 25 and 30 & Out Benefits earned as of July 1, 2009 will be frozen and will not increase due to service earned after July 1, 2009.
- Benefits earned after July 1, 2009 will be paid as a Straight Life Annuity and all other forms of annuity will be the actuarial equivalent value of that benefit.
- For contracts negotiated after the Rehabilitation Plan has been sent to the bargaining parties, Employer contribution rates will increase by 8% for that year and for each subsequent year.
- Participants not eligible to retire on July 1, 2011 must reach age 55 before retiring under the 25 & Out Pension.
- All Early Retirement subsidies are eliminated for participants who are not eligible to retire on July 1, 2011.
- The 25 & Out no reduction for early retirement will be eliminated as of July 1, 2011, but preserved if commencement of benefits occurs on or after age 55.
- Disability benefits will be eliminated effective July 1, 2011 unless a participant is currently receiving a Disability benefit.

**IV. 2011-12 Plan Year** - On September 28, 2011 the Fund's actuary certified that the Fund continued in Critical Status. Based on an analysis by the Trustees, no changes were made to the 2010-11 Rehabilitation Plan Update.

**V. 2012–13 Plan Year** - On September 28, 2012 the Fund's actuary certified that the Fund continued in Critical Status. The 2010-11 Rehabilitation Plan Update made significant changes to the benefit structure and required 8% contribution increases for the indefinite future with the objective of emerging from Critical Status by June 30, 2033. Based on the most recent 2012-13 forecast analysis, the Trustees concluded that the Plan would not be able to merge from Critical Status by that date.

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-1046087**
**PLAN NUMBER: 001**
**SCHEDULE R, SUMMARY OF REHABILITATION PLAN**

After careful consideration, the Trustees concluded that any additional benefit reductions and/or any attempt to increase the rate of annual contribution increases above the current 8% per year level would lead to employer withdrawals which would have an immediate negative impact on funding. As a result, the Trustees did not make any changes to benefits or contribution rate increases, but changed the objective of the Rehabilitation Plan to emerge from Critical status by the June 30, 2036.

**V. 2013–14 Plan Year** - On September 27, 2013 the Fund's actuary certified that the Fund continued in Critical Status. The 2010-11 Rehabilitation Plan Update made significant changes to the benefit structure and required 8% contribution increases for the indefinite future with the objective of emerging from Critical Status by June 30, 2036. Based on the most recent 2013-14 forecast analysis, the Trustees concluded that the Plan would not be able to merge from Critical Status by that date.

Based on an analysis by the Trustees, changes were made in the 2013-14 Rehabilitation Plan Update that were designed to permit the Fund to emerge from Critical Status by June 30, 2035. The following is a summary of the Updated 2013-14 Rehabilitation Plan with changes underlined.

- Benefit accruals for service on and after July 1, 2009 are equal to 1% of contributions based on the contribution rate in effect on June 30, 2008.
- Benefit earned between July 1, 2009 and June 30, 2011 are fully actuarially reduced for retirement prior to age 62 regardless of age or service.
- Benefit earned on and after July 1, 2011 are fully actuarially reduced for retirement prior to age 65 regardless of age or service.
- Any 25 and 30 & Out Benefits earned as of July 1, 2009 will be frozen and will not increase due to service earned after July 1, 2009.
- Benefits earned after July 1, 2009 will be paid as a Straight Life Annuity and all other forms of annuity will be the actuarial equivalent value of that benefit.
- For contracts negotiated after the Rehabilitation Plan has been sent to the bargaining parties, Employer contribution rates will increase by 8% for that year and for each subsequent year.
- <u>All Early Retirement subsidies are eliminated for participants who do not retire by July 1, 2014</u>.
- <u>Early retirement prior to age 60 is no longer an option.</u>
- Disability benefits will be eliminated effective July 1, 2011 unless a participant is currently receiving a Disability benefit.

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**
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**SCHEDULE R, SUMMARY OF REHABILITATION PLAN**

**VI. 2014–15 Plan Year -** On September 28, 2014 the Fund's actuary certified that the Fund continued in Critical Status. The 2013-14 Rehabilitation Plan Update made significant changes to the benefit structure and continued 8% contribution increases for the indefinite future with the objective of emerging from Critical Status by June 30, 2036. Based on the most recent 2014-15 forecast analysis, the Trustees concluded that the Plan would not be able to merge from Critical Status until 2038.

**VII. Other Actions Taken by the Board of Trustees**

- On June 30, 2009 the Trustees applied for and received approval to extend existing charge amortization bases by 5 years in accordance with IRC Section 431(d)(1).
- The Fund does not use the shortfall funding method.

**VIII. Schedule of Expected Annual Progress**

The actuary has determined that the Fund is making schedule progress based on forecasting the July 1, 2015 Valuation as follows:

| Prior Rehabilitation Plan Progress | | | Current Rehabilitation Plan Progress | |
|---|---|---|---|---|
| **Credit Balance** | **Funding %** | **Year** | **Credit Balance** | **Funding %** |
| (52,434,267) | 39% | 2015 | (53,353,289) | 39% |
| (63,529,940) | 37% | 2016 | (65,627,885) | 37% |
| (73,344,408) | 35% | 2017 | (76,721,368) | 35% |
| (82,727,023) | 32% | 2018 | (87,498,605) | 32% |
| (90,590,413) | 30% | 2019 | (97,067,247) | 30% |
| (96,795,815) | 28% | 2020 | (105,201,231) | 28% |
| (101,736,208) | 26% | 2021 | (112,312,538) | 26% |
| (105,493,278) | 24% | 2022 | (118,501,036) | 23% |
| (108,385,176) | 23% | 2023 | (124,121,360) | 21% |
| (110,190,478) | 21% | 2024 | (128,979,732) | 19% |
| (108,145,748) | 21% | 2025 | (130,349,330) | 17% |
| (105,320,875) | 21% | 2026 | (131,340,219) | 16% |
| (100,743,183) | 22% | 2027 | (131,028,428) | 14% |
| (93,479,289) | 24% | 2028 | (128,531,505) | 13% |

**PLAN NAME: SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-1046087**
**PLAN NUMBER: 001**
**SCHEDULE R, SUMMARY OF REHABILITATION PLAN**

**VIII. Schedule of Expected Annual Progress (con't.)**

| Prior Rehabilitation Plan Progress | | | Current Rehabilitation Plan Progress | |
|---|---|---|---|---|
| Credit Balance | Funding % | Year | Credit Balance | Funding % |
| (83,491,091) | 28% | 2029 | (123,867,066) | 13% |
| (72,906,391) | 35% | 2030 | (118,397,485) | 14% |
| (59,693,315) | 44% | 2031 | (111,055,309) | 16% |
| (43,781,887) | 56% | 2032 | (101,819,100) | 19% |
| (24,875,407) | 73% | 2033 | (90,478,679) | 25% |
| (2,899,184) | 96% | 2034 | (76,884,313) | 33% |
| 22,490,223 | 125% | 2035 | (60,909,794) | 44% |
| 52,053,538 | 163% | 2036 | (41,907,226) | 60% |
| 86,773,945 | 211% | 2037 | (19,514,778) | 81% |
| 92,812,858 | 226% | 2038 | 7,219,434 | 109% |

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## REHABILITATION PLAN

**Restated and Updated: July 14, 2017**
**Updated: July 12, 2019**

### Introduction

The Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund (the "Pension Fund") was initially certified by its actuary on August 25, 2008 to be in critical status for the plan year beginning July 1, 2008, as determined under and for the purpose of Section 305 of the Employee Retirement Income Security Act ("ERISA") and Section 432 of the Internal Revenue Code ("Code"). Since then, the actuary certified that the Pension Fund continued to be in critical status for each subsequent plan year through and including the plan year beginning July 1, 2015 and certified that the Pension Fund was in critical and declining status for the plan year beginning July 1, 2016.

As required by law, the Board of Trustees adopted a Rehabilitation Plan for the 2008-2009 plan year and since then has annually reviewed the Rehabilitation Plan and adopted periodic updates. The Board of Trustees adopted a restated and updated Rehabilitation Plan on July 14, 2017 to set forth the then current terms of the Rehabilitation Plan in a single document and is further updating the Rehabilitation Plan on July 12, 2019 to revise the contribution provisions of the Default Schedule.

The Rehabilitation Plan:

1. Sets forth its objective and the rehabilitation period;

2. Includes the current Default Schedule and an Historical Appendix of the terms implemented by prior schedules and updates;

3. Describes the implementation and application of Rehabilitation Plan Schedule(s); and

4. Describes the procedures to review and update the Rehabilitation Plan and Schedule(s).

The Board of Trustees has the sole and full power, authority and discretion to amend the Rehabilitation Plan and the included Schedule(s) and to interpret and apply the terms of the Rehabilitation Plan and Schedule(s) as in effect from time to time.

### Objective

The law requires that a rehabilitation plan for a pension plan in critical status consist of:

1. contribution increases and/or benefit reductions expected to enable the pension plan to emerge from critical status by the end of a 10-year rehabilitation period; or

2. if it is determined that the pension plan cannot reasonably be expected to emerge from critical status by the end of a 10-year rehabilitation period, reasonable measures expected to enable the pension plan to emerge from critical status at a later time or to forestall possible insolvency.

As of its July 14, 2017 restatement and update, the objective of the Rehabilitation Plan is to enable the Pension Fund to forestall the possible insolvency of the Pension Fund.

**Reductions in Benefits**

In addition to accrued benefits, the law also requires the Board of Trustees to consider and make reductions in adjustable benefits, as defined in Section 305 (e)(8) of ERISA and Section 432(e)(8) of the Code, and consisting of benefits, rights and features, early retirement benefits and retirement-type subsidies.

As of July 14, 2017, all adjustable benefits (except actuarially equivalent early retirement benefits and forms of payment) and ancillary benefits have been eliminated, and the accrual rate is at the 1% minimum. Prior benefit reductions and contribution increases are set forth in the Historical Appendix.

**Schedules**

The Rehabilitation Plan must include a Default Schedule that provides for the maximum permitted benefit reductions necessary to achieve the objective of the Rehabilitation Plan before any increase in the contribution rates. The Rehabilitation Plan may include one or more Alternative Schedules providing for a combination of contribution rate increases and/or benefit reductions expected to achieve the objective of the Rehabilitation Plan. The Schedule(s) are provided to the bargaining parties and determine the contribution rate increases and/or benefit reductions that will apply to participants covered by the bargaining parties' collective bargaining agreement.

As of July 14, 2017, the Rehabilitation Plan includes a Default Schedule (only), which is attached hereto and forms part of the Rehabilitation Plan. The more specific terms of a Schedule will be controlling in the absence of the same in the plan document for the Pension Fund. The Board of Trustees has the sole and full power, authority and discretion to interpret the Schedule(s), Rehabilitation Plan and the plan document.

**Implementation and Application of Schedules**

The bargaining parties must adopt a Schedule as part of the collective bargaining agreements entered into or renewed on and after the date the parties are provided with the Schedule(s). If the bargaining parties fail to adopt a Schedule with an effective date no later than 180 days after the date of the expiration of the collective bargaining agreement that was in effect on the date the parties are provided with the Schedule(s), then, as required by law, the Default Schedule shall be implemented for the bargaining parties and the participants covered by the collective bargaining agreement. The bargaining parties may adopt a Schedule before the expiration of the collective bargaining agreement in effect on the date the Schedule(s) are provided.

The Board of Trustees has the sole and full power, authority and discretion to determine whether and when the bargaining parties have adopted a Schedule and the particular Schedule adopted by the parties. Generally, the Board of Trustees will consider the bargaining parties to

have adopted a Schedule if the bargaining parties' collective bargaining agreement adopts or incorporates the Schedule for the term of the agreement or the collective bargaining agreement sets forth terms consistent with the employer contribution requirements of a Schedule.

If an employer contributes to the Pension Fund on behalf of employees both covered and not covered by a collective bargaining agreement, the employees not covered by a collective bargaining agreement shall be treated as if they are covered by the first-to-expire collective bargaining agreement that was in effect on the date the Schedule(s) is provided. If an employer contributes to the Pension Fund only on behalf of employees not covered by a collective bargaining agreement, the employer shall be treated as if it is a bargaining party and its participation agreement treated as if it is a collective bargaining agreement with a term ending on the last day of the plan year in which the employer is provided with the Schedule(s).

A Schedule applies to the pensions and benefits of participants in the manner and at the time specified in the Schedule, which may include participants whose covered employment terminated under the Pension Fund before the adoption or implementation of the Schedule.

Once effective, the pension and benefits of a participant are determined by the terms of the Schedule applicable to the covered employment for which employer contributions are due. Subject to the more specific terms of a Schedule, if a participant is in covered employment under different Schedules, the benefit accrued (the accrued benefit) shall be separately determined under the terms of each applicable Schedule, and the benefits shall be determined under the terms of the Schedule applicable to the last covered employment for which employer contributions are due.

If a participant works outside the jurisdiction of the Pension Fund and has elected under a reciprocal agreement to have employer contributions made to another pension plan transferred to the Pension Fund, said employer contributions shall be credited under the terms of the Default Schedule (absent an agreement by the contributing employer adopting a different Schedule for such work or for work within the jurisdiction of the Pension Fund).

**Reviews and Updates**

Each year (and to the extent required by law), the actuary for the Pension Fund will review and certify whether or not the Pension Fund is in critical status, and during the rehabilitation period, whether or not the Pension Fund is making progress in meeting the objective of the Rehabilitation Plan.

The Board of Trustees will review the Rehabilitation Plan, Schedule(s) and actuarial certification annually and make any updates considered necessary to achieve the objective of the Rehabilitation Plan. This could include contribution rate increases and/or benefit reductions. Notwithstanding any changes in subsequent Schedules (and as provided in the law), the contribution rates in a Schedule provided to the bargaining parties and relied upon by the bargaining parties in negotiating a collective bargaining agreement will remain in effect for the duration of the collective bargaining agreement.

**Other Rules**

As a matter of law, the Board of Trustees may not accept any collective bargaining agreement or participation agreement that provides for a reduction in the level of contributions for any participants, a suspension of contributions with respect to any period of service, or any new

(direct or indirect) exclusion of younger or newly hired employees from participation. The Board of Trustees has the authority to interpret and apply this provision, including determining when any action has the effect of reducing or suspending a contribution obligation or excluding employees from participation.

Employer contributions due to the Pension Fund under the Rehabilitation Plan and Schedule(s) are considered to be employer contributions due to the Pension Fund, and an employer's failure to make timely employer contributions to the Pension Fund at the rates required by the Rehabilitation Plan and Schedule(s) (once adopted or implemented) shall result in such amounts being treated as delinquent employer contributions under the Pension Fund.

As required by law, employers are required to pay an automatic surcharge on employer contributions beginning on the date 30 days after the date the employer is notified that the Pension Fund is in critical status and the surcharge is in effect and ending on the effective date of a collective bargaining agreement or participation agreement with terms consistent with a Schedule. The surcharge is due and payable on the same schedule and under the same terms as the employer contributions on which the surcharge is based, and a failure to pay the surcharge shall be treated as a delinquent employer contribution under the Pension Fund.

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## DEFAULT SCHEDULE FOR THE 2017 REHABILITATION PLAN

**Updated: July 12, 2019**

### Introduction

The Board of Trustees restated and updated the Rehabilitation Plan ("Rehabilitation Plan") for the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund (the "Pension Fund") on July 14, 2017. This is the Default Schedule under the Rehabilitation Plan. The Default Schedule reflects the terms of the Rehabilitation Plan as in effect immediately prior to its July 14, 2017 restatement and makes no additional changes except for the July 12, 2019 update to the required contribution rate increases. The Default Schedule is part of the Rehabilitation Plan, and it shall remain in effect until amended, replaced or terminated by the Board of Trustees.

### Application and Effective Date

The Default Schedule applies to the bargaining parties who adopt the Schedule or for whom the Schedule is implemented (as described in the Rehabilitation Plan and required by law).

The benefit and contribution provisions of the Default Schedule shall be effective:

1. on the (prospective) effective date specified in the agreement of the bargaining parties adopting the Schedule; or

2. if earlier, 180 days after the date of the expiration of the collective bargaining agreement that was in effect on the date the Schedule is provided to the bargaining parties if the bargaining parties fail to adopt a Schedule with an effective date no later than said 180th day.

The benefit provisions of the Default Schedule shall apply to active and terminated participants from and after the effective date in the manner specified by the Default Schedule and the terms of the Pension Fund. Participants include for this purpose spouses, beneficiaries and alternate payees of participants. The benefit provisions in the Default Schedule reflect reductions and adjustments made to pensions and benefits under prior schedules, including to adjustable benefits. Those reductions and adjustments continue to apply, and pensions and benefits under the Pension Fund are subject to further reduction and adjustment by Board of Trustee action or as a matter of law.

## Benefits

The Default Schedule requires an accrual of benefits from and after the effective date in accordance with the following:

1. A benefit accrual rate of 1.0% based on the contribution rate in effect on June 30, 2008 shall be used to determine benefit accruals.

2. The normal form of accrued benefit shall be a single life annuity.

3. The normal retirement age (subject to the 5 year requirements) shall be age 65 for benefit accruals from and after July 1, 2011, age 62 for benefit accruals from and after July 1, 2009 and before July 1, 2011, and age 60 for benefit accruals before July 1, 2009.

4. Early retirement shall be available at age 60 and 5 years of service. The early retirement benefit shall be reduced to the actuarial equivalent of the early retirement benefit payable at the normal retirement date if payment begins before the normal retirement date. The same provisions apply to payment of a vested retirement benefit.

5. The forms of payment for a participant without a spouse shall be a single life annuity and an actuarial equivalent 5 year or 10 year certain and life annuity.

6. The forms of payment for a participant with a spouse shall be a single life annuity, an actuarial equivalent 5 year or 10 year certain and life annuity, and an actuarial equivalent 50% or 100% joint and survivor annuity.

7. No disability benefit shall be payable.

8. No death benefit shall be payable other than the qualified preretirement survivor annuity for a participant with a spouse.

## Contribution Rate Increases

The Default Schedule requires a contribution rate increase of 8% (compounded annually) beginning with the first contribution period coinciding with or next following the effective date of the Schedule and as of each (annual) anniversary of that contribution period; provided, however, if an employer is already subject to contribution rate increases of 8% under a prior schedule, the timing of the 8% increases under the Default Schedule shall be consistent with the prior schedule. The contribution rate increase shall be based on the employer contribution rate under the collective bargaining agreement in effect on the day before the effective date of the Schedule. Once effective, said increases shall continue indefinitely (unless otherwise modified in accordance with the Rehabilitation Plan and applicable law).

Notwithstanding the foregoing, beginning with the contribution period that an employer's contribution rate matches the maximum UPS contribution rate under the Western Pennsylvania Teamsters and Employers Pension Plan, the employer's contribution rate shall be limited to said UPS contribution rate and the subsequent contribution rate increases shall be equal to 6%.

Notwithstanding the foregoing, the contribution rate increase shall be 6% (compounded annually) for collective bargaining agreements entered into on or after August 1, 2019.

All employer contribution increases required by the Default Schedule are non-benefit responsive (i.e., shall not be used to calculate or determine the amount of pensions and benefits payable under the Pension Fund).

# SOUTHWESTERN PENNSYLVANIA AND WESTERN MARYLAND AREA TEAMSTERS AND EMPLOYERS PENSION FUND

## HISTORICAL APPENDIX FOR THE 2017 REHABILITATION PLAN

**Updated July 12, 2019**

### Introduction

The Board of Trustees restated and updated the Rehabilitation Plan ("Rehabilitation Plan") for the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund (the "Pension Fund") on July 14, 2017. The Rehabilitation Plan was initially adopted for the 2008-2009 Plan Year, and this is an Historical Appendix that documents benefit reductions and contribution increases implemented since then, including the July 12, 2019 update. The Historical Appendix is included for ease of reference only and shall not modify the terms of any prior schedule.

### 2008-2009 Rehabilitation Plan

The following benefit reductions were implemented effective July 1, 2009.

1. A benefit accrual rate of 1% based on the contribution rate in effect on June 30, 2008 is used to determine benefit accruals from and after July 1, 2009.

2. The normal form of accrued benefit for benefit accruals from and after July 1, 2009 is a single life annuity.

3. An age 62 normal retirement age applies to benefit accruals from and after July 1, 2009.

4. The Special Benefits (of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, a 30-And-Out Monthly Benefit of $3,500, and Partial Pensions) are frozen at the July 1, 2009 benefit accrual levels. All benefit accruals after July 1, 2009 are actuarially reduced for payment before age 62 (regardless of service and age).

5. The amount of the early retirement benefit (age 55 and 15 years) based on benefit accruals from and after July 1, 2009 is reduced to its actuarial equivalent for payment before the normal retirement age. By plan terms, such reduction applies to payment of a vested retirement benefit.

6. The benefit payable under an optional form of payment based on benefit accruals from and after July 1, 2009 is actuarially equivalent to a single life annuity benefit.

The required increase in the employer contribution rate is 8% compounded annually beginning with the first year of the contract negotiated by the bargaining parties after their receipt of the Rehabilitation Plan Schedule and continuing for each year thereafter.

**2010-2011 Updated Rehabilitation Plan**

The following benefit reductions were implemented effective July 1, 2011.

1. The normal form of accrued benefit (for the entire accrued benefit) is a single life annuity for a participant not eligible to retire on or before July 1, 2011 (with eligibility for immediate payment of a retirement benefit).

2. An age 65 normal retirement age applies to benefit accruals from and after July 1, 2011.

3. A Participant shall be eligible for a Special Benefit of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, and a 30-And-Out Monthly Benefit of $3,500 only if the participant was eligible to retire on the respective Special Benefit on or before July 1, 2011.

4. All Special Benefits (of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, a 30-And-Out Monthly Benefit of $3,500, and Partial Pensions) based on benefit accruals after July 1, 2011 are actuarially reduced for payment before age 65 (regardless of service and age).

5. If credited with less than 15 years of service as of June 30, 2011, the early retirement benefit (age 55 and 15 years) is reduced to its actuarial equivalent for payment before the age 65 normal retirement age. By plan terms, such reduction applies to payment of a vested retirement benefit.

6. If credited with 15 or more years of service as of June 30, 2011, the amount of the early retirement benefit (age 55 and 15 years) based on benefit accruals from and after July 1, 2011 is reduced to its actuarial equivalent for payment before the age 65 normal retirement age. By plan terms, such reduction applies to payment of a vested retirement benefit.

7. The benefit payable under an optional form of payment (for the entire accrued benefit) is actuarially equivalent to a single life annuity benefit for a participant not eligible to retire on or before July 1, 2011 (with eligibility for immediate payment of a retirement benefit).

8. Eligibility for the disability benefit is eliminated (unless in receipt of the disability benefit as of June 30, 2011 or unless an application for the disability benefit is in process on or before that date).

The required 8% contribution increase is deemed satisfied by the UPS contribution rates set forth in the collective bargaining agreement as of February 11, 2011.

**2014 Rehabilitation Plan Update**

The following benefit reductions were implemented effective July 1, 2014.

1. The normal form of accrued benefit (for the entire accrued benefit) is a single life annuity for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date.

2. Eligibility for a Special Benefit of a 25-And-Out Normal Benefit, 25-And-Out Monthly Benefit of $2,000, 30-And-Out Monthly Benefit of $3,000, and a 30-And-Out Monthly Benefit of $3,500 is eliminated as of July 1, 2014.

3. Eligibility for an age 55 early retirement (with 15 years) is eliminated for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date, and replaced with eligibility for early retirement at age 60 with 5 years of service. The early retirement benefit is reduced to its actuarial equivalent for payment before the normal retirement age (age 60 for benefit accruals before July 1, 2009, age 62 for benefit accruals from and after July 1, 2009 and before July 1, 2011, and age 65 for benefit accruals from and after July 1, 2011).

4. Eligibility for an age 55 payment of the vested retirement benefit for a participant with 15 years of service is eliminated for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date, and replaced with eligibility for payment at age 60 with 5 years of service. The vested retirement benefit is reduced to its actuarial equivalent for payment before the normal retirement age (age 60 for benefit accruals before July 1, 2009, age 62 for benefit accruals from and after July 1, 2009 and before July 1, 2011, and age 65 for benefit accruals from and after July 1, 2011).

5. The benefit payable under an optional form of payment (for the entire accrued benefit) is actuarially equivalent to a single life annuity benefit for all participants not in pay status as of July 1, 2014, including participants whose employment terminated prior to such date.

The contribution provisions are revised as of July 10, 2014 to limit an employer's contribution rate to the UPS maximum contribution rate under the Western Pennsylvania Teamsters and Employers Pension Fund ($447 per week as of July 14, 2014 or its equivalent) and to provide for contribution rate increases of 6% compounded annually once an employer's contribution rate matches said UPS maximum contribution rate.

**2017 Benefit Reductions**

The following benefit reductions were implemented effective July 1, 2017.

1. The pop-up feature under the 50% and 100% joint and survivor annuity is eliminated for any retirement benefit with an effective date of payment on or after July 1, 2017.

2. The Preretirement 10-Year Certain Death Benefit is eliminated for deaths occurring on or after July 1, 2017.

**2019 Rehabilitation Plan Update**

The contribution provisions are revised as of July 12, 2019 to provide for contribution rate increases of 6% compounded annually for collective bargaining agreements entered into on or after August 1, 2019.

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Board of Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN: 25-1046087**
**Plan Number: 001**
**Schedule R, line 13d – Collective Bargaining Agreement Expiration Date**

| Employer Location | Expiration Date of Collective Bargaining Agreement |
|---|---|
| **Stroehman Bakeries (Bimbo) – Cumberland** | **6/30/2025** |
| **Stroehman Bakeries (Bimbo) – Winchester** | **6/30/2025** |
| **Bimbo Baking USA, Inc.** | **6/30/2023** |

**Plan Name:** Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**Plan Sponsor:** Board of Trustees of the Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
**EIN: 25-1046087**
**Plan Number: 001**
**Schedule R, line 13e – Information on Contribution Rates and Base Units**

| Employer Location | Contribution Rate | Base Unit Measure |
|---|---|---|
| Stroehman Bakeries (Bimbo) – Cumberland | $1,166.31 | Monthly |
| Stroehman Bakeries (Bimbo) – Winchester | 1,166.31 | Monthly |
| Stroehman Bakeries (Bimbo) | 1,166.31 | Monthly |
| Bimbo Baking USA, Inc. | 292.39 | Weekly |
| United Parcel Service | 672.61 | Weekly |
| United Parcel Service | 2,915.31 | Monthly |

Name of the Plan: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pensi
Plan Sponsor's EIN: 25-1046087
Plan Number: 001
Schedule MB, lines 9c and 9h - Schedule of Funding Standard Account Bases

| Date Estab. | Source | Original Amount | Unamort. 7/1/2021 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 7/1/1994 | Assumpt. | $1,248,331 | $558,245 | 8 | $88,659 |
| 7/1/1996 | Amend. | 760,219 | 406,165 | 10 | 55,045 |
| 7/1/1997 | Amend. | 2,171,813 | 1,246,410 | 11 | 158,494 |
| 7/1/1998 | Amend. | 7,460,168 | 4,558,492 | 12 | 548,197 |
| 7/1/1998 | Assumpt. | 6,376,259 | 3,896,173 | 12 | 468,548 |
| 7/1/2000 | Amend. | 2,587,036 | 1,754,830 | 14 | 192,292 |
| 7/1/2001 | Amend. | 1,847,883 | 1,309,552 | 15 | 138,005 |
| 7/1/2002 | Act. Loss | 5,393,899 | 437,463 | 1 | 437,463 |
| 7/1/2003 | Act. Loss | 14,165,461 | 2,289,824 | 2 | 1,186,295 |
| 7/1/2004 | Act. Loss | 13,852,080 | 3,330,193 | 3 | 1,191,243 |
| 7/1/2005 | Act. Loss | 8,940,030 | 2,830,347 | 4 | 786,094 |
| 7/1/2006 | Act. Loss | 6,941,069 | 2,704,864 | 5 | 621,904 |
| 7/1/2007 | Act. Loss | 2,822,798 | 1,296,799 | 6 | 257,002 |
| 7/1/2007 | Assumpt. | 6,098,359 | 5,197,040 | 21 | 464,250 |
| 7/1/2008 | Act. Loss | 3,609,069 | 1,896,845 | 7 | 333,139 |
| 7/1/2009 | Act. Loss | 24,996,946 | 7,451,045 | 3 | 2,665,308 |
| 7/1/2011 | Act. Loss | 8,057,869 | 3,723,332 | 5 | 856,071 |
| 7/1/2012 | Act. Loss | 7,929,603 | 4,243,542 | 6 | 840,991 |
| 7/1/2015 | Act. Loss | 836,220 | 605,208 | 9 | 88,257 |
| 7/1/2016 | Act. Loss | 1,055,030 | 820,403 | 10 | 111,183 |
| 7/1/2016 | Assumpt. | 21,020,333 | 16,345,678 | 10 | 2,215,196 |
| 7/1/2017 | Act. Loss | 23,355 | 19,356 | 11 | 2,461 |
| 7/1/2017 | Assumpt. | 1,368,056 | 1,133,770 | 11 | 144,170 |
| 7/1/2018 | Act. Loss | 1,582,744 | 1,386,971 | 12 | 166,795 |
| 7/1/2019 | Act. Loss | 202,487 | 186,400 | 13 | 21,339 |
| 7/1/2020 | Act. Loss | 1,619,594 | 1,557,585 | 14 | 170,678 |
| 7/1/2021 | Act. Loss | 282,255 | 282,255 | 15 | 29,745 |
| | Sub-Total | | $71,468,787 | | $14,238,824 |
| Credits: | | | | | |
| 7/1/2010 | Act. Gain | 3,572,716 | 1,369,075 | 4 | 380,244 |
| 7/1/2011 | Amend. | 5,115,103 | 2,363,558 | 5 | 543,430 |
| 7/1/2013 | Act. Gain | 3,231,457 | 1,948,127 | 7 | 342,147 |
| 7/1/2014 | Act. Gain | 5,136,221 | 3,418,699 | 8 | 542,943 |
| 7/1/2014 | Amend. | 1,339,293 | 891,439 | 8 | 141,575 |
| 7/1/2018 | Assumpt. | 3,594,532 | 3,149,920 | 12 | 378,804 |
| 7/1/2019 | Assumpt. | 556,196 | 512,009 | 13 | 58,614 |
| 7/1/2020 | Assumpt. | 645,198 | 620,495 | 14 | 67,993 |
| 7/1/2021 | Assumpt. | 830,757 | 830,757 | 15 | 87,548 |
| | Sub-Total | | $15,104,079 | | $2,543,298 |
| Net Charges: | | | $56,364,708 | | $11,695,526 |

Plan Name: Southwestern Pennsylvania and Western Maryland Area Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-1046087
Plan Number: 001
Schedule MB, Line 11 – Justification for Change in Actuarial Assumptions

The July 1, 2021 Actuarial Valuation Report used as a basis for this certification is based on changes to the Mortality Table for Funding and Disclosure. Please see below for details of the changes. These changes have been made so that each assumption used is reasonably related to the experience of the plan and to reasonable expectations of anticipated experience.

We have made the following changes in assumptions in the July 1, 2021 Valuation Report:

**Mortality Tables:**

Healthy Lives – From the SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2019 to the SOA RP-2014 Blue Collar Mortality adjusted to 2006 and projected generationally with Scale MP-2020.

Disabled Lives – From the SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2019 to the SOA RP-2014 Disabled Retiree Mortality adjusted to 2006 and projected generationally with Scale MP-2020.

# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▸ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2021**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2021 or fiscal plan year beginning 07/01/2021 and ending 06/30/2022

**A** This return/report is for:
- [X] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [ ] a single-employer plan
- [ ] a DFE (specify) ___

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▸ [X]

**D** Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

**E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▸ [ ]

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
SOUTHWESTERN PENNSYLVANIA & WESTERN MARYLAND AREA TEAMSTERS & EMPLOYERS PENSION FUND

**1b** Three-digit plan number (PN) ▸ 001

**1c** Effective date of plan 07/01/1956

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)

BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

112 MORGANTOWN ST

UNIONTOWN PA 15401-4214

**2b** Employer Identification Number (EIN) 25-1046087

**2c** Plan Sponsor's telephone number 724-438-0512

**2d** Business code (see instructions) 484110

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| SIGN HERE | Signature of plan administrator | 1/20/2023 Date | UNION TRUSTEE VITO DRAGONE, SR. Enter name of individual signing as plan administrator |
| SIGN HERE | Signature of employer/plan sponsor | 1/20/2023 Date | EMPLOYER TRUSTEE LARRY MAYROS Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | Signature of DFE | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address ☐ Same as Plan Sponsor

BD OF TRUST SW. PA & W. MD. AREA TEAMSTERS & EMPLOYERS PENSION FUND

112 MORGANTOWN ST

UNIONTOWN PA 15401-4214

**3b** Administrator's EIN: 25-1046087

**3c** Administrator's telephone number: 724-438-0512

**4** If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:

**a** Sponsor's name

**c** Plan Name

**4b** EIN

**4d** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 2,769 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 435 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 456 |
| **b** | Retired or separated participants receiving benefits | **6b** | 1,185 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 693 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 2,334 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 425 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 2,759 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | |
| **h** | Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 21 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | 28 |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1B

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

**9b** Plan benefit arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☒ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ ___ **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

## Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

PBI RESEARCH SERVICES

# SW PA & W MD PENSION FUND

**Account:** [redacted]

**Report Date:** 01/01/2022-12/31/2022
**Download Date:** 02/01/2023
**Download User:** fgeorge@teamsters491.com

## PBI Category Codes

| Code | Name | Description | Suggested Action |
|---|---|---|---|
| 0 | Validated Obituary | An obituary match that has been validated via User that confirms the obituary information is a match to the participant | This obituary match has been validated. You may want to obtain a death certificate or locate a beneficiary. |
| 1 | SoftSearch Match | A death record match by Name and Date of Birth. Notice the different SSNs. | Carefully investigate each name and correct your records when necessary. In rare cases, twins may be identified here. Last name & DOB match and name is very close (Harry & Larry). |
| 2 | Correct Match | A death record match by SSN and Name. The probability of a correct match is extremely high. | Verify the death information. You may want to obtain a death certificate or locate a beneficiary. |
| 3 | Last Name Match | A death record match by SSN and Last Name. | Review your records. Confirm if your record has the correct SSN or if it is a spouse's SSN. In some cases, the death record is listed under a wrong SSN. |
| 4 | First Name Match | A death record match on SSN and First Name. | Review your records to ensure the death record applies to your participant. You may want to obtain a death certificate or locate a beneficiary. |
| 5 | Incorrect SSN | Your record may contain an incorrect SSN based on the Death record match. Do not assume your participant is deceased without further investigation. | Review your records for data entry errors or confirm the SSN with your participant (Correct your record if necessary). PBI's SSN retrieval service can find correct or missing SSNs. |
| 6 | Insufficient Client Record | A death record match by SSN only. Your record has insufficient or missing data or is not in a compatible format to verify the accuracy of the match. | Additional data is needed to determine the death record pertains to your participant. |
| 7 | Invalid SSN | Your record may contain a SSN that is invalid, has not yet been issued by the SSA or was issued after 6/25/2011. | Review your records for data entry errors or confirm the SSN with your participant (Correct your record if necessary). |
| 9 | Unvalidated Obituary | Your record matches one or more obituaries by a combination of First Name/Nickname, Last Name, DOB, Age at Death, City and/or State at death. | Use internal data or PBI's Research Center tool to determine if the obituary is for your participant. If the obituary is for your participant, mark the Death Audit Result as "Valid" (this will move the match to a category 0). |

PBI
RESEARCH SERVICES

# SW PA & W MD PENSION FUND

**Account:** [redacted]

**Report Date:** 01/01/2022-12/31/2022
**Download Date:** 02/01/2023
**Download User:** fgeorge@teamsters491.com

## Report Record Count: 191

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2 | [redacted] | [redacted] | | | OAKLAND | MD | | | [redacted] | [redacted] | | | | | | SSA |
| 2 | [redacted] | | | | ROCKWOOD | PA | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | | | | LEMONT FURNACE | PA | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | [redacted] | | | ADAH | PA | | | [redacted] | [redacted] | | | | | | SSA |
| 2 | [redacted] | | | | UNIONTOWN | PA | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | | | | FAIRCHANCE | PA | | | [redacted] | | | | | HOMESTEAD | FL | STA |
| 2 | [redacted] | | | | CUMBERLAND | MD | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | | | | WASHINGTON | PA | | | [redacted] | | | | | BEALLSVILLE | PA | STA |
| 2 | [redacted] | [redacted] | | | CUMBERLAND | MD | | | [redacted] | [redacted] | | | | | | SSA |
| 2 | [redacted] | | | | THE VILLAGES | FL | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | | | | BEDFORD | PA | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | | | | SMITHFIELD | PA | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | | | | RIDGELEY | WV | | | [redacted] | | | | | | | SSA |
| 2 | [redacted] | [redacted] | | | CONNELLSVILLE | PA | | | [redacted] | [redacted] | | | | | | SSA |
| 9 | [redacted] | [redacted] | | | UNIONTOWN | PA | | | | [redacted] | | | | | | OBT |
| 9 | [redacted] | | | | NEW BALTIMORE | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MEYERSDALE | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | SMITHTON | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MURPHY | NC | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MOUNT PLEASANT | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | BEDFORD | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | HOPWOOD | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | SOMERSET | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MC CLELLANDTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | SALISBURY | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | CUMBERLAND | MD | | | | | | | | | | OBT |
| 9 | [redacted] | | | | GIBBON GLADE | PA | | | | | | | | | | OBT |

PBI RESEARCH SERVICES

# SW PA & W MD PENSION FUND

**Account:** [redacted]

**Report Date:** 01/01/2022-12/31/2022
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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BEDFORD | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | SMITHFIELD | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | EIGHTY FOUR | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | FRIEDENS | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | ELLERSLIE | MD | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | MARKLEYSBURG | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | WASHINGTON | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | GRANTSVILLE | MD | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | HOLLIDAYSBURG | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | SOMERSET | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BREEZEWOOD | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BELLE VERNON | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | | | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | SCENERY HILL | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | MECHANICSBURG | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | MERCER | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BEDFORD | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | UNIONTOWN | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | MOUNT PLEASANT | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BEDFORD | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | CUMBERLAND | MD | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | CONNELLSVILLE | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BADEN | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | SCHELLSBURG | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BELLE VERNON | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | HERMITAGE | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | OLDTOWN | MD | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | SOMERSET | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | FAIRCHANCE | PA | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | CUMBERLAND | MD | | | | [redacted] | [redacted] | | [redacted] | [redacted] | | OBT |

PBI RESEARCH SERVICES

# SW PA & W MD PENSION FUND

**Account:** [redacted]

**Report Date:** 01/01/2022-12/31/2022
**Download Date:** 02/01/2023
**Download User:** fgeorge@teamsters491.com

**Report Record Count: 191**

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | [redacted] | [redacted] | | | JOHNSTOWN | PA | | | | [redacted] | | | | | | OBT |
| 9 | [redacted] | | | | HEATH | OH | | | | | | | | | | OBT |
| 9 | [redacted] | | | | SOMERSET | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | EVERETT | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | JOHNSTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | FAYETTE CITY | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MASONTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | KING GEORGE | VA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | HYNDMAN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | BOSWELL | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | HEREFORD | AZ | | | | | | | | | | OBT |
| 9 | [redacted] | | | | BELLE VERNON | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | SMOCK | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | STOYSTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | SOMERSET | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | NEW PARIS | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MASONTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | OSTERBURG | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | CUMBERLAND | MD | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MEYERSDALE | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | RIDGELEY | WV | | | | | | | | | | OBT |
| 9 | [redacted] | | | | BERLIN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | WEST LEISENRING | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | MEYERSDALE | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | JOHNSTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | DUNBAR | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | FAIRCHANCE | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | [redacted] | | | | SMITHFIELD | PA | | | | | | | | | | OBT |

PBI
RESEARCH SERVICES

# SW PA & W MD PENSION FUND

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | HYNDMAN | PA | | | | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | OBT |
| 9 | | | | | BELLE VERNON | PA | | | | | | | | | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BROKEN ARROW | OK | | | | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | OBT |
| 9 | | | | | ELIZABETH | PA | | | | | | | | | | OBT |
| 9 | | | | | COAL CENTER | PA | | | | | | | | | | OBT |
| 9 | | | | | OLD FIELDS | WV | | | | | | | | | | OBT |
| 9 | | | | | CUMBERLAND | MD | | | | | | | | | | OBT |
| 9 | | | | | CUMBERLAND | MD | | | | | | | | | | OBT |
| 9 | | | | | MOUNT PLEASANT | PA | | | | | | | | | | OBT |
| 9 | | | | | PERRYOPOLIS | PA | | | | | | | | | | OBT |
| 9 | | | | | MARTINSBURG | WV | | | | | | | | | | OBT |
| 9 | | | | | VANDERBILT | PA | | | | | | | | | | OBT |
| 9 | | | | | CUMBERLAND | MD | | | | | | | | | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | BEDFORD | PA | | | | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | OBT |
| 9 | | | | | CONFLUENCE | PA | | | | | | | | | | OBT |
| 9 | | | | | PRESTO | PA | | | | | | | | | | OBT |
| 9 | | | | | SOMERSET | PA | | | | | | | | | | OBT |
| 9 | | | | | SANDUSKY | OH | | | | | | | | | | OBT |
| 9 | | | | | NEW MARKET | VA | | | | | | | | | | OBT |
| 9 | | | | | MORGANTOWN | WV | | | | | | | | | | OBT |
| 9 | | | | | WINCHESTER | VA | | | | | | | | | | OBT |
| 9 | | | | | GRINDSTONE | PA | | | | | | | | | | OBT |
| 9 | | | | | HARDEEVILLE | SC | | | | | | | [redacted] | | | OBT |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | UNIONTOWN | PA | | | | [redacted] | | | | | | OBT |

PBI RESEARCH SERVICES

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | UNIONTOWN | PA | | | | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | OBT |
| 9 | | | | | MILL RUN | PA | | | | | | | | | | OBT |
| 9 | | | | | BELLE VERNON | PA | | | | | | | | | | OBT |
| 9 | | | | | FREDERICKTOWI | PA | | | | | | | | | | OBT |
| 9 | | | | | WINCHESTER | VA | | | | | | | | | | OBT |
| 9 | | | | | CUMBERLAND | MD | | | | | | | | | | OBT |
| 9 | | | | | BROWNSVILLE | PA | | | | | | | | | | OBT |
| 9 | | | | | CLARKSVILLE | PA | | | | | | | | | | OBT |
| 9 | | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | | | | | FAIRBANK | PA | | | | | | | | | | OBT |
| 9 | | | | | | | | | | | | | | | | |
| 9 | | | | | MANNS CHOICE | PA | | | | | | | | | | OBT |
| 9 | | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | | | | | FREDERICKTOWI | PA | | | | | | | | | | OBT |
| 9 | | | | | BEDFORD | PA | | | | | | | | | | OBT |
| 9 | | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | | | | | OLDTOWN | MD | | | | | | | | | | OBT |
| 9 | | | | | PULASKI | PA | | | | | | | | | | OBT |
| 9 | | | | | SMOCK | PA | | | | | | | | | | OBT |
| 9 | | | | | DAWSON | PA | | | | | | | | | | OBT |
| 9 | | | | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | | |
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | | | | | | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | OBT |
| 9 | | | | | BADEN | PA | | | | | | | | | | OBT |
| 9 | | | | | MARIANNA | PA | | | | | | | | | | OBT |
| 9 | | | | | HOPWOOD | PA | | | | | | | | | | OBT |
| 9 | | | | | | | | | | | | | | | | |
| 9 | | | | | WILEY FORD | WV | | | | | | | | | | OBT |
| 9 | | | | | | | | | | | | | | | | OBT |
| 9 | | | | | SMITHFIELD | PA | | | | | | | | | | OBT |
| 9 | | | | | | | | | | | | | | | | |
| 9 | | | | | CUMBERLAND | MD | | | | | | | | | | OBT |
| 9 | | | | | MEYERSDALE | PA | | | | | | | | | | OBT |
| 9 | | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| 9 | | | | | BELLE VERNON | PA | | | | | | | | | | OBT |
| 9 | | | | | BELLE VERNON | PA | | | | | | | | | | OBT |
| 9 | | | | | DILLSBURG | PA | | | | | | | | | | OBT |

PBI RESEARCH SERVICES

# SW PA & W MD PENSION FUND

**Account:** [redacted]

**Report Date:** 01/01/2022-12/31/2022
**Download Date:** 02/01/2023
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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | [redacted] | [redacted] | [redacted] | [redacted] | CUMBERLAND | MD | | | | [redacted] | [redacted] | | | | | OBT |
| 9 | | | | | WAYNESBURG | PA | | | | | | | | | | OBT |
| 9 | | | | | WAYNESBURG | PA | | | | | | | | | | OBT |
| 9 | | | | | UNIONTOWN | PA | | | | | | | | | | OBT |
| | | | | | | PA | | | | | | | | | | |
| 9 | | | | | MOUNT SAVAGE | MD | | | | | | | | | | OBT |
| 9 | | | | | WINCHESTER | VA | | | | | | | | | | OBT |
| 9 | | | | | PORT ORANGE | FL | | | | | | | | | | OBT |
| 9 | | | | | CARMICHAELS | PA | | | | | | | | | | OBT |

PNC
INSTITUTIONAL
ASSET MANAGEMENT

February 23, 2023

**RE: Wire/ACH into Southwestern PA/Western MD Teamsters & Employers Pension fund**

Dear Sirs,

The below instructions may be used for either ACH or Fed Wire Transfer:

Bank Name: PNC Bank, N.A.
Bank ABA: 043000096
Credit account: [redacted]
Credit account name: Trust Uninvested Cash
Further Credit account: [redacted]
Further Credit account name: SWP TEAMSTERS PENSION SFA

I will be your banking contact:
Chris Queen
Email: christina.queen@pnc.com
Phone: 412-762-9967

If you have any questions or require additional information, please contact me

Yours Sincerely,

Signed:

Full Name: Chris Queen

Title: Vice President

Commonwealth of Pennsylvania - Notary Seal
Stacey J. Swentkowsky, Notary Public
Allegheny County
My commission expires October 20, 2025
Commission number 1322276
Member, Pennsylvania Association of Notaries


Member of The PNC Financial Services Group
116 Allegheny Center Mall Pittsburgh Pennsylvania 15212

# ACH VENDOR/MISCELLANEOUS PAYMENT ENROLLMENT FORM

OMB No. 1530-0069

This form is used for Automated Clearing House (ACH) payments with an addendum record that contains payment-related information processed through the Vendor Express Program. Recipients of these payments should bring this information to the attention of their financial institution when presenting this form for completion. See reverse for additional instructions.

## PRIVACY ACT STATEMENT

The following information is provided to comply with the Privacy Act of 1974 (P.L. 93-579). All information collected on this form is required under the provisions of 31 U.S.C. 3322 and 31 CFR 210. This information will be used by the Treasury Department to transmit payment data, by electronic means to vendor's financial institution. Failure to provide the requested information may delay or prevent the receipt of payments through the Automated Clearing House Payment System.

## AGENCY INFORMATION

| | | |
|---|---|---|
| FEDERAL PROGRAM AGENCY | | |
| AGENCY IDENTIFIER: | AGENCY LOCATION CODE (ALC): | ACH FORMAT: ☐ CCD+ ☐ CTX |
| ADDRESS: | | |
| | | |
| CONTACT PERSON NAME: | | TELEPHONE NUMBER: ( ) |
| ADDITIONAL INFORMATION: | | |

## PAYEE/COMPANY INFORMATION

| | |
|---|---|
| NAME: Southwestern Pennsylvania & Western Maryland Area Teamsters & Employers Pension Fund | SSN NO. OR TAXPAYER ID NO.: 25-1046087 |
| ADDRESS: 112 Morgantown Street | |
| Uniontown, PA 15401-4214 | |
| CONTACT PERSON NAME: Vito Dragone | TELEPHONE NUMBER: ( 724 ) 438-0512 |

## FINANCIAL INSTITUTION INFORMATION

| | |
|---|---|
| NAME: PNC Bank, N.A. | |
| ADDRESS: 116 Allegheny Center Mall | |
| Pittsburgh, PA 15212 | |
| ACH COORDINATOR NAME: Chris Queen | TELEPHONE NUMBER: ( 412 ) 762-9967 |
| NINE-DIGIT ROUTING TRANSIT NUMBER: 0 4 3 0 0 0 0 9 6 | |
| DEPOSITOR ACCOUNT TITLE: Trust uninvested cash | |
| DEPOSITOR ACCOUNT NUMBER: [redacted] | LOCKBOX NUMBER: |
| TYPE OF ACCOUNT: ☒ CHECKING ☐ SAVINGS ☐ LOCKBOX | |
| SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL: (Could be the same as ACH Coordinator) Vice President | TELEPHONE NUMBER: ( 412 ) 762-9967 |

AUTHORIZED FOR LOCAL REPRODUCTION

SF 3881 (Rev. 2/2003)
Prescribed by Department of Treasury
31 U S C 3322; 31 CFR 210

## Instructions for Completing SF 3881 Form

Make three copies of form after completing. Copy 1 is the Agency Copy; copy 2 is the Payee/Company Copy; and copy 3 is the Financial Institution Copy.

1. Agency Information Section - Federal agency prints or types the name and address of the Federal program agency originating the vendor/miscellaneous payment, agency identifier, agency location code, contact person name and telephone number of the agency. Also, the appropriate box for ACH format is checked.

2. Payee/Company Information Section - Payee prints or types the name of the payee/company and address that will receive ACH vendor/miscellaneous payments, social security or taxpayer ID number, and contact person name and telephone number of the payee/company. Payee also verifies depositor account number, account title, and type of account entered by your financial institution in the Financial Institution Information Section.

3. Financial Institution Information Section - Financial institution prints or types the name and address of the payee/company's financial institution who will receive the ACH payment, ACH coordinator name and telephone number, nine-digit routing transit number, depositor (payee/company) account title and account number. Also, the box for type of account is checked, and the signature, title, and telephone number of the appropriate financial institution official are included.

## Burden Estimate Statement

The estimated average burden associated with this collection of information is 15 minutes per respondent or recordkeeper, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Bureau of the Fiscal Service, Forms Management Officer, Parkersburg, WV 26106-1328. THIS ADDRESS SHOULD ONLY BE USED FOR COMMENTS AND/OR SUGGESTIONS CONCERNING THE AMOUNT OF TIME SPENT COLLECTING THE DATA. DO NOT SEND THE COMPLETED PAPERWORK TO THE ADDRESS ABOVE FOR PROCESSING.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 06 2015

BD OF TRUST SW PA & W MD AREA
TEAMSTERS & EMPLOYERS PENSION FUND
C/O MEYER UNKOVIC & SCOTT LLP
RICHARD T KENNEDY
535 SMITHFIELD ST STE 1300
PITTSBURGH, PA 15222

Employer Identification Number:
25-1046087
DLN:
17007041130025
Person to Contact:
DANIEL ARREDONDO ID# [redacted]
Contact Telephone Number:
(626) 927-1426
Plan Name:
SW PA AND W MD AREA TEAMSTERS AND
EMPLOYERS PENSION FUND
Plan Number: 001

Dear Applicant:

Based on the information you provided, we are issuing this favorable determination letter for your plan listed above. However, our favorable determination only applies to the status of your plan under the Internal Revenue Code and is not a determination on the effect of other federal or local statutes. To use this letter as proof of the plan's status, you must keep this letter, the application forms, and all correspondence with us about your application.

Your determination letter does not apply to any qualification changes that become effective, any guidance issued, or any statutes enacted after the dates specified in the Cumulative List of Changes in Plan Requirements (the Cumulative List) for the cycle you submitted your application under, unless the new item was identified in the Cumulative List.

Your plan's continued qualification in its present form will depend on its effect in operation (Section 1.401-1(b)(3) of the Income Tax Regulations). We may review the status of the plan in operation periodically.

You can find more information on favorable determination letters in Publication 794, Favorable Determination Letter, including:

The significance and scope of reliance on this letter,
The effect of any elective determination request in your application materials,
The reporting requirements for qualified plans, and
Examples of the effect of a plan's operation on its qualified status.

You can get a copy of Publication 794 by visiting our website at www.irs.gov/formspubs or by calling 1-800-TAX-FORM (1-800-829-3676) to request a copy.

This determination letter applies to the amendments dated on 01-15-15 & 10-25-11.

This determination letter also applies to the amendments dated on

BD OF TRUST SW PA & W MD AREA

04-27-11.

You can't rely on this letter after the end of the plan's first five-year remedial amendment cycle that ends more than 12 months after we received the application. This letter expires on January 31, 2020. This letter considered the 2013 Cumulative List of Changes in Plan Qualification Requirements.

The information on the enclosed addendum is an integral part of this determination. Please be sure to read it and keep it with this letter.

If you submitted a Form 2848, Power of Attorney and Declaration of Representative, or Form 8821, Tax Information Authorization, with your application and asked us to send your authorized representative or appointee copies of written communications, we will send a copy of this letter to him or her.

If you have any questions, you can contact the person listed at the top of this letter.

Sincerely,

Karen D. Truss
Director, EP Rulings & Agreements

Addendum

BD OF TRUST SW PA & W MD AREA

This determination letter does not apply to any portions of the document that incorporate the terms of an auxiliary agreement (collective bargaining, reciprocity, or participation agreement), unless you append to the plan document the exact language of the sections that you incorporated by reference.

PNC
INSTITUTIONAL
ASSET MANAGEMENT

PNC
RELATIONSHIP SUMMARY
December 1, 2022 - December 30, 2022

## *Your PNC Accounts*

| | Account number | Portfolio value this period | Portfolio value last period | Change in portfolio value |
|---|---|---|---|---|
| SWP TEAMSTERS PENSION MUTUAL FDS CUSTODY | [redacted] | $21,373,172.42 | $22,124,787.28 | - $751,614.86 |
| SWP TEAMSTERS PEN TRANSITION CUSTODY | | - | - | - |
| SWPA TEAMSTERS PEN RHUMB REIT CUSTODY | | 1,795,362.64 | 1,889,046.91 | - 93,684.27 |
| Total | | $23,168,535.06 | $24,013,834.19 | - $845,299.13 |

SH-000024-PII-PII40A01

VITO DRAGONE JR
TEAMSTER BLDG
112 MORGANTOWN STREET
UNIONTOWN PA 15401-4297

## *Total portfolio value*

| | |
|---|---|
| **Total portfolio value on December 30** | **$21,373,172.42** |
| **Total portfolio value on December 1** | **22,124,787.28** |
| **Total change in value** | **- $751,614.86** |

## *Investment policy and market outlook*

**Investment objective: No Investment Objective Required**

## *Bulletin board*

***Enclosed please find important information, which applies to all of the PNC accounts you have an interest in. Please contact your PNC team if you have any questions.***

**www.pnc.com**

**Your PNC Team**
Christina L Queen
Fiduciary Advisor
(412) 762-9967
christina.queen@pnc.com

Susan C Moore
Investment Advisor
(412) 762-3709
susan.c.moore@pnc.com

Craig Grenci
Investment Advisor
(412) 264-6871
craig.grenci@pnc.com

PNC Bank, National Association
AMG Operations - Control Group
PO BOX 91309
Cleveland, Ohio 44101

VITO DRAGONE JR
TEAMSTER BLDG
112 MORGANTOWN STREET
UNIONTOWN PA 15401-4297

*About your account*

The PNC Financial Services Group, Inc. ("PNC") uses the marketing name PNC Institutional Asset Management® for the various discretionary and non-discretionary institutional investment, trustee, custody, consulting, and related services provided by PNC National Association ("PNC Bank"), which is a Member FDIC, and investment management activities conducted by PNC Capital Advisors, LLC, an SEC-registered investment advisor and wholly owned subsidiary of PNC Bank. PNC does not provide legal, tax, or accounting advice unless, with respect to tax advice, PNC Bank has entered into a written tax services agreement. PNC Bank is not registered as a municipal advisor under the Dodd-Frank Wall Street Reform and Consumer Protection Act. "PNC Institutional Asset Management" is a registered mark of The PNC Financial Services Group, Inc.

***NOTICE OF LIMITATION OF LIABILITY - Trust Accounts***

**An action for breach of trust based on matters disclosed in a trust accounting or other written reports of the trustee - such as this statement - may be subject to a statute of limitations under the laws of the state governing the trust, which limits your right to sue to a period of time, measured from the date the trust accounting, statement, or written report is sent, delivered, given, furnished or received, as listed in the following chart. For purposes of this notice, to the extent permitted by applicable law, you are deemed to act as representative of (a) all minor, unborn, unknown or unascertained members of each class of trust beneficiaries of which you are a member and all members of each class of trust beneficiaries for which you are permitted to act; (b) all potential appointees of any power of appointment you hold, and any other beneficiaries from the default of the exercise of the power; and (c) your minor and unborn descendants. In other words, to the extent allowable, you are representing all other persons who may someday have rights under the Trust. If Pennsylvania law governs the trust, you have 30 days in which to decline to act as a representative by giving written notice to PNC. If you have questions regarding your rights, please contact your attorney.**

| | | | | | |
|---|---|---|---|---|---|
| AL: 2 years from date sent | DC: 1 year from date sent | KY: 1 year from date sent | MS: 1 year from date sent | OH: 2 years from date sent | VT: 1 year from date sent |
| AK: 3 years from receipt | DE: 1 year from date sent | KS: 1 year from date sent | MT: 3 years from date sent | OK: 2 years from receipt | VA: 1 year from date sent |
| AR: 1 year from date sent | FL: 6 months from receipt | ME: 1 year from date sent | NE: 1 year from date sent | OR: 1 year from date sent | WA: 3 years from delivery |
| AZ: 1 year from date sent | GA: 2 years from date sent | MD: 1 year from date sent | NH: 1 year from date sent | PA: 30 months from date sent | WI: 1 year from date sent |
| CA: 3 years from receipt | IL: 2 years from date furnished* | MI: 1 year from date sent | NJ: 6 months from date sent | SC: 1 year from date sent | WV: 1 year from date sent |
| CO: 1 year from date sent | or 3 years from date furnished** | MN: 3 years from date sent | NM: 1 year from date sent | TN: 1 year from date given | WY: 2 years from receipt |
| CT: 1 year from date sent | IA: 1 year from receipt | MO: 1 year from date sent | ND: 1 year from date sent | UT: 6 months from date sent | |

* For a trust made irrevocable after 1/1/2020 and a trustee accepting appointment after 1/1/2020.
** For a trust that became irrevocable before 1/1/2020 or a trustee that accepted appointment before 1/1/2020.

Please visit pnc.com/insights for PNC's latest investment perspectives.

This statement contains information obtained from sources believed to be reliable. These sources may include other service providers that may also be under contractual obligation to you.

Please contact your PNC Institutional Asset Management investment professional; via phone or in writing if there have been any changes in your investment objectives, financial situation, risk tolerance, or specific investment restrictions on the management of your account.

Investments: Not FDIC Insured. No Bank Guarantee. May Lose Value.

This statement includes an accounting of asset holdings and transactional activity as well as additional informational schedules. It is not intended to be used for tax reporting purposes or to replace or supplement any tax information provided to you for that purpose.

Generally, if disclosure of beneficial ownership information is required by issuers of assets held in your account for proxy voting, PNC will not vote those shares if you objected to PNC providing this information. Your objection does not restrict PNC's disclosure where applicable law requires PNC to disclose such information, such as the Shareholder Rights Directives II which governs securities issued in EU regulated markets. If you have questions, please contact your PNC investment advisor.

*Table of contents*

| | Page |
|---|---|
| Summary | 5 |
| Portfolio value | 5 |
| Portfolio value by asset class | 5 |
| Change in account value | 6 |
| Gain/loss summary | 6 |
| Accrued income summary | 6 |
| Investment income summary | 6 |
| Transaction summary - measured by cash balance | 7 |
| Transaction summary - measured by original value at PNC | 8 |
| Transaction summary - measured by market value | 8 |
| Analysis | 9 |
| Asset allocation | 9 |
| Detail | 10 |
| Portfolio detail | 10 |
| Income and accrual detail | 11 |

*Table of contents (continued)*

| | Page |
|---|---|
| Transaction detail | 13 |
| Additions | 13 |
| Investment income | 13 |
| Disbursements | 14 |
| Purchases | 14 |
| Other disbursements | 14 |

# Summary

## *Portfolio value*

| | |
|---|---|
| Value on December 30 | $21,373,172.42 |
| Value on December 1 | 22,124,787.28 |
| Change in value | - $751,614.86 |

## *Portfolio value by asset class*

| Principal | Value Dec. 30 | Value Dec. 1 | Change in value | Original value at PNC |
|---|---|---|---|---|
| Cash and cash equivalents | $64,607.84 | $17,587.29 | $47,020.55 | $64,607.84 |
| Fixed income | 8,349,069.58 | 8,422,004.02 | - 72,934.44 | 9,977,175.26 |
| Equities | 12,959,495.00 | 13,685,195.97 | - 725,700.97 | 8,878,444.42 |
| **Total** | **$21,373,172.42** | **$22,124,787.28** | **- $751,614.86** | **$18,920,227.52** |

*Summary*

## Change in account value

| | This period | From Jul. 1, 2022 |
|---|---|---|
| **Beginning account value** | $22,143,028.79 | $25,099,959.49 |
| **Additions** | | |
| Investment income | $98,648.83 | $245,152.70 |
| Interfund transfers | - | 300,000.00 |
| Other receipts | - | 313.30 |
| **Disbursements** | | |
| Other disbursements | - | - $4,300,000.00 |
| Change in value of investments | - 850,263.69 | 46,398.52 |
| Net accrued income | 893.52 | 483.44 |
| **Ending account value** | **$21,392,307.45** | **$21,392,307.45** |

## Gain/loss summary

| | Net realized gain/loss | | Net unrealized gain/loss |
|---|---|---|---|
| | This period | From Jul. 1, 2022 | Since acquisition |
| Fixed income | - | - $209,357.13 | - $1,628,105.68 |
| Equities | - | 945,280.47 | 4,081,050.58 |
| **Total** | **$0.00** | **$735,923.34** | **$2,452,944.90** |

## Accrued income summary

| | |
|---|---|
| Accrued income on December 30 | $19,135.03 |
| Accrued income on December 01 | 18,241.51 |
| **Net accrued income** | **$893.52** |

## Investment income summary

| | This period | From Jul. 1, 2022 | Estimated annual income | Accrued income this period |
|---|---|---|---|---|
| Income-cash and cash equivalents | $65.07 | $812.52 | $2,475.77 | $76.21 |
| Interest-fixed income | 18,176.44 | 110,059.58 | 198,787.37 | 19,058.82 |
| Dividends-equities | 80,407.32 | 134,280.60 | 242,649.72 | - |
| **Total** | **$98,648.83** | **$245,152.70** | **$443,912.86** | **$19,135.03** |

*Summary*

## *Transaction summary - measured by cash balance*

| | This period | From Jul. 1, 2022 |
|---|---|---|
| **Beginning cash balance** | $0.00 | $0.00 |
| **Additions** | | |
| Investment income | $98,648.83 | $245,152.70 |
| Sales and maturities | - | 3,987,468.00 |
| Interfund transfers | - | 300,000.00 |
| Other receipts | - | 313.30 |
| **Disbursements** | | |
| Purchases | - $98,648.83 | - $232,934.00 |
| Other disbursements | - | - 4,300,000.00 |
| **Ending cash balance** | $0.00 | $0.00 |
| **Change in cash** | - | - |

*Summary*

## *Transaction summary - measured by original value at PNC*

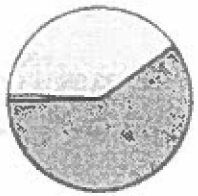
| | This period | From Jul 1, 2022 |
|---|---|---|
| **Beginning original value** | $18,821,578.69 | $21,938,838.18 |
| **Additions** | | |
| Purchases | $98,648.83 | $232,934.00 |
| **Disbursements** | | |
| Sales | - | - $3,251,544.66 |
| Change in cash | - | - |
| **Ending original value** | **$18,920,227.52** | **$18,920,227.52** |

## *Transaction summary - measured by market value*

| | This period | From Jul 1, 2022 |
|---|---|---|
| **Beginning market value** | $22,124,787.28 | $25,081,307.90 |
| **Additions** | | |
| Purchases | $98,648.83 | $232,934.00 |
| **Disbursements** | | |
| Sales | - | - $3,887,787.74 |
| Net gain/loss on current holdings | - 850,263.69 | - 53,281.74 |
| **Ending market value** | **$21,373,172.42** | **$21,373,172.42** |
| Accrued income on December 30 | $19,135.03 | $19,135.03 |
| **Total account value** | **$21,392,307.45** | **$21,392,307.45** |

# Analysis

## *Asset allocation*



| | Dec. 30, 2022 |
|---|---|
| **Cash and cash equivalents** | **0.30 %** |
| Mutual funds | 0.30 % |
| **Fixed income** | **39.06 %** |
| Mutual funds | 39.06 % |
| **Equities** | **60.63 %** |
| Etf's | 28.31 % |
| Mutual funds | 32.32 % |

# Detail

## *Portfolio*

### Cash and cash equivalents

**Mutual funds - money market**

| Description | Market value last period / Quantity | Current market value / Current price per unit | % of total portfolio | Total original value at PNC / Avg. original value at PNC per unit | Unrealized gain/loss | Current yield | Estimated annual income | Accrued income |
|---|---|---|---|---|---|---|---|---|
| FEDERATED HERMES U.S. TREASURY CASH RESERVES FUND #125 ERISA & DISC IRA | $64,607.84<br>64,607.840 | $64,607.84<br>$1.0000 | 0.31 % | $64,607.84<br>$1.00 | | 3.84 % | $2,475.77 | $76.21 |

### Fixed income

**Mutual funds - fixed income**

| Description (Symbol) | Market value last period / Quantity | Current market value / Current price per unit | % of total portfolio | Total original value at PNC / Avg. original value at PNC per unit | Unrealized gain/loss | Current yield | Estimated annual income | Accrued income |
|---|---|---|---|---|---|---|---|---|
| VANGUARD INTERMEDIATE TERM BOND INDEX FUND CLASS IN FD # 504 (VBIMX) | $8,440,180.46<br>828,280.712 | $8,349,069.58<br>$10.0800 | 39.07 % | $9,977,175.26<br>$12.05 | -$1,628,105.68 | 2.39 % | $198,787.37 | $19,058.82 |

### Equities

**Etf - equity**

| Description (Symbol) | Market value last period / Quantity | Current market value / Current price per unit | % of total portfolio | Total original value at PNC / Avg. original value at PNC per unit | Unrealized gain/loss | Current yield | Estimated annual income | Accrued income |
|---|---|---|---|---|---|---|---|---|
| ISHARES GLOBAL (IGF) INFRASTRUCTURE ETF | $1,487,222.22<br>31,042 | $1,422,965.28<br>$45.8400 | 6.66 % | $1,347,100.26<br>$43.40 | $75,865.02 | 2.67 % | $37,964.37 | |
| PROSHARES S&P 500 DIVIDEND (NOBL) ARISTOCRATS ETF | 4,859,389.84<br>51,433 | 4,628,455.67<br>89.9900 | 21.66 % | 3,551,782.95<br>69.06 | 1,076,672.72 | 1.94 % | 89,699.15 | |
| **Total etf - equity** | | **$6,051,420.95** | **28.31 %** | **$4,898,883.21** | **$1,152,537.74** | **2.11 %** | **$127,663.52** | |

*Detail*

**Mutual funds - equity**

| Description (Symbol) | Market value last period / Quantity | Current market value / Current price per unit | % of total portfolio | Total original value at PNC / Avg original value at PNC per unit | Unrealized gain/loss | Current yield | Estimated annual income | Accrued income |
|---|---|---|---|---|---|---|---|---|
| VANGUARD INDEX TR (VITSX) | $7,372,035.75 | $6,908,074.05 | 32.33 % | $3,979,561.21 | $2,928,512.84 | 1.67 % | $114,986.20 | |
| TOTAL STK MKT PORTFOLIO INSTL FUND #855 | 74,184.644 | $93.1200 | | $53.64 | | | | |
| **Total equities** | | **$12,959,495.00** | **60.63 %** | **$8,878,444.42** | **$4,081,050.58** | **1.87 %** | **$242,649.72** | |
| **Total portfolio** | | **$21,373,172.42** | **100.00 %** | **$18,920,227.52** | **$2,452,944.90** | **2.08 %** | **$443,912.86** | **$19,135.03** |

# Income and Accrual Detail

## *Portfolio - principal*

### Cash and cash equivalents

**Mutual funds - money market**

| Description | Estimated Annual Income / Quantity | Ex Date / Pay Date | Annual Rate | Beginning Accrual | Income Earned | Income Received | Ending Accrual |
|---|---|---|---|---|---|---|---|
| FEDERATED HERMES U.S. TREASURY CASH RESERVES FUND #125 ERISA & DISC IRA | $2,475.77 64,607.840 | | 3.831 | $65.07 | $76.21 | $65.07 | $76.21 |

### Fixed income

**Mutual funds - fixed income**

| Description (Symbol) | Estimated Annual Income / Quantity | Ex Date / Pay Date | Annual Rate | Beginning Accrual | Income Earned | Income Received | Ending Accrual |
|---|---|---|---|---|---|---|---|
| VANGUARD INTERMEDIATE TERM BOND INDEX FUND CLASS IN FD # 504 (VBIMX) | 36 $198.787 37 828.280 712 | | 0.239 | $18,176.44 | $19,058.82 | $18,176.44 | $19,058.82 |

*Detail*

## Equities

### Etf - equity

| Description (Symbol) | Estimated Annual Income / Quantity | Ex Date / Pay Date | Annual Rate | Beginning Accrual | Income Earned | Income Received | Ending Accrual |
|---|---|---|---|---|---|---|---|
| ISHARES GLOBAL (IGF) 363 INFRASTRUCTURE ETF | $37,964.37<br>31,042 | | 1.223 | | $16,076.65 | $16,076.65 | |
| PROSHARES S&P 500 DIVIDEND (NOBL) ARISTOCRATS ETF | 89,699.15<br>51,433 | 12/22/22<br>12/30/22 | 1.743 | | 30,878.83 | 30,878.83 | |
| **Total etf - equity** | | | | | **$46,955.48** | **$46,955.48** | |

### Mutual funds - equity

| Description (Symbol) | Estimated Annual Income / Quantity | Ex Date / Pay Date | Annual Rate | Beginning Accrual | Income Earned | Income Received | Ending Accrual |
|---|---|---|---|---|---|---|---|
| VANGUARD INDEX TR (VITSX) 363 TOTAL STK MKT PORTFOLIO INSTL FUND #855 | $114,986.20<br>74,184.644 | | 1.550 | | $33,451.84 | $33,451.84 | |
| **Total equities** | | | | | **$80,407.32** | **$80,407.32** | |
| **Total portfolio** | | | | **$18,241.51** | **$99,542.35** | **$98,648.83** | **$19,135.03** |

*Detail*

## *Transaction detail*

| | Cash | Original value at PNC Market value |
|---|---|---|
| **Beginning balances this period** | | **$18,821,578.69** |
| | | **$22,124,787.28** |

## Additions

### Investment income

| Activity | Description | Payable date | Post date | Quantity | Amount per unit | Cash |
|---|---|---|---|---|---|---|
| Dividend | VANGUARD INTERMEDIATE TERM BOND INDEX FUND CLASS IN FD # 504 DIVIDEND PAYABLE ON 11/30/22 | 11/30/22 | 12/01/22 | 1,783 752 | $10 1900 | $18,176 44 |
| Dividend | FEDERATED HERMES U S TREASURY CASH RESERVES FUND #125 ERISA & DISC IRA | 11/30/22 | 12/01/22 | 17,587 290 | | 65 07 |
| Dividend | ISHARES GLOBAL INFRASTRUCTURE ETF | 12/19/22 | | 31,042 | 0 5179 | 16,076 65 |
| Dividend | VANGUARD INDEX TR TOTAL STK MKT PORTFOLIO INSTL FUND #855 DIVIDEND PAYABLE ON 12/22/22 | 12/22/22 | | 355 832 | 94 0102 | 33,451 84 |
| Dividend | PROSHARES S&P 500 DIVIDEND ARISTOCRATS ETF | 12/30/22 | | 51,433 | 0.6004 | 30,878 83 |
| **Total investment income** | | | | | | **$98,648.83** |

*Detail*

## Disbursements

### Purchases

| Activity | Description | Trade date | Settle date | Quantity | Amount per unit | Charges | Cash | Original value at PNC<br>Market value |
|---|---|---|---|---|---|---|---|---|
| Dividend | VANGUARD INTERMEDIATE TERM BOND INDEX FUND CLASS IN<br>FD # 504<br>PURC 1,783.752 SHS THRU REINVEST OF DIVIDEND PAYABLE 11/30/22 | 11/30/22 | 12/01/22 | 1,783.752 | $10.1900 | | - $18,176.44 | $18,176.44<br>$18,176.44 |
| Dividend | VANGUARD INDEX TR<br>TOTAL STK MKT PORTFOLIO INSTL<br>FUND #855<br>PURC 355.832 SHS THRU REINVEST OF DIVIDEND PAYABLE 12/22/22 | 12/22/22 | 12/22/22 | 355.832 | 94.0102 | | - 33,451.84 | 33,451.84<br>33,451.84 |
| Purchase | FEDERATED HERMES U.S. TREASURY CASH RESERVES FUND #125 ERISA & DISC IRA<br>PURCHASE OF ACI ASSET | 12/30/22 | 12/30/22 | 47,020.550 | 1.0000 | | - 47,020.55 | 47,020.55<br>47,020.55 |
| **Total purchases** | | | | | | | **- $98,648.83** | **$98,648.83**<br>**$98,648.83** |

### Other disbursements

| Activity | Description | Post date | Quantity | Amount per unit | Cash | Original value at PNC<br>Market value |
|---|---|---|---|---|---|---|
| | PAYMENT RECEIVED $2710.86<br>FOR FEES THROUGH 09/30/2022 | 12/07/22 | | | | |
| **Total disbursements** | | | | | **- $98,648.83** | **$98,648.83**<br>**$98,648.83** |
| **Ending cash balance** | | | | | **$0.00** | |
| **Change in cash** | | | | | - | |

*Detail*

## Other disbursements

| Activity | Description | Post date | Quantity | Amount per unit | Cash | Original value at PNC / Market value |
|---|---|---|---|---|---|---|
| Net gain/loss on current holdings | | | | | | - $850,263 69 |
| **Ending balances** | | | | | | **$18,920,227.52**<br>**$21,373,172.42** |

## *Total portfolio value*

| | |
|---|---|
| Total portfolio value on December 30 | $1,795,362.64 |
| Total portfolio value on December 1 | 1,889,046.91 |
| Total change in value | - $93,684.27 |

## *Investment policy and market outlook*

**Investment objective: No Investment Objective Required**

## *Bulletin board*

***Enclosed please find important information, which applies to all of the PNC accounts you have an interest in. Please contact your PNC team if you have any questions.***

**www.pnc.com**

**Your PNC Team**
Christina L Queen
Fiduciary Advisor
(412) 762-9967
christina.queen@pnc.com

Susan C Moore
Investment Advisor
(412) 762-3709
susan.c.moore@pnc.com

Craig Grenci
Investment Advisor
(412) 264-6871
craig.grenci@pnc.com

PNC Bank, National Association
AMG Operations - Control Group
PO BOX 91309
Cleveland, Ohio 44101

VITO DRAGONE JR
TEAMSTER BLDG
112 MORGANTOWN STREET
UNIONTOWN PA 15401-4297

*About your account*

The PNC Financial Services Group, Inc. ("PNC") uses the marketing name PNC Institutional Asset Management® for the various discretionary and non-discretionary institutional investment, trustee, custody, consulting, and related services provided by PNC National Association ("PNC Bank"), which is a **Member FDIC**, and investment management activities conducted by PNC Capital Advisors, LLC, an SEC-registered investment advisor and wholly owned subsidiary of PNC Bank. PNC does not provide legal, tax, or accounting advice unless, with respect to tax advice, PNC Bank has entered into a written tax services agreement. PNC Bank is not registered as a municipal advisor under the Dodd-Frank Wall Street Reform and Consumer Protection Act. "PNC Institutional Asset Management" is a registered mark of The PNC Financial Services Group, Inc.

***NOTICE OF LIMITATION OF LIABILITY - Trust Accounts***

**An action for breach of trust based on matters disclosed in a trust accounting or other written reports of the trustee - such as this statement - may be subject to a statute of limitations under the laws of the state governing the trust, which limits your right to sue to a period of time, measured from the date the trust accounting, statement, or written report is sent, delivered, given, furnished or received, as listed in the following chart. For purposes of this notice, to the extent permitted by applicable law, you are deemed to act as representative of (a) all minor, unborn, unknown or unascertained members of each class of trust beneficiaries of which you are a member and all members of each class of trust beneficiaries for which you are permitted to act; (b) all potential appointees of any power of appointment you hold, and any other beneficiaries from the default of the exercise of the power; and (c) your minor and unborn descendants. In other words, to the extent allowable, you are representing all other persons who may someday have rights under the Trust. If Pennsylvania law governs the trust, you have 30 days in which to decline to act as a representative by giving written notice to PNC. If you have questions regarding your rights, please contact your attorney.**

| | | | | | |
|---|---|---|---|---|---|
| AL: 2 years from date sent | DC: 1 year from date sent | KY: 1 year from date sent | MS: 1 year from date sent | OH: 2 years from date sent | VT: 1 year from date sent |
| AK: 3 years from receipt | DE: 1 year from date sent | KS: 1 year from date sent | MT: 3 years from date sent | OK: 2 years from receipt | VA: 1 year from date sent |
| AR: 1 year from date sent | FL: 6 months from receipt | ME: 1 year from date sent | NE: 1 year from date sent | OR: 1 year from date sent | WA: 3 years from delivery |
| AZ: 1 year from date sent | GA: 2 years from date sent | MD: 1 year from date sent | NH: 1 year from date sent | PA: 30 months from date sent | WI: 1 year from date sent |
| CA: 3 years from receipt | IL: 2 years from date furnished* | MI: 1 year from date sent | NJ: 6 months from date sent | SC: 1 year from date sent | WV: 1 year from date sent |
| CO: 1 year from date sent | or 3 years from date furnished** | MN: 3 years from date sent | NM: 1 year from date sent | TN: 1 year from date given | WY: 2 years from receipt |
| CT: 1 year from date sent | IA: 1 year from receipt | MO: 1 year from date sent | ND: 1 year from date sent | UT: 6 months from date sent | |

*** For a trust made irrevocable after 1/1/2020 and a trustee accepting appointment after 1/1/2020.**
**** For a trust that became irrevocable before 1/1/2020 or a trustee that accepted appointment before 1/1/2020.**

**Please visit pnc.com/insights for PNC's latest investment perspectives.**

**This statement contains information obtained from sources believed to be reliable. These sources may include other service providers that may also be under contractual obligation to you.**

**Please contact your PNC Institutional Asset Management investment professional; via phone or in writing if there have been any changes in your investment objectives, financial situation, risk tolerance, or specific investment restrictions on the management of your account.**

**Investments: Not FDIC Insured. No Bank Guarantee. May Lose Value.**

**This statement includes an accounting of asset holdings and transactional activity as well as additional informational schedules. It is not intended to be used for tax reporting purposes or to replace or supplement any tax information provided to you for that purpose.**

**Generally, if disclosure of beneficial ownership information is required by issuers of assets held in your account for proxy voting, PNC will not vote those shares if you objected to PNC providing this information. Your objection does not restrict PNC's disclosure where applicable law requires PNC to disclose such information, such as the Shareholder Rights Directives II which governs securities issued in EU regulated markets. If you have questions, please contact your PNC investment advisor.**

*Table of contents*

| | Page |
|---|---|
| Summary | 5 |
| Portfolio value | 5 |
| Portfolio value by asset class | 5 |
| Change in account value | 6 |
| Gain/loss summary | 6 |
| Transaction summary - measured by cash balance | 7 |
| Transaction summary - measured by original value at PNC | 8 |
| Transaction summary - measured by market value | 8 |
| Analysis | 9 |
| Asset allocation | 9 |
| Detail | 10 |
| Portfolio detail | 10 |
| Income and accrual detail | 10 |
| Transaction detail | 11 |
| Additions | 11 |

*Table of contents (continued)*

| | Page |
|---|---|
| Sales and maturities | 11 |
| Disbursements | 11 |
| Distributions-expenses | 11 |
| Other disbursements | 11 |
| Realized gain/loss detail | 12 |

# Summary

## *Portfolio value*

| | |
|---|---|
| Value on December 30 | $1,795,362.64 |
| Value on December 1 | 1,889,046.91 |
| Change in value | - $93,684.27 |

## *Portfolio value by asset class*

| **Principal** | Value Dec. 30 | Value Dec. 1 | Change in value | Original value at PNC |
|---|---|---|---|---|
| Alternative investments | $1,795,362.64 | $1,889,046.91 | - $93,684.27 | $1,790,447.01 |
| **Total** | **$1,795,362.64** | **$1,889,046.91** | **- $93,684.27** | **$1,790,447.01** |

*Summary*

## *Change in account value*

| | This period | From Jul. 1, 2022 |
|---|---|---|
| **Beginning account value** | $1,889,046.91 | $2,204,801.14 |
| **Disbursements** | | |
| Distributions-expenses | - $280.00 | - $638.00 |
| Interfund transfers | - | - 300,000.00 |
| Change in value of investments | - 93,404.27 | - 108,800.50 |
| **Ending account value** | **$1,795,362.64** | **$1,795,362.64** |

## *Gain/loss summary*

| | Net realized gain/loss | | Net unrealized gain/loss |
|---|---|---|---|
| | This period | From Jul. 1, 2022 | Since acquisition |
| Alternative inv | $5.75 | $48,066.87 | $4,915.63 |
| **Total** | **$5.75** | **$48,066.87** | **$4,915.63** |

*Summary*

## *Transaction summary - measured by cash balance*

| | This period | From Jul. 1, 2022 |
|---|---|---|
| **Beginning cash balance** | $0.00 | $0.00 |
| **Additions** | | |
| Sales and maturities | $280.00 | $300,638.00 |
| **Disbursements** | | |
| Distributions-expenses | - $280.00 | - $638.00 |
| Interfund transfers | - | - 300,000.00 |
| **Ending cash balance** | $0.00 | $0.00 |
| **Change in cash** | - | - |

*Summary*

## *Transaction summary - measured by original value at PNC*

| | This period | From Jul. 1, 2022 |
|---|---|---|
| **Beginning original value** | $1,790,721.26 | $2,043,018.14 |
| **Additions** | | |
| Purchases | - | $300,000.00 |
| **Disbursements** | | |
| Sales | - $274.25 | - $552,571.13 |
| Change in cash | - | - |
| **Ending original value** | **$1,790,447.01** | **$1,790,447.01** |

## *Transaction summary - measured by market value*

| | This period | From Jul. 1, 2022 |
|---|---|---|
| **Beginning market value** | $1,889,046.91 | $2,204,801.14 |
| **Additions** | | |
| Purchases | - | - $300,000.00 |
| **Disbursements** | | |
| Sales | - $289.30 | - $272,567.78 |
| Net gain/loss on current holdings | - 93,394.97 | 163,129.28 |
| **Ending market value** | **$1,795,362.64** | **$1,795,362.64** |
| Accrued income on December 30 | - | - |
| **Total account value** | **$1,795,362.64** | **$1,795,362.64** |

# Analysis

## *Asset allocation*



| | Dec. 30, 2022 |
|---|---|
| **Alternative investments** | **100.00 %** |
| Other | 100.00 % |

# Detail

## *Portfolio*

### Alternative investments

**Other alternative investments**

| Description (Symbol) | Market value last period / Quantity | Current market value / Current price per unit | % of total portfolio | Total original value at PNC / Avg. original value at PNC per unit | Unrealized gain/loss | Current yield | Estimated annual income | Accrued income |
|---|---|---|---|---|---|---|---|---|
| RHUMBLINE REIT INDEX FUND LLC () | $1,888,757.61<br>167,616.284 | $1,795,362.64<br>$10.7112 | 100.01 % | $1,790,447.01<br>$10.68 | $4,915.63 | | | |
| **Total portfolio** | | **$1,795,362.64** | **100.00 %** | **$1,790,447.01** | **$4,915.63** | | | |

# Income and Accrual Detail

## *Portfolio - principal*

### Alternative investments

**Other alternative investments**

| Description (Symbol) | Estimated Annual Income / Quantity | Ex Date / Pay Date | Annual Rate | Beginning Accrual | Income Earned | Income Received | Ending Accrual |
|---|---|---|---|---|---|---|---|
| RHUMBLINE REIT INDEX FUND LLC () 363 | 167,616.284 | | | | - $280.00 | - $280.00 | |
| **Total portfolio** | | | | | **- $280.00** | **- $280.00** | |

*Detail*

## *Transaction detail*

| | Cash | Original value at PNC Market value |
|---|---|---|
| **Beginning balances this period** | | **$1,790,721.26** |
| | | **$1,889,046.91** |

## Additions

### Sales and maturities

| Activity | Description | Trade date | Settle date | Quantity | Amount per unit | Charges | Cash | Original value at PNC Market value |
|---|---|---|---|---|---|---|---|---|
| Sale | RHUMBLINE REIT INDEX FUND LLC<br>SOLD 25.674 UNITS | 12/30/22 | 12/30/22 | 25.674 | $10.9060 | | $280.00 | - $274.25<br>- $289.30 |

## Disbursements

### Distributions-expenses

| Activity | Description | Post date | Quantity | Amount per unit | Cash | Original value at PNC Market value |
|---|---|---|---|---|---|---|
| Investment advisor fee | RHUMBLINE REIT INDEX FUND LLC<br>MANAGEMENT FEES | 12/30/22 | | | - $280.00 | |

### Other disbursements

| Activity | Description | Post date | Quantity | Amount per unit | Cash | Original value at PNC Market value |
|---|---|---|---|---|---|---|
| | PAYMENT RECEIVED $299.15<br>FOR FEES THROUGH 09/30/2022 | 12/07/22 | | | | |
| **Total disbursements** | | | | | **- $280.00** | |

*Detail*

## Other disbursements

| Activity | Description | Post date | Quantity | Amount per unit | Cash | Original value at PNC Market value |
|---|---|---|---|---|---|---|
| **Ending cash balance** | | | | | **$0.00** | |
| **Change in cash** | | | | | - | |
| Net gain/loss on current holdings | | | | | | - $93,394.97 |
| **Ending balances** | | | | | | **$1,790,447.01** **$1,795,362.64** |

## *Realized gain/loss detail*

| Description | Quantity | Avg. original value at PNC per unit | Total original value at PNC | Sale date | Sale price per unit | Total proceeds | Net realized gain/loss |
|---|---|---|---|---|---|---|---|
| RHUMBLINE REIT INDEX FUND LLC | 25.674 | $10.68201 | - $274.25 | 12/30/22 | | $280.00 | $5.75 |
| **Total** | | | **- $274.25** | | | **$280.00** | **$5.75** |

# First National Bank

**Statement Ending 12/30/2022**

4140 E. State Street
Hermitage, PA 16148

SW PA AND WESTERN MD AREA 

Primary Account Number: [redacted]

ADDRESS SERVICE REQUESTED

>045240 7171557 0001 092543 10Z

SW PA AND WESTERN MD AREA
TEAMSTERS AND EMPLOYERS PENS
112 MORGANTOWN ST
UNIONTOWN PA 15401-4214

Balanced Per Bank Statement 1-10-2023

## Managing Your Accounts

| | |
|---|---|
| Online | www.fnb-online.com |
| By Phone | 1 800-555-5455 |
| By Mail | 4140 E. State Street Hermitage, PA 16148 |

## Summary of Accounts

| Account Type | Account Number | Balance This Statement |
|---|---|---|
| BUSINESS ANALYSIS CHECKING | [redacted] | $1,495,481.93 |

## BUSINESS ANALYSIS CHECKING - [redacted]

### Account Summary

| Date | Description | Amount | | |
|---|---|---|---|---|
| 12/01/2022 | **Balance Last Statement** | **$1,492,051.48** | Minimum Balance | $97,462.88 |
| | 4 Credit(s) This Period | $1,400,568.13 | Average Ledger Balance | $767,261.38 |
| | 39 Debit(s) This Period | $1,397,137.68 | Average Available Balance | $767,261.38 |
| 12/30/2022 | **Balance This Statement** | **$1,495,481.93** | | |

### Account Activity

| Post Date | Description | Debits | Credits | Balance |
|---|---|---|---|---|
| **12/01/2022** | **Balance Last Statement** | | | **$1,492,051.48** |
| 12/01/2022 | SWPA WMD PENSION PENSION XXXXXX[redacted] | $1,277,960.16 | | $214,091.32 |
| 12/02/2022 | CHECK # 209106 | $1,285.42 | | $212,805.90 |
| 12/02/2022 | CHECK # 209092 | $429.89 | | $212,376.01 |
| 12/02/2022 | CHECK # 209101 | $407.74 | | $211,968.27 |
| 12/05/2022 | IRS USATAXPYMT[redacted] | $93,074.67 | | $118,893.60 |
| 12/05/2022 | CHECK # 209100 | $739.44 | | $118,154.16 |
| 12/05/2022 | CHECK # 209105 | $656.83 | | $117,497.33 |
| 12/05/2022 | CHECK # 209116 | $647.79 | | $116,849.54 |
| 12/05/2022 | CHECK # 209122 | $593.00 | | $116,256.54 |
| 12/05/2022 | CHECK # 209095 | $214.30 | | $116,042.24 |
| 12/05/2022 | CHECK # 60112 | $128.29 | | $115,913.95 |
| 12/05/2022 | CHECK # 209112 | $62.86 | | $115,851.09 |
| 12/06/2022 | RET -[redacted]- PAYMENT REFUSED BY BILLER - MS | | $446.55 | $116,297.64 |
| 12/06/2022 | CHECK # 209123 | $800.00 | | $115,497.64 |
| 12/06/2022 | CHECK # 209094 | $655.72 | | $114,841.92 |
| 12/06/2022 | CHECK # 209109 | $401.70 | | $114,440.22 |
| 12/06/2022 | CHECK # 209093 | $371.33 | | $114,068.89 |
| 12/06/2022 | CHECK # 209113 | $72.52 | | $113,996.37 |
| 12/06/2022 | CHECK # 209102 | $71.15 | | $113,925.22 |

To learn more about FNB's deposit account practices such as our posting order, what is an available balance, and how preauthorized point-of-sale debit card transactions affect your account, please visit the following websites:

- For consumer accounts, click on the Managing Your Checking Account video at www.fnb-online.com/learn
- For business accounts, click on https://www.fnb-online.com/business-overdrafts

045240 7171557 0756941 151681 0001/0004

# BUSINESS ANALYSIS CHECKING - [redacted] (continued)

## Account Activity (continued)

| Post Date | Description | Debits | Credits | Balance |
|---|---|---|---|---|
| 12/06/2022 | CHECK # 209121 | $45.32 | | $113,879.90 |
| 12/06/2022 | CHECK # 209107 | $36.30 | | $113,843.60 |
| 12/07/2022 | CHECK # 209124 | $5,005.50 | | $108,838.10 |
| 12/07/2022 | CHECK # 209108 | $331.28 | | $108,506.82 |
| 12/07/2022 | CHECK # 209111 | $316.60 | | $108,190.22 |
| 12/07/2022 | CHECK # 209117 | $76.40 | | $108,113.82 |
| 12/08/2022 | CHECK # 209125 | $2,923.88 | | $105,189.94 |
| 12/08/2022 | CHECK # 209099 | $142.42 | | $105,047.52 |
| 12/08/2022 | CHECK # 209103 | $69.30 | | $104,978.22 |
| 12/09/2022 | CHECK # 209096 | $83.80 | | $104,894.42 |
| 12/13/2022 | CHECK # 209127 | $5,141.47 | | $99,752.95 |
| 12/13/2022 | CHECK # 209126 | $1,222.92 | | $98,530.03 |
| 12/13/2022 | CHECK # 209118 | $472.19 | | $98,057.84 |
| 12/14/2022 | CHECK # 209097 | $388.48 | | $97,669.36 |
| 12/14/2022 | CHECK # 209114 | $158.01 | | $97,511.35 |
| 12/14/2022 | CHECK # 209091 | $48.47 | | $97,462.88 |
| 12/16/2022 | [redacted] EB INTERNET XFER FROM BUSINESS FIRST R [redacted] ON 12/16/22 AT 13:26 | | $860,000.00 | $957,462.88 |
| 12/16/2022 | RET - [redacted] - BENEFICIARY DECEASED - MS | | $121.58 | $957,584.46 |
| 12/19/2022 | CHECK # 209087 | $209.91 | | $957,374.55 |
| 12/20/2022 | [redacted] EB INTERNET XFER FROM BUSINESS FIRST R [redacted] ON 12/20/22 AT 10:24 | | $540,000.00 | $1,497,374.55 |
| 12/20/2022 | IRS USATAXPYMT [redacted] | $150.00 | | $1,497,224.55 |
| 12/20/2022 | CHECK # 209104 | $18.60 | | $1,497,205.95 |
| 12/21/2022 | CHECK # 209110 | $662.11 | | $1,496,543.84 |
| 12/23/2022 | CHECK # 209115 | $1,061.91 | | $1,495,481.93 |
| **12/30/2022** | **Balance This Statement** | | | **$1,495,481.93** |

## Checks Cleared

| Check Nbr | Date | Amount |
|---|---|---|
| 60112 | 12/05/2022 | $128.29 |
| 209087* | 12/19/2022 | $209.91 |
| 209091* | 12/14/2022 | $48.47 |
| 209092 | 12/02/2022 | $429.89 |
| 209093 | 12/06/2022 | $371.33 |
| 209094 | 12/06/2022 | $655.72 |
| 209095 | 12/05/2022 | $214.30 |
| 209096 | 12/09/2022 | $83.80 |
| 209097 | 12/14/2022 | $388.48 |
| 209099* | 12/08/2022 | $142.42 |
| 209100 | 12/05/2022 | $739.44 |
| 209101 | 12/02/2022 | $407.74 |
| 209102 | 12/06/2022 | $71.15 |
| 209103 | 12/08/2022 | $69.30 |
| 209104 | 12/20/2022 | $18.60 |
| 209105 | 12/05/2022 | $656.83 |
| 209106 | 12/02/2022 | $1,285.42 |
| 209107 | 12/06/2022 | $36.30 |
| 209108 | 12/07/2022 | $331.28 |
| 209109 | 12/06/2022 | $401.70 |
| 209110 | 12/21/2022 | $662.11 |
| 209111 | 12/07/2022 | $316.60 |
| 209112 | 12/05/2022 | $62.86 |
| 209113 | 12/06/2022 | $72.52 |
| 209114 | 12/14/2022 | $158.01 |
| 209115 | 12/23/2022 | $1,061.91 |
| 209116 | 12/05/2022 | $647.79 |
| 209117 | 12/07/2022 | $76.40 |
| 209118 | 12/13/2022 | $472.19 |
| 209121* | 12/06/2022 | $45.32 |
| 209122 | 12/05/2022 | $593.00 |
| 209123 | 12/06/2022 | $800.00 |
| 209124 | 12/07/2022 | $5,005.50 |
| 209125 | 12/08/2022 | $2,923.88 |
| 209126 | 12/13/2022 | $1,222.92 |
| 209127 | 12/13/2022 | $5,141.47 |

* Indicates skipped check number

## Daily Balances

| Date | Amount |
|---|---|
| 12/01/2022 | $214,091.32 |
| 12/02/2022 | $211,968.27 |
| 12/05/2022 | $115,851.09 |
| 12/06/2022 | $113,843.60 |
| 12/07/2022 | $108,113.82 |
| 12/08/2022 | $104,978.22 |
| 12/09/2022 | $104,894.42 |
| 12/13/2022 | $98,057.84 |
| 12/14/2022 | $97,462.88 |
| 12/16/2022 | $957,584.46 |
| 12/19/2022 | $957,374.55 |
| 12/20/2022 | $1,497,205.95 |
| 12/21/2022 | $1,496,543.84 |
| 12/23/2022 | $1,495,481.93 |

45240 7171557 07582 151683 0002/0004



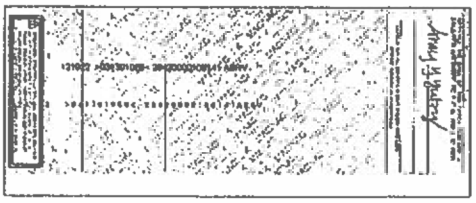
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60112 $128.29 12/5/2022



209087 $209.91 12/19/2022



209087 $209.91 12/19/2022



209091 $48.47 12/14/2022



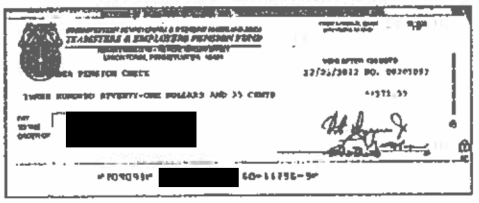
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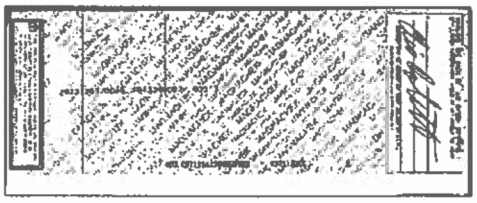
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209092 $429.89 12/2/2022



209093 $371.33 12/6/2022



209093 $371.33 12/6/2022



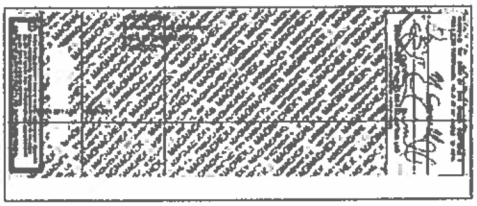
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209094 $655.72 12/6/2022



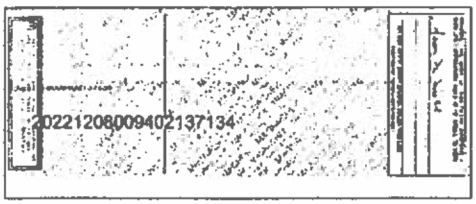
209095 $214.30 12/5/2022



209095 $214.30 12/5/2022



209096 $83.80 12/9/2022



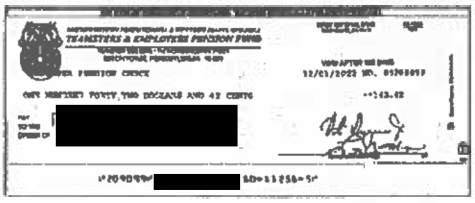

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209097 $388.48 12/14/2022




209097 $388.48 12/14/2022



209099 $142.42 12/8/2022



209099 $142.42 12/8/2022



209100 $739.44 12/5/2022



209100 $739.44 12/5/2022



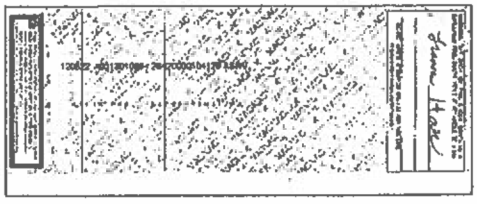
209101 $407.74 12/2/2022




209101 $407.74 12/2/2022



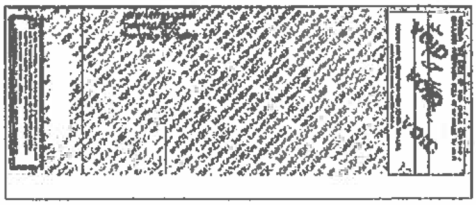
209102 $71.15 12/6/2022



209102 $71.15 12/6/2022



209103 $69.30 12/8/2022



209103 $69.30 12/8/2022



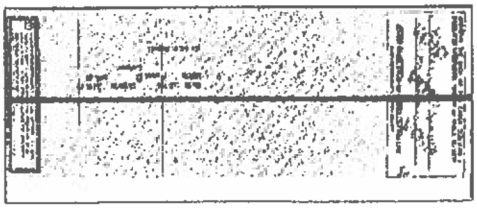
209104 $18.60 12/20/2022




209104 $18.60 12/20/2022



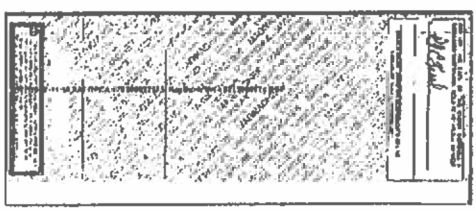
209105 $656.83 12/5/2022



209105 $656.83 12/5/2022



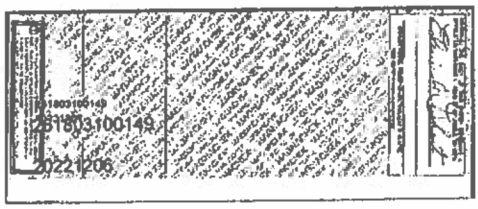
209106 $1,285.42 12/2/2022



209106 $1,285.42 12/2/2022



209107 $36.30 12/6/2022



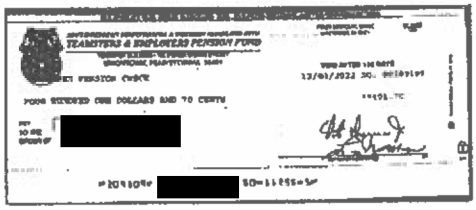

209107 $36.30 12/6/2022



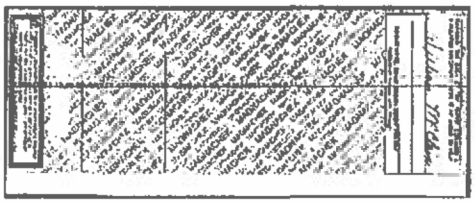
209108 $331.28 12/7/2022



209108 $331.28 12/7/2022



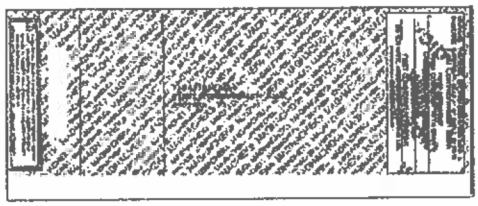
209109 $401.70 12/6/2022



209109 $401.70 12/6/2022



209110 $662.11 12/21/2022



209110 $662.11 12/21/2022



209111 $316.60 12/7/2022



209111 $316.60 12/7/2022



209112 $62.86 12/5/2022



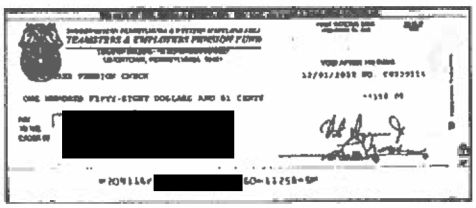

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209113 $72.52 12/6/2022




209113 $72.52 12/6/2022



209114 $158.01 12/14/2022



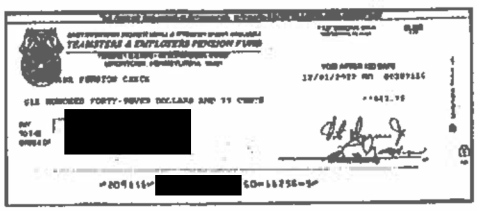

209114 $158.01 12/14/2022



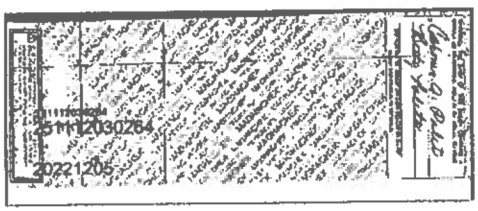
209115 $1,061.91 12/23/2022




209115 $1,061.91 12/23/2022



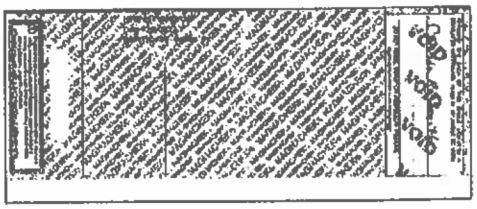
209116 $647.79 12/5/2022



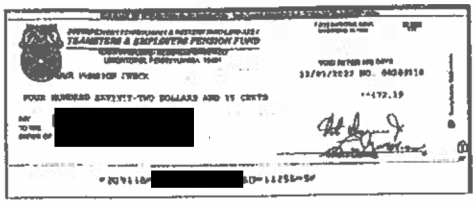

209116 $647.79 12/5/2022



209117 $76.40 12/7/2022



209117 $76.40 12/7/2022



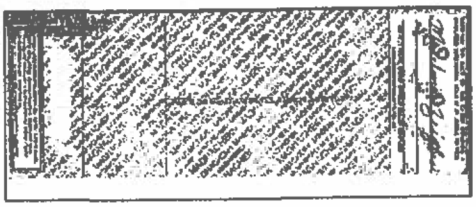
209118 $472.19 12/13/2022



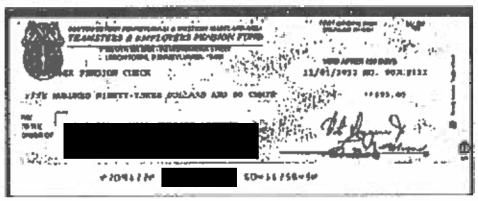
209118 $472.19 12/13/2022



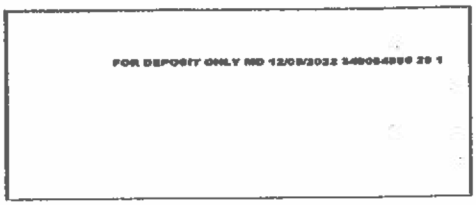
209121 $45.32 12/6/2022



209121 $45.32 12/6/2022



209122 $593.00 12/5/2022



209122 $593.00 12/5/2022



209123 $800.00 12/6/2022



209123 $800.00 12/6/2022



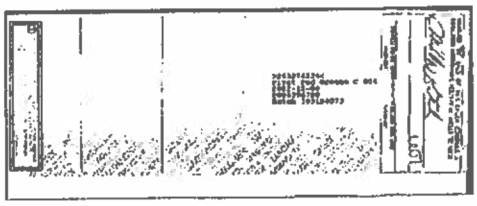
209124 ~ $5,005.50 12/7/2022



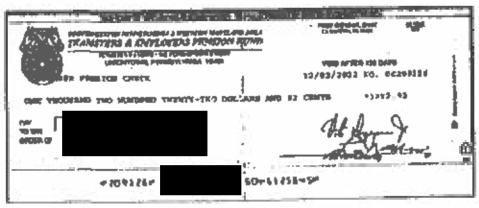
209124 $5,005.50 12/7/2022



209125 $2,923.88 12/8/2022



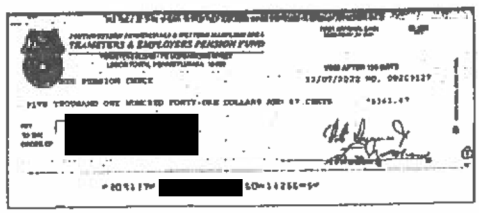
209125 $2,923.88 12/8/2022



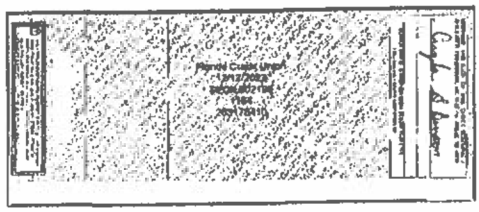
209126 $1,222.92 12/13/2022



209126 $1,222.92 12/13/2022



209127 $5,141.47 12/13/2022



209127 $5,141.47 12/13/2022

45290 7171557 075844 151687 0004/0004

# First National Bank

**Statement Ending 12/30/2022**

4140 E. State Street
Hermitage, PA 16148

SW PA AND WESTERN MD AREA



Primary Account Number: [redacted]

ADDRESS SERVICE REQUESTED

>031571 7171557 0001 092543 10Z

SW PA AND WESTERN MD AREA
TEAMSTERS AND EMPLOYERS PENS
112 MORGANTOWN ST
UNIONTOWN PA 15401-4214

## Managing Your Accounts

| | |
|---|---|
| Online | www.fnb-online.com |
| By Phone | 1 800-555-5455 |
| By Mail | 4140 E. State Street Hermitage, PA 16148 |

## Summary of Accounts

| Account Type | Account Number | Balance This Statement |
|---|---|---|
| BUSINESS FIRST RATE MONEY MARKET | [redacted] | $1,873,945.52 |

## BUSINESS FIRST RATE MONEY MARKET - [redacted]

### Account Summary

| Date | Description | Amount |
|---|---|---|
| 12/01/2022 | **Balance Last Statement** | **$2,459,396.89** |
| | 8 Credit(s) This Period | $857,187.53 |
| | 6 Debit(s) This Period | $1,442,638.90 |
| 12/30/2022 | **Balance This Statement** | **$1,873,945.52** |

### Interest Summary

| Description | Amount |
|---|---|
| Annual Percentage Yield Earned | 1.00% |
| Interest Days | 30 |
| Interest Earned | $1,845.92 |
| Interest Paid This Period | $1,845.92 |
| Interest Paid Year-to-Date | $10,797.36 |
| Average Available Balance | $2,245,871.74 |

### Account Activity

| Post Date | Description | Debits | Credits | Balance |
|---|---|---|---|---|
| **12/01/2022** | **Balance Last Statement** | | | **$2,459,396.89** |
| 12/07/2022 | DEPOSIT | | $159,548.62 | $2,618,945.51 |
| 12/07/2022 | DEPOSIT | | $189,428.24 | $2,808,373.75 |
| 12/12/2022 | Charge Back Item Check 5304 | $2,606.90 | | $2,805,766.85 |
| 12/12/2022 | Return Deposit/Cash Item Fee | $12.00 | | $2,805,754.85 |
| 12/15/2022 | Incoming Wire [redacted] YRC WORLDWIDE | | $239.40 | $2,805,994.25 |
| 12/15/2022 | Incoming Wire Fee [redacted] | $20.00 | | $2,805,974.25 |
| 12/16/2022 | DEPOSIT | | $44,764.78 | $2,850,739.03 |
| 12/16/2022 | DEPOSIT | | $105,125.27 | $2,955,864.30 |
| 12/16/2022 | [redacted] EB INTERNET XFER TO CHECKING [redacted] ON 12/16/22 AT 13:26 | $860,000.00 | | $2,095,864.30 |
| 12/20/2022 | [redacted] EB INTERNET XFER TO CHECKING [redacted] ON 12/20/22 AT 10:24 | $540,000.00 | | $1,555,864.30 |
| 12/21/2022 | DEPOSIT | | $340,414.70 | $1,896,279.00 |
| 12/29/2022 | DEPOSIT | | $15,820.60 | $1,912,099.60 |
| 12/29/2022 | [redacted] EB INTERNET XFER TO CHECKING [redacted] ON 12/29/22 AT 15:28 | $40,000.00 | | $1,872,099.60 |

To learn more about FNB's deposit account practices such as our posting order, what is an available balance, and how preauthorized point-of-sale debit card transactions affect your account, please visit the following websites:

- For consumer accounts, click on the Managing Your Checking Account video at www.fnb-online.com/learn
- For business accounts, click on https://www.fnb-online.com/business-overdrafts

31571 7171557 042211 084421 0001/0002

## BUSINESS FIRST RATE MONEY MARKET - [redacted] (continued)

### Account Activity (continued)

| Post Date | Description | Debits | Credits | Balance |
|---|---|---|---|---|
| 12/30/2022 | INTEREST | | $1,845.92 | $1,873,945.52 |
| **12/30/2022** | **Balance This Statement** | | | **$1,873,945.52** |

### Daily Balances

| Date | Amount | Date | Amount | Date | Amount |
|---|---|---|---|---|---|
| 12/07/2022 | $2,808,373.75 | 12/16/2022 | $2,095,864.30 | 12/29/2022 | $1,872,099.60 |
| 12/12/2022 | $2,805,754.85 | 12/20/2022 | $1,555,864.30 | 12/30/2022 | $1,873,945.52 |
| 12/15/2022 | $2,805,974.25 | 12/21/2022 | $1,896,279.00 | | |

# First National Bank

**4140 E. State Street**
**Hermitage, PA 16148**

1-10-2023 Vlg Pkw Balanced per Bank Statement

ADDRESS SERVICE REQUESTED

>042676 7171557 0001 092543 10Z

S W PA AND W MD AREA
TEAMSTER AND EMPLOYERS
PENSION FUND AND GEN FUND
112 MORGANTOWN ST
UNIONTOWN PA 15401-4214

## Statement Ending 12/30/2022

*S W PA AND W MD AREA* 

***Primary Account Number:*** [redacted]

### Managing Your Accounts

| | |
|---|---|
| Online | www.fnb-online.com |
| By Phone | 1 800-555-5455 |
| By Mail | 4140 E. State Street<br>Hermitage, PA 16148 |

### Summary of Accounts

| Account Type | Account Number | Balance This Statement |
|---|---|---|
| NON-PROFIT CHECKING | [redacted] | $75,698.39 |

## NON-PROFIT CHECKING - [redacted]

### Account Summary

| Date | Description | Amount | | |
|---|---|---|---|---|
| **12/01/2022** | **Balance Last Statement** | **$113,106.50** | Minimum Balance | $59,513.47 |
| | 1 Credit(s) This Period | $40,000.00 | Average Ledger Balance | $86,372.57 |
| | 12 Debit(s) This Period | $77,408.11 | Average Available Balance | $86,372.57 |
| **12/30/2022** | **Balance This Statement** | **$75,698.39** | | |

### Account Activity

| Post Date | Description | Debits | Credits | Balance |
|---|---|---|---|---|
| **12/01/2022** | **Balance Last Statement** | | | **$113,106.50** |
| 12/01/2022 | CHECK # 6614 | $630.00 | | $112,476.50 |
| 12/05/2022 | CHECK # 6605 | $450.00 | | $112,026.50 |
| 12/06/2022 | CHECK # 6608 | $3,000.00 | | $109,026.50 |
| 12/08/2022 | CHECK # 6610 | $3,010.01 | | $106,016.49 |
| 12/12/2022 | CHECK # 6609 | $11,626.25 | | $94,390.24 |
| 12/12/2022 | CHECK # 6606 | $1,700.00 | | $92,690.24 |
| 12/12/2022 | CHECK # 6615 | $1,176.77 | | $91,513.47 |
| 12/19/2022 | CHECK # 6611 | $25,000.00 | | $66,513.47 |
| 12/19/2022 | CHECK # 6612 | $7,000.00 | | $59,513.47 |
| 12/29/2022 | [redacted] EB INTERNET XFER FROM BUSINESS FIRST R [redacted] ON 12/29/22 AT 15:28 | | $40,000.00 | $99,513.47 |
| 12/29/2022 | CHECK # 6624 | $21,035.91 | | $78,477.56 |
| 12/29/2022 | CHECK # 6619 | $1,995.00 | | $76,482.56 |
| 12/29/2022 | CHECK # 6616 | $784.17 | | $75,698.39 |
| **12/30/2022** | **Balance This Statement** | | | **$75,698.39** |

### Checks Cleared

| Check Nbr | Date | Amount | Check Nbr | Date | Amount | Check Nbr | Date | Amount |
|---|---|---|---|---|---|---|---|---|
| 6605 | 12/05/2022 | $450.00 | 6608* | 12/06/2022 | $3,000.00 | 6610 | 12/08/2022 | $3,010.01 |
| 6606 | 12/12/2022 | $1,700.00 | 6609 | 12/12/2022 | $11,626.25 | 6611 | 12/19/2022 | $25,000.00 |

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- For business accounts, click on https://www.fnb-online.com/business-overdrafts

042676 7171557 0672S2 134503 0001/0003

## NON-PROFIT CHECKING - [redacted] (continued)

### Checks Cleared (continued)

| Check Nbr | Date | Amount | Check Nbr | Date | Amount | Check Nbr | Date | Amount |
|---|---|---|---|---|---|---|---|---|
| 6612 | 12/19/2022 | $7,000.00 | 6615 | 12/12/2022 | $1,176.77 | 6619* | 12/29/2022 | $1,995.00 |
| 6614* | 12/01/2022 | $630.00 | 6616 | 12/29/2022 | $784.17 | 6624* | 12/29/2022 | $21,035.91 |

* Indicates skipped check number

### Daily Balances

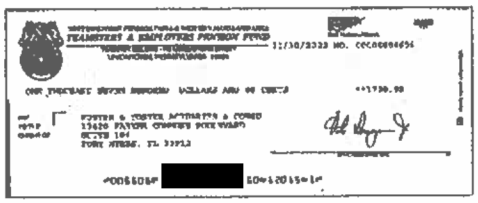
| Date | Amount | Date | Amount | Date | Amount |
|---|---|---|---|---|---|
| 12/01/2022 | $112,476.50 | 12/08/2022 | $106,016.49 | 12/29/2022 | $75,698.39 |
| 12/05/2022 | $112,026.50 | 12/12/2022 | $91,513.47 | | |
| 12/06/2022 | $109,026.50 | 12/19/2022 | $59,513.47 | | |



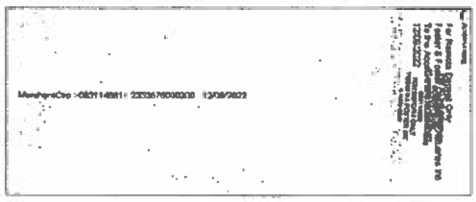
6605 $450.00 12/5/2022



6605 $450.00 12/5/2022



6606 $1,700.00 12/12/2022



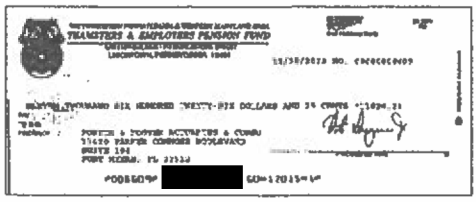
6606 $1,700.00 12/12/2022



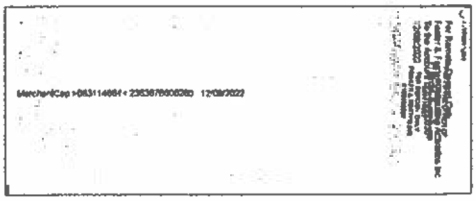
6608 $3,000.00 12/6/2022



6608 $3,000.00 12/6/2022



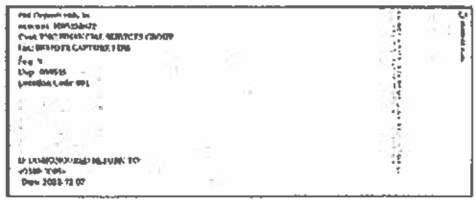
6609 $11,626.25 12/12/2022



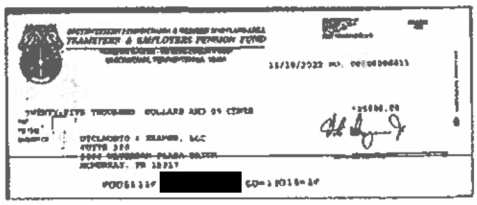
6609 $11,626.25 12/12/2022



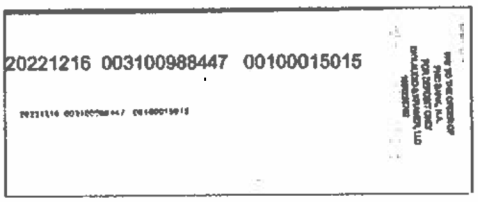
6610 $3,010.01 12/8/2022



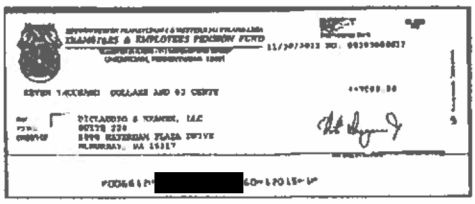
6610 $3,010.01 12/8/2022



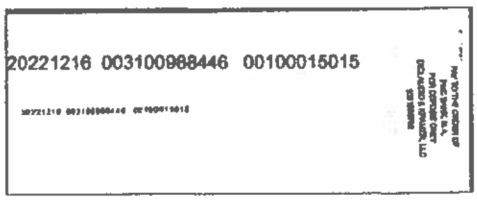
6611 $25,000.00 12/19/2022



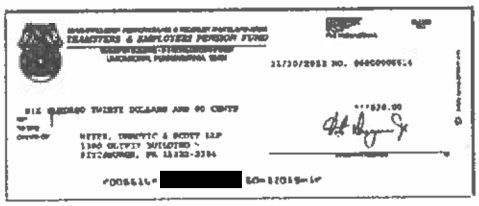

6611 $25,000.00 12/19/2022



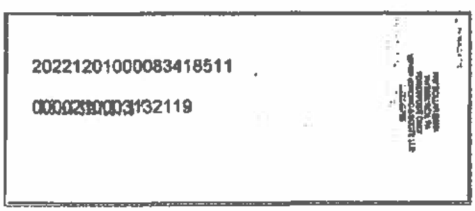
6612 $7,000.00 12/19/2022




6612 $7,000.00 12/19/2022



6614 $630.00 12/1/2022




6614 $630.00 12/1/2022



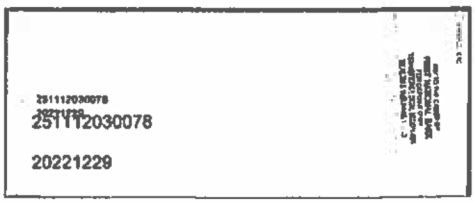
6615 $1,176.77 12/12/2022



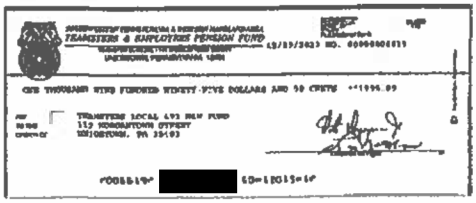
6615 $1,176.77 12/12/2022



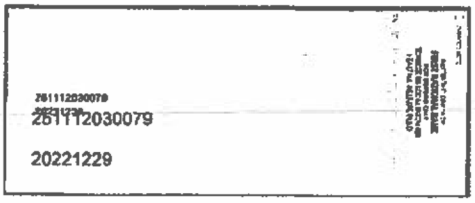

6616 $784.17 12/29/2022



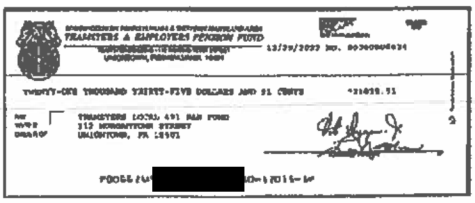

6616 $784.17 12/29/2022



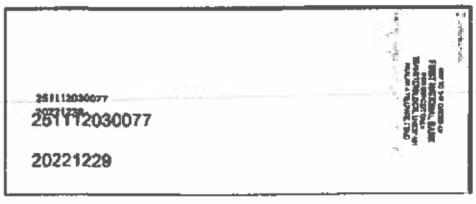

6619 $1,995.00 12/29/2022




6619 $1,995.00 12/29/2022




6624 $21,035.91 12/29/2022




6624 $21,035.91 12/29/2022

42674 7171557 067254 134507 0003/0003

TEAMSTERS LOCAL 491
OUTSTANDING PENSION CHECKS AS OF: 12/31/2022

| CHECK NBR | CHECK DATE | PAYEE NUMBER | PAYEE NAME | CHECK AMOUNT | C |
|---|---|---|---|---|---|
| 209098 | 12/01/2022 | XXXXX[redacted] | [redacted] | 173.91 | |
| 209119 | 12/01/2022 | XXXXX[redacted] | | 149.86 | |
| 209128 | 12/13/2022 | XXXXX[redacted] | | 157.38 | |

NUMBER OF CHECKS: 3 TOTALS: 481.15

TEAMSTERS LOCAL 491
OUTSTANDING CHECKS AS OF: 12/31/2022 FOR Pension

| CHECK NBR | CHECK DATE | PAYEE NUMBER | PAYEE NAME | CHECK AMOUNT | CL A |
|---|---|---|---|---|---|
| 6617 | 12/29/2022 | 000000 [redacted] | [redacted] | 450.00 | |
| 6618 | 12/29/2022 | 000000 | I.S.S.I. | 5,500.00 | |
| 6620 | 12/29/2022 | 000000 | FOSTER & FOSTER ACTUARI | 1,700.00 | |
| 6621 | 12/29/2022 | 000000 | PENSION BENEFIT INFORMA | 7,408.47 | |
| 6622 | 12/29/2022 | 000000 | MEYER, UNKOVIC & SCOTT | 2,610.00 | |
| 6623 | 12/29/2022 | 000000 | FOSTER & FOSTER ACTUARI | 19,660.00 | |
| NUMBER OF CHECKS | | 6 | | 37,328.47 | |