

**Plan Information**

Abbreviated Plan Name: DC 37 Local 389 Home Care Employees Pension Fund

EIN: 13-3698650

PN: 001

**Special Financial Assistance Application****Section D, Item 1 – Cover Letter**

December 16, 2025

***Via efilingsportal.pbgc.gov***

Pension Benefit Guaranty Corporation

1200 K Street, N.W.

Washington, DC 2005-4026

Re: Special Financial Assistance Application of DC 37 Local 389 Home Care Employees Pension Fund

Dear Sir or Madam:

The DC 37 Local 389 Home Care Employees Pension Fund (“Local 389” or “Plan”) requests \$35,537,980 of Special Financial Assistance (“SFA”) in accordance with ERISA Section 4262, the Final Rule on Special Financial Assistance (“Final Rule”) issued by the Pension Benefit Guaranty Corporation (“PBGC”) on July 8, 2022, and publication PBGC SFA 22-07 Special Financial Assistance Assumptions (“Assumptions Guidance”) as updated on November 1, 2023.

This letter is intended to serve as an SFA cover letter under Section D, Item 1 of the Instructions for Filing Requirements for Multiemployer Plan Applying for SFA (“Instructions”). The attachments to this letter contain the following information required under the Instructions:

- Section D, Item 2: Plan Sponsor contact information
- Section D, Item 3: Eligibility criteria
- Section D, Item 4: Priority group
- Section D, Item 5: Narrative on development of assumed future contributions and withdrawal liability payments
- Section D, Item 6a: Eligibility assumptions that differ from 2020 certification
- Section D, Item 6b: Rationale for assumption changes for determining the SFA amount

For any questions about this filing, please contact Tim Connor, at the following:

[timothy.connor@milliman.com](mailto:timothy.connor@milliman.com), (973) 569-5609.

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*Jahmila Edwards*

Jahmila Edwards, Union Trustee  
Board of Trustees of the  
DC 37 Local 389 Employees Pension Fund  
December 16, 2025

*Mark Parauda*

Mark Parauda, Management Trustee  
Board of Trustees of the  
DC 37 Local 389 Employees Pension Fund  
December 16, 2025

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**Special Financial Assistance Application  
Section D, Item 2: Plan sponsor contact information**

Plan Sponsor

Board of Trustees  
DC 37 Local 389 Home Care Employees Pension Fund  
420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Phone: (212) 925-6033  
Email: abrowne@l389hw.org

Plan Sponsor's Authorized Representatives

*Union Trustee*

Mark Parauda  
Local 389  
420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Email: mparauda@selfhelp.net

*Management Trustee*

Jahmila Edwards  
Local 389  
420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Email: JEdwards@DC37.NET

*Actuary*

Timothy Connor, FSA, EA, MAAA  
Milliman, Inc.  
150 Clove Road, 8<sup>th</sup> Floor  
Little Falls, NJ 07424  
Email: timothy.connor@milliman.com  
Phone: (973) 569-5609

*Actuary*

Barry Marks, EA, MAAA  
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New York, NY 10018  
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**Special Financial Assistance Application****Section D, Item 3: Eligibility criteria**

The Plan is eligible for SFA under Section 4262.3(a)(1) of PBGC's Final Rule.

The Plan was certified in critical and declining status for purposes of SFA eligibility at January 1, 2021 and January 1, 2022. The original PPA zone certifications are included in the Plan's response to Section B, Item (5).

**Special Financial Assistance Application****Section D, Item 4: Priority group**

The Plan's application is anticipated to be submitted on December 17, 2025. The Plan is not in any of priority groups 1 through 6, identified in 4262.10(d)(2).

**Plan Information**

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**Special Financial Assistance Application**

**Section D, Item 5: Narrative on development of assumed future contributions and withdrawal liability payments**

This section provides the required detailed narrative description of the development of assumed future contributions and withdrawal liability payments used to determine eligibility for SFA and to calculate the amount of SFA for the Plan. The average contribution rate was calculated based on actual 2023 data to be \$.53 per hour. Contribution base units were decreased for subsequent years based on the PBGC'S SFA generally acceptable assumption change guidance.

Contributions

For purposes of this application, only known payments that are expected to be received after the measurement date are reflected. Their schedule of remaining payments is shown in the table below:

<b>Plan Year Ending 12/31</b>	<b>Total</b>	<b>Plan Year Ending 12/31</b>	<b>Total</b>	<b>Plan Year Ending 12/31</b>	<b>Total</b>
2023	\$992,730	2034	\$757,614	2045	\$698,280
2024	\$964,866	2035	\$751,852	2046	\$693,316
2025	\$937,818	2036	\$746,165	2047	\$688,422
2026	\$911,561	2037	\$740,552	2048	\$683,597
2027	\$886,072	2038	\$735,014	2049	\$678,840
2028	\$861,328	2039	\$729,550	2050	\$674,151
2029	\$837,306	2040	\$724,159	2051	\$669,529
2030	\$813,986	2041	\$718,840		
2031	\$791,347	2042	\$713,593		
2032	\$769,368	2043	\$708,418		
2033	\$763,453	2044	\$703,314		

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**Special Financial Assistance Application****Section D, Item 6a: Eligibility assumptions that differ from 2020 certification**

The Plan became eligible for SFA under 29 C.F.R. § 4262.3(a)(1) for the January 1, 2022 plan year. In determining the Plan's eligibility for SFA, the following assumptions differed from the 2020 certification of plan status (the most recent actuarial certification of plan status completed before January 1, 2021). These differences are explained below with additional detail provided in Section E, Item 2.

<b>Mortality and Mortality Improvement</b>	
<b>Original assumption</b>	<p>The original assumption reflected the following mortality assumptions:</p> <ul style="list-style-type: none"> <li>○ <u>Non-Retired Participants</u>: RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA</li> <li>○ <u>Healthy Retirees</u>: RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA</li> <li>○ <u>Disabled Retirees</u>: RP-2000 Disabled Retiree Mortality Table</li> </ul>
<b>SFA eligibility assumption</b>	<p>The SFA eligibility assumption reflects the following mortality assumptions:</p> <ul style="list-style-type: none"> <li>○ <u>Non-Retired Participants</u>: RP-2000 Combined Healthy Blue Collar Mortality Table projected generationally with MP-2021</li> <li>○ <u>Healthy Retirees</u>: RP-2000 Combined Healthy Blue Collar Mortality Table projected generationally with MP-2021</li> <li>○ <u>Disabled Retirees</u>: RP-2000 Disabled Retiree Collar Mortality Table projected generationally with MP-2021</li> </ul> <p>This assumption was used in the original January 1, 2022 zone status certification.</p>
<b>Reason original assumption is not reasonable</b>	<p>The original assumption using Scale AA projection scale is no longer reasonable as the subsequent MP-2021 projection scale is more reflective of anticipated experience.</p>
<b>Reason SFA eligibility assumption is reasonable</b>	<p>The updated assumption is reasonable for SFA eligibility purposes because it reflects the assumption used for the Plan's 2022 zone actuarial certification and the most recently available mortality tables and projection scales published by the Retirement Plans Experience Committee of the SOA. The updated assumption is consistent with the "acceptable" change in the PBGC's Assumptions Guidance document.</p>

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<b>Missing Date of Birth for Retiree Assumption</b>	
<b>Original assumption</b>	No formal assumption disclosed.
<b>SFA eligibility assumption</b>	If date of birth was missing for a retiree, an assumed date of birth of January 1, 1950 is reflected.
<b>Reason original assumption is not reasonable</b>	The original assumption was insufficient as there was no formal process delineated.
<b>Reason SFA eligibility assumption is reasonable</b>	The updated assumption is reasonable because: <ul style="list-style-type: none"><li>○ It reflects actual experience</li><li>○ It is different than the date of birth assumed for actives</li></ul>

<b>Retiree Population Adjustments</b>	
<b>Original assumption</b>	\$3,000,000 added to retiree liabilities.
<b>SFA eligibility assumption</b>	\$5,200,000 added to retiree liabilities.
<b>Reason original assumption is not reasonable</b>	The original assumption is no longer reasonable because it did not reflect the Plan's experience through the SFA eligibility zone certification valuation date.
<b>Reason SFA eligibility assumption is reasonable</b>	The updated assumption is reasonable because It reflects actual experience through the SFA eligibility zone certification valuation date.

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**Special Financial Assistance Application****Section D, Item 6b: Rationale for assumption changes for determining the SFA amount**

Below is a detailed explanation and supporting rationale, as well as information as to why the original assumption is no longer reasonable and the changed assumptions are reasonable, for each assumption or method used to determine the SFA amount that differs from that used for the January 1, 2022 certification (the most recent actuarial certification of plan status before January 1, 2021).

<b>Mortality and Mortality Improvement</b>	
<b>Original assumption</b>	<p>The original assumption reflected the following mortality assumptions:</p> <ul style="list-style-type: none"> <li>○ <u>Non-Retired Participants</u>: RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA</li> <li>○ <u>Healthy Retirees</u>: RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA</li> <li>○ <u>Disabled Retirees</u>: RP-2000 Disabled Retiree Mortality Table</li> </ul>
<b>SFA assumption</b>	<p>The SFA eligibility assumption reflects the following mortality assumptions:</p> <ul style="list-style-type: none"> <li>○ <u>Non-Retired Participants</u>: Pri-2012 Private Retirement Plans Mortality Tables projected generationally with MP-2021</li> <li>○ <u>Healthy Retirees</u>: Pri-2012 Private Retirement Plans Mortality Tables projected generationally with MP-2021</li> <li>○ <u>Disabled Retirees</u>: Pri-2012 Private Retirement Plans Disabled Mortality Tables projected generationally with MP-2021</li> </ul>
<b>Reason original assumption is not reasonable</b>	<p>The original assumption using RP-2000 mortality and Scale AA projection scale is no longer reasonable as the subsequent Pri-2012 table and MP-2021 projection scale are more reflective of anticipated experience.</p>
<b>Reason SFA assumption is reasonable</b>	<p>The updated assumption is reasonable for SFA eligibility purposes because it reflects the assumption used for the Plan's 2022 zone actuarial certification and the most recently available mortality tables and projection scales published by the Retirement Plans Experience Committee of the SOA. The updated assumption is consistent with the "acceptable" change in the PBGC's Assumptions Guidance document.</p>

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<b>Future Contributions and Withdrawal Liability Payments</b>	
<b>Original assumption</b>	<p>The original contribution assumption reflected the following assumptions:</p> <ul style="list-style-type: none"><li>○ Active population will remain stable after 2021 based on industry activity</li><li>○ Contributions Reflecting the current contribution rates</li><li>○ A portion of the assumed contributions for the pre-2021 zone certification included an additional piece for withdrawal liability payment.</li></ul>
<b>SFA assumption</b>	<p>The SFA assumption reflects the following contribution assumptions:</p> <ul style="list-style-type: none"><li>○ 2023 actual CBUs are used for 1/1/2023-12/31/2023</li><li>○ The CBUs decrease by 3% for the first 10 years of the projection period and 1% until 2051</li></ul>
<b>Reason original assumption is not reasonable</b>	<p>The original assumption overstates the future contributions to the plan. The later decreases reflect that withdrawal liability payments were not collected and there was a decrease in plan population.</p>
<b>Reason SFA assumption is reasonable</b>	<p>This updated assumption follows the PBGC's "Generally acceptable change" guidance IV.A. The CBU decreases for template 3 show declines of greater than 3% from 2010-2019. As instructed, the "COVID period" was not reflected.</p>

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<b>Administrative Expense</b>	
<b>Original assumption</b>	\$1,000,000 in expenses reflecting 2% inflation in future years.
<b>Baseline SFA assumption</b>	\$1,000,000 in expenses reflecting 2% inflation in future years, reflecting 15% of benefit payment cap for years after 2041.
<b>SFA assumption</b>	<p>\$1,000,000 in expenses reflecting 2% inflation in future years, with the following modifications:</p> <ol style="list-style-type: none"> <li>1. The PBGC flat rate premium is adjusted to reflect the known 2023, 2024, and 2025 premium rates as well as \$52 effective January 1, 2031,</li> <li>2. Reflection of actual expenses for 2023 and 2024 and expected expenses for 2025, including SFA application charges</li> <li>3. One-time expense in 2026 of roughly \$700,000 reflecting the implementation of necessary internal computer system updates and known expenses including pension administration tasks and moving expenses.</li> <li>4. Beyond 2026, additional expected expense increases are associated with managing two accounts with the need for an SFA account, plus continued additional expenses as described above, offset by known reductions in some expenses.</li> </ol>
<b>Reason original assumption is not reasonable</b>	<p>The original assumption is no longer reasonable because:</p> <ul style="list-style-type: none"> <li>○ It did not extend beyond the end of the certification projection period, which was the year of projected insolvency (2041 plan year),</li> <li>○ It did not reflect actual fee increases negotiated by service providers and experience through the measurement date,</li> <li>○ It did not anticipate the expense of preparing the SFA application, nor did it anticipate known expenses related to future administration resource needs, and</li> <li>○ The annual increase assumption did not reflect the inflation expectations as of the SFA measurement date.</li> </ul> <p>Additionally, the cap on administrative expenses of 15% of projected annual benefit payments is unreasonable as it produces a decline in future expenses below the current level.</p>
<b>Reason SFA assumption is reasonable</b>	<p>The updated assumption is reasonable because:</p> <ul style="list-style-type: none"> <li>○ It extends through the SFA projection period,</li> <li>○ It reflects the known increases in the PBGC’s flat rate premiums that occurred in 2023 through 2025 and will occur in 2031 under section 4006(a)(3)(A) of ERISA,</li> </ul>

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	<ul style="list-style-type: none"><li>○ It reflects actual experience through the measurement date and current expectations for non-SFA administrative expenses in the first year of the projection,</li><li>○ It reflects the additional expected administrative cost of the SFA application during the 2026 plan year plus it reflects known ongoing administrative expenses, and</li><li>○ It reflects average inflation expectations as of the SFA measurement date.</li></ul> <p>If a cap of 15% of benefit payments were applied starting in the 2041-2042 plan year, the administrative expenses would immediately decline by over 50% to a level that is below the actual 2022-2023 expenses. Due to the very low accrual rate for active participants benefit payments are expected to decline, and a 15% cap would result in continued declines in administrative expenses to a level significantly below the current level. Given that we anticipate inflation to increase the cost of doing business, a significant decline in administrative expenses over a 25 to 30 year period is unreasonable.</p>
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<b>New Entrant Assumption</b>	
<b>Original assumption</b>	New entrant assumption was implicit through contribution increases in pre-2021 zone certification
<b>SFA assumption</b>	New entrant profile was developed based on plan experience. The new entrant profile backup is provided in a separately attached "Local 389 New Entrant Profile.pdf"
<b>Reason original assumption is not reasonable</b>	The original assumption is no longer reasonable as it was not reflecting plan experience.
<b>Reason SFA assumption is reasonable</b>	<p>The updated assumption is reasonable because it more accurately reflects plan experience through the date of the 2022 zone certification.</p> <p>The updated assumption is consistent with the "acceptable" change in the PBGC's Assumptions Guidance document.</p>

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**Special Financial Assistance Application****Section E, Item 2 – Eligibility for SFA**

Attached please find the 2020, 2021, and 2022 Zone Certifications for DC 37 Local 389 Home Care Employees Pension Fund. The plan was eligible for Special Financial Assistance as of the January 1, 2022 plan year based on the 2022 plan status of Critical and Declining.

The following assumptions were changed from the 2020 Zone Certification to the 2022 Zone Certification.

- Scale AA was updated to Scale MP-2021
- A missing retiree Date of birth assumption was implemented
- Liabilities for in Pay participants additional assumption was increased from \$3M to \$5.2M.



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Tel: +1 973 278 8860  
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milliman.com

March 30, 2020

Jacqueline M. Carmichael  
Contact Compliance Officer  
DC 1707 Local 389 Pension Fund  
420 West 45<sup>th</sup> Street, Fifth Floor  
New York, NY 10036

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning January 1, 2020 – District Council 1707, Local 389 Home Care and Professional Employees Pension Plan**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2020 for the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

A handwritten signature in blue ink that reads "Tim Connor".

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Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #17-06974

cc: Board of Trustees (w/encs)

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Funding Status Projection Results**

<b>Plan Year Beginning</b>	<b>Funded Percentage</b>	<b>Contributions</b>	<b>Credit Balance at End of Year</b>
1/1/2020	94.4%	2,017,000	2,634,000
1/1/2021	95.2%	2,024,000	1,981,000
1/1/2022	96.0%	2,032,000	1,363,000
1/1/2023	95.2%	2,039,000	429,000
1/1/2024	96.9%	2,047,000	461,000
1/1/2025	97.1%	2,055,000	201,000
1/1/2026	97.4%	2,063,000	114,000
1/1/2027	97.7%	2,071,000	716,000
1/1/2028	97.8%	2,079,000	1,683,000
1/1/2029	98.3%	2,088,000	1,496,000
1/1/2030	98.6%	2,088,000	1,186,000

An accumulated funding deficiency is not projected to occur at the end of the 2020 plan year nor at the end of any of the next following six plan years.

The funded percentage as of January 1, 2020 is projected to be 94.4%.

<b>Plan Year Beginning</b>	<b>Critical Test 1</b>	<b>Critical Test 2</b>	<b>Critical Test 3</b>	<b>Critical Test 4</b>
1/1/2020	Pass	Pass	Pass	Pass
1/1/2021	Pass	Pass	Pass	Pass
1/1/2022	Pass	Pass	Pass	Pass
1/1/2023	Pass	Pass	Pass	Pass
1/1/2024	Pass	Pass	Pass	Pass
1/1/2025	Pass	Pass	Pass	Pass

The Plan passes each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2020 plan year, and thus is not certified to be in Critical Status for the 2020 plan year.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2019, I hereby certify that the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan is not considered “endangered”, “seriously endangered”, “critical”, or “critical and declining”, for the plan year beginning January 1, 2020 as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

In addition, I hereby certify that the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan is not projected to be in “critical” status for any of the succeeding 5 plan years for the plan year beginning January 1, 2020.

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.



March 30, 2020

\_\_\_\_\_  
Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #17-06974

\_\_\_\_\_  
Date

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2019 participant data and January 1, 2019 actuarial valuation results, as provided in our actuarial report dated March 30, 2020.
  - Estimated January 1, 2020 unaudited asset value of \$64,537,342 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 15.37% (net of investment-related administrative expenses) for the plan year ended December 31, 2019 and an assumed rate of return on market assets of 7.25% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2019. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2019. Based in part on input from the Fund's Board of Trustees, an assumption that Active Homecare Employees work 1500 hours and Suspended Homecare Employees work 125 hours for each plan year after December 31, 2019.
  - Estimated contributions assuming an hourly contribution rate of \$0.46 per hour for Homecare Employees and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2019. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year. In addition, our projections include reflection of a withdrawal of a portion of the Professional Staff group, whereby it is assumed that annual withdrawal liability payments will approximate the most recent contributions due for the next ten years. This group represents about 11% of the normal cost.
  - With regard to liability held for potential retroactive payments owed to inactive participants, we have assumed nominal payments are spread ratably over the next four years.
  - Plan provisions identical to those used in the January 1, 2019 actuarial valuation.
  - Administrative expenses are assumed to increase by 2% for each plan year after December 31, 2019.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2019 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 30, 2020.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 1707, Local 389 Home Care and Professional Employees  
Pension Plan  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2020 - December 31, 2020  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #17-06974  
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Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 30, 2020

## Appendix

### District Council 1707, Local 389 Home Care and Professional Employees Pension Plan PPA Actuarial Certification for Plan Year Beginning January 1, 2020

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

## **Actuarial Cost Method**

### **Actuarial Cost Method: Projected Unit Credit**

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the "Projected Unit Credit Actuarial Cost Method", one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan's total normal cost is the sum of the individual normal costs.

### **Actuarial Asset Valuation Method: Smoothed Market Value**

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## **Actuarial Assumptions**

### **Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

**Current Liability Interest Rate:**

**Assumption:** 3.06% assumed annual rate of return. This rate was 2.98% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses the highest rate permitted by law.

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table.

**Mortality for Current Liability:**

**Healthy and Disabled participants:** 2019 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** \$1,000,000 added to the Normal Cost.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability. (The prior assumption was to assume actuarial increases to valuation age, and to hold 0% of liability for those aged 80 and older.).

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$3,000,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a temporary liability hold of \$3 million is held as of January 1, 2019 representing liability attributable to retroactive payments potentially owed to retired participants calculated with interest as specified in the Plan's actuarial equivalence definition.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 1707 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.



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March 31, 2021

Jacqueline M. Carmichael  
Contact Compliance Officer  
DC 1707 Local 389 Pension Fund  
420 West 45<sup>th</sup> Street, Fifth Floor  
New York, NY 10036

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning January 1, 2021 – District Council 1707, Local 389 Home Care and Professional Employees Pension Plan**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2021 for the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used and were developed using models intended for projections that use standard actuarial techniques. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

---

Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

cc: Board of Trustees (w/encs)

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Funding Status Projection Results**

<b><u>Plan Year Beginning</u></b>	<b><u>Funded Percentage</u></b>	<b><u>Contributions</u></b>	<b><u>Credit Balance at End of Year</u></b>
1/1/2021	88.5%	1,361,000	(781,000)
1/1/2022	87.2%	1,363,000	(2,718,000)
1/1/2023	85.8%	1,365,000	(5,000,000)
1/1/2024	86.5%	1,367,000	(6,356,000)
1/1/2025	85.6%	1,369,000	(8,049,000)
1/1/2026	83.7%	1,371,000	(9,683,000)
1/1/2027	81.6%	1,373,000	(10,750,000)
1/1/2028	79.1%	1,375,000	(11,582,000)
1/1/2029	76.4%	1,377,000	(13,710,000)
1/1/2030	73.0%	1,379,000	(16,103,000)
1/1/2031	69.4%	1,381,000	(18,692,000)

An accumulated funding deficiency is projected to occur at the end of the 2021 plan year.

The funded percentage as of January 1, 2021 is projected to be 88.5%.

<b><u>Plan Year Beginning</u></b>	<b><u>Critical Test 1</u></b>	<b><u>Critical Test 2</u></b>	<b><u>Critical Test 3</u></b>	<b><u>Critical Test 4</u></b>
1/1/2021	Pass	Fail	Fail	Pass
1/1/2022	Pass	Fail	Fail	Pass
1/1/2023	Pass	Fail	Fail	Pass
1/1/2024	Pass	Fail	Fail	Pass
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Pass	Fail	Fail	Pass

The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2021 plan year. Furthermore, the Plan is projected to become insolvent during the 2040 plan year, and the ratio of inactive participants to active participants is greater than two to one. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2021 plan year.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2020, I hereby certify that the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan is in "critical and declining" status for the plan year beginning January 1, 2021 as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 ("MPRA").

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the "projected industry activity" assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.



March 31, 2021

\_\_\_\_\_  
Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

\_\_\_\_\_  
Date

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2020 participant data and January 1, 2020 actuarial valuation results, as provided in our actuarial report dated March 31, 2021.
  - Estimated January 1, 2021 unaudited asset value of \$68,743,611 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 11.53% (net of investment-related administrative expenses) for the plan year ended December 31, 2020 and an assumed rate of return on market assets of 7.25% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2020. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2020. Based in part on input from the Fund's Board of Trustees, an assumption that Active Home Care Employees work 1500 hours and Suspended Home Care Employees work 125 hours for each plan year after December 31, 2020.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2020. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2020.
  - Plan provisions identical to those used in the January 1, 2020 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2020 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 31, 2021.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 1707, Local 389 Home Care and Professional Employees  
Pension Plan  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2021 - December 31, 2021  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974  
Address: Milliman  
150 Clove Road, 10th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 31, 2021

## Appendix

### District Council 1707, Local 389 Home Care and Professional Employees Pension Plan PPA Actuarial Certification for Plan Year Beginning January 1, 2021

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

**Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the "Projected Unit Credit Actuarial Cost Method", one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan's total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

**Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA).

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Disabled Retiree Mortality Table).

**Rationale:** We believe the assumptions selected are reasonable for the contingency they are measuring and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost (previously, \$1,000,000 added to the Normal Cost).

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$4,900,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$4.9 million is held as of January 1, 2020 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 1707 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.



150 Clove Road, 10<sup>th</sup> Floor  
Little Falls, NJ 07424  
Tel: +1 973 278 8860

milliman.com

March 31, 2022

Audrey Browne  
DC 37 Local 389 Pension Fund  
420 West 45<sup>th</sup> Street, Fifth Floor  
New York, NY 10036

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning January 1, 2022 – District Council 37, Local 389 Home Care and Professional Employees Pension Plan**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2022 for the District Council 37, Local 389 Home Care and Professional Employees Pension Plan.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used and were developed using models intended for projections that use standard actuarial techniques. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

A handwritten signature in blue ink that reads "Tim Connor".

---

Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

cc: Board of Trustees (w/encs)

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Funding Status Projection Results**

<b>Plan Year Beginning</b>	<b>Funded Percentage</b>	<b>Contributions</b>	<b>Credit Balance at End of Year</b>
1/1/2022	88.3%	1,347,000	(3,495,000)
1/1/2023	86.0%	1,371,000	(5,666,000)
1/1/2024	87.1%	1,099,000	(7,156,000)
1/1/2025	86.4%	1,101,000	(8,967,000)
1/1/2026	84.4%	1,103,000	(10,704,000)
1/1/2027	82.0%	1,106,000	(11,882,000)
1/1/2028	79.2%	1,108,000	(12,832,000)
1/1/2029	76.1%	1,110,000	(15,086,000)
1/1/2030	72.5%	1,112,000	(17,613,000)
1/1/2031	68.3%	1,114,000	(20,347,000)
1/1/2032	63.4%	1,116,000	(23,310,000)

An accumulated funding deficiency is projected to occur at the end of the 2022 plan year.

The funded percentage as of January 1, 2022 is projected to be 88.3%.

<b>Plan Year Beginning</b>	<b>Critical Test 1</b>	<b>Critical Test 2</b>	<b>Critical Test 3</b>	<b>Critical Test 4</b>
1/1/2022	Pass	Fail	Fail	Pass
1/1/2023	Pass	Fail	Fail	Pass
1/1/2024	Pass	Fail	Fail	Pass
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Pass	Fail	Fail	Pass
1/1/2027	Pass	Fail	Fail	Pass

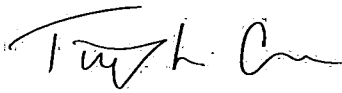
The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2022 plan year. Furthermore, the Plan is projected to become insolvent during the 2039 plan year, and the ratio of inactive participants to active participants is greater than two to one. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2022 plan year.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2021, I hereby certify that the District Council 37, Local 389 Home Care and Professional Employees Pension Plan is in "critical and declining" status for the plan year beginning January 1, 2022, as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 ("MPRA").

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the "projected industry activity" assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.



March 31, 2022

\_\_\_\_\_  
Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

\_\_\_\_\_  
Date

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2021 participant data and January 1, 2021 actuarial valuation results, as provided in our actuarial report dated March 31, 2022.
  - Estimated January 1, 2022 unaudited asset value of \$70,715,450 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 8.62% (net of investment-related administrative expenses) for the plan year ended December 31, 2021 and an assumed rate of return on market assets of 7.25% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2021. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2021.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2021. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2021.
  - Plan provisions identical to those used in the January 1, 2021 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2021 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 31, 2022.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 37, Local 389 Home Care and Professional Employees  
Pension Plan  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2022 - December 31, 2022  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974  
Address: Milliman  
150 Clove Road, 10th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 31, 2022

## Appendix

### District Council 37, Local 389 Home Care and Professional Employees Pension Plan PPA Actuarial Certification for Plan Year Beginning January 1, 2022

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the "Projected Unit Credit Actuarial Cost Method", one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan's total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

**Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate).

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate).

**Rationale:** We believe the assumptions selected are reasonable for the contingency they are measuring and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost (previously, \$1,000,000 added to the Normal Cost).

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$5,200,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.2 million is held as of January 1, 2021 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 37 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

**Plan Information**

Abbreviated Plan Name: DC 37 Local 389 Home Care Employees Pension Fund

EIN: 13-3698650

PN: 001

**Special Financial Assistance Application****Section E, Item 5 – SFA Amount Certification**

The application filed on behalf of the DC 37 Local 389 Home Care Employees Pension Fund (“Local 389”) sets forth the Special Financial Assistance (SFA) amount to which the Plan is eligible under the American Rescue Plan (ARP) Act of 2021, as outlined in section 4262(j)(1) of the Employee Retirement Income Security Act of 1974 (ERISA) and PBGC’s SFA regulation (29 CFR part 4262.4). Based on the actuarial assumptions and data described herein and an SFA measurement date of December 31, 2022 we certify that the amount of \$35,537,980 has been calculated pursuant to ERISA Section 4262(j)(1) and PBGC’s Final Rule (29 CFR part 4262.4) effective October 28, 2025. We further certify that the census data was adjusted to reflect the results of a recently completed death audit and PBGC’s independently completed death audit. A reconciliation of the counts and description of the treatment of the identified deaths is shown in Section B, Item 9a of the SFA application.

The results in this report were developed using models intended for actuarial valuations and experience studies that use standard actuarial techniques. Please see Appendix D of our January 1, 2022 actuarial valuation report for disclosures and assessments of risks associated with these calculations.

**Reliance**

In preparing the report, we relied on our January 1, 2020 and January 1, 2022 actuarial valuations, and, without audit, information (some oral and some in writing) supplied by the Plan’s administrator, auditor, investment consultant, investment managers and legal counsel. This information includes, but is not limited to, plan documents and provisions, participant data, and financial information. The participant data used for purposes of this application is based on the data used for the January 1, 2022 actuarial valuation as adjusted to reflect the results of a recently completed death audit and PBGC’s independently completed death audit. We found this information to be reasonably consistent and comparable with information used for other purposes. The results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

**Limited Use**

Actuarial computations presented here were prepared to determine the amount of the Plan’s SFA as outlined in section 4262(j)(1) of the Employee Retirement Income Security Act of 1974 (ERISA) and PBGC’s SFA Final Rule (29 CFR part 4262.4). Determinations for other purposes may yield significantly different results from those shown in this report. Other calculations may be needed for other purposes, such as judging benefit security at termination.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on plan funded status); and changes in plan provisions or applicable law.

**Plan Information**

Abbreviated Plan Name: DC 37 Local 389 Home Care Employees Pension Fund

EIN: 13-3698650

PN: 001

**Limited Distribution**

Milliman's work is prepared solely for the internal business use of the Board of Trustees of the DC 37 Local 389 Home Care Employees Pension Fund (the "Plan Sponsor") and may not be provided to third parties without our prior written consent. We understand that this application will be provided to the Pension Benefit Guaranty Corporation and the Treasury Department, and may be published in its entirety on PBGC's publicly accessible website. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

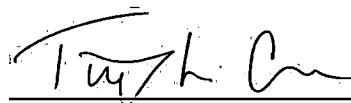
- The Plan Sponsor may provide a copy of Milliman's work, in its entirety, to the Plan's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the Plan.
- The Plan Sponsor may distribute certain work product that Milliman and the Plan Sponsor mutually agree is appropriate as may be required by law.

Any third party recipient of this work product who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

**Actuarial Qualifications**

On the basis of the foregoing, we hereby certify that to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.



Timothy L. Connor FSA, EA, MAAA  
Enrolled Actuary #23-06974  
December 16, 2025



Barry Marks EA, MAAA  
Enrolled Actuary #23-05401  
December 16, 2025

**Plan Information**

Abbreviated Plan Name: DC 37 Local 389 Home Care Employees Pension Fund

EIN: 13-3698650

PN: 001

**Special Financial Assistance****Section E, Item 6 – Reconciliation of the Fair Market Value of Assets from Most Recent Plan Financial Statement to SFA Measurement Date**

The fair market value of assets as of the SFA measurement date of December 31, 2022 was taken from the audited financial statements prepared by Rogoff & Company PC and the account statements provided by the custodial bank and asset managers.

A copy of the audited December 31, 2022 financial statements is provided in Section B, Item 7 as “2022 & 2023 Audited Financials.pdf.”

Based on the financial information as of December 31, 2022, as described above, we hereby certify the fair market value of assets as of the SFA measurement date (December 31, 2022) is \$58,812,471.

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Jahmila Edwards, Union Trustee  
Board of Trustees of the  
DC 37 Local 389 Employees Pension Fund  
December 16, 2025

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Mark Parauda, Management Trustee  
Board of Trustees of the  
DC 37 Local 389 Employees Pension Fund  
December 16, 2025

**Plan Information**

Abbreviated Plan Name: DC 37 Local 389 Home Care Employees Pension Fund

EIN: 13-3698650

PN: 001

**Special Financial Assistance Application****Section E, Item 10 – Penalty of Perjury Statement**

Under penalty of perjury under the laws of the United States of America, we declare that we are authorized Trustees who are current members of the Board of Trustees of the DC 37 Local 389 Home Care Employees Pension Fund and that we have examined this application, including the accompanying documents, and, to the best of our knowledge and belief, the application contains all the relevant factors 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.

---

Jahmila Edwards, Union Trustee  
Board of Trustees of the  
DC 37 Local 389 Employees Pension Fund  
December 16, 2025

---

Mark Parauda, Management Trustee  
Board of Trustees of the  
DC 37 Local 389 Employees Pension Fund  
December 16, 2025

**AMENDMENT TO THE  
DISTRICT COUNCIL 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND**


**Background**


1. **The Board of Trustees of the District Council 37 Local 389 Home Care Employees Pension Fund** (the “Board”) 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 for the **District Council 37 Local 389 Home Care Employees Pension Fund** (the “Plan”).
2. 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.
3. Under 8.1 of the **District Council 37 Local 389 Home Care Employees Pension Fund Plan Document as Amended and Restated January 1, 2014** (the “Plan Document”), the Board has the power to amend the Plan Document.


**Amendment**


The Plan Document is amended by adding a new Section 7.12 to read as follows:

**7.12 SPECIAL FINANCIAL ASSISTANCE (“SFA”) RESTRICTIONS.** “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 document governing the Plan, 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.”

Signed by:  
  
 \_\_\_\_\_  
 Jahmila Edwards  
 Union Trustee

DocuSigned by:  
  
 \_\_\_\_\_  
 Mark Parauda  
 Employer Trustee

Signed by:  
  
 \_\_\_\_\_  
 Barbara Edmonds  
 Union Trustee

Signed by:  
  
 \_\_\_\_\_  
 Floretha Scantlebury  
 Employer Trustee

DocuSigned by:

*Amy Kadlub*

\_\_\_\_\_  
Amy Kadlub  
Union Trustee

Signed by:

*Ryan Haefele*

\_\_\_\_\_  
Ryan Haefele  
Employer Trustee

\_\_\_\_\_  
Margaret Glover  
Union Trustee

Date: 12/16/2025

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Amy Kadlub  
Union Trustee

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Ryan Haefele  
Employer Trustee

*Margaret Glover 309*  
Margaret Glover  
Union Trustee

Date: December 16, 2025

## Application Checklist

v20240717p

### 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 #40.a. to #49.b., and if there is a merger as described in Addendum A, also complete Checklist Items #50 through #63.

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](http://www.pbgc.gov), will be updated when the e-Filing Portal reopens for applications. PBGC maintains information on its website at [www.pbgc.gov](http://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 #22 to #29c, 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 #39 on the Application Checklist. If there has been an event as described in § 4262.4(f), complete Checklist Items #40.a. through #49.b., and if there has been a merger described in Addendum A, also complete Checklist Items #50 through #63. Your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #40.a. through #49.b. if you are required to complete Checklist Items # 40.a. through #49.b. Your application will also be considered incomplete if No is entered as a Plan Response for any of Checklist Items #50 through #63 if you are required to complete Checklist Items #50 through #63.**

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](http://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	
v20240717p	07/17/2024	Update checklist items 11.c, 34.a, and 35 for death audit requirements and to align with instructions
v07272023p	07/27/2023	Updated checklist to include new Template 10 requirement and reflect changes to eligibility and death audit instructions

v20221129p	11/29/2022	Updated checklist item 11. for new death audit requirements
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)

v20240717p

APPLICATION CHECKLIST

Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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 #39. 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 #40.a. through #49.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 #50 through #63.**

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
<b>Plan Information, Checklist, and Certifications</b>									
a.		Is this application a revised application submitted after the denial of a previously filed application for SFA?	Yes 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 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 No	No	N/A	N/A		N/A	N/A
d.		Did the plan previously file a lock-in application?	Yes No	Yes	N/A	N/A	03/31/2023	N/A	N/A
e.		Has this plan been terminated?	Yes 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 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 No	Yes	Pension Plan Document.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 No	Yes	Trust document.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? Enter N/A if the plan does not have a determination letter.	Yes No N/A	Yes	IRS Determination Letter	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? Enter N/A if no actuarial valuation report was prepared because it was not required for any requested year. Is each report provided as a separate document using the required filename convention?	Yes No N/A	Yes	2018 - 2024 AVR DC 37 Local 389 Home Care Pension Fund	N/A	2018 - 2024 - 7 reprot	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 No	Yes	AB-05172023_Rehabilitation Plan Considerations.pdf	N/A		Rehabilitation plan (or funding improvement plan, if applicable)	N/A

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

v20240717p

APPLICATION CHECKLIST

Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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 #39. 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 #40.a. through #49.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 #50 through #63.**

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?  Enter N/A if the historical document is contained in the rehabilitation plans.	Yes No 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)?  Is the 5500 filing provided as a single document using the required filename convention?	Yes No	Yes	2024 Form 5500 DC 37 Home Care Employees Pension Fund	N/A		Latest annual return/report of employee benefit plan (Form 5500)	YYYYForm5500 Plan Name
7.a.		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?  Enter N/A if the plan does not have to provide certifications for any requested plan year.  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 No N/A	Yes	2019-2025Zoneyyyymmdd DC 37 Local 389 Home Care Employees Pension Fund	N/A	2019 - 2025. 7 zone certs. We do not have the 2018 zone certification as of the first zone cert that Millimna prepared was 2020. Attached is the 2019 zone cert from the prior actuary	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.	Section B, Item (5)	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?  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.  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 #7a.	Yes No N/A	N/A	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)

v20240717p

APPLICATION CHECKLIST

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

Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

-----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 #39. 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 #40.a. through #49.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 #50 through #63.**

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
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 No N/A	N/A	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.
8.	Section B, Item (6)	Does the application include the most recent account statements for each of the plan's cash and investment accounts?  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 No N/A	Yes	12.31.2023 DC 37 L389 Pn EOY investments Draft - 2024 Local 389 Fiancials For Actuary 9.23.2025	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)?  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 No N/A	Yes	2022 & 2023 Audited Fiancials	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?  Are all such items included as a single document using the required filenaming convention?	Yes No N/A	Yes	Withdrawal Liability - HAVA WL method	N/A		Pension plan documents, all versions available, and all amendments signed and dated	WDL Plan Name
11.a.	Section B, Item (9)a.	Does the application include documentation of a death audit to identify deceased participants that was completed on the census data used for SFA purposes, including identification of the service provider conducting the audit, date performed, the participant counts (provided separately for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) run through the death 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?  Is this information included as a single document using the required filenaming convention?	Yes No	Yes	CertiDeathReort_0335HCR10_07.18.2025 Death Audit Local 389 Pension Fund	N/A		Pension plan documents, all versions available, and all amendments signed and dated	Death Audit Plan Name

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

v20240717p

APPLICATION CHECKLIST

Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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 #39. 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 #40.a. through #49.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 #50 through #63.**

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
11.b.		If any known deaths occurred before the date of the census data used for SFA purposes, is a statement certifying these deaths were reflected for SFA calculation purposes provided?	Yes No N/A	N/A	N/A - include as part of documents in Checklist Item #11.a.	N/A		N/A	N/A - include as part of documents in Checklist Item #11.a.
11.c.	Section B, Item (9)b. & Item (9)c.	Does the application include full census data (Social Security Number, name, and participant status) of all participants that were included in the SFA projections? Is this information provided in Excel, or in an Excel-compatible format?  Or, if this data was submitted in advance of the application, in accordance with Section B, Item (9)c. of the Instructions, does the application contain a description of how the results of PBGC's independent death audit are reflected for SFA calculation purposes?	Yes No N/A	Yes		N/A		Submit the data file and the date of the census data through PBGC's secure file transfer system, Leapfile. Go to <a href="http://pbgc.leapfile.com">http://pbgc.leapfile.com</a> , click on "Secure Upload" and then enter <a href="mailto:sfa@pbgc.gov">sfa@pbgc.gov</a> as the recipient email address and upload the file(s) for secure transmission.	Include as the subject "Submission of Terminated Vested Census Data for (Plan Name)," and as the memo "(Plan Name) terminated vested census data dated (date of census data) through Leapfile for independent audit by PBGC."
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 No	Yes	ACH Enrollemtn Form DC 37 389 Home Care	N/A		Other	N/A
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?  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.  Does the uploaded file use the required filenaming convention?	Yes No N/A	Yes	Template 1 Local 389 Pension Fund.xls	N/A		Financial assistance spreadsheet (template)	Template 1 Plan Name

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

v20240717p

APPLICATION CHECKLIST

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Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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 YYYY = plan year  
 Plan Name = abbreviated plan name

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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
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.  Enter N/A if the plan is not required to provide this information. See Template 2.  Does the uploaded file use the required filenaming convention?	Yes No 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.  Does the uploaded file use the required filenaming convention?	Yes No	Yes	Template 3 Local 389 Pension Fund.xls	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)? See Template 4A, 4A-4 SFA Details. A(a)(1) sheet and Section C, Item (4) of the SFA Filing Instructions for more details on these requirements.  Does the uploaded file use the required filenaming convention?	Yes No	Yes	Template 4 Local 389 Pension Fund.xls	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)

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EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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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
16.b.i.	Addendum D Section C, Item (4)a. - MPRA plan information A.  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 <u>increasing assets method</u> 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.  Enter N/A if the plan is not a MPRA Plan.	Yes No 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 <u>increasing assets method</u> described in § 4262.4(a)(2)(i), does the application also explicitly identify the projected SFA exhaustion year based on the <u>increasing assets method</u> ? See Template 4A, 4A-5 SFA Details .4(a)(2)(i) sheet and Addendum D.  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 No 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  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 <u>present value method</u> 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.  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 No 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 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 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)

v20240717p

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

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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 No	Yes	N/A - included as part of Template 4A Plan Name	N/A		N/A	N/A - included in Template 4A Plan Name
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 <u>basic method</u> 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.  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.  Does the uploaded file use the required filenaming convention?	Yes No N/A	Yes	Template 5 Local 389 Pension Fund.xls	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 <u>increasing assets method</u> , 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 <u>increasing assets method</u> 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.  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.  Does the uploaded file use the required filenaming convention?	Yes No 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)

v20240717p

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SFA Amount Requested:	\$35,537,980.00

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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 <u>present value method</u> , 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 <u>present value method</u> 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.  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.  Has this document been uploaded using the required filenaming convention?	Yes No 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.  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.  Does the uploaded file use the required filenaming convention?	Yes No N/A	Yes	Template 6 Local 389 Pension Fund.xls	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)

v20240717p

APPLICATION CHECKLIST

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EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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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
18.b.	Addendum D Section C, Item (6)	For a MPRA plan for which the requested amount of SFA is based on the <u>increasing assets method</u> , does the application include a reconciliation of the change in the total amount of requested SFA using the <u>increasing assets method</u> 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.?  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.  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.  Does the uploaded file use the required filenaming convention?	Yes No 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 <u>present value method</u> , does the application include a reconciliation of the change in the total amount of requested SFA using the <u>present value method</u> 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.?  See Section C, Item (6) of the SFA Filing Instructions for other potential exclusions from this requirement. Also see Addendum D.  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.  Has this document been uploaded using the required filenaming convention?	Yes No 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)

v20240717p

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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
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 #28.a.)?  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.  Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention?	Yes No N/A	Yes	Template 7 HCR.xls	N/A		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 #28.b. See Template 7, 7b Assump Changes for Amount sheet.  Does the uploaded file include both Checklist Items #19.a. and #19.b., and does it use the required filenaming convention?	Yes No	Yes	Template 7 Local 389 Pension Fund.xls	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 No	Yes	Template 7 Local 389 Pension Fund.xls	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)

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SFA Amount Requested:	\$35,537,980.00

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20.b.	Section C, Item (9)	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 No	Yes	N/A - include as part of Checklist Item #20.a.	N/A		N/A	N/A - included in <i>Template 8 Plan Name</i>
21.	Section C, Item (10)	Does the application provide a table identifying and describing all assumptions and methods used in i) the pre-2021 certification of plan status, ii) the "Baseline" projection in Section C Item (5), and iii) the determination of the amount of SFA in Section C Item (4)?  Does the table state if each changed assumption falls under Section III, Acceptable Assumption Changes, or Section IV, Generally Accepted Assumption Changes, in PBGC's SFA assumptions guidance, or if it should be considered an "Other Change"?  Does the uploaded file use the required filenaming convention?	Yes No	Yes	Template 10 Local 389 Pension Fund.xls	N/A		Financial assistance spreadsheet (template)	<i>Template 10 Plan Name</i>
22.	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 No	Yes	SFA Application Local 389 Home Care Employees Pension Fund.pdf		Identify here the name of the single document that includes all information requested in Section D of the SFA Filing Instructions (Checklist Items #22 through #29.c.).	Financial Assistance Application	<i>SFA App Plan Name</i>
23.a.		For a plan that is not a MPRA plan, does the application include an optional cover letter?  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 N/A	Yes	N/A - included as part of SFA App Plan Name		For each Checklist Item #22 through #29.c., identify the relevant page number(s) within the single document.	N/A	N/A - included as part of SFA App Plan Name
23.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?  Enter N/A if the plan is not a MPRA plan.	Yes No 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
24.	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 No	Yes	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name

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

v20240717p

APPLICATION CHECKLIST

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

Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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 Plan Name = abbreviated plan name

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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.	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 No	Yes	N/A - included as part of SFA App Plan Name		Plan is eligible under 4262.3(a)(1) based on the <a href="#">January 1, 2022 Zone Certification</a>	N/A	N/A - included as part of SFA App Plan Name
26.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))?  Enter N/A if the plan's application is submitted after March 11, 2023.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name		Local 389 is not eligible for a priority group.	N/A	N/A - included as part of SFA App Plan Name
26.b.		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?  Enter N/A if the plan is not submitting an emergency application.	Yes No N/A	N/A	N/A - included as part of SFA App Plan Name		Local 389 is not submitting an emergency situation.	N/A	N/A - included as part of SFA App Plan Name
27.	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 No	Yes	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 (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?  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 No N/A	Yes	N/A - included as part of SFA App Plan Name			N/A	N/A - included as part of SFA App Plan Name

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

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28.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(c)(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 No	Yes	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 (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?  Enter N/A if 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 No 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 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?  Enter N/A for a plan that has not implemented a suspension of benefits.	Yes No 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.b.	Section D, Item (7)	If Yes was entered for Checklist Item #29.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?  Enter N/A for a plan that entered N/A for Checklist Item #29.a.	Yes No 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

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

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29.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?  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 #29.a. and #29.b.	Yes No 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
30.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 No	Yes	App Checklist Local 389 Pension Fund.xls	N/A		Special Financial Assistance Checklist	App Checklist Plan Name
30.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 #40.a. through #49.b. completed?  Enter N/A if the plan is not required to submit the additional information described in Addendum A.	Yes No N/A	N/A	N/A	N/A		Special Financial Assistance Checklist	N/A
31.	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: (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)? (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? (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?  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?  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.  Is the information for this Checklist Item #31 contained in a single document and uploaded using the required filenaming convention?	Yes No N/A	Yes	SFA Eligibility Cert Local 389 Pension Fund.pdf	N/A		Financial Assistance Application	SFA Elig Cert CD Plan Name

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32.a.	Section E, Item (3)	<p>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:</p> <p>(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)?</p> <p>(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?</p> <p>(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?</p> <p>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?</p> <p>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.</p> <p>Is the information for Checklist Items #32.a. and #32.b. contained in a single document and uploaded using the required filenaming convention?</p>		N/A		N/A		Financial Assistance Application	SFA Elig Cert C Plan Name
32.b.	Section E, Item (3)	<p>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:</p> <p>(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)</p> <p>(ii) derivation of the modified funded percentage</p> <p>(iii) derivation of the participant ratio</p> <p>Does the certification identify what test(s) under section 305(b)(2) of ERISA is met for the specified year listed above?</p> <p>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 receivable that is utilized in the calculation of the modified funded percentage?</p> <p>Enter N/A if the plan does not claim SFA eligibility under §4262.3(a)(3).</p>	Yes No 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

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33.	Section E, Item (4)	<p>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?</p> <p>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 <a href="http://www.pbgc.gov">www.pbgc.gov</a> as being in priority group 6. See § 4262.10(d).</p> <p>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?</p> <p>Is the filename uploaded using the required filenaming convention?</p>	Yes No N/A	N/A		N/A		Financial Assistance Application	PG Cert Plan Name
34.a.	Section E, Item (5)	<p>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:</p> <p>(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?</p> <p>(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?</p> <p>(iii) the count of participants (provided separately, after reflection of the death audit results in Section B(9), for current retirees and beneficiaries, current terminated vested participants not yet in pay status, and current active participants) as of the participant census date?</p> <p>Is the information in Checklist #34.a. combined with #34.b. (if applicable) as a single document, and uploaded using the required filenaming convention?</p>	Yes No	Yes	SFA Eligibility Cert Local 389 Pension Fund.pdf	N/A		Financial Assistance Application	SFA Amount Cert Plan Name

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34.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)?  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?  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?  Enter N/A if the plan is not a MPRA plan.	Yes No 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
35.	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: (i) information that substantiates the asset value and how it was developed (e.g., trust or account statements, specific details of any adjustments)? (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)? (iii) if the SFA measurement date is the end of a plan year for which the audited plan financial statements have been issued, does the application include a reconciliation schedule showing adjustments, if any, made to the audited fair market value of assets used to determine the SFA amount?  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 No	Yes	FMV Local 389 cert.pdf	N/A		Financial Assistance Application	FMV Cert Plan Name
36.	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 No			N/A		Pension plan documents, all versions available, and all amendments signed and dated	Compliance Amend Plan Name

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37.	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: (i) a copy of the proposed plan amendment(s) required by § 4262.6(e)(2) to reinstate suspended benefits and pay make-up payments? (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)?  Enter N/A if the plan has not suspended benefits.  Is all information included in a single document that is uploaded using the required filenaming convention?	Yes No N/A	N/A		N/A		Pension plan documents, all versions available, and all amendments signed and dated	Reinstatement Amend Plan Name
38.	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)?  Enter N/A if the plan was not partitioned.  Is the document uploaded using the required filenaming convention?	Yes No N/A	N/A		N/A		Pension plan documents, all versions available, and all amendments signed and dated	Partition Amend Plan Name
39.	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.  Is all such information included in a single document and uploaded using the required filenaming convention?	Yes No	Yes	Penaly Local 389.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)**

**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.**

40.a.	Addendum A for Certain Events 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 <u>using the basic method</u> described in § 4262.4(a)(1) as if <u>any events had not occurred</u> ? See Template 4A.	Yes No			N/A		Projections for special financial assistance (estimated income, benefit payments and expenses)	For additional submission due to any event: <i>Template 4A Plan Name CE</i> . For an additional submission due to a merger, <i>Template 4A Plan Name Merged</i> , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.
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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
40.b.i.	Addendum A for Certain Events Section C, Item (4)	If the plan is a MPRA plan for which the requested amount of SFA is based on the <u>increasing assets method</u> 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 <u>increasing assets method</u> as if any events had not occurred? See Template 4A, sheet <i>4A-5 SFA Details .5(a)(2)(i)</i> .  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 No N/A		N/A - included as part of file in Checklist Item #40.a.	N/A		N/A	N/A - included as part of file in Checklist Item #40.a.
40.b.ii.	Addendum A for Certain Events Section C, Item (4)	If the plan is a MPRA plan for which the requested amount of SFA is based on the <u>increasing assets method</u> 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 <u>increasing assets method</u> ? See Template 4A, <i>4A-5 SFA Details .4(a)(2)(i)</i> sheet and Addendum D.  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 No N/A			N/A		N/A	N/A - included as part of file in Checklist Item #40.a.
40.b.iii.	Addendum A for Certain Events Section C, Item (4)	If the plan is a MPRA plan for which the requested amount of SFA is based on the <u>present value method</u> 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 <u>present value method</u> as if any events had not occurred? See Template 4B, sheet <i>4B-1 SFA Ben Pmts</i> , sheet <i>4B-2 SFA Details .4(a)(2)(ii)</i> , and sheet <i>4B-3 SFA Exhaustion</i> .  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 No N/A			N/A		Projections for special financial assistance (estimated income, benefit payments and expenses)	For additional submission due to any event: <i>Template 4B Plan Name CE</i> . For an additional submission due to a merger, <i>Template 4B Plan Name Merged</i> , where "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.
41.	Addendum A for Certain Events Section C, Item (4)	For any merger, does the application show the SFA determination for this plan <u>and for each plan merged into this plan</u> (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.  Enter N/A if the plan has not experienced a merger.	Yes No N/A			N/A		Projections for special financial assistance (estimated income, benefit payments and expenses)	For an additional submission due to a merger, <i>Template 4A (or Template 4B) Plan Name Merged</i> , where "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)

v20240717p

APPLICATION CHECKLIST

Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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 #39. 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 #40.a. through #49.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 #50 through #63.**

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
42.a.	Addendum A for Certain Events 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 No		N/A - included as part of SFA App Plan Name		For each Checklist Item #42.a. through #45.b., identify the relevant page number(s) within the single document.	Financial Assistance Application	SFA App Plan Name
42.b.	Addendum A for Certain Events 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 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.a.	Addendum A for Certain Events 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 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 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)?  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	Does the application include an additional version of Checklist Item #25 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
44.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)?  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

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

v20240717p

APPLICATION CHECKLIST

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Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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 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 #39. 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 #40.a. through #49.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 #50 through #63.**

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.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?  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
45.b.	Addendum A for Certain Events Section D	Does the demonstration in Checklist Item #45.a. also identify all assumptions used, supporting rationale for the assumptions and other relevant information?  Enter N/A if the plan entered N/A for Checklist Item #45.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
46.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 #31 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 #32.a. and #32.b. if the SFA eligibility is based on the plan status of critical using a zone certification completed on or after January 1, 2021.  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.  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
46.b.	Addendum A for Certain Events 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)?  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.  Enter N/A if the event described in Checklist Item #42.a. was not a merger.	Yes No N/A			N/A		Financial Assistance Application	SFA Elig Cert Plan Name Merged CE  "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)

v20240717p

APPLICATION CHECKLIST

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Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
SFA Amount Requested:	\$35,537,980.00

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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 #39. 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 #40.a. through #49.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 #50 through #63.**

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.a.	Addendum A for Certain Events 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 #34.a.), but with the SFA amount determined as if any events had not occurred?	Yes No			N/A		Financial Assistance Application	SFA Amount Cert Plan Name CE
47.b.	Addendum A for Certain Events 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)?  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?  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?  Enter N/A if the plan is not a MPRA plan.	Yes No 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
47.c.	Addendum A for Certain Events Section E, Item (5)	Does the certification in Checklist Items #47.a. and #47.b. (if applicable) clearly identify all assumptions and methods used, sources of participant data and census data, and other relevant information?	Yes 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
48.a.	Addendum A for Certain Events 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)?  Enter N/A if the event described in Checklist Item #42.a. was not a merger.	Yes No N/A			N/A		Financial Assistance Application	SFA Amount Cert Plan Name Merged CE  "Plan Name Merged" is an abbreviated version of the plan name for the separate plan involved in the merger.
48.b.	Addendum A for Certain Events 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?  Enter N/A if the event described in Checklist Item #42.a. was not a merger.	Yes No 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

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

v20240717p

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Plan name:	DC 37 Local 389 Home Care Employees Pension Fund
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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 #39. 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 #40.a. through #49.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 #50 through #63.**

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
49.a.	Addendum A for Certain Events 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?  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		Financial Assistance Application	Cont Rate Cert Plan Name CE
49.b.	Addendum A for Certain Events Section E	Does the demonstration in Checklist Item #48.a. also identify all assumptions used, supporting rationale for the assumptions and other relevant information?  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 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 #50 through #63. If you are required to complete Checklist Items #50 through #63, your application will be considered incomplete if No is entered as a Plan Response for any of Checklist Items #50 through #63. All other plans should not provide any responses for Checklist Items #50 through #63.**

50.	Addendum A for Certain Events 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 No			N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
51.	Addendum A for Certain Events 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 No			N/A		Pension plan documents, all versions available, and all amendments signed and dated	N/A
52.	Addendum A for Certain Events 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)?  Enter N/A if the plan does not have a determination letter.	Yes No N/A			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)

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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
53.	Addendum A for Certain Events 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 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.
54.	Addendum A for Certain Events 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 No			N/A		Rehabilitation plan (or funding improvement plan, if applicable)	N/A
55.	Addendum A for Certain Events 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 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.
56.	Addendum A for Certain Events 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 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.
57.	Addendum A for Certain Events 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 No			N/A		Bank/Asset statements for all cash and investment accounts	N/A
58.	Addendum A for Certain Events 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 No			N/A		Plan's most recent financial statement (audited, or unaudited if audited not available)	N/A
59.	Addendum A for Certain Events 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)?  Are all such items included in a single document using the required filenaming convention?	Yes 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.

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

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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
60.	Addendum A for Certain Events 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 No					Pension plan documents, all versions available, and all amendments signed and dated	<i>Death Audit Plan Name Merged</i> , 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 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)?  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 No N/A					Financial assistance spreadsheet (template)	<i>Template 1 Plan Name Merged</i> , where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.
62.	Addendum A for Certain Events 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)?  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 No N/A					Contributing employers	<i>Template 2 Plan Name Merged</i> , where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.
63.	Addendum A for Certain Events 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 No					Historical Plan Financial Information (CBUs, contribution rates, contribution amounts, withdrawal liability payments)	<i>Template 3 Plan Name Merged</i> , where "Plan Name Merged" is an abbreviated version of the plan name for the plan merged into this plan.



# District Council 1707 Local 389 Home Care and Professional Employees Pension Fund

January 1, 2019 Actuarial Valuation - Revised

Prepared by:

**Tim Connor, FSA, EA, MAAA**  
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## January 1, 2019 Actuarial Valuation of the District Council 1707 Local 389 Home Care and Professional Employees Pension Fund

The actuarial valuation of the District Council 1707 Local 389 Home Care and Professional Employees Pension Fund (the “Fund”) for the plan year beginning January 1, 2019 has been completed in accordance with our understanding of the minimum funding requirements under ERISA and the Pension Protection Act of 2006 as well as the applicable sections of the Internal Revenue Code (IRC), including all regulations and guidance issued to date. It also has been completed in accordance with our understanding of FASB ASC Topic 960 for determining plan accounting requirements. The valuation results contained in this report are based on the actuarial methods ([Appendix A](#)), actuarial assumptions ([Appendix B](#)), and principal plan provisions ([Appendix C](#)) summarized in the appendices and were developed using models intended for valuations that use standard actuarial techniques. In addition, [Appendix D](#) contains information about the Plan’s risks.

### Purpose of the Valuation

In general, the actuarial valuation determines the current level of employer contributions that, taking into account prior funding, will accumulate assets sufficient to meet benefit payments and administrative expenses when due under the terms of the Fund. This report has been prepared for the District Council 1707 Local 389 Home Care and Professional Employees Pension Fund as of January 1, 2019 to:

- Calculate the Minimum Required Contribution for the plan year beginning January 1, 2019.
- Calculate the Maximum Deductible Contribution for the 2019 fiscal year.
- Determine the actuarial Present Value of Accumulated Plan Benefits as of December 31, 2018 for purposes of disclosing the Fund’s liabilities under FASB ASC Topic 960.
- Determine and disclose the Plan’s Unfunded Vested Benefits as of December 31, 2018 for purposes of withdrawal liability assessments.
- Review the Fund’s funded status.
- Review the experience for the plan year ending December 31, 2018, including the performance of the Fund’s assets during the year and changes in the Fund’s participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

### Limited Distribution

Milliman’s work is prepared solely for the internal business use of the Fund, its Trustees, and its employees, and may not be provided to third parties without our prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman’s consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

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Any third party recipient of this work product who desires professional guidance should not rely upon Milliman’s work product, but should engage qualified professionals for advice appropriate to its own specific needs.

## Reliance

In preparing this report, we relied, without audit, on information supplied by the Fund Office and the Fund's auditor. This information includes, but is not limited to, plan documents and summaries, participant data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

## Limited Use

Actuarial computations for purposes other than determining the contribution requirements for an ongoing plan (such as for assessing benefit security upon potential plan termination) may yield significantly different results from those shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on plan funded status); and changes in plan provisions or applicable law. Except for the information provided in [Appendix D](#), due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

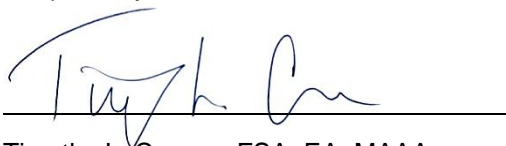
The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

## Certification

In my opinion, each assumption used, other than those assumptions mandated directly by the Internal Revenue Code and regulations thereon, is individually reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, such other assumptions offer a best estimate of anticipated experience under the Plan.

On the basis of the foregoing, I hereby certify that to the best of my knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. I am a member of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Timothy L. Connor, FSA, EA, MAAA  
Principal and Consulting Actuary  
Enrolled Actuary Number 20-06974

April 19, 2022

Date

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# Summary of Results

## Overview

Actuarial Valuation for Plan Year Beginning		
	1/1/2018 *	1/1/2019
<b>Assets</b>		
Market Value of Assets (MVA)	\$64,071,660	\$58,291,628
▪ Investment yield in prior plan year (MVA)	16.33%	(4.14)%
Actuarial Value of Assets (AVA)	\$61,540,026	\$61,580,422
▪ Investment yield in prior plan year (AVA)	8.76%	5.40%
Contributions during plan year <i>(2019 is expected)</i>	\$1,763,003	\$2,000,000
<b>Valuation Liabilities</b>		
Valuation Interest Rate	7.25%	7.25%
Normal Cost, including administrative expenses	\$1,739,070	\$1,625,221
Actuarial Accrued Liability	58,329,903	65,192,221
Unfunded Actuarial Accrued Liability	(3,210,123)	3,611,799
Present Value of Accrued Benefits (PVAB)	58,115,485	64,933,684
Funded percentage of Accrued Benefits:		
▪ Based on Market Value of Assets [ MVA / PVAB ]	110.25%	89.77%
▪ Based on Actuarial Value of Assets [ AVA / PVAB ]	105.89%	94.84%
<b>Credit Balance and Contribution Information</b>		
Credit Balance at end of prior plan year	\$3,580,576	\$3,344,227
Minimum Required Contribution (before Credit Balance)	2,321,734	2,601,813
Maximum Deductible Contribution	72,505,488	87,257,492
<b>Certification Status</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2018 plan year</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2019 plan year</b>

\* January 1, 2018 valuation results were prepared by the prior actuary.

Actuarial Valuation for Plan Year Beginning		
	1/1/2018 *	1/1/2019
<b>Participant Data</b>		
Active participants	2,895	2,651
Terminated vested participants	3,393	3,460
Retired participants	2,617	2,553
Beneficiaries in pay status	<u>62</u>	<u>43</u>
Total participants	8,967	8,707

\* January 1, 2018 valuation results were prepared by the prior actuary.

# Exhibits

## Exhibit 1

## Summary of Income and Disbursements

The change in the Market Value of Assets from December 31, 2017 to December 31, 2018 is shown below.

1. Market Value of Assets as of December 31, 2017	\$64,071,660
2. Income	
a. Contributions (Net of Investment Expenses)	1,763,003
b. Investment income	<u>(2,585,993)</u>
c. Total	(822,990)
3. Disbursements	
a. Benefit payments to participants	3,137,824
b. Administrative expenses	<u>1,819,218</u>
c. Total	4,957,042
4. Net increase / decrease [(2c) - (3c)]	(5,780,032)
5. Market Value of Assets as of December 31, 2018 [(1) + (4)]	\$58,291,628
6. Estimated investment return on Market Value of Assets $[(2 \times (2b)) \div ((1) + (5) - (2b))]$	(4.14)%

## Exhibit 2

## Actuarial Value of Assets

The Actuarial Value of Assets is the Market Value of Assets less a weighted average of asset gains / (losses) over a four-year period (five-year smoothing), but it must be within 80% to 120% of the Market Value of Assets. The Actuarial Value of Assets as of December 31, 2018 is determined below.

1.	Market Value of Assets as of December 31, 2018			\$58,291,628
2.	Unrecognized asset gains / (losses) for the plan years ending			
	<u>Plan Year Ending</u>	<u>Gain / (Loss) for Year</u>	<u>Percent Unrecognized</u>	<u>Amount Unrecognized</u>
a.	December 31, 2018	(7,117,430)	80%	(5,693,944)
b.	December 31, 2017	5,081,051	60%	3,048,631
c.	December 31, 2016	225,897	40%	90,359
d.	December 31, 2015	(3,669,202)	20%	(733,840)
e.	Total			(3,288,794)
3.	Preliminary Actuarial Value of Assets as of December 31, 2018 [(1) - (2e)]			61,580,422
4.	Actuarial Value of Assets as of December 31, 2018 [(3), but not < 80% x (1), nor > 120% x (1)]			61,580,422

## Exhibit 3

## Estimated Investment Return on Actuarial Value of Assets

The estimated investment return on the Actuarial Value of Assets is determined for the Schedule MB of IRS Form 5500 using a simplified formula as specified in the form instructions. It assumes all cash flows of contributions, benefit payments, and administrative expenses are paid at mid-year. The estimated investment return on the Actuarial Value of Assets for the plan year ending December 31, 2018 is determined below.

1. Actuarial Value of Assets	\$61,540,026
2. Actuarial Value of Assets	
a. Employer contributions for plan year	1,763,003
b. Investment return	<u>3,234,435</u>
c. Total	4,997,438
3. Actuarial Value of Assets	
a. Benefit payments to participants	3,137,824
b. Administrative expenses	<u>1,819,218</u>
c. Total	4,957,042
4. Net increase / (decrease) [(2c) - (3c)]	40,396
5. Actuarial Value of Assets as of January 1, 2019 [(1) + (4)]	61,580,422
6. Estimated investment return on Actuarial Value of Assets $[\{2 \times (2b)\} \div \{(1) + (5) - (2b)\}]$	5.40%

## Exhibit 4

## Funding Standard Account for Prior Plan Year

The Funding Standard Account for the plan year ending December 31, 2018 is determined below.

1. Outstanding balances as of January 1, 2018	
a. Amortization charges	\$18,706,948
b. Amortization credits	16,309,982
2. Charges to Funding Standard Account	
a. Funding deficiency as of January 1, 2018	0
b. Normal Cost as of January 1, 2018 (including expense load)	1,739,070
c. Amortization charges as of January 1, 2018	3,178,874
d. Interest on (a), (b), and (c) to end of plan year	<u>356,551</u>
e. Total	5,274,495
3. Credits to Funding Standard Account	
a. Credit Balance as of January 1, 2018	3,580,576
b. Employer contributions for plan year	1,763,003
c. Amortization credits as of January 1, 2018	2,753,157
d. Interest on (a), (b), and (c) to end of plan year	521,986
e. Full funding credit	<u>0</u>
f. Total	8,618,722
4. Credit Balance / (funding deficiency) as of December 31, 2018	3,344,227

## Exhibit 5

## Normal Cost

The Normal Cost is the amount allocated to the current plan year under the Plan's actuarial cost method. The Normal Cost as of January 1, 2019 is determined below.

1. Present value of active participant benefits	
a. Retirement	\$536,096
b. Termination	65,834
c. Death	11,860
d. Disability	<u>11,431</u>
e. Total	625,221
2. Loading for administrative expenses	1,000,000
3. Total [(1e) + (2)]	1,625,221

## Exhibit 6

## Unfunded Actuarial Accrued Liability

The Actuarial Accrued Liability represents that portion of the present value of benefits that is allocated to service before the current plan year. The unfunded Actuarial Accrued Liability is the excess (deficiency) of the Actuarial Accrued Liability over the Actuarial Value of Assets. The unfunded Actuarial Accrued Liability as of January 1, 2019 is determined below

1. Actuarial Accrued Liability for active participants	
a. Retirement	\$13,679,097
b. Termination	752,836
c. Death	196,351
d. Disability	<u>207,397</u>
e. Total	14,835,681
2. Actuarial Accrued Liability for inactive participant benefits	
a. Retired participants and beneficiaries in pay	26,615,886
b. Terminated vested participants	<u>23,740,654</u>
c. Total	50,356,540
3. Total Actuarial Accrued Liability [(1e) + (2c)]	65,192,221
4. Actuarial Value of Assets	61,580,422
5. Unfunded Actuarial Accrued Liability [(3) - (4)]	3,611,799

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2019 are determined below.

## 1. Charges as of January 1, 2019

	Date <u>Established</u>	Description	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
1.	January 1, 1994	Initial UL	\$290,561	5	\$1,269,221
2.	January 1, 1996	Plan amendment	273,465	7	1,566,950
3.	January 1, 1997	Plan amendment	289,275	8	1,834,769
4.	January 1, 1998	Plan amendment	13,221	9	91,405
5.	January 1, 1999	Assumption change	23,042	10	171,579
6.	January 1, 1999	Plan amendment	49,412	10	367,945
7.	January 1, 2000	Plan amendment	2,829	11	22,475
8.	January 1, 2004	Assumption change	10,547	15	101,423
9.	January 1, 2005	Plan amendment	16,453	16	163,963
10.	January 1, 2005	Actuarial loss	151,215	1	151,215
11.	January 1, 2006	Actuarial loss	125,996	2	243,476
12.	January 1, 2006	Assumption change	230,766	17	2,375,082
13.	January 1, 2007	Actuarial loss	39,224	3	109,898
14.	January 1, 2008	Actuarial loss	143,574	4	518,645
15.	January 1, 2009	Actuarial loss	579,127	5	2,529,735
16.	January 1, 2010	Plan amendment	143,773	6	729,348
17.	January 1, 2012	Actuarial loss	368,965	8	2,340,207
18.	January 1, 2013	Actuarial loss	159,904	9	1,105,553
19.	January 1, 2013	Assumption change	138,992	9	960,971
20.	January 1, 2019	Assumption change	71,856	15	690,960
21.	January 1, 2019	Actuarial loss	<u>431,672</u>	15	<u>4,150,900</u>
a.	Total		3,553,869		21,495,720

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2019 are determined below.

## 2. Credits as of January 1, 2019

Date <u>Established</u>	<u>Description</u>	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
1. January 1, 2002	Assumption change	\$8,760	13	\$77,425
2. January 1, 2007	Assumption change	48,170	18	510,423
3. January 1, 2008	Assumption change	324,401	4	1,171,856
4. January 1, 2010	Method change	591,318	1	591,318
5. January 1, 2010	Actuarial gain	407,346	6	2,066,425
6. January 1, 2011	Actuarial gain	84,488	7	484,111
7. January 1, 2014	Assumption change	201,995	10	1,504,160
8. January 1, 2014	Actuarial gain	1,002,078	10	7,461,978
9. January 1, 2015	Actuarial gain	<u>84,601</u>	11	<u>671,998</u>
b. Total		2,753,157		14,539,694
3. Net outstanding balance [(1a) - (2b)]				6,956,026
4. Credit Balance as of January 1, 2019				3,344,227
5. Waived funding deficiency				0
6. Balance test result [(3) - (4) - (5)]				3,611,799
7. Unfunded Actuarial Accrued Liability as of January 1, 2019				3,611,799

## Exhibit 8

## Full Funding Limitation

The full funding limitation (FFL) for the plan year ending December 31, 2019 and the tax year ending December 31, 2019 is determined below.

	Minimum Required Contribution	Maximum Deductible Contribution
1. 100% Actuarial Accrued Liability (AAL) FFL		
a. AAL as of January 1, 2019	\$65,192,221	\$65,192,221
b. Normal Cost to end of year	1,625,221	1,625,221
c. Value of assets as of January 1, 2019		
i. Lesser of actuarial and market value	58,291,628	58,291,628
ii. Credit Balance	3,344,227	n/a
iii. Undeducted employer contributions	n/a	0
iv. Plan assets [(i) - (ii) - (iii)]	54,947,401	58,291,628
d. Interest to December 31, 2019 at 7.25% on (a), (b), & (civ)	890,253	639,436
e. 100% AAL FFL [(a) + (b) - (civ) + (d), but not <\$0]	12,760,294	9,165,250
2. Estimated Current Liability as of December 31, 2019		
a. Current Liability as of January 1, 2019	105,188,977	105,188,977
b. Normal Cost to end of plan year, including expense load	1,596,370	1,596,370
c. Estimated disbursements to December 31, 2019	5,782,082	5,782,082
d. Interest to December 31, 2019 at 3.06% on (a), (b), & (c)	3,195,017	3,195,017
e. Estimated EOY Current Liability [(a) + (b) - (c) + (d)]	105,198,292	105,198,282
3. Estimated assets for Current Liability FFL		
a. Actuarial Value of Assets as of January 1, 2019	61,580,422	61,580,422
b. Estimated disbursements to December 31, 2019	5,782,082	5,782,082
c. Estimated return to December 31, 2019 at 7.25% on (3a), (1ciii), & (3b)	4,221,763	4,221,763
d. Estimated assets as of December 31, 2019 [(3a) - (1ciii) - (2b) + (3b) - (3c)]	60,020,103	60,020,103
4. 90% Current Liability minimum funding limitation		
a. 90% EOY RPA Current Liability [90% x (2e)]	94,678,454	94,678,454
b. 90% Current Liability FFL [(a) - (3d), but not < \$0]	34,658,351	34,658,351
5. Full funding limitation [maximum of (1e) and (4b)]	34,658,351	34,658,351

## Exhibit 9

## Current Liability

In accordance with IRS requirements, the Current Liability has been calculated at 3.06%. The Current Liability as of January 1, 2019 is determined below.

1. Current Liability			
	<u>Count</u>	<u>Vested Benefits</u>	<u>All Benefits</u>
a. Active participants	2,651	\$26,148,158	\$27,511,233
b. Terminated vested participants	3,460	40,745,611	40,877,168
c. Retirees, beneficiaries, and disabled participants	<u>2,596</u>	<u>36,800,576</u>	<u>36,800,576</u>
d. Total	8,707	103,694,345	105,188,977
2. Expected increase in Current Liability for benefit accruals during year			1,596,370
3. Expected distributions during year			4,782,082
4. Market Value of Assets			58,291,628
5. Current Liability funded percentage [(4) ÷ (1d)]			55.42%

## Exhibit 10

## Current Annual Cost and Minimum Required Contribution

The Current Annual Cost is the Plan's cost under the minimum funding requirements prior to the recognition of the full funding limitation and any Credit Balance. The Minimum Required Contribution is the amount needed to avoid a funding deficiency in the Funding Standard Account. These amounts for the plan year beginning January 1, 2019 are determined below.

1. Charges for plan year	
a. Funding deficiency as of January 1, 2019	\$0
b. Normal Cost	1,625,221
c. Amortization charges	3,553,869
d. Interest on (a), (b), and (c) to end of plan year	375,484
e. Additional funding charge	<u>0</u>
f. Total	5,554,574
2. Credits for plan year	
a. Amortization credits	2,753,157
b. Other credits	0
c. Interest on (a) and (b) to end of plan year	<u>199,604</u>
d. Total	2,952,761
3. Current Annual Cost for plan year [(1f) - (2d)]	2,601,813
4. Full funding credit for plan year	
a. Full funding limitation	34,658,351
b. Full funding credit [(3) - (4a), but not < \$0]	0
5. Credit Balance for plan year	
a. Credit Balance as of January 1, 2019	3,344,227
b. Interest on (a) to end of plan year	<u>242,456</u>
c. Total	3,586,683
6. Minimum Required Contribution for plan year [(3) - (4b) - (5c), but not < \$0]	0

## Exhibit 11

## Maximum Deductible Contribution under IRC Section 404

The Maximum Deductible Contribution under IRC Section 404 for the tax year beginning January 1, 2019 is determined below.

1. Minimum Required Contribution for plan year beginning January 1, 2019	\$0
2. Preliminary Maximum Deductible Contribution under IRC Section 404 for tax year	
a. Normal Cost	1,625,221
b. Amortization payment on 10-year limitation bases	485,033
c. Interest to earlier of tax year end or plan year end	<u>152,993</u>
d. Total	2,263,247
3. Full funding limitation for tax year	34,658,351
4. Unfunded 140% of Current Liability as of December 31, 2019	
a. Current Liability (for IRC Section 404 purposes) projected to end of year	105,198,282
b. Actuarial Value of Assets (for IRC Section 404 purposes) projected to end of year	60,020,103
c. Unfunded 140% of Current Liability [140% × (a) - (b), but not less than \$0]	87,257,492
5. Maximum Deductible Contribution under IRC Section 404 for tax year [maximum of (1) and (2d), but not greater than (3), nor less than (4c)]	87,257,492

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Employers should consult their tax advisors regarding the deductibility of contributions.

## Exhibit 12

## Unfunded Vested Benefit Liability for Withdrawal Liability Calculations

Withdrawal liability payments are based on unfunded vested benefit liability. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as death and disability benefits which are not considered vested. These liabilities have been determined as of December 31, 2018. However, if there is a termination by mass withdrawal during the year, a separate calculation has to be performed.

	12/31/2018
1. Plan year of withdrawal	1/1/2019 – 12/31/2019
2. Present Value of Vested Benefits (PVVB)	
a. Active participants	\$13,856,696
b. Retired participants	26,372,434
c. Terminated vested participants	23,561,580
d. Beneficiaries	<u>243,452</u>
e. Total vested benefits	64,034,162
3. Market Value of Assets (MVA)	58,291,628
4. Funded ratio [(3) ÷ (2e)]	91.03%
5. Outstanding claims for withdrawal liability expected to be collected from previously withdrawn employers	\$0
6. Unfunded vested benefit liability (UVB) [(2e) - (3) - (5), but not less than \$0]	5,742,534

Assumptions Used for Withdrawal Liability Determination*	12/31/2018
1. Asset Valuation Method	Market Value
2. Withdrawal Liability Method	Rolling 5
3. Interest Rate Assumption for PVVB	7.25%

\* 2018 assumptions set by the prior actuary.

## Exhibit 13

## Present Value of Accumulated Plan Benefits

Accumulated Plan Benefits are benefits earned to date, based on pay history and service rendered to date, expected to be paid in the future to retired, terminated vested, and active participants, and beneficiaries of active or former participants. The Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) as of January 1, 2018 and January 1, 2019 is shown below.

	1/1/2018 *	1/1/2019
1. Present Value of vested Accumulated Plan Benefits		
a. Active participants	12,332,998	\$13,856,696
b. Retired participants and beneficiaries in pay	23,686,805	26,615,886
c. Terminated vested participants	<u>21,382,046</u>	<u>23,561,580</u>
d. Total	57,401,849	64,034,162
2. Present Value of non-vested Accumulated Plan Benefits	713,636	899,522
3. Present Value of all Accumulated Plan Benefits [(1d) + (2)]	58,115,485	64,933,684
4. Market Value of Assets	64,071,660	58,291,628
5. Funded percentage on Market Value of Assets		
a. Vested benefits [(4) ÷ (1d)]	111.62%	91.03%
b. All benefits [(4) ÷ (3)]	110.25%	89.77%
6. Actuarial Value of Assets	\$61,540,026	\$61,580,422
7. Funded percentage on Actuarial Value of Assets		
b. Vested benefits [(6) ÷ (1d)]	107.21%	96.17%
c. All benefits [(6) ÷ (3)]	105.89%	94.84%

\* January 1, 2018 valuation results were prepared by the prior actuary.

## Exhibit 14

## Change in Present Value of Accumulated Plan Benefits

The change in the Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) from January 1, 2018 to January 1, 2019 is shown below.

1. Present Value of all Accumulated Plan Benefits as of January 1, 2018	\$58,115,485
2. Changes	
a. Reduction in discount period	4,101,617
b. Benefits accumulated plus actuarial (gain) / loss	5,163,446
c. Benefit payments	(3,137,824)
d. Plan amendments	0
e. Change in assumptions	<u>690,960</u>
f. Total	6,818,199
3. Present Value of all Accumulated Plan Benefits as of January 1, 2019 [(1) + (2f)]	64,933,684

## Exhibit 15

## Summary of Home Care Participant Data

A summary of participant data for the plan years beginning January 1, 2018 and January 1, 2019 is shown below.

	1/1/2018 *	1/1/2019
1. Active participants		
a. Count	2,868	2,617
b. Average age	54.9	54.7
c. Average credited service	9.4	9.9
2. Terminated vested participants and deferred beneficiaries		
a. Count	3,364	3,428
b. Total monthly benefits	**	\$209,944
c. Average monthly benefit	**	\$61
3. Participants in pay status		
a. Count	2,583	2,517
b. Total monthly benefits	\$204,582	\$202,580
c. Average monthly benefit	\$79	\$80
4. Beneficiaries in pay status		
a. Count	60	41
b. Total monthly benefits	\$2,220	\$1,522
c. Average monthly benefit	\$37	\$37

\* January 1, 2018 valuation results were prepared by the prior actuary.

\*\* Information not available.

## Exhibit 16

## Summary of Professional Participant Data

A summary of participant data for the plan years beginning January 1, 2018 and January 1, 2019 is shown below.

	1/1/2018 *	1/1/2019
1. Active participants		
a. Count	27	34
b. Average age	52.1	45.2
c. Average vesting service	10.9	8.0
2. Terminated vested participants and deferred beneficiaries		
a. Count	29	32
b. Total monthly benefits	**	\$27,858
c. Average monthly benefit	**	\$871
3. Participants in pay status		
a. Count	34	36
b. Total monthly benefits	\$41,375	\$45,491
c. Average monthly benefit	\$1,217	\$1,264
4. Beneficiaries in pay status		
a. Count	2	2
b. Total monthly benefits	\$1,108	\$1,107
c. Average monthly benefit	\$554	\$554

\* January 1, 2018 valuation results were prepared by the prior actuary.

\*\* Information not available.

## Exhibit 17

## Change in Home Care Participant Counts

The change in participant counts from January 1, 2018 to January 1, 2019 is shown below.

	Active	Suspended Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2018	2,868	0	3,364	2,583	60	8,875
Retired	(57)	0	(65)	122	0	0
Suspend Active	(238)	238	0	0	0	0
Terminated non-vested	(274)	0	0	0	0	(274)
Terminated vested	(185)	0	185	0	0	0
Disabled	0	0	0	0	0	0
Died	(1)	0	(10)	(198)	(19)	(228)
Rehired	45	0	(45)	0	0	0
New during plan year	221	0	0	0	0	221
QDRO	0	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>(1)</u>	<u>10</u>	<u>0</u>	<u>9</u>
Participants as of 12/31/2018	2,379	238	3,428	2,517	41	8,603
New Participants as of 1/1/2019	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2019	2,379	238	3,428	2,517	41	8,603

## Exhibit 18

## Change in Professional Participant Counts

The change in participant counts from January 1, 2018 to January 1, 2019 is shown below.

	Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2018	27	29	34	2	92
Retired	(2)	0	2	0	0
Terminated non-vested	(2)	0	0	0	(2)
Terminated vested	(3)	3	0	0	0
Disabled	0	0	0	0	0
Died with beneficiary	0	0	0	0	0
Died without beneficiary	0	0	0	0	0
Rehired	0	0	0	0	0
New during plan year	14	0	0	0	14
QDRO	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Participants as of 12/31/2018	34	32	36	2	104
New Participants as of 1/1/2019	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2019	34	32	36	2	104

## Exhibit 19

## Active Home Care Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2019 is shown below.

Age	Years of Credited Service										Total	
	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>0-24</b>	6	11	-	-	-	-	-	-	-	-	-	17
<b>25-29</b>	14	50	1	-	-	-	-	-	-	-	-	65
<b>30-34</b>	135	131	3	-	-	-	-	-	-	-	-	269
<b>35-39</b>	5	55	8	6	-	-	-	-	-	-	-	74
<b>40-44</b>	18	56	20	25	10	1	-	-	-	-	-	130
<b>45-49</b>	17	88	50	55	19	7	2	-	-	-	-	238
<b>50-54</b>	20	79	68	46	40	19	14	4	-	-	-	290
<b>55-59</b>	23	120	102	85	55	52	28	12	2	-	-	479
<b>60-64</b>	15	106	107	101	72	62	39	21	5	-	-	528
<b>65-69</b>	8	40	78	63	46	63	33	26	1	-	-	358
<b>70+</b>	2	23	39	25	26	22	14	16	2	-	-	169
<b>Total</b>	263	759	476	406	268	226	130	79	10	-	-	2,617

## Exhibit 20

## Active Professional Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2019 is shown below.

Age	Years of Credited Service										Total	
	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>0-24</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>25-29</b>	-	1	-	-	-	-	-	-	-	-	-	1
<b>30-34</b>	3	11	-	-	1	-	-	-	-	-	-	15
<b>35-39</b>	-	1	-	-	-	-	-	-	-	-	-	1
<b>40-44</b>	-	1	-	-	-	-	-	-	-	-	-	1
<b>45-49</b>	-	-	-	-	1	-	-	-	-	-	-	1
<b>50-54</b>	-	2	1	-	1	-	-	-	-	-	-	4
<b>55-59</b>	-	1	1	2	2	1	-	1	-	-	-	8
<b>60-64</b>	-	-	-	-	1	-	-	-	-	-	-	1
<b>65-69</b>	-	-	-	-	-	2	-	-	-	-	-	2
<b>70+</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	3	17	2	2	6	3	0	1	-	-	-	34

# Appendices

## Appendix A – Summary of Actuarial Methods

### **Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

### **Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## Appendix B – Summary of Actuarial Assumptions

### Interest (Discount) Rate:

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

### Current Liability Interest Rate:

**Assumption:** 3.06% assumed annual rate of return. This rate was 2.98% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses the highest rate permitted by law.

### Retirement:

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

### Mortality for Funding:

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table.

### Mortality for Current Liability:

**Healthy and Disabled participants:** 2019 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** \$1,000,000 added to the Normal Cost.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

## Actuarial Procedures Regarding Certain Liabilities:

### Liabilities for Terminated Vested Participants:

All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. This reflects the possibility that some of these records may never materialize into payment status, particularly those of advanced ages, representing unknown, unverifiable data, and/or deceased members not entitled to benefits.

### Liabilities for In Pay Participants:

\$3,000,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a temporary liability hold of \$3 million is held as of January 1, 2019 representing liability attributable to retroactive payments potentially owed to retired participants calculated with interest as specified in the Plan's actuarial equivalence definition.

## Appendix C – Summary of Principal Plan Provisions

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

### Basic Information

**Plan Name:** District Council 1707 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

### Benefit Formulas and Eligibilities for Home Care Employees

#### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to: \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

#### Early Retirement

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

#### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

## Benefit Formulas and Eligibilities for Professional Employees

### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

### Early Retirement

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Disability Retirement

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

## Appendix D – Risk Disclosure

The purpose of this appendix is to identify, assess, and provide illustrations of risks that are significant to the Plan, and in some cases to the Plan's participants.

The results of the projections are based on one set of reasonable assumptions. However, it is almost certain that future experience will not exactly match the assumptions. As an example, investments may perform better or worse than assumed in any single year and over any longer time horizon. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan's participants.

In addition, as plans mature they accumulate larger pools of assets and liabilities. This increases the potential risk to plan funding and the finances of those who are responsible for plan funding. As an example, it is more difficult for a plan sponsor to deal with the effects of a 10% investment loss on a plan with \$1 billion in assets and liabilities than if the same plan sponsor is responsible for a 10% investment loss on a plan with \$1 million in assets and liabilities. Since pension plans make long-term promises and rely on long-term funding, it is important to consider how mature the Plan is today, and how mature it may become in the future.

Actuarial Standard of Practice No. 51 (ASOP 51) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan's risks.

ASOP 51 states that if in the actuary's professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

This section uses the framework of ASOP 51 to communicate important information about: significant risks to the Plan, the Plan's maturity, and relevant historical plan data.

## Definition and Identification of Potential Risks

### PBGC Coverage Risk

**Definition:** This is the potential that the Pension Benefit Guaranty Corporation (PBGC) multiemployer insurance program becomes insolvent and is not able to provide financial assistance to insolvent plans. If this Plan and/or the PBGC become insolvent, participants would receive benefits below the PBGC guarantee level.

**Identification/Assessment:** The Plan has potential risk of future insolvency. If the Plan becomes insolvent, benefits will be reduced to the level guaranteed by the PBGC, and a portion of that benefit will be financed by the PBGC. There is a potential risk to the participants in this situation that the PBGC will become insolvent.

### Liquidity Risk

**Definition:** This is the potential that assets must be liquidated at a loss earlier than planned in order to pay for the Plan's benefits and operating costs. This risk is heightened for plans with negative cash flow, in which contributions do not exceed annual benefit payments plus expenses.

**Identification/Assessment:** The Plan has high cash flow requirements because the sum of benefit payments plus expenses is significantly larger than current contributions. However, the Plan does not have a high allocation to illiquid assets such as real estate and private equity. As a result, there is a minimal risk that assets may need to be liquidated at a loss before planned in order to pay benefits and expenses.

### Inflation Risk

**Definition:** This is the potential of a pension to lose purchasing power over time due to inflation.

**Identification:** The participants of pension plans without fully inflation-indexed benefits are subject to the risk that their purchasing power will be reduced over time due to inflation.

**Assessment:** Participants in this Plan bear all of the inflation risk for benefits earned in the past.

### Maturity Risk

**Definition:** This is the potential for total plan liabilities to become more heavily weighted toward inactive liabilities over time.

**Identification:** The Plan is subject to maturity risk because as plan assets and liabilities continue to grow, the impact of any gains or losses on the assets or liabilities also becomes larger.

**Assessment:** Maturity risk is not an imminent issue, but the Plan is getting bigger in both liability and assets. It should be continuously monitored with the assessment of proper funded status and contribution adequacy.

### Contribution Risk

**Definition:** This is the possibility that actual future contributions deviate from expected future contributions.

**Identification/Assessment:** As the contributions to the plan are directly related to the workload, the plan is subject to the risk that the demand for work will decrease thus decreasing expected contribution levels. The deferral of expected contributions into future years results in the loss of investment income in the intervening period.

## Retirement Risk

**Definition:** This is the potential for participants to retire and receive subsidized benefits more valuable than expected.

**Identification/Assessment:** This plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Investment Risk

**Definition:** The potential that investment returns will be different than expected.

**Identification/Assessment:** To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, funding contributions and funded status may vary significantly from those presented in this valuation.

## Interest Rate Risk

**Definition:** The potential that interest rates will be different than expected, which will affect the Plan's liability.

**Identification:** The pension liabilities reported herein have been calculated by computing the present value of expected future benefit payments using the interest rate described in Appendix B. If interest rates in future valuations differ from the current assumed interest rate, future pension liabilities, funding contributions, and funded status may differ significantly from those presented in this analysis. As a general rule, using a higher interest rate to compute the present value of future benefit payments will result in a lower pension liability, and vice versa. One aspect that can be used to estimate the impact of different interest rates is a plan's duration.

**Assessment:** If the interest rate changes by 1%, the estimated percentage change in pension liability is a plan's duration in years. The approximate duration of a typical Plan is 11-13 years. As such, if the interest rate changes by 1%, the estimated change in pension liability is 11% to 13%.

## Demographic Risk

**Definition:** The potential that mortality or other demographic experience for current plan participants will be different than expected.

**Identification/Assessment:** The pension liabilities reported herein have been calculated by assuming that participants will follow patterns of demographic experience (e.g. mortality, retirement, form of payment election, etc.) as described in Appendix B. If actual demographic experience or future demographic assumptions are different from what is assumed to occur in this valuation, future pension liabilities, funding contributions and funded status may differ from those presented in this valuation. This Plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Employer Withdrawal Risk

**Definition:** The potential that contribution rate increases or benefit reductions required by a funding improvement plan or rehabilitation plan, or other factors, will drive the bargaining parties to withdraw from the plan.

**Identification:** Employer withdrawals will reduce the plan's contribution base and add pressure on the remaining participating employers and the plan's investment returns to restore or strengthen the plan's funded status.

**Assessment:** The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to employer withdrawals.

### Covered Employment Risk

**Definition:** The potential that future covered employment is lower than expected due to a declining workforce in a company or industry, or a temporary workforce reduction due to market forces.

**Identification:** A reduction in the Plan's contribution base can potentially threaten its ability to recover from another market downturn.

**Assessment:** The Plan's active population and hours worked have both declined in recent years. The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to workforce reduction.

### Business Risk

**Definition:** The potential that a company suffers a financial setback which impairs its ability to make contributions or withdrawal liability payments to the plan.

**Identification:** If contributions cannot be recovered, it will shift the weight of maintaining/improving the plan's funded status upon the remaining employers of the plan.

### Zone Status Risk

**Definition:** The potential that the plan will deteriorate to a zone status such that the Trustees would need to take action to improve the plan's funded status through the development of an improvement plan that increases contributions, reduces benefits, or both.

**Identification:** The type of benefit reductions and/or contribution rate increases would depend on the zone status. Specifically, yellow zone plans are generally limited to reducing benefits, rights and features on future accruals only. Red zone plans can reduce features on all accrued benefits (such as early retirement subsidies), but cannot reduce benefits to those in pay status. Deep red zone plans have the same tools as red zone plans, but can also apply to the IRS and PBGC to reduce benefits to participants and beneficiaries in pay status.

**Assessment:** The plan is currently in the green zone, and will be projected to stay in the green zone if all assumptions are met, including future workforce and contribution levels. We will monitor this risk going forward with the Trustees.

### Insolvency Risk

**Definition:** The potential that a plan will become insolvent.

**Identification:** If a plan becomes insolvent, benefits will be reduced to the PBGC guarantee level and the PBGC will provide financial assistance to supplement any employer contributions and withdrawal liability payments and help pay plan benefits and expenses.

**Assessment:** The Plan is currently projected to remain solvent indefinitely. However, this risk should be monitored with investment risk and an understanding of the sensitivities to future workforce and contribution levels.



**District Council 1707, Local 389 Home Care and Professional Employees Pension Plan  
Actuarial Certification for 2019**

Name of Plan: District Council 1707, Local 389  
Home Care and Professional Employees Pension Plan

Employer Identification Number: 13-3698650

Plan Number: 001

Plan Sponsor: Board of Trustees District Council 1707, Local 389 Home Care  
and Professional Employees Pension Fund  
420 West 45<sup>th</sup> Street  
New York, NY 10036  
(212) 925-6033

Enrolled Actuary: Gregory J. Pastino  
Bolton Partners Northeast, Inc.  
9000 Midlantic Drive, Suite 100  
Mt. Laurel, NJ 08054  
(609) 588-9166

Plan Year: January 1, 2019 through December 31, 2019

**Certification:**

Based on reasonable actuarial estimates, assumptions and methods that offer my best estimate of anticipated experience under the plan, I hereby certify that this plan is in Neither Critical Nor Endangered Status pursuant to the Pension Protection Act of 2006, as amended by the Multiemployer Pension Reform Act of 2014.

\_\_\_\_\_  
Gregory J. Pastino, ASA, MAAA, EA  
Enrolled Actuary Number 17-03916

\_\_\_\_\_  
March 29, 2019

Date



# District Council 37 Local 389 Home Care and Professional Employees Pension Fund

January 1, 2020 Actuarial Valuation - Revised

Prepared by:

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Principal and Consulting Actuary

**Aaron Shapiro, FSA, EA, MAAA**  
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## January 1, 2020 Actuarial Valuation of the District Council 37 Local 389 Home Care and Professional Employees Pension Fund

The actuarial valuation of the District Council 37 Local 389 Home Care and Professional Employees Pension Fund (the “Fund”) for the plan year beginning January 1, 2020 has been completed in accordance with our understanding of the minimum funding requirements under ERISA and the Pension Protection Act of 2006 as well as the applicable sections of the Internal Revenue Code (IRC), including all regulations and guidance issued to date. It also has been completed in accordance with our understanding of FASB ASC Topic 960 for determining plan accounting requirements. These results were developed using models intended for valuations that use standard actuarial techniques. The valuation results contained in this report are based on the actuarial methods ([Appendix A](#)), actuarial assumptions ([Appendix B](#)), and principal plan provisions ([Appendix C](#)) summarized in the appendices and were developed using models intended for valuations that use standard actuarial techniques. In addition, [Appendix D](#) contains information about the Plan’s risks.

### Purpose of the Valuation

In general, the actuarial valuation determines the current level of employer contributions that, taking into account prior funding, will accumulate assets sufficient to meet benefit payments and administrative expenses when due under the terms of the Fund. This report has been prepared for the District Council 37 Local 389 Home Care and Professional Employees Pension Fund as of January 1, 2020 to:

- Calculate the Minimum Required Contribution for the plan year beginning January 1, 2020.
- Calculate the Maximum Deductible Contribution for the 2020 fiscal year.
- Determine the actuarial Present Value of Accumulated Plan Benefits as of December 31, 2019 for purposes of disclosing the Fund’s liabilities under FASB ASC Topic 960.
- Determine and disclose the Plan’s Unfunded Vested Benefits as of December 31, 2019 for purposes of withdrawal liability assessments.
- Review the Fund’s funded status.
- Review the experience for the plan year ending December 31, 2019, including the performance of the Fund’s assets during the year and changes in the Fund’s participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

### Limited Distribution

Milliman’s work is prepared solely for the internal business use of the Fund, its Trustees, and its employees, and may not be provided to third parties without our prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman’s consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

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- The Fund may distribute certain work products that Milliman and the Plan Sponsor mutually agree are appropriate as may be required by the Pension Protection Act of 2006.

Any third party recipient of this work product who desires professional guidance should not rely upon Milliman’s work product, but should engage qualified professionals for advice appropriate to its own specific needs.

## Reliance

In preparing this report, we relied, without audit, on information supplied by the Fund Office and the Fund's auditor. This information includes, but is not limited to, plan documents and summaries, participant data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

## Limited Use

Actuarial computations for purposes other than determining the contribution requirements for an ongoing plan (such as for assessing benefit security upon potential plan termination) may yield significantly different results from those shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on plan funded status); and changes in plan provisions or applicable law. Except for the information provided in [Appendix D](#), due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

## Certification


In our opinion, each assumption used, other than those assumptions mandated directly by the Internal Revenue Code and regulations thereon, is individually reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, such other assumptions offer our best estimate of anticipated experience under the Plan.

On the basis of the foregoing, we hereby certify that to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Timothy L. Connor, FSA, EA, MAAA  
Principal and Consulting Actuary  
Enrolled Actuary Number 20-06974



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April 19, 2022

Date

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# Summary of Results

## Overview

Actuarial Valuation for Plan Year Beginning		
	1/1/2019	1/1/2020
<b>Assets</b>		
Market Value of Assets (MVA)	\$58,291,628	\$64,471,288
▪ Investment yield in prior plan year (MVA)	(4.14)%	15.38%
Actuarial Value of Assets (AVA)	\$61,580,422	\$62,956,403
▪ Investment yield in prior plan year (AVA)	5.40%	6.58%
Contributions during plan year <i>(2020 is expected)</i>	\$1,663,835	\$1,360,000
<b>Valuation Liabilities</b>		
Valuation Interest Rate	7.25%	7.25%
Normal Cost, including administrative expenses	\$1,625,221	\$1,608,560
Actuarial Accrued Liability	65,192,221	72,130,358
Unfunded Actuarial Accrued Liability	3,611,799	9,173,955
Present Value of Accrued Benefits (PVAB)	64,933,684	72,024,579
Funded percentage of Accrued Benefits:		
▪ Based on Market Value of Assets [ MVA / PVAB ]	89.77%	89.51%
▪ Based on Actuarial Value of Assets [ AVA / PVAB ]	94.84%	87.41%
<b>Credit Balance and Contribution Information</b>		
Credit Balance at end of prior plan year	\$3,344,227	\$2,707,964
Minimum Required Contribution (before Credit Balance)	2,601,813	3,644,897
Maximum Deductible Contribution	87,257,492	103,073,845
<b>Certification Status</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2019 plan year</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2020 plan year</b>

Actuarial Valuation for Plan Year Beginning		
	1/1/2019	1/1/2020
<b>Participant Data</b>		
Active participants	2,651	1,673
Terminated vested participants	3,460	3,887
Retired participants	2,553	2,565
Beneficiaries in pay status	<u>43</u>	<u>52</u>
Total participants	8,707	8,177

# Exhibits

## Exhibit 1

## Summary of Income and Disbursements

The change in the Market Value of Assets from December 31, 2018 to December 31, 2019 is shown below.

1. Market Value of Assets as of December 31, 2018	\$58,291,628
2. Income	
a. Contributions (Net of Investment Expenses)	1,663,835
b. Investment income	<u>8,768,615</u>
c. Total	10,432,450
3. Disbursements	
a. Benefit payments to participants	3,066,319
b. Administrative expenses	<u>1,186,471</u>
c. Total	4,252,790
4. Net increase / decrease [(2c) - (3c)]	6,179,660
5. Market Value of Assets as of December 31, 2019 [(1) + (4)]	\$64,471,288
6. Estimated investment return on Market Value of Assets $\{[2 \times (2b)] \div [(1) + (5) - (2b)]\}$	15.38%

## Exhibit 2

## Actuarial Value of Assets

The Actuarial Value of Assets is the Market Value of Assets less a weighted average of asset gains / (losses) over a four-year period (five-year smoothing), but it must be within 80% to 120% of the Market Value of Assets. The Actuarial Value of Assets as of December 31, 2019 is determined below.

1.	Market Value of Assets as of December 31, 2019			\$64,471,288
2.	Unrecognized asset gains / (losses) for the plan years ending			
	<u>Plan Year Ending</u>	<u>Gain / (Loss) for Year</u>	<u>Percent Unrecognized</u>	<u>Amount Unrecognized</u>
	a. December 31, 2019	4,634,680	80%	3,707,744
	b. December 31, 2018	(7,117,430)	60%	(4,270,458)
	c. December 31, 2017	5,081,051	40%	2,032,420
	d. December 31, 2016	225,897	20%	<u>45,179</u>
	e. Total			1,514,885
3.	Preliminary Actuarial Value of Assets as of December 31, 2019 [(1) - (2e)]			62,956,403
4.	Actuarial Value of Assets as of December 31, 2019 [(3), but not < 80% x (1), nor > 120% x (1)]			62,956,403

## Exhibit 3

## Estimated Investment Return on Actuarial Value of Assets

The estimated investment return on the Actuarial Value of Assets is determined for the Schedule MB of IRS Form 5500 using a simplified formula as specified in the form instructions. It assumes all cash flows of contributions, benefit payments, and administrative expenses are paid at mid-year. The estimated investment return on the Actuarial Value of Assets for the plan year ending December 31, 2019 is determined below.

1. Actuarial Value of Assets	\$61,580,422
2. Actuarial Value of Assets	
a. Employer contributions for plan year	1,663,835
b. Investment return	<u>3,964,936</u>
c. Total	5,628,771
3. Actuarial Value of Assets	
a. Benefit payments to participants	3,066,319
b. Administrative expenses	<u>1,186,471</u>
c. Total	4,252,790
4. Net increase / (decrease) [(2c) - (3c)]	1,375,981
5. Actuarial Value of Assets as of January 1, 2020 [(1) + (4)]	62,956,403
6. Estimated investment return on Actuarial Value of Assets $[\{2 \times (2b)\} \div \{(1) + (5) - (2b)\}]$	6.58%

## Exhibit 4

## Funding Standard Account for Prior Plan Year

The Funding Standard Account for the plan year ending December 31, 2019 is determined below.

1. Outstanding balances as of January 1, 2019	
a. Amortization charges	\$21,495,720
b. Amortization credits	14,539,694
2. Charges to Funding Standard Account	
a. Funding deficiency as of January 1, 2019	0
b. Normal Cost as of January 1, 2019 (including expense load)	1,625,221
c. Amortization charges as of January 1, 2019	3,553,869
d. Interest on (a), (b), and (c) to end of plan year	<u>375,484</u>
e. Total	5,554,574
3. Credits to Funding Standard Account	
a. Credit Balance as of January 1, 2019	3,344,227
b. Employer contributions for plan year	1,663,835
c. Amortization credits as of January 1, 2019	2,753,157
d. Interest on (a), (b), and (c) to end of plan year	501,319
e. Full funding credit	<u>0</u>
f. Total	8,262,538
4. Credit Balance / (funding deficiency) as of December 31, 2019	2,707,964

## Exhibit 5

## Normal Cost

The Normal Cost is the amount allocated to the current plan year under the Plan's actuarial cost method. The Normal Cost as of January 1, 2020 is determined below.

1. Present value of active participant benefits	
a. Retirement	\$352,802
b. Termination	43,108
c. Death	6,775
d. Disability	<u>5,875</u>
e. Total	408,560
2. Loading for administrative expenses	1,200,000
3. Total [(1e) + (2)]	1,608,560

## Exhibit 6

## Unfunded Actuarial Accrued Liability

The Actuarial Accrued Liability represents that portion of the present value of benefits that is allocated to service before the current plan year. The unfunded Actuarial Accrued Liability is the excess (deficiency) of the Actuarial Accrued Liability over the Actuarial Value of Assets. The unfunded Actuarial Accrued Liability as of January 1, 2020 is determined below.

1. Actuarial Accrued Liability for active participants	
a. Retirement	\$9,276,734
b. Termination	486,238
c. Death	127,196
d. Disability	<u>140,218</u>
e. Total	10,030,386
2. Actuarial Accrued Liability for inactive participant benefits	
a. Retired participants and beneficiaries in pay	30,176,474
b. Terminated vested participants	<u>31,923,498</u>
c. Total	62,099,972
3. Total Actuarial Accrued Liability [(1e) + (2c)]	72,130,358
4. Actuarial Value of Assets	62,956,403
5. Unfunded Actuarial Accrued Liability [(3) - (4)]	9,173,955

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2020 are determined below.

## 1. Charges as of January 1, 2020

	Date <u>Established</u>	Description	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
1.	January 1, 1994	Initial UL	\$290,561	4	\$1,049,613
2.	January 1, 1996	Plan amendment	273,465	6	1,387,263
3.	January 1, 1997	Plan amendment	289,275	7	1,657,542
4.	January 1, 1998	Plan amendment	13,221	8	83,852
5.	January 1, 1999	Assumption change	23,042	9	159,306
6.	January 1, 1999	Plan amendment	49,412	9	341,627
7.	January 1, 2000	Plan amendment	2,829	10	21,070
8.	January 1, 2004	Assumption change	10,547	14	97,465
9.	January 1, 2005	Plan amendment	16,453	15	158,204
10.	January 1, 2006	Actuarial loss	125,997	1	125,997
11.	January 1, 2006	Assumption change	230,766	16	2,299,779
12.	January 1, 2007	Actuarial loss	39,224	2	75,798
13.	January 1, 2008	Actuarial loss	143,574	3	402,264
14.	January 1, 2009	Actuarial loss	579,127	4	2,092,027
15.	January 1, 2010	Plan amendment	143,773	5	628,029
16.	January 1, 2012	Actuarial loss	368,965	7	2,114,157
17.	January 1, 2013	Actuarial loss	159,904	8	1,014,209
18.	January 1, 2013	Assumption change	138,992	8	881,572
19.	January 1, 2019	Assumption change	71,856	14	663,989
20.	January 1, 2019	Actuarial loss	431,672	14	3,988,871
21.	January 1, 2020	Actuarial loss	324,421	15	3,119,583
22.	January 1, 2020	Assumption change	<u>224,708</u>	15	<u>2,160,762</u>
a.	Total		3,951,784		24,522,979

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2020 are determined below.

## 2. Credits as of January 1, 2020

Date <u>Established</u>	Description	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
1. January 1, 2002	Assumption change	\$8,760	12	\$73,643
2. January 1, 2007	Assumption change	48,170	17	495,766
3. January 1, 2008	Assumption change	324,401	3	908,895
4. January 1, 2010	Actuarial gain	407,346	5	1,779,362
5. January 1, 2011	Actuarial gain	84,488	6	428,596
6. January 1, 2014	Assumption change	201,995	9	1,396,572
7. January 1, 2014	Actuarial gain	1,002,078	9	6,928,243
8. January 1, 2015	Actuarial gain	<u>84,601</u>	10	<u>629,983</u>
b. Total		2,161,839		12,641,060
3. Net outstanding balance [(1a) - (2b)]				11,881,919
4. Credit Balance as of January 1, 2020				2,707,964
5. Waived funding deficiency				0
6. Balance test result [(3) - (4) - (5)]				9,173,955
7. Unfunded Actuarial Accrued Liability as of January 1, 2020				9,173,955

## Exhibit 8

## Full Funding Limitation

The full funding limitation (FFL) for the plan year ending December 31, 2020 and the tax year ending December 31, 2020 is determined below.

	Minimum Required Contribution	Maximum Deductible Contribution
1. 100% Actuarial Accrued Liability (AAL) FFL		
a. AAL as of January 1, 2020	\$72,130,358	\$72,130,358
b. Normal Cost to end of year	1,608,560	1,608,560
c. Value of assets as of January 1, 2020		
i. Lesser of actuarial and market value	62,956,403	62,956,403
ii. Credit Balance	2,707,964	n/a
iii. Undeducted employer contributions	n/a	0
iv. Plan assets [(i) - (ii) - (iii)]	60,248,439	62,956,403
d. Interest to December 31, 2020 at 7.25% on (a), (b), & (civ)	978,060	781,732
e. 100% AAL FFL [(a) + (b) - (civ) + (d), but not <\$0]	14,468,539	11,564,247
2. Estimated Current Liability as of December 31, 2020		
a. Current Liability as of January 1, 2020	117,755,358	117,755,358
b. Normal Cost to end of plan year, including expense load	2,213,362	2,213,362
c. Estimated disbursements to December 31, 2020	4,234,136	4,234,136
d. Interest to December 31, 2020 at 2.52% on (a), (b), & (c)	2,954,979	2,954,979
e. Estimated EOY Current Liability [(a) + (b) - (c) + (d)]	118,689,563	118,689,563
3. Estimated assets for Current Liability FFL		
a. Actuarial Value of Assets as of January 1, 2020	62,956,403	62,956,403
b. Estimated disbursements to December 31, 2020	4,234,136	4,234,136
c. Estimated return to December 31, 2020 at 7.25% on (3a), (1ciii), & (3b)	4,369,276	4,369,276
d. Estimated assets as of December 31, 2020 [(3a) - (1ciii) - (2c) + (3c)]	63,091,543	63,091,543
4. 90% Current Liability minimum funding limitation		
a. 90% EOY RPA Current Liability [90% x (2e)]	106,820,607	106,820,607
b. 90% Current Liability FFL [(a) - (3d), but not < \$0]	43,729,064	43,729,064
5. Full funding limitation [maximum of (1e) and (4b)]	43,729,064	43,729,064

## Exhibit 9

## Current Liability

In accordance with IRS requirements, the Current Liability has been calculated at 2.52%. The Current Liability as of January 1, 2020 is determined below.

1. Current Liability			
	<u>Count</u>	<u>Vested Benefits</u>	<u>All Benefits</u>
a. Active participants	1,673	\$18,323,385	\$19,408,218
b. Terminated vested participants	3,887	56,079,552	56,264,456
c. Retirees, beneficiaries, and disabled participants	<u>2,617</u>	<u>42,082,684</u>	<u>42,082,684</u>
d. Total	8,177	116,485,621	117,755,358
2. Expected increase in Current Liability for benefit accruals during year			1,013,362
3. Expected distributions during year			3,034,136
4. Market Value of Assets			64,471,288
5. Current Liability funded percentage [(4) ÷ (1d)]			54.75%

## Exhibit 10

## Current Annual Cost and Minimum Required Contribution

The Current Annual Cost is the Plan's cost under the minimum funding requirements prior to the recognition of the full funding limitation and any Credit Balance. The Minimum Required Contribution is the amount needed to avoid a funding deficiency in the Funding Standard Account. These amounts for the plan year beginning January 1, 2020 are determined below.

1. Charges for plan year	
a. Funding deficiency as of January 1, 2020	\$0
b. Normal Cost	1,608,560
c. Amortization charges	3,951,784
d. Interest on (a), (b), and (c) to end of plan year	403,125
e. Additional funding charge	<u>0</u>
f. Total	5,963,469
2. Credits for plan year	
a. Amortization credits	2,161,839
b. Other credits	0
c. Interest on (a) and (b) to end of plan year	<u>156,733</u>
d. Total	2,318,572
3. Current Annual Cost for plan year [(1f) - (2d)]	3,644,897
4. Full funding credit for plan year	
a. Full funding limitation	43,729,064
b. Full funding credit [(3) - (4a), but not < \$0]	0
5. Credit Balance for plan year	
a. Credit Balance as of January 1, 2020	2,707,964
b. Interest on (a) to end of plan year	<u>196,327</u>
c. Total	2,904,291
6. Minimum Required Contribution for plan year [(3) - (4b) - (5c), but not < \$0]	740,606

## Exhibit 11

## Maximum Deductible Contribution under IRC Section 404

The Maximum Deductible Contribution under IRC Section 404 for the tax year beginning January 1, 2020 is determined below.

1. Minimum Required Contribution for plan year beginning January 1, 2020	\$740,606
2. Preliminary Maximum Deductible Contribution under IRC Section 404 for tax year	
a. Normal Cost	1,608,560
b. Amortization payment on 10-year limitation bases	1,231,981
c. Interest to earlier of tax year end or plan year end	<u>205,939</u>
d. Total	3,046,480
3. Full funding limitation for tax year	43,729,064
4. Unfunded 140% of Current Liability as of December 31, 2020	
a. Current Liability (for IRC Section 404 purposes) projected to end of year	118,689,563
b. Actuarial Value of Assets (for IRC Section 404 purposes) projected to end of year	63,091,543
c. Unfunded 140% of Current Liability [140% x (a) - (b), but not less than \$0]	103,073,845
5. Maximum Deductible Contribution under IRC Section 404 for tax year [maximum of (1) and (2d), but not greater than (3), nor less than (4c)]	103,073,845

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Employers should consult their tax advisors regarding the deductibility of contributions.

## Exhibit 12

## Unfunded Vested Benefit Liability for Withdrawal Liability Calculations

Withdrawal liability payments are based on unfunded vested benefit liability. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as death and disability benefits which are not considered vested. These liabilities have been determined as of December 31, 2018 and December 31, 2019. However, if there is a termination by mass withdrawal during the year, a separate calculation has to be performed.

	12/31/2018	12/31/2019
1. Plan year of withdrawal	1/1/2019 – 12/31/2019	1/1/2020 – 12/31/2020
2. Present Value of Vested Benefits (PVVB)		
a. Active participants	\$13,856,696	\$17,635,761
b. Retired participants	26,372,434	40,297,907
c. Terminated vested participants	23,561,580	54,588,118
d. Beneficiaries	<u>243,452</u>	<u>522,926</u>
e. Total vested benefits	64,034,162	113,044,712
3. Market Value of Assets (MVA)	58,291,628	64,471,288
4. Funded ratio [(3) ÷ (2e)]	91.03%	57.03%
5. Outstanding claims for withdrawal liability expected to be collected from previously withdrawn employers	\$0	\$433,547
6. Unfunded vested benefit liability (UVB) [(2e) - (3) - (5), but not less than \$0]	5,742,534	48,139,877

Assumptions Used for Withdrawal Liability Determination	12/31/2018*	12/31/2019
1. Asset Valuation Method	Market Value	Market Value
2. Withdrawal Liability Method	Rolling 5	Rolling 5
3. Interest Rate Assumption for PVVB		
a. First segment rate	7.25%	2.53%
b. Second segment rate	N/A	2.53%
c. First segment period (years)	All Years	25

\* 2018 assumptions set by the prior actuary.

## Exhibit 13

## Present Value of Accumulated Plan Benefits

Accumulated Plan Benefits are benefits earned to date, based on pay history and service rendered to date, expected to be paid in the future to retired, terminated vested, and active participants, and beneficiaries of active or former participants. The Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) as of January 1, 2019 and January 1, 2020 is shown below.

	1/1/2019	1/1/2020
1. Present Value of Vested Accumulated Plan Benefits		
a. Active participants	\$13,856,696	\$9,386,984
b. Retired participants and beneficiaries in pay	26,615,886	30,176,475
c. Terminated vested participants	<u>23,561,580</u>	<u>31,704,356</u>
d. Total	64,034,162	71,267,815
2. Present Value of non-vested Accumulated Plan Benefits	899,522	756,764
3. Present Value of all Accumulated Plan Benefits [(1d) + (2)]	64,933,684	72,024,579
4. Market Value of Assets	58,291,628	64,471,288
5. Funded percentage on Market Value of Assets		
a. Vested benefits [(4) ÷ (1d)]	91.03%	90.46%
b. All benefits [(4) ÷ (3)]	89.77%	89.51%
6. Actuarial Value of Assets	\$61,580,422	\$62,956,403
7. Funded percentage on Actuarial Value of Assets		
a. Vested benefits [(6) ÷ (1d)]	96.17%	88.34%
b. All benefits [(6) ÷ (3)]	94.84%	87.41%

## Exhibit 14

## Change in Present Value of Accumulated Plan Benefits

The change in the Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) from January 1, 2019 to January 1, 2020 is shown below.

1. Present Value of all Accumulated Plan Benefits as of January 1, 2019	\$64,933,684
2. Changes	
a. Reduction in discount period	4,598,483
b. Benefits accumulated plus actuarial (gain) / loss	3,402,661
c. Benefit payments	(3,066,319)
d. Plan amendments	0
e. Change in assumptions	<u>2,156,070</u>
f. Total	7,090,895
3. Present Value of all Accumulated Plan Benefits as of January 1, 2020 [(1) + (2f)]	72,024,579

## Exhibit 15

## Summary of Home Care Participant Data

A summary of participant data for the plan years beginning January 1, 2019 and January 1, 2020 is shown below.

	1/1/2019	1/1/2020
1. Active participants		
a. Count	2,617	1,667
b. Average age	54.7	54.8
c. Average credited service	9.9	10.6
2. Terminated vested participants and deferred beneficiaries		
a. Count	3,428	3,847
b. Total monthly benefits	\$209,944	\$257,661
c. Average monthly benefit	\$61	\$67
3. Participants in pay status		
a. Count	2,517	2,528
b. Total monthly benefits	\$202,580	\$226,225
c. Average monthly benefit	\$80	\$89
4. Beneficiaries in pay status		
a. Count	41	50
b. Total monthly benefits	\$1,522	\$2,744
c. Average monthly benefit	\$37	\$55

## Exhibit 16

## Summary of Professional Participant Data

A summary of participant data for the plan years beginning January 1, 2019 and January 1, 2020 is shown below.

	1/1/2019	1/1/2020
1. Active participants		
a. Count	34	6
b. Average age	45.2	53.8
c. Average credited service	8.5	15.2
2. Terminated vested participants and deferred beneficiaries		
a. Count	32	40
b. Total monthly benefits	\$27,858	\$37,872
c. Average monthly benefit	\$871	\$947
3. Participants in pay status		
a. Count	36	37
b. Total monthly benefits	\$45,491	\$49,858
c. Average monthly benefit	\$1,264	\$1,348
4. Beneficiaries in pay status		
a. Count	2	2
b. Total monthly benefits	\$1,107	\$1,107
c. Average monthly benefit	\$554	\$554

## Exhibit 17

## Change in Home Care Participant Counts

The change in participant counts from January 1, 2019 to January 1, 2020 is shown below.

	Active	Suspended Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2019	2,379	238	3,428	2,517	41	8,603
Retired	(59)	(3)	(94)	156	0	0
Suspended Active	(19)	19	0	0	0	0
Terminated non-vested	(334)	(133)	0	0	0	(467)
Terminated vested	(443)	(74)	517	0	0	0
Disabled	0	0	0	0	0	0
Died	0	0	(2)	(196)	(12)	(210)
Rehired	56	0	(2)	0	0	54
New during plan year	0	0	0	0	17	17
QDRO	0	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>51</u>	<u>4</u>	<u>55</u>
Participants as of 12/31/2019	1,580	47	3,847	2,528	50	8,052
New Participants as of 1/1/2020	<u>40</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>40</u>
As of 1/1/2020	1,620	47	3,847	2,528	50	8,092

## Exhibit 18

## Change in Professional Participant Counts

The change in participant counts from January 1, 2019 to January 1, 2020 is shown below.

	Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2019	34	32	36	2	104
Retired	(3)	0	3	0	0
Terminated non-vested	(18)	0	0	0	(18)
Terminated vested	(8)	8	0	0	0
Disabled	0	0	0	0	0
Died with beneficiary	0	0	0	0	0
Died without beneficiary	0	0	(2)	0	(2)
Rehired	0	0	0	0	0
New during plan year	1	0	0	0	1
QDRO	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Participants as of 12/31/2019	6	40	37	2	85
New Participants as of 1/1/2020	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2020	6	40	37	2	85

## Exhibit 19

## Active Home Care Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2020 is shown below.

Age	Years of Credited Service										Total	
	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>0-24</b>	-	4	-	-	-	-	-	-	-	-	-	4
<b>25-29</b>	-	20	-	-	-	-	-	-	-	-	-	20
<b>30-34</b>	-	13	2	-	-	-	-	-	-	-	-	15
<b>35-39</b>	-	268	7	1	-	-	-	-	-	-	-	276
<b>40-44</b>	-	36	10	12	7	-	-	-	-	-	-	65
<b>45-49</b>	-	45	36	34	17	3	1	-	-	-	-	136
<b>50-54</b>	-	46	40	42	29	6	9	3	-	-	-	175
<b>55-59</b>	-	67	70	46	31	22	19	10	1	-	-	266
<b>60-64</b>	-	69	76	59	51	47	26	10	5	-	-	343
<b>65-69</b>	-	29	61	40	34	42	25	21	2	-	-	254
<b>70+</b>	-	13	27	19	16	18	6	12	2	-	-	113
<b>Total</b>	-	610	329	253	185	138	86	56	10	-	-	1,667

## Exhibit 20

## Active Professional Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2020 is shown below.

Age	Years of Credited Service										Total	
	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
0-24	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-	-	-	-
40-44	-	1	-	-	-	-	-	-	-	-	-	1
45-49	-	-	-	-	1	-	-	-	-	-	-	1
50-54	-	-	-	-	-	-	-	-	-	-	-	-
55-59	-	-	1	-	-	1	-	1	-	-	-	3
60-64	-	-	-	1	-	-	-	-	-	-	-	1
65-69	-	-	-	-	-	-	-	-	-	-	-	-
70+	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	1	1	1	1	1	-	1	-	-	-	6

# Appendices

## Appendix A – Summary of Actuarial Methods

### **Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

### **Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## Appendix B – Summary of Actuarial Assumptions

### Interest (Discount) Rate:

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

### Current Liability Interest Rate:

**Assumption:** 2.52% assumed annual rate of return. This rate was 3.06% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption falls within the acceptable range permitted by law.

### Interest Rate for Unfunded Vested Benefit Liability for Withdrawal Liability Calculations:

**Assumption:** PBGC settlement rates effective December 2019 – 2.53% for 25 years, 2.53% thereafter (previously, 7.25%).

**Rationale:** The withdrawal liability interest rates are based on market settlement rates which represent our best estimate assumption for withdrawal liability purposes.

### Retirement:

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

### Mortality for Funding:

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA).

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Disabled Retiree Mortality Table).

**Rationale:** We believe the assumptions selected are reasonable for the contingency they are measuring and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Mortality for Current Liability:**

**Healthy and Disabled participants:** 2020 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost (previously, \$1,000,000 added to the Normal Cost).

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

## Actuarial Procedures Regarding Certain Liabilities:

### Liabilities for Terminated Vested Participants:

All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. This reflects the possibility that some of these records may never materialize into payment status, particularly those of advanced ages, representing unknown, unverifiable data, and/or deceased members not entitled to benefits.

### Liabilities for In Pay Participants:

\$4,900,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$4.9 million is held as of January 1, 2020 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

## Appendix C – Summary of Principal Plan Provisions

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

### Basic Information

**Plan Name:** District Council 37 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

### Benefit Formulas and Eligibilities for Home Care Employees

#### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to: \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

#### Early Retirement

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

#### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

## Benefit Formulas and Eligibilities for Professional Employees

### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

### Early Retirement

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Disability Retirement

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

## Appendix D – Risk Disclosure

The purpose of this appendix is to identify, assess, and provide illustrations of risks that are significant to the Plan, and in some cases to the Plan's participants.

The results of the projections are based on one set of reasonable assumptions. However, it is almost certain that future experience will not exactly match the assumptions. As an example, investments may perform better or worse than assumed in any single year and over any longer time horizon. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan's participants.

In addition, as plans mature they accumulate larger pools of assets and liabilities. This increases the potential risk to plan funding and the finances of those who are responsible for plan funding. As an example, it is more difficult for a plan sponsor to deal with the effects of a 10% investment loss on a plan with \$1 billion in assets and liabilities than if the same plan sponsor is responsible for a 10% investment loss on a plan with \$1 million in assets and liabilities. Since pension plans make long-term promises and rely on long-term funding, it is important to consider how mature the Plan is today, and how mature it may become in the future.

Actuarial Standard of Practice No. 51 (ASOP 51) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan's risks.

ASOP 51 states that if in the actuary's professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

This section uses the framework of ASOP 51 to communicate important information about: significant risks to the Plan, the Plan's maturity, and relevant historical plan data.

## Definition and Identification of Potential Risks

### PBGC Coverage Risk

**Definition:** This is the potential that the Pension Benefit Guaranty Corporation (PBGC) multiemployer insurance program becomes insolvent and is not able to provide financial assistance to insolvent plans. If this Plan and/or the PBGC become insolvent, participants would receive benefits below the PBGC guarantee level.

**Identification/Assessment:** The Plan has potential risk of future insolvency. If the Plan becomes insolvent, benefits will be reduced to the level guaranteed by the PBGC, and a portion of that benefit will be financed by the PBGC. There is a potential risk to the participants in this situation that the PBGC will become insolvent.

### Liquidity Risk

**Definition:** This is the potential that assets must be liquidated at a loss earlier than planned in order to pay for the Plan's benefits and operating costs. This risk is heightened for plans with negative cash flow, in which contributions do not exceed annual benefit payments plus expenses.

**Identification/Assessment:** The Plan has high cash flow requirements because the sum of benefit payments plus expenses is significantly larger than current contributions. However, the Plan does not have a high allocation to illiquid assets such as real estate and private equity. As a result, there is a minimal risk that assets may need to be liquidated at a loss before planned in order to pay benefits and expenses.

### Inflation Risk

**Definition:** This is the potential of a pension to lose purchasing power over time due to inflation.

**Identification:** The participants of pension plans without fully inflation-indexed benefits are subject to the risk that their purchasing power will be reduced over time due to inflation.

**Assessment:** Participants in this Plan bear all of the inflation risk for benefits earned in the past.

### Maturity Risk

**Definition:** This is the potential for total plan liabilities to become more heavily weighted toward inactive liabilities over time.

**Identification:** The Plan is subject to maturity risk because as plan assets and liabilities continue to grow, the impact of any gains or losses on the assets or liabilities also becomes larger.

**Assessment:** The Plan is getting bigger in both liability and assets. It should be continuously monitored with the assessment of proper funded status and contribution adequacy.

### Contribution Risk

**Definition:** This is the possibility that actual future contributions deviate from expected future contributions.

**Identification/Assessment:** As the contributions to the plan are directly related to the workload, the plan is subject to the risk that the demand for work will decrease thus decreasing expected contribution levels. The deferral of expected contributions into future years results in the loss of investment income in the intervening period.

## Retirement Risk

**Definition:** This is the potential for participants to retire and receive subsidized benefits more valuable than expected.

**Identification/Assessment:** This plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Investment Risk

**Definition:** The potential that investment returns will be different than expected.

**Identification/Assessment:** To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, funding contributions and funded status may vary significantly from those presented in this valuation.

## Interest Rate Risk

**Definition:** The potential that interest rates will be different than expected, which will affect the Plan's liability.

**Identification:** The pension liabilities reported herein have been calculated by computing the present value of expected future benefit payments using the interest rate described in Appendix B. If interest rates in future valuations differ from the current assumed interest rate, future pension liabilities, funding contributions, and funded status may differ significantly from those presented in this analysis. As a general rule, using a higher interest rate to compute the present value of future benefit payments will result in a lower pension liability, and vice versa. One aspect that can be used to estimate the impact of different interest rates is a plan's duration.

**Assessment:** If the interest rate changes by 1%, the estimated percentage change in pension liability is a plan's duration in years. The approximate duration of a typical Plan is 11-13 years. As such, if the interest rate changes by 1%, the estimated change in pension liability is 11% to 13%.

## Demographic Risk

**Definition:** The potential that mortality or other demographic experience for current plan participants will be different than expected.

**Identification/Assessment:** The pension liabilities reported herein have been calculated by assuming that participants will follow patterns of demographic experience (e.g. mortality, retirement, form of payment election, etc.) as described in Appendix B. If actual demographic experience or future demographic assumptions are different from what is assumed to occur in this valuation, future pension liabilities, funding contributions and funded status may differ from those presented in this valuation. This Plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Employer Withdrawal Risk

**Definition:** The potential that contribution rate increases or benefit reductions required by a funding improvement plan or rehabilitation plan, or other factors, will drive the bargaining parties to withdraw from the plan.

**Identification:** Employer withdrawals will reduce the plan's contribution base and add pressure on the remaining participating employers and the plan's investment returns to restore or strengthen the plan's funded status.

**Assessment:** The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to employer withdrawals.

### Covered Employment Risk

**Definition:** The potential that future covered employment is lower than expected due to a declining workforce in a company or industry, or a temporary workforce reduction due to market forces.

**Identification:** A reduction in the Plan's contribution base can potentially threaten its ability to recover from another market downturn.

**Assessment:** The Plan's active population and hours worked have both declined in recent years. The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to workforce reduction.

### Business Risk

**Definition:** The potential that a company suffers a financial setback which impairs its ability to make contributions or withdrawal liability payments to the plan.

**Identification:** If contributions cannot be recovered, it will shift the weight of maintaining/improving the plan's funded status upon the remaining employers of the plan.

### Zone Status Risk

**Definition:** The potential that the plan will deteriorate to a zone status such that the Trustees would need to take action to improve the plan's funded status through the development of an improvement plan that increases contributions, reduces benefits, or both.

**Identification:** The type of benefit reductions and/or contribution rate increases would depend on the zone status. Specifically, yellow zone plans are generally limited to reducing benefits, rights and features on future accruals only. Red zone plans can reduce features on all accrued benefits (such as early retirement subsidies), but cannot reduce benefits to those in pay status. Deep red zone plans have the same tools as red zone plans, but can also apply to the IRS and PBGC to reduce benefits to participants and beneficiaries in pay status.

**Assessment:** The plan was certified in the green zone for the 2020 plan year. However, the margin by which the Plan met green zone criteria was extremely thin, and to assume the Plan remains there relies on all assumptions being met as disclosed in the 2020 zone certification. We will monitor this risk going forward with the Trustees, as this is a significant risk to the Plan.

### Insolvency Risk

**Definition:** The potential that a plan will become insolvent.

**Identification:** If a plan becomes insolvent, benefits will be reduced to the PBGC guarantee level and the PBGC will provide financial assistance to supplement any employer contributions and withdrawal liability payments and help pay plan benefits and expenses.

**Assessment:** The Plan is currently underfunded, and the expected contributions are less than the sum of expected normal costs and administrative expenses. Therefore, the funded status of the plan is expected to decline in future valuations and plan solvency is expected to be an issue at some point in the future.



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March 30, 2020

Jacqueline M. Carmichael  
Contact Compliance Officer  
DC 1707 Local 389 Pension Fund  
420 West 45<sup>th</sup> Street, Fifth Floor  
New York, NY 10036

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning January 1, 2020 – District Council 1707, Local 389 Home Care and Professional Employees Pension Plan**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2020 for the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

---

Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #17-06974

cc: Board of Trustees (w/encs)

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Funding Status Projection Results**

<b>Plan Year Beginning</b>	<b>Funded Percentage</b>	<b>Contributions</b>	<b>Credit Balance at End of Year</b>
1/1/2020	94.4%	2,017,000	2,634,000
1/1/2021	95.2%	2,024,000	1,981,000
1/1/2022	96.0%	2,032,000	1,363,000
1/1/2023	95.2%	2,039,000	429,000
1/1/2024	96.9%	2,047,000	461,000
1/1/2025	97.1%	2,055,000	201,000
1/1/2026	97.4%	2,063,000	114,000
1/1/2027	97.7%	2,071,000	716,000
1/1/2028	97.8%	2,079,000	1,683,000
1/1/2029	98.3%	2,088,000	1,496,000
1/1/2030	98.6%	2,088,000	1,186,000

An accumulated funding deficiency is not projected to occur at the end of the 2020 plan year nor at the end of any of the next following six plan years.

The funded percentage as of January 1, 2020 is projected to be 94.4%.

<b>Plan Year Beginning</b>	<b>Critical Test 1</b>	<b>Critical Test 2</b>	<b>Critical Test 3</b>	<b>Critical Test 4</b>
1/1/2020	Pass	Pass	Pass	Pass
1/1/2021	Pass	Pass	Pass	Pass
1/1/2022	Pass	Pass	Pass	Pass
1/1/2023	Pass	Pass	Pass	Pass
1/1/2024	Pass	Pass	Pass	Pass
1/1/2025	Pass	Pass	Pass	Pass

The Plan passes each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2020 plan year, and thus is not certified to be in Critical Status for the 2020 plan year.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2019, I hereby certify that the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan is not considered “endangered”, “seriously endangered”, “critical”, or “critical and declining”, for the plan year beginning January 1, 2020 as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

In addition, I hereby certify that the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan is not projected to be in “critical” status for any of the succeeding 5 plan years for the plan year beginning January 1, 2020.

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.



March 30, 2020

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Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #17-06974

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Date

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2019 participant data and January 1, 2019 actuarial valuation results, as provided in our actuarial report dated March 30, 2020.
  - Estimated January 1, 2020 unaudited asset value of \$64,537,342 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 15.37% (net of investment-related administrative expenses) for the plan year ended December 31, 2019 and an assumed rate of return on market assets of 7.25% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2019. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2019. Based in part on input from the Fund's Board of Trustees, an assumption that Active Homecare Employees work 1500 hours and Suspended Homecare Employees work 125 hours for each plan year after December 31, 2019.
  - Estimated contributions assuming an hourly contribution rate of \$0.46 per hour for Homecare Employees and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2019. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year. In addition, our projections include reflection of a withdrawal of a portion of the Professional Staff group, whereby it is assumed that annual withdrawal liability payments will approximate the most recent contributions due for the next ten years. This group represents about 11% of the normal cost.
  - With regard to liability held for potential retroactive payments owed to inactive participants, we have assumed nominal payments are spread ratably over the next four years.
  - Plan provisions identical to those used in the January 1, 2019 actuarial valuation.
  - Administrative expenses are assumed to increase by 2% for each plan year after December 31, 2019.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2019 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 30, 2020.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 1707, Local 389 Home Care and Professional Employees Pension Plan  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2020 - December 31, 2020  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #17-06974  
Address: Milliman  
150 Clove Road, 10th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 30, 2020

## Appendix

### District Council 1707, Local 389 Home Care and Professional Employees Pension Plan PPA Actuarial Certification for Plan Year Beginning January 1, 2020

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

## **Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the "Projected Unit Credit Actuarial Cost Method", one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan's total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## **Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

**Current Liability Interest Rate:**

**Assumption:** 3.06% assumed annual rate of return. This rate was 2.98% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses the highest rate permitted by law.

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table.

**Mortality for Current Liability:**

**Healthy and Disabled participants:** 2019 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** \$1,000,000 added to the Normal Cost.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability. (The prior assumption was to assume actuarial increases to valuation age, and to hold 0% of liability for those aged 80 and older.)

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Actuarial Methods and Assumptions**

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$3,000,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a temporary liability hold of \$3 million is held as of January 1, 2019 representing liability attributable to retroactive payments potentially owed to retired participants calculated with interest as specified in the Plan's actuarial equivalence definition.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 1707 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2020**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.



# District Council 37 Local 389 Home Care & Professional Employees Pension Fund

January 1, 2021 Actuarial Valuation - Revised

Prepared by:

**Tim Connor, FSA, EA, MAAA**  
Principal and Consulting Actuary

**Aaron Shapiro, FSA, EA, MAAA**  
Consulting Actuary

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Little Falls, NJ 07424  
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## January 1, 2021 Actuarial Valuation of the District Council 37 Local 389 Home Care & Professional Employees Pension Fund

The actuarial valuation of the District Council 37 Local 389 Home Care & Professional Employees Pension Fund (the “Plan”) for the plan year beginning January 1, 2021 has been completed in accordance with our understanding of the minimum funding requirements under ERISA and the Pension Protection Act of 2006 as well as the applicable sections of the Internal Revenue Code (IRC), including all regulations and guidance issued to date. It also has been completed in accordance with our understanding of FASB ASC Topic 960 for determining plan accounting requirements. The valuation results contained in this report are based on the actuarial methods ([Appendix A](#)), actuarial assumptions ([Appendix B](#)), and principal plan provisions ([Appendix C](#)) summarized in the appendices and were developed using models intended for valuations that use standard actuarial techniques. In addition, [Appendix D](#) contains information about the Plan’s risks.

### Purpose of the Valuation

In general, the actuarial valuation determines the current level of employer contributions that, taking into account prior funding, will accumulate assets sufficient to meet benefit payments and administrative expenses when due under the terms of the Plan. This report has been prepared for the District Council 37 Local 389 Home Care & Professional Employees Pension Fund as of January 1, 2021 to:

- Calculate the Minimum Required Contribution for the plan year beginning January 1, 2021.
- Calculate the Maximum Deductible Contribution for the 2021 fiscal year.
- Determine the actuarial Present Value of Accumulated Plan Benefits as of December 31, 2020 for purposes of disclosing the Plan’s liabilities under FASB ASC Topic 960.
- Determine and disclose the Plan’s Unfunded Vested Benefits as of December 31, 2020 for purposes of withdrawal liability assessments.
- Review the Plan’s funded status.
- Review the experience for the plan year ending December 31, 2020, including the performance of the Plan’s assets during the year and changes in the Plan’s participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

### Limited Distribution

Milliman’s work is prepared solely for the internal business use of the Plan, its Trustees, and its employees and may not be provided to third parties without our prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman’s consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

- The Plan may provide a copy of Milliman’s work, in its entirety, to the Plan’s professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman’s work for any purpose other than to benefit the Plan.
- The Plan may distribute certain work product that Milliman and the Plan mutually agree is appropriate as may be required by the Pension Protection Act of 2006.

Any third party recipient of this work product who desires professional guidance should not rely upon Milliman’s work product, but should engage qualified professionals for advice appropriate to its own specific needs.

## Reliance

In preparing this report, we relied, without audit, on information supplied by the Plan's Administrator and Auditor. This information includes, but is not limited to, plan documents and summaries, participant data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

## Limited Use

Actuarial computations for purposes other than determining the contribution requirements for an ongoing plan (such as for assessing benefit security upon potential plan termination) may yield significantly different results from those shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on plan funded status); and changes in plan provisions or applicable law. Except for the information provided in [Appendix D](#), due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

## Certification

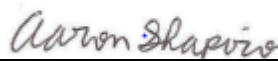
In our opinion, each assumption used, other than those assumptions mandated directly by the Internal Revenue Code and regulations thereon, is individually reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, such other assumptions offer our best estimate of anticipated experience under the Plan.

On the basis of the foregoing, we hereby certify that to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Timothy L. Connor, FSA, EA, MAAA  
Principal and Consulting Actuary  
Enrolled Actuary Number 20-06974



Aaron Shapiro, FSA, EA, MAAA  
Consulting Actuary  
Enrolled Actuary Number 20-07290

December 15, 2022  
Date

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# Summary of Results

## A. Overview

Actuarial Valuation for Plan Year Beginning		
	1/1/2020	1/1/2021
<b>Assets</b>		
Market Value of Assets (MVA)	\$64,471,288	\$68,539,608
▪ Investment yield in prior plan year (MVA)	15.38%	11.73%
Actuarial Value of Assets (AVA)	\$62,956,403	\$65,338,112
▪ Investment yield in prior plan year (AVA)	6.58%	9.27%
Contributions during plan year <i>(2021 is expected)</i>	\$1,198,725	\$1,128,000
<b>Valuation Liabilities</b>		
Valuation Interest Rate	7.25%	7.25%
Normal Cost, including administrative expenses	\$1,608,560	\$1,556,520
Actuarial Accrued Liability	72,130,358	74,632,366
Unfunded Actuarial Accrued Liability	9,173,955	9,294,254
Present Value of Accrued Benefits (PVAB)	72,024,579	74,549,255
Funded percentage of Accrued Benefits:		
▪ Based on Market Value of Assets [ MVA / PVAB ]	89.51%	91.94%
▪ Based on Actuarial Value of Assets [ AVA / PVAB ]	87.41%	87.64%
<b>Credit Balance and Contribution Information</b>		
Credit Balance at end of prior plan year	\$2,707,964	\$500,813
Minimum Required Contribution (before Credit Balance)	3,644,897	3,339,234
Maximum Deductible Contribution	103,073,845	110,466,734
<b>Certification Status</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2020 plan year</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2021 plan year*</b>
<b>Participant Data</b>		
Active participants	1,673	1,277
Terminated vested participants	3,887	4,010
Retired participants	2,565	2,737
Beneficiaries in pay status	<u>52</u>	<u>62</u>
Total participants	8,177	8,086
* The plan is currently in the "Green Zone", but only due to an election under Section 9701 of the American Rescue Plan Act of 2021, which freezes the status as the same as the preceding plan year. Without such election the Plan would have been in the "Deep Red Zone" for the 2021 plan year.		

# Exhibits

## Exhibit 1

## Summary of Income and Disbursements

The change in the Market Value of Assets from December 31, 2019 to December 31, 2020 is shown below.

1. Market Value of Assets as of December 31, 2019	\$64,471,288
2. Income	
a. Contributions	1,198,725
b. Investment income	<u>7,370,859</u>
c. Total	8,569,584
3. Disbursements	
a. Benefit payments	3,351,171
b. Administrative expenses	<u>1,150,093</u>
c. Total	4,501,264
4. Net increase / decrease [(2c) - (3c)]	4,068,320
5. Market Value of Assets as of December 31, 2020 [(1) + (4)]	\$68,539,608
6. Estimated investment return on Market Value of Assets $[(2 \times (2b)) \div ((1) + (5) - (2b))]$	11.73%

## Exhibit 2

## Actuarial Value of Assets

The Actuarial Value of Assets is the Market Value of Assets less a weighted average of asset gains / (losses) over a four-year period (five-year smoothing), but it must be within 80% to 120% of the Market Value of Assets. The Actuarial Value of Assets as of December 31, 2020 is determined below.

1.	Market Value of Assets as of December 31, 2020			\$68,539,608
2.	Unrecognized asset gains / (losses) for the plan years ending			
	<u>Plan Year Ending</u>	<u>Gain / (Loss) for Year</u>	<u>Percent Unrecognized</u>	<u>Amount Unrecognized</u>
	a. December 31, 2020	2,814,313	80%	2,251,450
	b. December 31, 2019	4,634,680	60%	2,780,808
	c. December 31, 2018	(7,117,430)	40%	(2,846,972)
	d. December 31, 2017	5,081,051	20%	<u>1,016,210</u>
	e. Total			3,201,496
3.	Preliminary Actuarial Value of Assets as of December 31, 2020 [(1) - (2e)]			65,338,112
4.	Actuarial Value of Assets as of December 31, 2020 [(3), but not < 80% x (1), nor > 120% x (1)]			65,338,112

## Exhibit 3

## Estimated Investment Return on Actuarial Value of Assets

The estimated investment return on the Actuarial Value of Assets is determined for the Schedule MB of IRS Form 5500 using a simplified formula as specified in the form instructions. It assumes all cash flows of contributions, benefit payments, and administrative expenses are paid at mid-year. The estimated investment return on the Actuarial Value of Assets for the plan year ending December 31, 2020 is determined below.

1. Actuarial Value of Assets as of January 1, 2020	\$62,956,403
2. Actuarial Value of Assets	
a. Employer contributions for plan year	1,198,725
b. Investment return	<u>5,684,248</u>
c. Total	6,882,973
3. Actuarial Value of Assets	
a. Benefit payments to participants	3,351,171
b. Administrative expenses	<u>1,150,093</u>
c. Total	4,501,264
4. Net increase / (decrease) [(2c) - (3c)]	2,381,709
5. Actuarial Value of Assets as of January 1, 2021 [(1) + (4)]	65,338,112
6. Estimated investment return on Actuarial Value of Assets $[\{2 \times (2b)\} \div \{(1) + (5) - (2b)\}]$	9.27%

## Exhibit 4

## Funding Standard Account for Prior Plan Year

The Funding Standard Account for the plan year ending December 31, 2020 is determined below.

1. Outstanding balances as of January 1, 2020	
a. Amortization charges	\$24,522,979
b. Amortization credits	12,641,060
2. Charges to Funding Standard Account	
a. Funding deficiency as of January 1, 2020	0
b. Normal Cost as of January 1, 2020 (including expense load)	1,608,560
c. Amortization charges as of January 1, 2020	3,951,784
d. Interest on (a), (b), and (c) to end of plan year	<u>403,125</u>
e. Total	5,963,469
3. Credits to Funding Standard Account	
a. Credit Balance as of January 1, 2020	2,707,964
b. Employer contributions for plan year	1,198,725
c. Amortization credits as of January 1, 2020	2,161,839
d. Interest on (a), (b), and (c) to end of plan year	395,754
e. Full funding credit	<u>0</u>
f. Total	6,464,282
4. Credit Balance / (funding deficiency) as of December 31, 2020	500,813

## Exhibit 5

## Normal Cost

The Normal Cost is the amount allocated to the current plan year under the Plan's actuarial cost method. The Normal Cost as of January 1, 2021 is determined below.

1. Present value of active participant benefits	
a. Retirement	\$312,695
b. Termination	32,064
c. Death	6,134
d. Disability	<u>5,627</u>
e. Total	356,520
2. Beginning of year loading for administrative expenses	1,200,000
3. Total [(1e) + (2)]	1,556,520

## Exhibit 6

## Unfunded Actuarial Accrued Liability

The Actuarial Accrued Liability represents that portion of the present value of benefits that is allocated to service before the current plan year. The unfunded Actuarial Accrued Liability is the excess (deficiency) of the Actuarial Accrued Liability over the Actuarial Value of Assets. The unfunded Actuarial Accrued Liability as of January 1, 2021 is determined below

1. Actuarial Accrued Liability for active participants	
a. Retirement	\$7,935,802
b. Termination	394,683
c. Death	118,077
d. Disability	<u>143,481</u>
e. Total	8,592,043
2. Actuarial Accrued Liability for inactive participant benefits	
a. Retired participants	31,740,170
b. Terminated vested participants	33,923,551
c. Beneficiaries	376,602
d. Disabled participants	<u>0</u>
e. Total	66,040,323
3. Total Actuarial Accrued Liability [(1e) + (2e)]	74,632,366
4. Actuarial Value of Assets	65,338,112
5. Unfunded Actuarial Accrued Liability [(4) - (5)]	9,294,254

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2021 are determined below.

## 1. Charges as of January 1, 2021

	Date <u>Established</u>	Description <u>Description</u>	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
1.	January 1, 1994	Initial UL	\$290,561	3	\$814,083
2.	January 1, 1996	Plan amendment	273,465	5	1,194,548
3.	January 1, 1997	Plan amendment	289,275	6	1,467,466
4.	January 1, 1998	Plan amendment	13,221	7	75,752
5.	January 1, 1999	Assumption change	23,042	8	146,143
6.	January 1, 1999	Plan amendment	49,412	8	313,401
7.	January 1, 2000	Plan amendment	2,829	9	19,563
8.	January 1, 2004	Assumption change	10,547	13	93,220
9.	January 1, 2005	Plan amendment	16,453	14	152,028
10.	January 1, 2006	Assumption change	230,766	15	2,219,016
11.	January 1, 2007	Actuarial loss	39,226	1	39,226
12.	January 1, 2008	Actuarial loss	143,574	2	277,445
13.	January 1, 2009	Actuarial loss	579,127	3	1,622,585
14.	January 1, 2010	Plan amendment	143,773	4	519,365
15.	January 1, 2012	Actuarial loss	368,965	6	1,871,718
16.	January 1, 2013	Actuarial loss	159,904	7	916,242
17.	January 1, 2013	Assumption change	138,992	7	796,417
18.	January 1, 2019	Actuarial loss	431,673	13	3,815,095
19.	January 1, 2019	Assumption change	71,856	13	635,063
20.	January 1, 2020	Actuarial loss	324,421	14	2,997,811
21.	January 1, 2020	Assumption change	224,708	14	2,076,418
22.	January 1, 2021	Assumption change	<u>86</u>	15	<u>824</u>
a.	Total		3,825,876		22,063,429

## Exhibit 7

## Charges and Credits for Funding Standard Account (continued)

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2021 are determined below.

2. Credits as of January 1, 2021					
	Date		Amortization	Years	Outstanding
	<u>Established</u>	<u>Description</u>	<u>Amount</u>	<u>Remaining</u>	<u>Balance</u>
1.	January 1, 2002	Assumption change	\$8,760	11	\$69,587
2.	January 1, 2007	Assumption change	48,170	16	480,047
3.	January 1, 2008	Assumption change	324,401	2	626,870
4.	January 1, 2010	Actuarial gain	407,346	4	1,471,487
5.	January 1, 2011	Actuarial gain	84,488	5	369,056
6.	January 1, 2014	Actuarial gain	1,002,078	8	6,355,812
7.	January 1, 2014	Assumption change	201,995	8	1,281,184
8.	January 1, 2015	Actuarial gain	84,601	9	584,922
9.	January 1, 2021	Actuarial gain	<u>107,052</u>	15	<u>1,029,397</u>
b.	Total		2,268,891		12,268,362
3. Net outstanding balance [(1a) - (2b)]					
					9,795,067
4. Credit Balance as of January 1, 2021					
					500,813
5. Waived funding deficiency					
					0
6. Balance test result [(3) - (4) - (5)]					
					9,294,254
7. Unfunded Actuarial Accrued Liability as of January 1, 2021, minimum \$0					
					9,294,254

## Exhibit 8

## Full Funding Limitation

The full funding limitation (FFL) for the plan year ending December 31, 2021 and the tax year ending December 31, 2021 is determined below.

	Minimum Required Contribution	Maximum Deductible Contribution
1. 100% Actuarial Accrued Liability (AAL) FFL		
a. AAL as of January 1, 2021	\$74,632,366	\$74,632,366
b. Normal Cost to end of year	1,556,520	1,556,520
c. Value of assets as of January 1, 2021		
i. Lesser of actuarial and market value	65,338,112	65,338,112
ii. Credit Balance	500,813	n/a
iii. Undeducted employer contributions	n/a	0
iv. Plan assets [(i) - (ii) - (iii)]	64,837,299	65,338,112
d. Interest to December 31, 2021 at 7.25% on (a), (b), & (civ)	822,990	786,681
e. 100% AAL FFL [(a) + (b) - (civ) + (d), but not <\$0]	12,174,577	11,637,455
2. Estimated Current Liability as of December 31, 2021		
a. Current Liability as of January 1, 2021	125,488,255	125,488,255
b. Normal Cost to end of plan year	2,139,626	2,139,626
c. Estimated benefit disbursements to December 31, 2021	3,763,181	3,763,181
d. Expenses included in Normal Cost	1,200,000	1,200,000
e. Interest to December 31, 2021 at 2.08% on (a), (b), & (c)	2,590,764	2,590,764
f. Estimated EOY Current Liability [(a) + (b) - (c) - (d) + (e)]	125,255,464	125,255,464
3. Estimated assets for Current Liability FFL		
a. Actuarial Value of Assets as of January 1, 2021	65,338,112	65,338,112
b. Estimated benefit disbursements to December 31, 2021	3,763,181	3,763,181
c. Estimated employee contributions to December 31, 2021	0	0
d. Expenses included in Normal Cost	1,200,000	1,200,000
e. Estimated return to at 7.25% on (3a), (1ciii), (3b), (3c), & (3d)	4,515,985	4,515,985
f. Estimated assets as of December 31, 2021 [(3a) - (1ciii) - (3b) + (3c) - (3d) + (3e)]	64,890,916	64,890,916
4. 90% Current Liability minimum funding limitation		
a. 90% EOY RPA Current Liability [90% x (2f)]	112,729,918	112,729,918
b. 90% Current Liability FFL [(a) - (3f), but not < \$0]	47,839,002	47,839,002
5. Full funding limitation [maximum of (1e) and (4b)]	47,839,002	47,839,002

## Exhibit 9

## Current Liability

In accordance with IRS requirements, the Current Liability has been calculated at 2.08%. The Current Liability as of January 1, 2021 is determined below.

1. Current Liability			
	<u>Count</u>	<u>Vested Benefits</u>	<u>All Benefits</u>
a. Active participants	1,277	\$16,512,954	\$17,722,383
b. Terminated vested participants	4,010	61,638,884	61,826,926
c. Retirees, beneficiaries, and disabled participants	<u>2,799</u>	<u>45,938,946</u>	<u>45,938,946</u>
d. Total	8,086	124,090,784	125,488,255
2. Expected increase in Current Liability for benefit accruals during year			939,626
3. Expected distributions during year			3,763,181
4. Market Value of Assets			68,539,608
5. Current Liability funded percentage [(4) ÷ (1d)]			54.62%

## Exhibit 10

## Current Annual Cost and Minimum Required Contribution

The Current Annual Cost is the Plan's cost under the minimum funding requirements prior to the recognition of the full funding limitation and any Credit Balance. The Minimum Required Contribution is the amount needed to avoid a funding deficiency in the Funding Standard Account. These amounts for the plan year beginning January 1, 2021 are determined below.

1. Charges for plan year	
a. Funding deficiency as of January 1, 2021	\$0
b. Normal Cost	1,556,520
c. Amortization charges (on \$22,063,429)	3,825,876
d. Interest on (a), (b), and (c) to end of plan year	390,224
e. Additional funding charge	<u>0</u>
f. Total	5,772,620
2. Credits for plan year	
a. Amortization credits (on \$12,268,362)	2,268,891
b. Other credits	0
c. Interest on (a) and (b) to end of plan year	<u>164,495</u>
d. Total	2,433,386
3. Current Annual Cost for plan year [(1f) - (2d)]	3,339,234
4. Full funding credit for plan year	
a. Full funding limitation	47,839,002
b. Full funding credit [(3) - (4a), but not < \$0]	0
5. Credit Balance for plan year	
a. Credit Balance as of January 1, 2021	500,813
b. Interest on (a) to end of plan year	<u>36,309</u>
c. Total	537,122
6. Minimum Required Contribution for plan year [(3) - (4b) - (5c), but not < \$0]	2,802,112

## Exhibit 11

## Maximum Deductible Contribution under IRC Section 404

The Maximum Deductible Contribution under IRC Section 404 for the tax year beginning January 1, 2021 is determined below.

1. Minimum Required Contribution for plan year beginning January 1, 2021	\$2,802,112
2. Preliminary Maximum Deductible Contribution under IRC Section 404 for tax year	
a. Normal Cost	1,556,520
b. Amortization payment on 10-year limitation bases	1,248,136
c. Interest to earlier of tax year end or plan year end	<u>203,338</u>
d. Total	3,007,994
3. Full funding limitation for tax year	47,839,002
4. Unfunded 140% of Current Liability as of December 31, 2021	
a. Current Liability (for IRC Section 404 purposes) projected to end of year	125,255,464
b. Actuarial Value of Assets (for IRC Section 404 purposes) projected to end of year	64,890,916
c. Unfunded 140% of Current Liability [140% × (a) - (b), but not less than \$0]	110,466,734
5. Maximum Deductible Contribution under IRC Section 404 for tax year [maximum of (1) and (2d), but not greater than (3), nor less than (4c)]	110,466,734

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Employers should consult their tax advisors regarding the deductibility of contributions.

## Exhibit 12

## Unfunded Vested Benefit Liability for Withdrawal Liability Calculations

Withdrawal liability payments are based on unfunded vested benefit liability. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as death and disability benefits which are not considered vested. These liabilities have been determined as of December 31, 2019 and December 31, 2020. However, if there is a termination by mass withdrawal during the year, a separate calculation has to be performed.

	12/31/2019	12/31/2020
1. Plan year of withdrawal	1/1/2020 – 12/31/2020	1/1/2021 – 12/31/2021
2. Present Value of Vested Benefits (PVVB)		
a. Active participants	\$17,635,761	\$17,296,904
b. Retired participants	40,297,907	45,892,505
c. Terminated vested participants	54,588,118	64,665,240
d. Beneficiaries	<u>522,926</u>	<u>593,821</u>
e. Total vested benefits	113,044,712	128,448,470
3. Market Value of Assets (MVA)	64,471,288	68,539,608
4. Funded ratio [(3) ÷ (2e)]	57.03%	53.36%
5. Outstanding claims for withdrawal liability expected to be collected from previously withdrawn employers	\$433,547	\$464,979
6. Unfunded vested benefit liability (UVB) [(2e) - (3) - (5), but not less than \$0]	48,139,877	59,443,883

Assumptions Used for Withdrawal Liability Determination	12/31/2019	12/31/2020
1. Asset Valuation Method	Market Value	Market Value
2. Withdrawal Liability Method	Rolling 5	Rolling 5
3. Interest Rate Assumption for PVVB		
a. First segment rate	2.53%	1.62%
b. Second segment rate	2.53%	1.40%
c. First segment period (years)	25	20

## Exhibit 13

## Present Value of Accumulated Plan Benefits

Accumulated Plan Benefits are benefits earned to date, based on pay history and service rendered to date, expected to be paid in the future to retired, terminated vested, and active participants, and beneficiaries of active or former participants. The Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) as of January 1, 2020 and January 1, 2021 is shown below.

	1/1/2020	1/1/2021
1. Present Value of vested Accumulated Plan Benefits		
a. Active participants	\$9,386,984	\$7,941,783
b. Retired participants and beneficiaries in pay	30,176,475	32,116,772
c. Terminated vested participants	<u>31,704,356</u>	<u>33,714,168</u>
d. Total	71,267,815	73,772,723
2. Present Value of non-vested Accumulated Plan Benefits	756,764	776,532
3. Present Value of all Accumulated Plan Benefits [(1d) + (2)]	72,024,579	74,549,255
4. Market Value of Assets	64,471,288	68,539,608
5. Funded percentage on Market Value of Assets		
a. Vested benefits [(4) ÷ (1d)]	90.46%	92.91%
b. All benefits [(4) ÷ (3)]	89.51%	91.94%
6. Actuarial Value of Assets	\$62,956,403	\$65,338,112
7. Funded percentage on Actuarial Value of Assets		
a. Vested benefits [(6) ÷ (1d)]	88.34%	88.57%
b. All benefits [(6) ÷ (3)]	87.41%	87.64%

## Exhibit 14

## Change in Present Value of Accumulated Plan Benefits

The change in the Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) from January 1, 2020 to January 1, 2021 is shown below.

1. Present Value of all Accumulated Plan Benefits as of January 1, 2020	\$72,024,579
2. Changes	
a. Reduction in discount period	5,102,427
b. Benefits accumulated	441,403
c. Actuarial (gain) / loss	331,290
d. Benefit payments	(3,351,171)
e. Plan amendments	0
f. Change in assumptions	<u>727</u>
g. Total	2,524,676
3. Present Value of all Accumulated Plan Benefits as of January 1, 2021 [(1) + (2g)]	74,549,255

## Exhibit 15

## Summary of Home Care Participant Data

A summary of participant data for the plan years beginning January 1, 2020 and January 1, 2021 is shown below.

	1/1/2020	1/1/2021
1. Active participants		
a. Count	1,667	1,270
b. Average age	54.8	57.5
c. Average credited service	10.6	11.4
2. Terminated vested participants and deferred beneficiaries		
a. Count	3,847	3,973
b. Total monthly benefits	\$257,661	\$266,152
c. Average monthly benefit	\$67	\$67
3. Participants in pay status		
a. Count	2,528	2,697
b. Total monthly benefits	\$226,225	\$243,165
c. Average monthly benefit	\$89	\$90
4. Beneficiaries in pay status		
a. Count	50	60
b. Total monthly benefits	\$2,744	\$3,164
c. Average monthly benefit	\$55	\$53

## Exhibit 16

## Summary of Professional Participant Data

A summary of participant data for the plan years beginning January 1, 2020 and January 1, 2021 is shown below.

	1/1/2020	1/1/2021
1. Active participants		
a. Count	6	7
b. Average age	53.8	52.1
c. Average credited service	15.2	14.1
2. Terminated vested participants and deferred beneficiaries		
a. Count	40	37
b. Total monthly benefits	\$37,872	\$33,431
c. Average monthly benefit	\$947	\$904
3. Participants in pay status		
a. Count	37	40
b. Total monthly benefits	\$49,858	\$50,045
c. Average monthly benefit	\$1,348	\$1,251
4. Beneficiaries in pay status		
a. Count	2	2
b. Total monthly benefits	\$1,107	\$1,107
c. Average monthly benefit	\$554	\$554

## Exhibit 17

## Change in Home Care Participant Counts

The change in participant counts from January 1, 2020 to January 1, 2021 is shown below.

	Active	Suspended Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2020	1,620	47	3,847	2,528	50	8,092
Retired	(32)	(1)	(120)	153	0	0
Suspended Active	3	(3)	0	0	0	0
Terminated non-vested	(197)	(11)	0	0	0	(208)
Terminated vested	(258)	(13)	271	0	0	0
Disabled	0	0	0	0	0	0
Died	0	0	0	(70)	(3)	(73)
Rehired	40	1	(26)	0	0	15
New during plan year	74	0	0	0	12	86
QDRO	0	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>1</u>	<u>86</u>	<u>1</u>	<u>88</u>
Participants as of 12/31/2020	1,250	20	3,973	2,697	60	8,000
New Participants as of 1/1/2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2021	1,250	20	3,973	2,697	60	8,000

## Exhibit 18

## Change in Professional Participant Counts

The change in participant counts from January 1, 2020 to January 1, 2021 is shown below.

	Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2020	6	40	37	2	85
Retired	0	(3)	3	0	0
Terminated non-vested	0	0	0	0	0
Terminated vested	0	0	0	0	0
Disabled	0	0	0	0	0
Died	0	0	(1)	0	(1)
Rehired	0	0	0	0	0
New during plan year	1	0	0	0	1
QDRO	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>
Participants as of 12/31/2020	7	37	40	2	86
New Participants as of 1/1/2021	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2021	7	37	40	2	86

## Exhibit 19

## Active Home Care Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2021 is shown below.

Age	Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>0-24</b>	7	-	-	-	-	-	-	-	-	7
<b>25-29</b>	11	2	-	-	-	-	-	-	-	13
<b>30-34</b>	23	4	-	-	-	-	-	-	-	27
<b>35-39</b>	26	5	1	-	-	-	-	-	-	32
<b>40-44</b>	42	14	9	5	-	-	-	-	-	70
<b>45-49</b>	56	24	24	10	4	1	-	-	-	119
<b>50-54</b>	71	34	27	21	9	7	1	-	-	170
<b>55-59</b>	74	45	36	28	17	16	14	-	-	230
<b>60-64</b>	84	50	44	38	39	25	9	9	-	298
<b>65-69</b>	36	42	29	28	27	17	15	6	-	200
<b>70+</b>	20	18	12	12	25	5	10	2	-	104
<b>Total</b>	450	238	182	142	121	71	49	17	-	1,270

## Exhibit 20

## Active Professional Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2021 is shown below.

Age	Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
0-24	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-
35-39	1	-	-	-	-	-	-	-	-	1
40-44	1	-	-	-	-	-	-	-	-	1
45-49	-	-	-	-	-	-	-	-	-	-
50-54	-	-	-	1	-	-	-	-	-	1
55-59	-	1	-	-	1	-	1	-	-	3
60-64	-	-	1	-	-	-	-	-	-	1
65-69	-	-	-	-	-	-	-	-	-	-
70+	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	2	1	1	1	1	-	1	-	-	7

# Appendices

## Appendix A – Summary of Actuarial Methods

### **Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

### **Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## Appendix B – Summary of Actuarial Assumptions

### Interest (Discount) Rate:

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

### Current Liability Interest Rate:

**Assumption:** 2.08% assumed annual rate of return. This rate was 2.52% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses a rate permitted by law.

### Interest Rate for Unfunded Vested Benefit Liability for Withdrawal Liability Calculations:

**Assumption:** PBGC settlement rates effective December 2020 – 1.62% for 20 years, 1.40% thereafter (previously, 2.53% for 25 years, 2.53% thereafter).

**Rationale:** The withdrawal liability interest rates are based on market settlement rates which represent our best estimate assumption for withdrawal liability purposes.

### Retirement:

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

### Mortality for Funding:

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate (previously, Scale MP-2020 was used in lieu of Scale MP-2021).

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate (previously, Scale MP-2020 was used in lieu of Scale MP-2021).

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

#### Mortality for Current Liability:

**Healthy and Disabled participants:** 2021 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

#### Withdrawal (termination of employment) rates:

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

#### Disability:

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods.

## Actuarial Procedures Regarding Certain Liabilities:

### Liabilities for Terminated Vested Participants:

All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. This reflects the possibility that some of these records may never materialize into payment status, particularly those of advanced ages, representing unknown, unverifiable data, and/or deceased members not entitled to benefits.

### Liabilities for In Pay Participants:

\$5,200,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.2 million is held as of January 1, 2021 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

## Appendix C – Summary of Principal Plan Provisions

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

### Basic Information

**Plan Name:** District Council 37 Local 389 Home Care & Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

### Benefit Formulas and Eligibilities for Home Care Employees

#### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to: \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

#### Early Retirement

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

#### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

## Benefit Formulas and Eligibilities for Professional Employees

### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

### Early Retirement

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Disability Retirement

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

## Appendix D – Risk Disclosure

The purpose of this appendix is to identify, assess, and provide illustrations of risks that are significant to the Plan, and in some cases to the Plan’s participants.

The results of the projections are based on one set of reasonable assumptions. However, it is almost certain that future experience will not exactly match the assumptions. As an example, investments may perform better or worse than assumed in any single year and over any longer time horizon. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan’s participants.

In addition, as plans mature they accumulate larger pools of assets and liabilities. This increases the potential risk to plan funding and the finances of those who are responsible for plan funding. As an example, it is more difficult for a plan sponsor to deal with the effects of a 10% investment loss on a plan with \$1 billion in assets and liabilities than if the same plan sponsor is responsible for a 10% investment loss on a plan with \$1 million in assets and liabilities. Since pension plans make long-term promises and rely on long-term funding, it is important to consider how mature the Plan is today, and how mature it may become in the future.

Actuarial Standard of Practice No. 51 (ASOP 51) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan’s risks.

ASOP 51 states that if in the actuary’s professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

This section uses the framework of ASOP 51 to communicate important information about: significant risks to the Plan, the Plan’s maturity, and relevant historical plan data.

## Definition and Identification of Potential Risks

### PBGC Coverage Risk

**Definition:** This is the potential that the Pension Benefit Guaranty Corporation (PBGC) multiemployer insurance program becomes insolvent and is not able to provide financial assistance to insolvent plans. If this Plan and/or the PBGC become insolvent, participants would receive benefits below the PBGC guarantee level.

**Identification/Assessment:** The Plan has potential risk of future insolvency. If the Plan becomes insolvent, benefits will be reduced to the level guaranteed by the PBGC, and a portion of that benefit will be financed by the PBGC. There is a potential risk to the participants in this situation that the PBGC will become insolvent.

### Liquidity Risk

**Definition:** This is the potential that assets must be liquidated at a loss earlier than planned in order to pay for the Plan's benefits and operating costs. This risk is heightened for plans with negative cash flow, in which contributions do not exceed annual benefit payments plus expenses.

**Identification/Assessment:** The Plan has high cash flow requirements because the sum of benefit payments plus expenses is significantly larger than current contributions. However, the Plan does not have a high allocation to illiquid assets such as real estate and private equity. As a result, there is a minimal risk that assets may need to be liquidated at a loss before planned in order to pay benefits and expenses.

### Inflation Risk

**Definition:** This is the potential of a pension to lose purchasing power over time due to inflation.

**Identification:** The participants of pension plans without fully inflation-indexed benefits are subject to the risk that their purchasing power will be reduced over time due to inflation.

**Assessment:** Participants in this Plan bear all of the inflation risk for benefits earned in the past.

### Maturity Risk

**Definition:** This is the potential for total plan liabilities to become more heavily weighted toward inactive liabilities over time.

**Identification:** The Plan is subject to maturity risk because as plan assets and liabilities continue to grow, the impact of any gains or losses on the assets or liabilities also becomes larger.

**Assessment:** Maturity risk is not an imminent issue, but the Plan is getting bigger in both liability and assets. It should be continuously monitored with the assessment of proper funded status and contribution adequacy.

### Contribution Risk

**Definition:** This is the possibility that actual future contributions deviate from expected future contributions.

**Identification/Assessment:** As the contributions to the plan are directly related to the workload, the plan is subject to the risk that the demand for work will decrease thus decreasing expected contribution levels. The deferral of expected contributions into future years results in the loss of investment income in the intervening period.

## Retirement Risk

**Definition:** This is the potential for participants to retire and receive subsidized benefits more valuable than expected.

**Identification/Assessment:** This plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Investment Risk

**Definition:** The potential that investment returns will be different than expected.

**Identification/Assessment:** To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, funding contributions and funded status may vary significantly from those presented in this valuation.

## Interest Rate Risk

**Definition:** The potential that interest rates will be different than expected, which will affect the Plan's liability.

**Identification:** The pension liabilities reported herein have been calculated by computing the present value of expected future benefit payments using the interest rate described in Appendix B. If interest rates in future valuations differ from the current assumed interest rate, future pension liabilities, funding contributions, and funded status may differ significantly from those presented in this analysis. As a general rule, using a higher interest rate to compute the present value of future benefit payments will result in a lower pension liability, and vice versa. One aspect that can be used to estimate the impact of different interest rates is a plan's duration.

**Assessment:** If the interest rate changes by 1%, the estimated percentage change in pension liability is a plan's duration in years. The approximate duration of a typical Plan is 11-13 years. As such, if the interest rate changes by 1%, the estimated change in pension liability is 11% to 13%.

## Demographic Risk

**Definition:** The potential that mortality or other demographic experience for current plan participants will be different than expected.

**Identification/Assessment:** The pension liabilities reported herein have been calculated by assuming that participants will follow patterns of demographic experience (e.g. mortality, retirement, form of payment election, etc.) as described in Appendix B. If actual demographic experience or future demographic assumptions are different from what is assumed to occur in this valuation, future pension liabilities, funding contributions and funded status may differ from those presented in this valuation. This Plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Employer Withdrawal Risk

**Definition:** The potential that contribution rate increases or benefit reductions required by a funding improvement plan or rehabilitation plan, or other factors, will drive the bargaining parties to withdraw from the plan.

**Identification:** Employer withdrawals will reduce the plan's contribution base and add pressure on the remaining participating employers and the plan's investment returns to restore or strengthen the plan's funded status.

**Assessment:** The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to employer withdrawals.

### Covered Employment Risk

**Definition:** The potential that future covered employment is lower than expected due to a declining workforce in a company or industry, or a temporary workforce reduction due to market forces.

**Identification:** A reduction in the Plan's contribution base can potentially threaten its ability to recover from another market downturn.

**Assessment:** The Plan's active population and hours worked have both declined in recent years. The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to workforce reduction.

### Business Risk

**Definition:** The potential that a company suffers a financial setback which impairs its ability to make contributions or withdrawal liability payments to the plan.

**Identification:** If contributions cannot be recovered, it will shift the weight of maintaining/improving the plan's funded status upon the remaining employers of the plan.

### Zone Status Risk

**Definition:** The potential that the plan will deteriorate to a zone status such that the Trustees would need to take action to improve the plan's funded status through the development of an improvement plan that increases contributions, reduces benefits, or both.

**Identification:** The type of benefit reductions and/or contribution rate increases would depend on the zone status. Specifically, yellow zone plans are generally limited to reducing benefits, rights and features on future accruals only. Red zone plans can reduce features on all accrued benefits (such as early retirement subsidies), but cannot reduce benefits to those in pay status. Deep red zone plans have the same tools as red zone plans, but can also apply to the IRS and PBGC to reduce benefits to participants and beneficiaries in pay status.

**Assessment:** The plan is currently in the green zone, but only due to an election under Section 9701 of the American Rescue Plan Act of 2021 to freeze the status. We will monitor this risk going forward with the Trustees.

### Insolvency Risk

**Definition:** The potential that a plan will become insolvent.

**Identification:** If a plan becomes insolvent, benefits will be reduced to the PBGC guarantee level and the PBGC will provide financial assistance to supplement any employer contributions and withdrawal liability payments and help pay plan benefits and expenses.

**Assessment:** The Plan is currently underfunded and the expected contributions are less than the sum of expected normal costs and administrative expenses. Therefore, the funded status of the Plan is expected to decline in future valuations and solvency is expected to be an issue in the future.



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March 31, 2021

Jacqueline M. Carmichael  
Contact Compliance Officer  
DC 1707 Local 389 Pension Fund  
420 West 45<sup>th</sup> Street, Fifth Floor  
New York, NY 10036

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning January 1, 2021 – District Council 1707, Local 389 Home Care and Professional Employees Pension Plan**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2021 for the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used and were developed using models intended for projections that use standard actuarial techniques. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

---

Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

cc: Board of Trustees (w/encs)

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Funding Status Projection Results**

<b><u>Plan Year Beginning</u></b>	<b><u>Funded Percentage</u></b>	<b><u>Contributions</u></b>	<b><u>Credit Balance at End of Year</u></b>
1/1/2021	88.5%	1,361,000	(781,000)
1/1/2022	87.2%	1,363,000	(2,718,000)
1/1/2023	85.8%	1,365,000	(5,000,000)
1/1/2024	86.5%	1,367,000	(6,356,000)
1/1/2025	85.6%	1,369,000	(8,049,000)
1/1/2026	83.7%	1,371,000	(9,683,000)
1/1/2027	81.6%	1,373,000	(10,750,000)
1/1/2028	79.1%	1,375,000	(11,582,000)
1/1/2029	76.4%	1,377,000	(13,710,000)
1/1/2030	73.0%	1,379,000	(16,103,000)
1/1/2031	69.4%	1,381,000	(18,692,000)

An accumulated funding deficiency is projected to occur at the end of the 2021 plan year.

The funded percentage as of January 1, 2021 is projected to be 88.5%.

<b><u>Plan Year Beginning</u></b>	<b><u>Critical Test 1</u></b>	<b><u>Critical Test 2</u></b>	<b><u>Critical Test 3</u></b>	<b><u>Critical Test 4</u></b>
1/1/2021	Pass	Fail	Fail	Pass
1/1/2022	Pass	Fail	Fail	Pass
1/1/2023	Pass	Fail	Fail	Pass
1/1/2024	Pass	Fail	Fail	Pass
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Pass	Fail	Fail	Pass

The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2021 plan year. Furthermore, the Plan is projected to become insolvent during the 2040 plan year, and the ratio of inactive participants to active participants is greater than two to one. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2021 plan year.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2020, I hereby certify that the District Council 1707, Local 389 Home Care and Professional Employees Pension Plan is in “critical and declining” status for the plan year beginning January 1, 2021 as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.



March 31, 2021

\_\_\_\_\_  
Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

\_\_\_\_\_  
Date

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2020 participant data and January 1, 2020 actuarial valuation results, as provided in our actuarial report dated March 31, 2021.
  - Estimated January 1, 2021 unaudited asset value of \$68,743,611 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 11.53% (net of investment-related administrative expenses) for the plan year ended December 31, 2020 and an assumed rate of return on market assets of 7.25% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2020. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2020. Based in part on input from the Fund's Board of Trustees, an assumption that Active Home Care Employees work 1500 hours and Suspended Home Care Employees work 125 hours for each plan year after December 31, 2020.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2020. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2020.
  - Plan provisions identical to those used in the January 1, 2020 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2020 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 31, 2021.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 1707, Local 389 Home Care and Professional Employees Pension Plan  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2021 - December 31, 2021  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974  
Address: Milliman  
150 Clove Road, 10th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 31, 2021

## Appendix

### District Council 1707, Local 389 Home Care and Professional Employees Pension Plan PPA Actuarial Certification for Plan Year Beginning January 1, 2021

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

---

<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

## **Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## **Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan’s historical investment performance, the prior Actuary’s assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA).

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Disabled Retiree Mortality Table).

**Rationale:** We believe the assumptions selected are reasonable for the contingency they are measuring and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost (previously, \$1,000,000 added to the Normal Cost).

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Actuarial Methods and Assumptions**

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$4,900,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$4.9 million is held as of January 1, 2020 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 1707 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 1707, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2021**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.



# District Council 37 Local 389 Home Care Employees Pension Fund

January 1, 2022 Actuarial Valuation

Prepared by:

**Tim Connor, FSA, EA, MAAA**  
Principal and Consulting Actuary

**Aaron Shapiro, FSA, EA, MAAA**  
Consulting Actuary

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## January 1, 2022 Actuarial Valuation of the District Council 37 Local 389 Home Care Employees Pension Fund

The actuarial valuation of the District Council 37 Local 389 Home Care Employees Pension Fund (the “Plan”) for the plan year beginning January 1, 2022 has been completed in accordance with our understanding of the minimum funding requirements under ERISA and the Pension Protection Act of 2006 as well as the applicable sections of the Internal Revenue Code (IRC), including all regulations and guidance issued to date. It also has been completed in accordance with our understanding of FASB ASC Topic 960 for determining plan accounting requirements. The valuation results contained in this report are based on the actuarial methods ([Appendix A](#)), actuarial assumptions ([Appendix B](#)), and principal plan provisions ([Appendix C](#)) summarized in the appendices and were developed using models intended for valuations that use standard actuarial techniques. In addition, [Appendix D](#) contains information about the Plan’s risks.

### Purpose of the Valuation

In general, the actuarial valuation determines the current level of employer contributions that, taking into account prior funding, will accumulate assets sufficient to meet benefit payments and administrative expenses when due under the terms of the Plan. This report has been prepared for the District Council 37 Local 389 Home Care Employees Pension Fund as of January 1, 2022 to:

- Calculate the Minimum Required Contribution for the plan year beginning January 1, 2022.
- Calculate the Maximum Deductible Contribution for the 2022 fiscal year.
- Determine the actuarial Present Value of Accumulated Plan Benefits as of December 31, 2021 for purposes of disclosing the Plan’s liabilities under FASB ASC Topic 960.
- Determine and disclose the Plan’s Unfunded Vested Benefits as of December 31, 2021 for purposes of withdrawal liability assessments.
- Review the Plan’s funded status.
- Review the experience for the plan year ending December 31, 2021, including the performance of the Plan’s assets during the year and changes in the Plan’s participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

### Limited Distribution

Milliman’s work is prepared solely for the internal business use of the Plan’s Trustees and may not be provided to third parties without our prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman’s consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

- The Plan may provide a copy of Milliman’s work, in its entirety, to the Plan’s professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman’s work for any purpose other than to benefit the Plan.
- The Plan may distribute certain work product that Milliman and the Plan mutually agree is appropriate as may be required by the Pension Protection Act of 2006.

Any third party recipient of this work product who desires professional guidance should not rely upon Milliman’s work product, but should engage qualified professionals for advice appropriate to its own specific needs.

## Reliance

In preparing this report, we relied, without audit, on information (both written and oral) supplied by the Plan's Administrator and Auditor. This information includes, but is not limited to, plan documents and summaries, participant data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

## Limited Use

Actuarial computations for purposes other than determining the contribution requirements for an ongoing plan (such as for assessing benefit security upon potential plan termination) may yield significantly different results from those shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on plan funded status); and changes in plan provisions or applicable law. Except for the information provided in [Appendix D](#), due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

## Certification

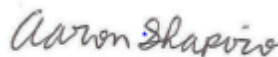
In our opinion, each assumption used, other than those assumptions mandated directly by the Internal Revenue Code and regulations thereon, is individually reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, such other assumptions offer our best estimate of anticipated experience under the Plan.

On the basis of the foregoing, we hereby certify that to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Timothy L. Connor, FSA, EA, MAAA  
Principal and Consulting Actuary  
Enrolled Actuary Number 20-06974



Aaron Shapiro, FSA, EA, MAAA  
Consulting Actuary  
Enrolled Actuary Number 20-07290

March 31, 2023  
Date

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# Summary of Results

## Overview

Actuarial Valuation for Plan Year Beginning		
	1/1/2021	1/1/2022
<b>Assets</b>		
Market Value of Assets (MVA)	\$68,539,608	\$71,206,061
▪ Investment yield in prior plan year (MVA)	11.73%	8.60%
Actuarial Value of Assets (AVA)	\$65,338,112	\$68,366,690
▪ Investment yield in prior plan year (AVA)	9.27%	9.60%
Contributions during plan year <i>(2022 is expected)</i>	\$1,133,837	\$993,000
<b>Valuation Liabilities</b>		
Valuation Interest Rate	7.25%	6.50%
Normal Cost, including administrative expenses	\$1,556,520	\$1,564,451
Actuarial Accrued Liability	74,632,366	80,473,013
Unfunded Actuarial Accrued Liability	9,294,254	12,106,323
Present Value of Accrued Benefits (PVAB)	74,549,255	80,354,381
Funded percentage of Accrued Benefits:		
▪ Based on Market Value of Assets [ MVA / PVAB ]	91.94%	88.62%
▪ Based on Actuarial Value of Assets [ AVA / PVAB ]	87.64%	85.08%
<b>Credit Balance and Contribution Information</b>		
Credit Balance / (Funding Deficiency) at end of prior plan year	\$500,813	\$(1,203,744)
Minimum Required Contribution (before Credit Balance)	3,339,234	3,467,957
Maximum Deductible Contribution	110,466,734	110,674,602
<b>Certification Status</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2021 plan year</b>	<b>Neither Critical nor Endangered ("Green Zone") for the 2022 plan year*</b>
<b>Participant Data</b>		
Active participants	1,277	1,144
Terminated vested participants	4,010	3,990
Retired participants	2,737	2,728
Beneficiaries in pay status	<u>62</u>	<u>58</u>
Total participants	8,086	7,920
* The plan was in the "Green Zone" for the 2021 and 2022 plan years, but only due to an election under Section 9701 of the American Rescue Plan Act of 2021, which freezes the status as the same as the preceding plan year. Without such election the Plan would have been in the "Deep Red Zone" for the 2021 and 2022 plan years.		

# Exhibits

## Exhibit 1

## Summary of Income and Disbursements

The change in the Market Value of Assets from December 31, 2020 to December 31, 2021 is shown below.

1. Market Value of Assets as of December 31, 2020	\$68,539,608
2. Income	
a. Contributions	1,133,837
b. Investment income	5,759,458
c. Withdrawal Liability income	<u>409,562</u>
d. Total	7,302,857
3. Disbursements	
a. Benefit payments	3,390,072
b. Administrative expenses	<u>1,246,332</u>
c. Total	4,636,404
4. Net increase / decrease [(2d) - (3c)]	2,666,453
5. Market Value of Assets as of December 31, 2021 [(1) + (4)]	\$71,206,061
6. Estimated investment return on Market Value of Assets $[\{2 \times (2b)\} \div \{(1) + (5) - (2b)\}]$	8.60%

## Exhibit 2

## Actuarial Value of Assets

The Actuarial Value of Assets is the Market Value of Assets less a weighted average of asset gains / (losses) over a four-year period (five-year smoothing), but it must be within 80% to 120% of the Market Value of Assets. The Actuarial Value of Assets as of December 31, 2021 is determined below.

1.	Market Value of Assets as of December 31, 2021			\$71,206,061
2.	Unrecognized asset gains / (losses) for the plan years ending			
	<u>Plan Year Ending</u>	<u>Gain / (Loss) for Year</u>	<u>Percent Unrecognized</u>	<u>Amount Unrecognized</u>
	a. December 31, 2021	900,496	80%	720,397
	b. December 31, 2020	2,814,313	60%	1,688,588
	c. December 31, 2019	4,634,680	40%	1,853,872
	d. December 31, 2018	(7,117,430)	20%	(1,423,486)
	e. Total			2,839,371
3.	Preliminary Actuarial Value of Assets as of December 31, 2021 [(1) - (2e)]			68,366,690
4.	Actuarial Value of Assets as of December 31, 2021 [(3), but not < 80% x (1), nor > 120% x (1)]			68,366,690

## Exhibit 3

## Estimated Investment Return on Actuarial Value of Assets

The estimated investment return on the Actuarial Value of Assets is determined for the Schedule MB of IRS Form 5500 using a simplified formula as specified in the form instructions. It assumes all cash flows of contributions, benefit payments, and administrative expenses are paid at mid-year. The estimated investment return on the Actuarial Value of Assets for the plan year ending December 31, 2021 is determined below.

1. Actuarial Value of Assets as of January 1, 2021	\$65,338,112
2. Actuarial Value of Assets	
a. Employer contributions for plan year	1,133,837
b. Investment return	6,121,583
c. Withdrawal Liability Income	<u>409,562</u>
d. Total	7,664,982
3. Actuarial Value of Assets	
a. Benefit payments to participants	3,390,072
b. Administrative expenses	<u>1,246,332</u>
c. Total	4,636,404
4. Net increase / (decrease) [(2d) - (3c)]	3,028,578
5. Actuarial Value of Assets as of January 1, 2022 [(1) + (4)]	68,366,690
6. Estimated investment return on Actuarial Value of Assets $\frac{\{2 \times (2b)\}}{\{(1) + (5) - (2b)\}}$	9.60%

## Exhibit 4

## Funding Standard Account for Prior Plan Year

The Funding Standard Account for the plan year ending December 31, 2021 is determined below.

1. Outstanding balances as of January 1, 2021	
a. Amortization charges	\$22,063,429
b. Amortization credits	12,268,362
2. Charges to Funding Standard Account	
a. Funding deficiency as of January 1, 2021	0
b. Normal Cost as of January 1, 2021 (including expense load)	1,556,520
c. Amortization charges as of January 1, 2021	3,825,876
d. Interest on (a), (b), and (c) to end of plan year	<u>390,224</u>
e. Total	5,772,620
3. Credits to Funding Standard Account	
a. Credit Balance as of January 1, 2021	500,813
b. Employer contributions for plan year	1,133,837
c. Withdrawal liability	409,562
d. Amortization credits as of January 1, 2021	2,268,891
e. Interest on (a), (b), (c), and (d) to end of plan year	255,773
f. Full funding credit	<u>0</u>
g. Total	4,568,876
4. Credit Balance / (funding deficiency) as of December 31, 2021	(1,203,744)

## Exhibit 5

## Normal Cost

The Normal Cost is the amount allocated to the current plan year under the Plan's actuarial cost method. The Normal Cost as of January 1, 2022 is determined below.

1. Normal Cost for active participant benefits	
a. Retirement	\$317,383
b. Termination	35,003
c. Death	6,016
d. Disability	<u>6,049</u>
e. Total	364,451
2. Beginning of year loading for administrative expenses	1,200,000
3. Total [(1e) + (2)]	1,564,451

## Exhibit 6

## Unfunded Actuarial Accrued Liability

The Actuarial Accrued Liability represents that portion of the present value of benefits that is allocated to service before the current plan year. The unfunded Actuarial Accrued Liability is the excess (deficiency) of the Actuarial Accrued Liability over the Actuarial Value of Assets. The unfunded Actuarial Accrued Liability as of January 1, 2022 is determined below.

1. Actuarial Accrued Liability for active participants	
a. Retirement	\$8,314,783
b. Termination	416,916
c. Death	119,239
d. Disability	<u>159,996</u>
e. Total	9,010,934
2. Actuarial Accrued Liability for inactive participant benefits	
a. Retired participants	31,684,468
b. Terminated vested participants	39,325,681
c. Beneficiaries	451,930
d. Disabled participants	<u>0</u>
e. Total	71,462,079
3. Total Actuarial Accrued Liability [(1e) + (2e)]	80,473,013
4. Actuarial Value of Assets	68,366,690
5. Unfunded Actuarial Accrued Liability [(4) - (5)]	12,106,323

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2022 are determined below.

## 1. Charges as of January 1, 2022

	Date <u>Established</u>	Description	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
1.	January 1, 1994	Initial UL	\$289,575	2	\$561,477
2.	January 1, 1996	Plan amendment	270,760	4	987,862
3.	January 1, 1997	Plan amendment	285,510	5	1,263,610
4.	January 1, 1998	Plan amendment	13,008	6	67,064
5.	January 1, 1999	Assumption change	22,603	7	132,026
6.	January 1, 1999	Plan amendment	48,472	7	283,128
7.	January 1, 2000	Plan amendment	2,768	8	17,947
8.	January 1, 2004	Assumption change	10,204	12	88,667
9.	January 1, 2005	Plan amendment	15,876	13	145,404
10.	January 1, 2006	Assumption change	222,131	14	2,132,398
11.	January 1, 2008	Actuarial loss	143,577	1	143,577
12.	January 1, 2009	Actuarial loss	577,168	2	1,119,109
13.	January 1, 2010	Plan amendment	142,813	3	402,822
14.	January 1, 2012	Actuarial loss	364,161	5	1,611,703
15.	January 1, 2013	Actuarial loss	157,336	6	811,173
16.	January 1, 2013	Assumption change	136,759	6	705,088
17.	January 1, 2019	Actuarial loss	417,620	12	3,628,720
18.	January 1, 2019	Assumption change	69,517	12	604,040
19.	January 1, 2020	Actuarial loss	313,058	13	2,867,211
20.	January 1, 2020	Assumption change	216,838	13	1,985,959
21.	January 1, 2021	Assumption change	83	14	792
22.	January 1, 2022	Assumption change	<u>453,314</u>	15	<u>4,539,412</u>
a.	Total		4,173,151		24,099,189

## Exhibit 7

## Charges and Credits for Funding Standard Account (continued)

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2022 are determined below.

2. Credits as of January 1, 2022					
	Date		Amortization	Years	Outstanding
	<u>Established</u>	<u>Description</u>	<u>Amount</u>	<u>Remaining</u>	<u>Balance</u>
1.	January 1, 2002	Assumption change	\$8,521	10	\$65,237
2.	January 1, 2007	Assumption change	46,255	15	463,188
3.	January 1, 2008	Assumption change	324,398	1	324,398
4.	January 1, 2010	Actuarial gain	404,623	3	1,141,291
5.	January 1, 2011	Actuarial gain	83,651	4	305,199
6.	January 1, 2014	Actuarial gain	983,028	7	5,741,880
7.	January 1, 2014	Assumption change	198,156	7	1,157,430
8.	January 1, 2015	Actuarial gain	82,750	8	536,594
9.	January 1, 2021	Actuarial gain	103,046	14	989,215
10.	January 1, 2022	Actuarial gain	<u>246,876</u>	15	<u>2,472,178</u>
b.	Total		2,481,304		13,196,610
3.	Net outstanding balance [(1a) - (2b)]				10,902,579
4.	Credit Balance as of January 1, 2022				(1,203,744)
5.	Waived funding deficiency				0
6.	Balance test result [(3) - (4) - (5)]				12,106,323
7.	Unfunded Actuarial Accrued Liability as of January 1, 2022, minimum \$0				12,106,323

## Exhibit 8

## Full Funding Limitation

The full funding limitation (FFL) for the plan year ending December 31, 2022 and the tax year ending December 31, 2022 is determined below.

	Minimum Required Contribution	Maximum Deductible Contribution
1. 100% Actuarial Accrued Liability (AAL) FFL		
a. AAL as of January 1, 2022	\$80,473,013	\$80,473,013
b. Normal Cost to end of year	1,564,451	1,564,451
c. Value of assets as of January 1, 2022		
i. Lesser of actuarial and market value	68,366,690	68,366,690
ii. Credit Balance	0	n/a
iii. Undeducted employer contributions	n/a	0
iv. Plan assets [(i) - (ii) - (iii)]	68,366,690	68,366,690
d. Interest to December 31, 2022 at 6.50% on (a), (b), & (civ)	888,600	888,600
e. 100% AAL FFL [(a) + (b) - (civ) + (d), but not <\$0]	14,559,374	14,559,374
2. Estimated Current Liability as of December 31, 2022		
a. Current Liability as of January 1, 2022	127,798,165	127,798,165
b. Normal Cost to end of plan year	2,088,814	2,088,814
c. Estimated benefit disbursements to December 31, 2022	3,660,282	3,660,282
d. Expenses included in Normal Cost	1,200,000	1,200,000
e. Interest to December 31, 2022 at 1.91% on (a), (b), & (c)	2,423,131	2,423,131
f. Estimated EOY Current Liability [(a) + (b) - (c) - (d) + (e)]	127,449,828	127,449,828
3. Estimated assets for Current Liability FFL		
a. Actuarial Value of Assets as of January 1, 2022	68,366,690	68,366,690
b. Estimated benefit disbursements to December 31, 2022	3,660,282	3,660,282
c. Estimated employee contributions to December 31, 2022	0	0
d. Expenses included in Normal Cost	1,200,000	1,200,000
e. Estimated return to at 6.50% on (3a), (1ciii), (3b), (3c), & (3d)	4,248,749	4,248,749
f. Estimated assets as of December 31, 2022 [(3a) - (1ciii) - (3b) + (3c) - (3d) + (3e)]	67,755,157	67,755,157
4. 90% Current Liability minimum funding limitation		
a. 90% EOY RPA Current Liability [90% x (2f)]	114,704,845	114,704,845
b. 90% Current Liability FFL [(a) - (3f), but not < \$0]	46,949,688	46,949,688
5. Full funding limitation [maximum of (1e) and (4b)]	46,949,688	46,949,688

## Exhibit 9

## Current Liability

In accordance with IRS requirements, the Current Liability has been calculated at 1.91%. The Current Liability as of January 1, 2022 is determined below.

1. Current Liability			
	<u>Count</u>	<u>Vested Benefits</u>	<u>All Benefits</u>
a. Active participants	1,144	\$16,126,869	\$17,255,876
b. Terminated vested participants	3,990	65,372,885	65,534,944
c. Retirees, beneficiaries, and disabled participants	<u>2,786</u>	<u>45,007,345</u>	<u>45,007,345</u>
d. Total	7,920	126,507,099	127,798,165
2. Expected increase in Current Liability for benefit accruals during year			888,814
3. Expected distributions during year			3,660,282
4. Market Value of Assets			71,206,061
5. Current Liability funded percentage [(4) ÷ (1d)]			55.72%

## Exhibit 10

## Current Annual Cost and Minimum Required Contribution

The Current Annual Cost is the Plan's cost under the minimum funding requirements prior to the recognition of the full funding limitation and any Credit Balance. The Minimum Required Contribution is the amount needed to avoid a funding deficiency in the Funding Standard Account. These amounts for the plan year beginning January 1, 2022 are determined below.

1. Charges for plan year	
a. Funding deficiency as of January 1, 2022	\$1,203,744
b. Normal Cost	1,564,451
c. Amortization charges (on \$24,099,189)	4,173,151
d. Interest on (a), (b), and (c) to end of plan year	451,187
e. Additional funding charge	<u>0</u>
f. Total	7,392,533
2. Credits for plan year	
a. Amortization credits (on \$13,196,610)	2,481,304
b. Other credits	0
c. Interest on (a) and (b) to end of plan year	<u>161,285</u>
d. Total	2,642,589
3. Current Annual Cost for plan year [(1f) - (2d)]	4,749,944
4. Full funding credit for plan year	
a. Full funding limitation	46,949,688
b. Full funding credit [(3) - (4a), but not < \$0]	0
5. Credit Balance for plan year	
a. Credit Balance as of January 1, 2022	0
b. Interest on (a) to end of plan year	<u>0</u>
c. Total	0
6. Minimum Required Contribution for plan year [(3) - (4b) - (5c), but not < \$0]	4,749,944

## Exhibit 11

## Maximum Deductible Contribution under IRC Section 404

The Maximum Deductible Contribution under IRC Section 404 for the tax year beginning January 1, 2022 is determined below.

1. Minimum Required Contribution for plan year beginning January 1, 2022	\$4,749,944
2. Preliminary Maximum Deductible Contribution under IRC Section 404 for tax year	
a. Normal Cost	1,564,451
b. Amortization payment on 10-year limitation bases	1,581,264
c. Interest to earlier of tax year end or plan year end	<u>204,471</u>
d. Total	3,350,186
3. Full funding limitation for tax year	46,949,688
4. Unfunded 140% of Current Liability as of December 31, 2022	
a. Current Liability (for IRC Section 404 purposes) projected to end of year	127,449,828
b. Actuarial Value of Assets (for IRC Section 404 purposes) projected to end of year	67,755,157
c. Unfunded 140% of Current Liability [140% × (a) - (b), but not less than \$0]	110,674,602
5. Maximum Deductible Contribution under IRC Section 404 for tax year [maximum of (1) and (2d), but not greater than (3), nor less than (4c)]	110,674,602

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Employers should consult their tax advisors regarding the deductibility of contributions.

## Exhibit 12

## Unfunded Vested Benefit Liability for Withdrawal Liability Calculations

Withdrawal liability payments are based on unfunded vested benefit liability. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as death and disability benefits which are not considered vested. These liabilities have been determined as of December 31, 2020 and December 31, 2021. However, if there is a termination by mass withdrawal during the year, a separate calculation has to be performed.

	12/31/2020	12/31/2021
1. Plan year of withdrawal	1/1/2021 – 12/31/2021	1/1/2022 – 12/31/2022
2. Present Value of Vested Benefits (PVVB)		
a. Active participants	\$17,296,904	\$14,507,244
b. Retired participants	45,892,505	44,102,939
c. Terminated vested participants	64,665,240	58,127,308
d. Beneficiaries	<u>593,821</u>	<u>577,119</u>
e. Total vested benefits	128,448,470	117,314,610
3. Market Value of Assets (MVA)	68,539,608	71,206,061
4. Funded ratio [(3) ÷ (2e)]	53.36%	60.69%
5. Outstanding claims for withdrawal liability expected to be collected from previously withdrawn employers	\$464,979	\$0
6. Unfunded vested benefit liability (UVB) [(2e) - (3) - (5), but not less than \$0]	59,443,883	46,108,549

Assumptions Used for Withdrawal Liability Determination	12/31/2020	12/31/2021
1. Asset Valuation Method	Market Value	Market Value
2. Withdrawal Liability Method	Rolling 5	Rolling 5
3. Interest Rate Assumption for PVVB		
a. First segment rate	1.62%	2.40%
b. Second segment rate	1.40%	2.11%
c. First segment period (years)	20	20

## Exhibit 13

## Present Value of Accumulated Plan Benefits

Accumulated Plan Benefits are benefits earned to date, based on pay history and service rendered to date, expected to be paid in the future to retired, terminated vested, and active participants, and beneficiaries of active or former participants. The Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) as of January 1, 2021 and January 1, 2022 is shown below.

	1/1/2021	1/1/2022
1. Present Value of vested Accumulated Plan Benefits		
a. Active participants	\$7,941,783	\$8,325,234
b. Retired participants and beneficiaries in pay	32,116,772	34,279,419
c. Terminated vested participants	<u>33,714,168</u>	<u>36,975,382</u>
d. Total	73,772,723	79,580,035
2. Present Value of non-vested Accumulated Plan Benefits	776,532	774,346
3. Present Value of all Accumulated Plan Benefits [(1d) + (2)]	74,549,255	80,354,381
4. Market Value of Assets	68,539,608	71,206,061
5. Funded percentage on Market Value of Assets		
a. Vested benefits [(4) ÷ (1d)]	92.91%	89.48%
b. All benefits [(4) ÷ (3)]	91.94%	88.62%
6. Actuarial Value of Assets	\$65,338,112	\$68,366,690
7. Funded percentage on Actuarial Value of Assets		
a. Vested benefits [(6) ÷ (1d)]	88.57%	85.91%
b. All benefits [(6) ÷ (3)]	87.64%	85.08%

## Exhibit 14

## Change in Present Value of Accumulated Plan Benefits

The change in the Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) from January 1, 2021 to January 1, 2022 is shown below.

1. Present Value of all Accumulated Plan Benefits as of January 1, 2021	\$74,549,255
2. Changes	
a. Reduction in discount period	5,284,081
b. Benefits accumulated	390,874
c. Actuarial (gain) / loss	(1,019,169)
d. Benefit payments	(3,390,072)
e. Plan amendments	0
f. Change in assumptions	<u>4,539,412</u>
g. Total	5,805,126
3. Present Value of all Accumulated Plan Benefits as of January 1, 2022 [(1) + (2g)]	80,354,381

## Exhibit 15

## Summary of Home Care Participant Data

A summary of participant data for the plan years beginning January 1, 2021 and January 1, 2022 is shown below.

	1/1/2021	1/1/2022
1. Active participants		
a. Count	1,270	1,137
b. Average age	57.5	58.4
c. Average credited service	11.4	11.7
2. Terminated vested participants and deferred beneficiaries		
a. Count	3,973	3,956
b. Total monthly benefits	\$266,152	\$262,207
c. Average monthly benefit	\$67	\$66
3. Participants in pay status		
a. Count	2,697	2,687
b. Total monthly benefits	\$243,165	\$248,202
c. Average monthly benefit	\$90	\$92
4. Beneficiaries in pay status		
a. Count	60	56
b. Total monthly benefits	\$3,164	\$3,530
c. Average monthly benefit	\$53	\$63

## Exhibit 16

## Summary of Professional Participant Data

A summary of participant data for the plan years beginning January 1, 2021 and January 1, 2022 is shown below.

	1/1/2021	1/1/2022
1. Active participants		
a. Count	7	7
b. Average age	52.1	53.1
c. Average credited service	14.1	15.1
2. Terminated vested participants and deferred beneficiaries		
a. Count	37	34
b. Total monthly benefits	\$33,431	\$29,384
c. Average monthly benefit	\$904	\$864
3. Participants in pay status		
a. Count	40	41
b. Total monthly benefits	\$50,045	\$52,185
c. Average monthly benefit	\$1,251	\$1,273
4. Beneficiaries in pay status		
a. Count	2	2
b. Total monthly benefits	\$1,107	\$1,107
c. Average monthly benefit	\$554	\$554

## Exhibit 17

## Change in Home Care Participant Counts

The change in participant counts from January 1, 2021 to January 1, 2022 is shown below.

	Active	Suspended Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2021	1,250	20	3,973	2,697	60	8,000
Retired	(29)	0	(131)	160	0	0
Suspended Active	(10)	10	0	0	0	0
Terminated non-vested	(90)	(7)	0	0	0	(97)
Terminated vested	(104)	(1)	105	0	0	0
Disabled	0	0	0	0	0	0
Died	0	0	(15)	(197)	(21)	(233)
Rehired	34	0	(15)	0	0	19
New during plan year	64	0	1	0	17	82
QDRO	0	0	0	0	0	0
Lump Sum	0	0	(10)	0	0	(10)
Net data adjustments	<u>0</u>	<u>0</u>	<u>48</u>	<u>27</u>	<u>0</u>	<u>75</u>
Participants as of 12/31/2021	1,115	22	3,956	2,687	56	7,836
New Participants as of 1/1/2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2022	1,115	22	3,956	2,687	56	7,836

## Exhibit 18

## Change in Professional Participant Counts

The change in participant counts from January 1, 2021 to January 1, 2022 is shown below.

	Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2021	7	37	40	2	86
Retired	0	(3)	3	0	0
Terminated non-vested	0	0	0	0	0
Terminated vested	0	0	0	0	0
Disabled	0	0	0	0	0
Died	0	0	(2)	0	(2)
Rehired	0	0	0	0	0
New during plan year	0	0	0	0	0
QDRO	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Participants as of 12/31/2021	7	34	41	2	84
New Participants as of 1/1/2022	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2022	7	34	41	2	84

## Exhibit 19

## Active Home Care Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2022 is shown below.

Age	Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>0-24</b>	4	-	-	-	-	-	-	-	-	4
<b>25-29</b>	5	1	-	-	-	-	-	-	-	6
<b>30-34</b>	16	3	-	-	-	-	-	-	-	19
<b>35-39</b>	22	6	-	-	-	-	-	-	-	28
<b>40-44</b>	31	12	4	5	-	-	-	-	-	52
<b>45-49</b>	48	27	14	16	3	-	-	-	-	108
<b>50-54</b>	60	25	34	22	12	4	3	-	-	160
<b>55-59</b>	70	38	40	26	15	11	10	1	-	211
<b>60-64</b>	59	40	42	32	30	17	14	9	-	243
<b>65-69</b>	39	41	30	33	20	16	14	8	-	201
<b>70+</b>	13	26	14	11	21	7	9	4	-	105
<b>Total</b>	367	219	178	145	101	55	50	22	-	1,137

**Exhibit 20**

**Active Professional Participants by Age and Service**

The number of active participants summarized by attained age and years of credited service as of January 1, 2022 is shown below.

Age	Years of Credited Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>0-24</b>	-	-	-	-	-	-	-	-	-	-	-
<b>25-29</b>	-	-	-	-	-	-	-	-	-	-	-
<b>30-34</b>	-	-	-	-	-	-	-	-	-	-	-
<b>35-39</b>	1	-	-	-	-	-	-	-	-	-	1
<b>40-44</b>	1	-	-	-	-	-	-	-	-	-	1
<b>45-49</b>	-	-	-	-	-	-	-	-	-	-	-
<b>50-54</b>	-	-	-	-	1	-	-	-	-	-	1
<b>55-59</b>	-	1	-	-	-	-	1	-	-	-	2
<b>60-64</b>	-	-	1	-	-	1	-	-	-	-	2
<b>65-69</b>	-	-	-	-	-	-	-	-	-	-	-
<b>70+</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	2	1	1	-	1	1	1	-	-	-	7

# Appendices

## Appendix A – Summary of Actuarial Methods

### **Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

### **Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## Appendix B – Summary of Actuarial Assumptions

### Interest (Discount) Rate:

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.50% compounded annually. (previously, 7.25% was used).

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

### Current Liability Interest Rate:

**Assumption:** 1.91% assumed annual rate of return. This rate was 2.08% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses a rate permitted by law.

### Interest Rate for Unfunded Vested Benefit Liability for Withdrawal Liability Calculations:

**Assumption:** PBGC settlement rates effective December 2021 – 2.40% for 20 years, 2.11% thereafter (previously, 1.62% for 20 years, 1.40% thereafter).

**Rationale:** The withdrawal liability interest rates are based on market settlement rates which represent our best estimate assumption for withdrawal liability purposes.

### Retirement:

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

### Mortality for Funding:

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Mortality for Current Liability:**

**Healthy and Disabled participants:** 2022 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods.

## Actuarial Procedures Regarding Certain Liabilities:

### Liabilities for Terminated Vested Participants:

All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. This reflects the possibility that some of these records may never materialize into payment status, particularly those of advanced ages, representing unknown, unverifiable data, and/or deceased members not entitled to benefits.

### Liabilities for In Pay Participants:

\$5,400,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.4 million is held as of January 1, 2022 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

## Appendix C – Summary of Principal Plan Provisions

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

### Basic Information

**Plan Name:** District Council 37 Local 389 Home Care Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

### Benefit Formulas and Eligibilities for Home Care Employees

#### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to: \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

#### Early Retirement

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

#### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

## Benefit Formulas and Eligibilities for Professional Employees

### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

### Early Retirement

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Disability Retirement

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

## Appendix D – Risk Disclosure

The purpose of this appendix is to identify, assess, and provide illustrations of risks that are significant to the Plan, and in some cases to the Plan's participants.

The results of the projections are based on one set of reasonable assumptions. However, it is almost certain that future experience will not exactly match the assumptions. As an example, investments may perform better or worse than assumed in any single year and over any longer time horizon. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan's participants.

In addition, as plans mature they accumulate larger pools of assets and liabilities. This increases the potential risk to plan funding and the finances of those who are responsible for plan funding. As an example, it is more difficult for a plan sponsor to deal with the effects of a 10% investment loss on a plan with \$1 billion in assets and liabilities than if the same plan sponsor is responsible for a 10% investment loss on a plan with \$1 million in assets and liabilities. Since pension plans make long-term promises and rely on long-term funding, it is important to consider how mature the Plan is today, and how mature it may become in the future.

Actuarial Standard of Practice No. 51 (ASOP 51) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan's risks.

ASOP 51 states that if in the actuary's professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

This section uses the framework of ASOP 51 to communicate important information about: significant risks to the Plan, the Plan's maturity, and relevant historical plan data.

## Definition and Identification of Potential Risks

### PBGC Coverage Risk

**Definition:** This is the potential that the Pension Benefit Guaranty Corporation (PBGC) multiemployer insurance program becomes insolvent and is not able to provide financial assistance to insolvent plans. If this Plan and/or the PBGC become insolvent, participants would receive benefits below the PBGC guarantee level.

**Identification/Assessment:** The Plan has potential risk of future insolvency. If the Plan becomes insolvent, benefits will be reduced to the level guaranteed by the PBGC, and a portion of that benefit will be financed by the PBGC. There is a potential risk to the participants in this situation that the PBGC will become insolvent.

### Liquidity Risk

**Definition:** This is the potential that assets must be liquidated at a loss earlier than planned in order to pay for the Plan's benefits and operating costs. This risk is heightened for plans with negative cash flow, in which contributions do not exceed annual benefit payments plus expenses.

**Identification/Assessment:** The Plan has high cash flow requirements because the sum of benefit payments plus expenses is significantly larger than current contributions. However, the Plan does not have a high allocation to illiquid assets such as real estate and private equity. As a result, there is a minimal risk that assets may need to be liquidated at a loss before planned in order to pay benefits and expenses.

### Inflation Risk

**Definition:** This is the potential of a pension to lose purchasing power over time due to inflation.

**Identification:** The participants of pension plans without fully inflation-indexed benefits are subject to the risk that their purchasing power will be reduced over time due to inflation.

**Assessment:** Participants in this Plan bear all of the inflation risk for benefits earned in the past.

### Maturity Risk

**Definition:** This is the potential for total plan liabilities to become more heavily weighted toward inactive liabilities over time.

**Identification:** The Plan is subject to maturity risk because as plan assets and liabilities continue to grow, the impact of any gains or losses on the assets or liabilities also becomes larger.

**Assessment:** Maturity risk is not an imminent issue, but the Plan is getting bigger in both liability and assets. It should be continuously monitored with the assessment of proper funded status and contribution adequacy.

### Contribution Risk

**Definition:** This is the possibility that actual future contributions deviate from expected future contributions.

**Identification/Assessment:** As the contributions to the plan are directly related to the workload, the plan is subject to the risk that the demand for work will decrease thus decreasing expected contribution levels. The deferral of expected contributions into future years results in the loss of investment income in the intervening period.

## Retirement Risk

**Definition:** This is the potential for participants to retire and receive subsidized benefits more valuable than expected.

**Identification/Assessment:** This plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Investment Risk

**Definition:** The potential that investment returns will be different than expected.

**Identification/Assessment:** To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, funding contributions and funded status may vary significantly from those presented in this valuation.

## Interest Rate Risk

**Definition:** The potential that interest rates will be different than expected, which will affect the Plan's liability.

**Identification:** The pension liabilities reported herein have been calculated by computing the present value of expected future benefit payments using the interest rate described in Appendix B. If interest rates in future valuations differ from the current assumed interest rate, future pension liabilities, funding contributions, and funded status may differ significantly from those presented in this analysis. As a general rule, using a higher interest rate to compute the present value of future benefit payments will result in a lower pension liability, and vice versa. One aspect that can be used to estimate the impact of different interest rates is a plan's duration.

**Assessment:** If the interest rate changes by 1%, the estimated percentage change in pension liability is a plan's duration in years. The approximate duration of a typical Plan is 11-13 years. As such, if the interest rate changes by 1%, the estimated change in pension liability is 11% to 13%.

## Demographic Risk

**Definition:** The potential that mortality or other demographic experience for current plan participants will be different than expected.

**Identification/Assessment:** The pension liabilities reported herein have been calculated by assuming that participants will follow patterns of demographic experience (e.g. mortality, retirement, form of payment election, etc.) as described in Appendix B. If actual demographic experience or future demographic assumptions are different from what is assumed to occur in this valuation, future pension liabilities, funding contributions and funded status may differ from those presented in this valuation. This Plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Employer Withdrawal Risk

**Definition:** The potential that contribution rate increases or benefit reductions required by a funding improvement plan or rehabilitation plan, or other factors, will drive the bargaining parties to withdraw from the plan.

**Identification:** Employer withdrawals will reduce the plan's contribution base and add pressure on the remaining participating employers and the plan's investment returns to restore or strengthen the plan's funded status.

**Assessment:** The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to employer withdrawals.

### Covered Employment Risk

**Definition:** The potential that future covered employment is lower than expected due to a declining workforce in a company or industry, or a temporary workforce reduction due to market forces.

**Identification:** A reduction in the Plan's contribution base can potentially threaten its ability to recover from another market downturn.

**Assessment:** The Plan's active population and hours worked have both declined in recent years. The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to workforce reduction.

### Business Risk

**Definition:** The potential that a company suffers a financial setback which impairs its ability to make contributions or withdrawal liability payments to the plan.

**Identification:** If contributions cannot be recovered, it will shift the weight of maintaining/improving the plan's funded status upon the remaining employers of the plan.

### Zone Status Risk

**Definition:** The potential that the plan will deteriorate to a zone status such that the Trustees would need to take action to improve the plan's funded status through the development of an improvement plan that increases contributions, reduces benefits, or both.

**Identification:** The type of benefit reductions and/or contribution rate increases would depend on the zone status. Specifically, yellow zone plans are generally limited to reducing benefits, rights and features on future accruals only. Red zone plans can reduce features on all accrued benefits (such as early retirement subsidies), but cannot reduce benefits to those in pay status. Deep red zone plans have the same tools as red zone plans, but can also apply to the IRS and PBGC to reduce benefits to participants and beneficiaries in pay status.

**Assessment:** The plan is currently in the green zone, but only due to an election under Section 9701 of the American Rescue Plan Act of 2022 to freeze the status. We will monitor this risk going forward with the Trustees.

### Insolvency Risk

**Definition:** The potential that a plan will become insolvent.

**Identification:** If a plan becomes insolvent, benefits will be reduced to the PBGC guarantee level and the PBGC will provide financial assistance to supplement any employer contributions and withdrawal liability payments and help pay plan benefits and expenses.

**Assessment:** The Plan is currently underfunded and the expected contributions are less than the sum of expected normal costs and administrative expenses. Therefore, the funded status of the Plan is expected to decline in future valuations and solvency is expected to be an issue in the future.



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Tel: +1 973 278 8860

milliman.com

March 31, 2022

Audrey Browne  
DC 37 Local 389 Pension Fund  
420 West 45<sup>th</sup> Street, Fifth Floor  
New York, NY 10036

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning January 1, 2022 – District Council 37, Local 389 Home Care and Professional Employees Pension Plan**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2022 for the District Council 37, Local 389 Home Care and Professional Employees Pension Plan.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used and were developed using models intended for projections that use standard actuarial techniques. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

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Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

cc: Board of Trustees (w/encs)

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Funding Status Projection Results**

<b>Plan Year Beginning</b>	<b>Funded Percentage</b>	<b>Contributions</b>	<b>Credit Balance at End of Year</b>
1/1/2022	88.3%	1,347,000	(3,495,000)
1/1/2023	86.0%	1,371,000	(5,666,000)
1/1/2024	87.1%	1,099,000	(7,156,000)
1/1/2025	86.4%	1,101,000	(8,967,000)
1/1/2026	84.4%	1,103,000	(10,704,000)
1/1/2027	82.0%	1,106,000	(11,882,000)
1/1/2028	79.2%	1,108,000	(12,832,000)
1/1/2029	76.1%	1,110,000	(15,086,000)
1/1/2030	72.5%	1,112,000	(17,613,000)
1/1/2031	68.3%	1,114,000	(20,347,000)
1/1/2032	63.4%	1,116,000	(23,310,000)

An accumulated funding deficiency is projected to occur at the end of the 2022 plan year.

The funded percentage as of January 1, 2022 is projected to be 88.3%.

<b>Plan Year Beginning</b>	<b>Critical Test 1</b>	<b>Critical Test 2</b>	<b>Critical Test 3</b>	<b>Critical Test 4</b>
1/1/2022	Pass	Fail	Fail	Pass
1/1/2023	Pass	Fail	Fail	Pass
1/1/2024	Pass	Fail	Fail	Pass
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Pass	Fail	Fail	Pass
1/1/2027	Pass	Fail	Fail	Pass

The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2022 plan year. Furthermore, the Plan is projected to become insolvent during the 2039 plan year, and the ratio of inactive participants to active participants is greater than two to one. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2022 plan year.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2021, I hereby certify that the District Council 37, Local 389 Home Care and Professional Employees Pension Plan is in “critical and declining” status for the plan year beginning January 1, 2022, as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.



March 31, 2022

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Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

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Date

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2021 participant data and January 1, 2021 actuarial valuation results, as provided in our actuarial report dated March 31, 2022.
  - Estimated January 1, 2022 unaudited asset value of \$70,715,450 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 8.62% (net of investment-related administrative expenses) for the plan year ended December 31, 2021 and an assumed rate of return on market assets of 7.25% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2021. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2021.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2021. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2021.
  - Plan provisions identical to those used in the January 1, 2021 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2021 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 31, 2022.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 37, Local 389 Home Care and Professional Employees Pension Plan  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2022 - December 31, 2022  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974  
Address: Milliman  
150 Clove Road, 10th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 31, 2022

## Appendix

### District Council 37, Local 389 Home Care and Professional Employees Pension Plan PPA Actuarial Certification for Plan Year Beginning January 1, 2022

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

**Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 7.25% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan’s historical investment performance, the prior Actuary’s assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate).

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate (previously, the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2020 with 75% adjustment to the ultimate rate).

**Rationale:** We believe the assumptions selected are reasonable for the contingency they are measuring and are not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost (previously, \$1,000,000 added to the Normal Cost).

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$5,200,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.2 million is held as of January 1, 2021 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Actuarial Methods and Assumptions**

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied in large part on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 37 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care and Professional  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2022**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.



# District Council 37 Local 389 Home Care Employees Pension Fund

January 1, 2023 Actuarial Valuation

Prepared by:

**Aaron Shapiro, FSA, EA, MAAA**  
Principal and Consulting Actuary

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## January 1, 2023 Actuarial Valuation of the District Council 37 Local 389 Home Care Employees Pension Fund

The actuarial valuation of the District Council 37 Local 389 Home Care Employees Pension Fund (the “Plan”) for the plan year beginning January 1, 2023 has been completed in accordance with our understanding of the minimum funding requirements under ERISA and the Pension Protection Act of 2006 as well as the applicable sections of the Internal Revenue Code (IRC), including all regulations and guidance issued to date. It also has been completed in accordance with our understanding of FASB ASC Topic 960 for determining plan accounting requirements. The valuation results contained in this report are based on the actuarial methods ([Appendix A](#)), actuarial assumptions ([Appendix B](#)), and principal plan provisions ([Appendix C](#)) summarized in the appendices and were developed using models intended for valuations that use standard actuarial techniques. In addition, [Appendix D](#) contains information about the Plan’s risks.

### Purpose of the Valuation

In general, the actuarial valuation determines the current level of employer contributions that, taking into account prior funding, will accumulate assets sufficient to meet benefit payments and administrative expenses when due under the terms of the Plan. This report has been prepared for the District Council 37 Local 389 Home Care Employees Pension Fund as of January 1, 2023 to:

- Calculate the Minimum Required Contribution for the plan year beginning January 1, 2023.
- Calculate the Maximum Deductible Contribution for the 2023 fiscal year.
- Determine the actuarial Present Value of Accumulated Plan Benefits as of December 31, 2022 for purposes of disclosing the Plan’s liabilities under FASB ASC Topic 960.
- Determine and disclose the Plan’s Unfunded Vested Benefits as of December 31, 2022 for purposes of withdrawal liability assessments.
- Review the Plan’s funded status.
- Review the experience for the plan year ending December 31, 2022, including the performance of the Plan’s assets during the year and changes in the Plan’s participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

### Limited Distribution

Milliman’s work is prepared solely for the internal business use of the Plan’s Trustees and may not be provided to third parties without our prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman’s consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

- The Plan may provide a copy of Milliman’s work, in its entirety, to the Plan’s professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman’s work for any purpose other than to benefit the Plan.
- The Plan may distribute certain work product that Milliman and the Plan mutually agree is appropriate as may be required by the Pension Protection Act of 2006.

Any third party recipient of this work product who desires professional guidance should not rely upon Milliman’s work product, but should engage qualified professionals for advice appropriate to its own specific needs.

## Reliance

In preparing this report, we relied, without audit, on information (both written and oral) supplied by the Plan's Administrator and Auditor. This information includes, but is not limited to, plan documents and summaries, participant data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

## Limited Use

Actuarial computations for purposes other than determining the contribution requirements for an ongoing plan (such as for assessing benefit security upon potential plan termination) may yield significantly different results from those shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on plan funded status); and changes in plan provisions or applicable law. Except for the information provided in [Appendix D](#), due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

## Certification

In our opinion, each assumption used, other than those assumptions mandated directly by the Internal Revenue Code and regulations thereon, is individually reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, such other assumptions offer our best estimate of anticipated experience under the Plan and are expected to have no significant bias.

On the basis of the foregoing, we hereby certify that to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



Aaron Shapiro, FSA, EA, MAAA  
Principal and Consulting Actuary  
Enrolled Actuary Number 23-07290



Steven Mariani, ASA, EA, MAAA  
Actuary  
Enrolled Actuary Number 23-08541

March 29, 2024  
Date

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# Summary of Results

## Overview

Actuarial Valuation for Plan Year Beginning		
	1/1/2022	1/1/2023
<b>Assets</b>		
Market Value of Assets (MVA)	\$71,206,061	\$58,812,471
▪ Investment yield in prior plan year (MVA)	8.60%	(12.76%)
Actuarial Value of Assets (AVA)	\$68,366,690	\$66,917,756
▪ Investment yield in prior plan year (AVA)	9.60%	3.13%
Contributions during plan year <i>(2023 is expected)</i>	\$1,041,633	\$912,000
<b>Valuation Liabilities</b>		
Valuation Interest Rate	6.50%	6.50%
Normal Cost, including administrative expenses	\$1,564,451	\$1,460,017
Actuarial Accrued Liability	80,473,013	81,531,071
Unfunded Actuarial Accrued Liability	12,106,323	14,613,315
Present Value of Accrued Benefits (PVAB)	80,354,381	81,425,820
Funded percentage of Accrued Benefits:		
▪ Based on Market Value of Assets [ MVA / PVAB ]	88.62%	72.23%
▪ Based on Actuarial Value of Assets [ AVA / PVAB ]	85.08%	82.18%
<b>Credit Balance and Contribution Information</b>		
Credit Balance / (Funding Deficiency) at end of prior plan year	\$(1,203,744)	\$(3,674,991)
Minimum Required Contribution (before Credit Balance)	4,749,944	7,583,237
Maximum Deductible Contribution	110,674,602	107,489,429
<b>Certification Status</b>	Neither Critical nor Endangered ("Green Zone") for the 2022 plan year*	Critical and Declining ("Deep Red Zone") for the 2023 plan year
<b>Participant Data</b>		
Active participants	1,144	1,190
Terminated vested participants	3,990	3,792
Retired participants	2,728	2,819
Beneficiaries in pay status	<u>58</u>	<u>71</u>
Total participants	7,920	7,872
* The plan was in the "Green Zone" for the 2021 and 2022 plan years, but only due to an election under Section 9701 of the American Rescue Plan Act of 2021, which freezes the status as the same as the preceding plan year. Without such election the Plan would have been in the "Deep Red Zone" for the 2021 and 2022 plan years.		

# Exhibits

## Exhibit 1

## Summary of Income and Disbursements

The change in the Market Value of Assets from December 31, 2021 to December 31, 2022 is shown below.

1. Market Value of Assets as of December 31, 2021	\$71,206,061
2. Income	
a. Contributions	1,041,633
b. Investment income	(8,857,524)
c. Other Income	<u>34</u>
d. Total	(7,815,857)
3. Disbursements	
a. Benefit payments	3,517,652
b. Administrative expenses	<u>1,060,081</u>
c. Total	4,577,733
4. Net increase / decrease [(2d) - (3c)]	(12,393,590)
5. Market Value of Assets as of December 31, 2022 [(1) + (4)]	\$58,812,471
6. Estimated investment return on Market Value of Assets $[(2 \times (2b)) / \{(1) + (5) - (2b)\}]$	(12.76%)

## Exhibit 2

## Actuarial Value of Assets

The Actuarial Value of Assets is the Market Value of Assets less a weighted average of asset gains / (losses) over a four-year period (five-year smoothing), but it must be within 80% to 120% of the Market Value of Assets. The Actuarial Value of Assets as of December 31, 2022 is determined below.

1.	Market Value of Assets as of December 31, 2022			\$58,812,471
2.	Unrecognized asset gains / (losses) for the plan years ending			
	<u>Plan Year Ending</u>	<u>Gain / (Loss) for Year</u>	<u>Percent Unrecognized</u>	<u>Amount Unrecognized</u>
a.	December 31, 2022	(13,372,805)	80%	(10,698,244)
b.	December 31, 2021	900,496	60%	540,298
c.	December 31, 2020	2,814,313	40%	1,125,725
d.	December 31, 2019	4,634,680	20%	<u>926,936</u>
e.	Total			(8,105,285)
3.	Preliminary Actuarial Value of Assets as of December 31, 2022 [(1) - (2e)]			66,917,756
4.	Actuarial Value of Assets as of December 31, 2022 [(3), but not < 80% x (1), nor > 120% x (1)]			66,917,756

## Exhibit 3

## Estimated Investment Return on Actuarial Value of Assets

The estimated investment return on the Actuarial Value of Assets is determined for the Schedule MB of IRS Form 5500 using a simplified formula as specified in the form instructions. It assumes all cash flows of contributions, benefit payments, and administrative expenses are paid at mid-year. The estimated investment return on the Actuarial Value of Assets for the plan year ending December 31, 2022 is determined below.

1. Actuarial Value of Assets as of January 1, 2022	\$68,366,690
2. Actuarial Value of Assets	
a. Employer contributions for plan year	1,041,633
b. Investment return	2,087,132
c. Other income	<u>34</u>
d. Total	3,128,799
3. Actuarial Value of Assets	
a. Benefit payments to participants	3,517,652
b. Administrative expenses	<u>1,060,081</u>
c. Total	4,577,733
4. Net increase / (decrease) [(2d) - (3c)]	(1,448,934)
5. Actuarial Value of Assets as of January 1, 2023 [(1) + (4)]	66,917,756
6. Estimated investment return on Actuarial Value of Assets [ $\{2 \times (2b)\} \div \{(1) + (5) - (2b)\}$ ]	3.13%

## Exhibit 4

## Funding Standard Account for Prior Plan Year

The Funding Standard Account for the plan year ending December 31, 2022 is determined below.

1. Outstanding balances as of January 1, 2022	
a. Amortization charges	\$24,099,189
b. Amortization credits	13,196,610
2. Charges to Funding Standard Account	
a. Funding deficiency as of January 1, 2022	1,203,744
b. Normal Cost as of January 1, 2022	1,564,451
c. Amortization charges as of January 1, 2022	4,173,151
d. Interest on (a), (b), and (c) to end of plan year	<u>451,187</u>
e. Total	7,392,533
3. Credits to Funding Standard Account	
a. Credit Balance as of January 1, 2022	0
b. Employer contributions for plan year	1,041,633
c. Withdrawal liability contributions	0
d. Amortization credits as of January 1, 2022	2,481,304
e. Interest on (a), (b), (c), and (d) to end of plan year	194,605
f. Full funding credit	<u>0</u>
g. Total	3,717,542
4. Credit Balance / (funding deficiency) as of December 31, 2022	(3,674,991)

## Exhibit 5

## Normal Cost

The Normal Cost is the amount allocated to the current plan year under the Plan's actuarial cost method. The Normal Cost as of January 1, 2023 is determined below.

1. Normal Cost of active participant benefits	
a. Retirement	\$314,773
b. Termination	34,363
c. Death	5,270
d. Disability	<u>5,611</u>
e. Total	360,017
2. Beginning of year loading for administrative expenses	1,100,000
3. Total [(1e) + (2)]	1,460,017

## Exhibit 6

## Unfunded Actuarial Accrued Liability

The Actuarial Accrued Liability represents that portion of the present value of benefits that is allocated to service before the current plan year. The unfunded Actuarial Accrued Liability is the excess (deficiency) of the Actuarial Accrued Liability over the Actuarial Value of Assets. The unfunded Actuarial Accrued Liability as of January 1, 2023 is determined below.

1. Actuarial Accrued Liability for active participants	
a. Retirement	\$8,785,065
b. Termination	414,374
c. Death	105,790
d. Disability	<u>156,294</u>
e. Total	9,461,523
2. Actuarial Accrued Liability for inactive participant benefits	
a. Retired participants	34,903,305
b. Terminated vested participants	36,554,636
c. Beneficiaries	611,607
d. Disabled participants	<u>0</u>
e. Total	72,069,548
3. Total Actuarial Accrued Liability [(1e) + (2e)]	81,531,071
4. Actuarial Value of Assets	66,917,756
5. Unfunded Actuarial Accrued Liability [(4) - (5)]	14,613,315

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2023 are determined below.

## 1. Charges as of January 1, 2023

	Date <u>Established</u>	<u>Description</u>	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
a.	January 1, 1994	Initial UL	\$289,576	1	\$289,576
b.	January 1, 1996	Plan amendment	270,760	3	763,714
c.	January 1, 1997	Plan amendment	285,510	4	1,041,677
d.	January 1, 1998	Plan amendment	13,008	5	57,570
e.	January 1, 1999	Assumption change	22,603	6	116,535
f.	January 1, 1999	Plan amendment	48,472	6	249,909
g.	January 1, 2000	Plan amendment	2,768	7	16,166
h.	January 1, 2004	Assumption change	10,204	11	83,563
i.	January 1, 2005	Plan amendment	15,876	12	137,947
j.	January 1, 2006	Assumption change	222,131	13	2,034,434
k.	January 1, 2009	Actuarial loss	577,167	1	577,167
l.	January 1, 2010	Plan amendment	142,813	2	276,910
m.	January 1, 2012	Actuarial loss	364,161	4	1,328,632
n.	January 1, 2013	Actuarial loss	157,336	5	696,336
o.	January 1, 2013	Assumption change	136,759	5	605,270
p.	January 1, 2019	Actuarial loss	417,620	11	3,419,822
q.	January 1, 2019	Assumption change	69,517	11	569,267
r.	January 1, 2020	Actuarial loss	313,058	12	2,720,173
s.	January 1, 2020	Assumption change	216,838	12	1,884,114
t.	January 1, 2021	Assumption change	83	13	755
u.	January 1, 2022	Assumption change	453,314	14	4,351,694
v.	January 1, 2023	Actuarial Loss	<u>114,495</u>	15	<u>1,146,534</u>
w.	Total		4,144,069		22,367,765

## Exhibit 7

## Charges and Credits for Funding Standard Account (continued)

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2023 are determined below.

2. Credits as of January 1, 2023		Amortization	Years	Outstanding
<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Remaining</u>	<u>Balance</u>
a. January 1, 2002	Assumption change	\$8,521	9	\$60,403
b. January 1, 2007	Assumption change	46,255	14	444,034
c. January 1, 2010	Actuarial gain	404,623	2	784,551
d. January 1, 2011	Actuarial gain	83,651	3	235,949
e. January 1, 2014	Actuarial gain	983,028	6	5,068,177
f. January 1, 2014	Assumption change	198,156	6	1,021,627
g. January 1, 2015	Actuarial gain	82,750	7	483,344
h. January 1, 2021	Actuarial gain	103,046	13	943,770
i. January 1, 2022	Actuarial gain	246,876	14	2,369,947
j. January 1, 2023	Assumption change	<u>1,761</u>	15	<u>17,639</u>
k. Total		2,158,667		11,429,441
3. Net outstanding balance [(1w) - (2k)]				10,938,324
4. Credit Balance as of January 1, 2023				(3,674,991)
5. Waived funding deficiency				0
6. Balance test result [(3) - (4) - (5)]				14,613,315
7. Unfunded Actuarial Accrued Liability as of January 1, 2023, minimum \$0				14,613,315

## Exhibit 8

## Full Funding Limitation

The full funding limitation (FFL) for the plan year ending December 31, 2023 and the tax year ending December 31, 2023 is determined below.

	Minimum Required Contribution	Maximum Deductible Contribution
1. 100% Actuarial Accrued Liability (AAL) FFL		
a. AAL as of January 1, 2023	\$81,531,071	\$81,531,071
b. Normal Cost to end of year	1,460,017	1,460,017
c. Value of assets as of January 1, 2023		
i. Lesser of actuarial and market value	58,812,471	58,812,471
ii. Credit Balance	0	n/a
iii. Undeducted employer contributions	n/a	0
iv. Plan assets [(i) - (ii) - (iii)]	58,812,471	58,812,471
d. Interest to December 31, 2023 at 6.50% on (a), (b), & (civ)	1,571,610	1,571,610
e. 100% AAL FFL [(a) + (b) - (civ) + (d), but not <\$0]	25,750,227	25,750,227
2. Estimated Current Liability as of December 31, 2023		
a. Current Liability as of January 1, 2023	124,320,666	124,320,666
b. Normal Cost to end of plan year	1,931,221	1,931,221
c. Estimated benefit disbursements to December 31, 2023	3,821,072	3,821,072
d. Expenses included in Normal Cost	1,100,000	1,100,000
e. Interest to December 31, 2023 at 2.19% on (a), (b), & (c)	2,699,212	2,699,212
f. Estimated EOY Current Liability [(a) + (b) - (c) - (d) + (e)]	124,030,027	124,030,027
3. Estimated assets for Current Liability FFL		
a. Actuarial Value of Assets as of January 1, 2023	66,917,756	66,917,756
b. Estimated benefit disbursements to December 31, 2023	3,821,072	3,821,072
c. Estimated employee contributions to December 31, 2023	0	0
d. Expenses included in Normal Cost	1,100,000	1,100,000
e. Estimated return to at 6.50% on (3a), (1ciii), (3b), (3c), & (3d)	4,155,924	4,155,924
f. Estimated assets as of December 31, 2023 [(3a) - (1ciii) - (3b) + (3c) - (3d) + (3e)]	66,152,608	66,152,608
4. 90% Current Liability minimum funding limitation		
a. 90% EOY RPA Current Liability [90% x (2f)]	111,627,024	111,627,024
b. 90% Current Liability FFL [(a) - (3f), but not < \$0]	45,474,416	45,474,416
5. Full funding limitation [maximum of (1e) and (4b)]	45,474,416	45,474,416

## Exhibit 9

## Current Liability

In accordance with IRS requirements, the Current Liability has been calculated at 2.19%. The Current Liability as of January 1, 2023 is determined below.

1. Current Liability			
	<u>Count</u>	<u>Vested Benefits</u>	<u>All Benefits</u>
a. Active participants	1,190	\$16,384,442	\$17,247,796
b. Terminated vested participants	3,792	58,994,925	58,994,925
c. Retirees, beneficiaries, and disabled participants	<u>2,890</u>	<u>48,077,945</u>	<u>48,077,945</u>
d. Total	7,872	123,457,312	124,320,666
2. Expected increase in Current Liability for benefit accruals during year			831,221
3. Expected distributions during year			3,821,072
4. Market Value of Assets			58,812,471
5. Current Liability funded percentage [(4) ÷ (1d)]			47.31%

## Exhibit 10

## Current Annual Cost and Minimum Required Contribution

The Current Annual Cost is the Plan's cost under the minimum funding requirements prior to the recognition of the full funding limitation and any Credit Balance. The Minimum Required Contribution is the amount needed to avoid a funding deficiency in the Funding Standard Account. These amounts for the plan year beginning January 1, 2023 are determined below.

1. Charges for plan year	
a. Funding deficiency as of January 1, 2023	\$3,674,991
b. Normal Cost	1,460,017
c. Amortization charges (on \$22,367,765)	4,144,069
d. Interest on (a), (b), and (c) to end of plan year	603,140
e. Additional funding charge	<u>0</u>
f. Total	9,882,217
2. Credits for plan year	
a. Amortization credits (on \$11,429,441)	2,158,667
b. Other credits	0
c. Interest on (a) and (b) to end of plan year	<u>140,313</u>
d. Total	2,298,980
3. Current Annual Cost for plan year [(1f) - (2d)]	7,583,237
4. Full funding credit for plan year	
a. Full funding limitation	45,474,416
b. Full funding credit [(3) - (4a), but not < \$0]	0
5. Credit Balance for plan year	
a. Credit Balance as of January 1, 2023	0
b. Interest on (a) to end of plan year	<u>0</u>
c. Total	0
6. Minimum Required Contribution for plan year [(3) - (4b) - (5c), but not < \$0]	7,583,237

## Exhibit 11

## Maximum Deductible Contribution under IRC Section 404

The Maximum Deductible Contribution under IRC Section 404 for the tax year beginning January 1, 2023 is determined below.

1. Minimum Required Contribution for plan year beginning January 1, 2023	\$7,583,237
2. Preliminary Maximum Deductible Contribution under IRC Section 404 for tax year	
a. Normal Cost	1,460,017
b. Amortization payment on 10-year limitation bases	1,908,714
c. Interest to earlier of tax year end or plan year end	<u>218,968</u>
d. Total	3,587,699
3. Full funding limitation for tax year	45,474,416
4. Unfunded 140% of Current Liability as of December 31, 2023	
a. Current Liability (for IRC Section 404 purposes) projected to end of year	124,030,027
b. Actuarial Value of Assets (for IRC Section 404 purposes) projected to end of year	66,152,608
c. Unfunded 140% of Current Liability [140% × (a) - (b), but not less than \$0]	107,489,429
5. Maximum Deductible Contribution under IRC Section 404 for tax year [maximum of (1) and (2d), but not greater than (3), nor less than (4c)]	107,489,429

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Employers should consult their tax advisors regarding the deductibility of contributions.

## Exhibit 12

## Unfunded Vested Benefit Liability for Withdrawal Liability Calculations

Withdrawal liability payments are based on unfunded vested benefit liability. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as death and disability benefits which are not considered vested. These liabilities have been determined as of December 31, 2021 and December 31, 2022. However, if there is a termination by mass withdrawal during the year, a separate calculation has to be performed.

	12/31/2021	12/31/2022
1. Plan year of withdrawal	1/1/2022 – 12/31/2022	1/1/2023 – 12/31/2023
2. Present Value of Vested Benefits (PVVB)		
a. Active participants	\$14,507,244	\$12,430,669
b. Retired participants	44,102,939	40,896,172
c. Terminated vested participants	58,127,308	47,290,311
d. Beneficiaries	<u>577,119</u>	<u>748,885</u>
e. Total vested benefits	117,314,610	101,366,037
3. Market Value of Assets (MVA)	71,206,061	58,812,471
4. Funded ratio [(3) ÷ (2e)]	60.69%	58.01%
5. Outstanding claims for withdrawal liability expected to be collected from previously withdrawn employers	\$0	\$0
6. Unfunded vested benefit liability (UVB) [(2e) - (3) - (5), but not less than \$0]	46,108,549	42,553,566

Assumptions Used for Withdrawal Liability Determination	12/31/2021	12/31/2022
1. Asset Valuation Method	Market Value	Market Value
2. Withdrawal Liability Method	Rolling 5	Rolling 5
3. Interest Rate Assumption for PVVB		
a. First segment rate	2.40%	3.90%
b. Second segment rate	2.11%	3.65%
c. First segment period (years)	20	20

## Exhibit 13

## Present Value of Accumulated Plan Benefits

Accumulated Plan Benefits are benefits earned to date, based on pay history and service rendered to date, expected to be paid in the future to retired, terminated vested, and active participants, and beneficiaries of active or former participants. The Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) as of January 1, 2022 and January 1, 2023 is shown below.

	1/1/2022	1/1/2023
1. Present Value of vested Accumulated Plan Benefits		
a. Active participants	\$8,325,234	\$8,972,071
b. Retired participants and beneficiaries in pay	34,279,419	35,460,116
c. Terminated vested participants	<u>36,975,382</u>	<u>36,609,432</u>
d. Total	79,580,035	81,041,619
2. Present Value of non-vested Accumulated Plan Benefits	774,346	384,201
3. Present Value of all Accumulated Plan Benefits [(1d) + (2)]	80,354,381	81,425,820
4. Market Value of Assets	71,206,061	58,812,471
5. Funded percentage on Market Value of Assets		
a. Vested benefits [(4) ÷ (1d)]	89.48%	72.57%
b. All benefits [(4) ÷ (3)]	88.62%	72.23%
6. Actuarial Value of Assets	\$68,366,690	\$66,917,756
7. Funded percentage on Actuarial Value of Assets		
a. Vested benefits [(6) ÷ (1d)]	85.91%	82.57%
b. All benefits [(6) ÷ (3)]	85.08%	82.18%

## Exhibit 14

## Change in Present Value of Accumulated Plan Benefits

The change in the Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) from January 1, 2022 to January 1, 2023 is shown below.

1. Present Value of all Accumulated Plan Benefits as of January 1, 2022	\$80,354,381
2. Changes	
a. Reduction in discount period	5,110,511
b. Benefits accumulated	383,418
c. Actuarial (gain) / loss	(887,199)
d. Benefit payments	(3,517,652)
e. Plan amendments	0
f. Change in assumptions	<u>(17,639)</u>
g. Total	1,071,439
3. Present Value of all Accumulated Plan Benefits as of January 1, 2023 [(1) + (2g)]	81,425,820

## Exhibit 15

## Summary of Home Care Participant Data

A summary of participant data for the plan years beginning January 1, 2022 and January 1, 2023 is shown below.

	1/1/2022	1/1/2023
1. Active participants		
a. Count	1,137	1,183
b. Average age	58.4	58.4
c. Average credited service	11.7	11.7
2. Terminated vested participants and deferred beneficiaries		
a. Count	3,956	3,758
b. Total monthly benefits	\$262,207	\$245,728
c. Average monthly benefit	\$66	\$65
3. Participants in pay status		
a. Count	2,687	2,778
b. Total monthly benefits	\$248,202	\$258,711
c. Average monthly benefit	\$92	\$93
4. Beneficiaries in pay status		
a. Count	56	69
b. Total monthly benefits	\$3,530	\$4,655
c. Average monthly benefit	\$63	\$67

## Exhibit 16

## Summary of Professional Participant Data

A summary of participant data for the plan years beginning January 1, 2022 and January 1, 2023 is shown below.

	1/1/2022	1/1/2023
1. Active participants		
a. Count	7	7
b. Average age	53.1	54.1
c. Average credited service	15.1	16.1
2. Terminated vested participants and deferred beneficiaries		
a. Count	34	34
b. Total monthly benefits	\$29,384	\$29,384
c. Average monthly benefit	\$864	\$864
3. Participants in pay status		
a. Count	41	41
b. Total monthly benefits	\$52,185	\$51,973
c. Average monthly benefit	\$1,273	\$1,268
4. Beneficiaries in pay status		
a. Count	2	2
b. Total monthly benefits	\$1,107	\$1,107
c. Average monthly benefit	\$554	\$554

## Exhibit 17

## Change in Home Care Participant Counts

The change in participant counts from January 1, 2022 to January 1, 2023 is shown below.

	Active	Suspended Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2022	1,115	22	3,956	2,687	56	7,836
Retired	(28)	(1)	(180)	208	1	0
Suspended Active	(88)	88	0	0	0	0
Terminated non-vested	(5)	0	0	0	0	(5)
Terminated vested	(14)	(3)	17	0	0	0
Benefit Expired	0	0	0	0	(4)	(4)
Died	(2)	0	(25)	(122)	(8)	(157)
Rehired	22	0	(20)	(2)	0	0
New during plan year	34	0	12	0	25	71
QDRO	0	0	0	0	0	0
Lump Sum	0	0	(1)	0	0	(1)
Net data adjustments	<u>0</u>	<u>0</u>	<u>(1)</u>	<u>7</u>	<u>(1)</u>	<u>5</u>
Participants as of 12/31/2022	1,034	106	3,758	2,778	69	7,745
New Participants as of 1/1/2023	<u>43</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>43</u>
As of 1/1/2023	1,077	106	3,758	2,778	69	7,788

## Exhibit 18

## Change in Professional Participant Counts

The change in participant counts from January 1, 2022 to January 1, 2023 is shown below.

	Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2022	7	34	41	2	84
Retired	0	0	0	0	0
Terminated non-vested	0	0	0	0	0
Terminated vested	0	0	0	0	0
Disabled	0	0	0	0	0
Died	0	0	0	0	0
Rehired	0	0	0	0	0
New during plan year	0	0	0	0	0
QDRO	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Participants as of 12/31/2022	7	34	41	2	84
New Participants as of 1/1/2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2023	7	34	41	2	84

Exhibit 19

Active Home Care Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2023 is shown below.

Age	Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
0-24	4	-	-	-	-	-	-	-	-	4
25-29	8	2	-	-	-	-	-	-	-	10
30-34	13	7	-	-	-	-	-	-	-	20
35-39	22	9	-	-	-	-	-	-	-	31
40-44	33	19	1	5	-	-	-	-	-	58
45-49	36	31	13	14	7	-	-	-	-	101
50-54	61	43	30	26	10	3	1	-	-	174
55-59	67	44	31	24	16	9	10	-	-	201
60-64	54	54	47	30	27	19	16	10	-	257
65-69	33	50	30	35	22	15	15	11	-	211
70+	19	18	24	12	14	13	10	6	-	116
<b>Total</b>	350	277	176	146	96	59	52	27	-	1,183

The average accrued monthly benefits summarized by attained age and years of credited service as of January 1, 2023 is shown below.

Age	Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
0-24	*	-	-	-	-	-	-	-	-	*
25-29	*	*	-	-	-	-	-	-	-	*
30-34	*	*	-	-	-	-	-	-	-	25
35-39	17	*	-	-	-	-	-	-	-	23
40-44	14	*	*	*	-	-	-	-	-	29
45-49	16	36	*	*	*	-	-	-	-	46
50-54	15	36	69	94	*	*	*	-	-	50
55-59	15	36	66	93	*	*	*	-	-	57
60-64	16	36	67	95	123	*	*	*	-	71
65-69	18	37	65	95	122	*	*	*	-	76
70+	*	*	63	*	*	*	*	*	-	80
<b>Total</b>	16	36	66	94	122	138	138	138	-	60

\*Average accrued monthly benefits are not reported for cells with fewer than 20 participants.

## Exhibit 20

## Active Professional Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of January 1, 2023 is shown below.

Age	Years of Credited Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
0-24	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-
35-39	1	-	-	-	-	-	-	-	-	-	1
40-44	-	-	-	-	-	-	-	-	-	-	-
45-49	1	-	-	-	-	-	-	-	-	-	1
50-54	-	-	-	-	1	-	-	-	-	-	1
55-59	-	1	-	-	-	-	-	-	1	-	2
60-64	-	-	-	1	-	1	-	-	-	-	2
65-69	-	-	-	-	-	-	-	-	-	-	-
70+	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	2	1	-	1	1	1	-	1	-	-	7

Average compensation and accrued monthly benefits are not reported, since all cells have fewer than 20 participants.

# Appendices

## Appendix A – Summary of Actuarial Methods

### **Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

### **Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## Appendix B – Summary of Actuarial Assumptions

### Interest (Discount) Rate:

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.50% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

### Current Liability Interest Rate:

**Assumption:** 2.19% assumed annual rate of return. This rate was 1.91% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses a rate permitted by law.

### Interest Rate for Unfunded Vested Benefit Liability for Withdrawal Liability Calculations:

**Assumption:** PBGC settlement rates effective December 2022 – 3.90% for 20 years, 3.65% thereafter (previously, 2.40% for 20 years, 2.11% thereafter).

**Rationale:** The withdrawal liability interest rates are based on market settlement rates which represent our best estimate assumption for withdrawal liability purposes.

### Retirement:

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

### Mortality for Funding:

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Mortality for Current Liability:**

**Healthy and Disabled participants:** 2023 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods.

## Actuarial Procedures Regarding Certain Liabilities:

### Liabilities for Terminated Vested Participants:

All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. This reflects the possibility that some of these records may never materialize into payment status, particularly those of advanced ages, representing unknown, unverifiable data, and/or deceased members not entitled to benefits.

### Liabilities for In Pay Participants:

\$5,400,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.4 million is held as of January 1, 2023 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

## Appendix C – Summary of Principal Plan Provisions

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

### Basic Information

**Plan Name:** District Council 37 Local 389 Home Care Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

### Benefit Formulas and Eligibilities for Home Care Employees

#### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to: \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

#### Early Retirement

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

#### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

## Benefit Formulas and Eligibilities for Professional Employees

### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

### Early Retirement

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Disability Retirement

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

## Appendix D – Risk Disclosure

The purpose of this appendix is to identify, assess, and provide illustrations of risks that are significant to the Plan, and in some cases to the Plan's participants.

The results of the projections are based on one set of reasonable assumptions. However, it is almost certain that future experience will not exactly match the assumptions. As an example, investments may perform better or worse than assumed in any single year and over any longer time horizon. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan's participants.

In addition, as plans mature they accumulate larger pools of assets and liabilities. This increases the potential risk to plan funding and the finances of those who are responsible for plan funding. As an example, it is more difficult for a plan sponsor to deal with the effects of a 10% investment loss on a plan with \$1 billion in assets and liabilities than if the same plan sponsor is responsible for a 10% investment loss on a plan with \$1 million in assets and liabilities. Since pension plans make long-term promises and rely on long-term funding, it is important to consider how mature the Plan is today, and how mature it may become in the future.

Actuarial Standard of Practice No. 51 (ASOP 51) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan's risks.

ASOP 51 states that if in the actuary's professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

This section uses the framework of ASOP 51 to communicate important information about: significant risks to the Plan, the Plan's maturity, and relevant historical plan data.

## Definition and Identification of Potential Risks

### PBGC Coverage Risk

**Definition:** This is the potential that the Pension Benefit Guaranty Corporation (PBGC) multiemployer insurance program becomes insolvent and is not able to provide financial assistance to insolvent plans. If this Plan and/or the PBGC become insolvent, participants would receive benefits below the PBGC guarantee level.

**Identification/Assessment:** The Plan has potential risk of future insolvency. If the Plan becomes insolvent, benefits will be reduced to the level guaranteed by the PBGC, and a portion of that benefit will be financed by the PBGC. There is a potential risk to the participants in this situation that the PBGC will become insolvent.

### Liquidity Risk

**Definition:** This is the potential that assets must be liquidated at a loss earlier than planned in order to pay for the Plan's benefits and operating costs. This risk is heightened for plans with negative cash flow, in which contributions do not exceed annual benefit payments plus expenses.

**Identification/Assessment:** The Plan has high cash flow requirements because the sum of benefit payments plus expenses is significantly larger than current contributions. However, the Plan does not have a high allocation to illiquid assets such as real estate and private equity. As a result, there is a minimal risk that assets may need to be liquidated at a loss before planned in order to pay benefits and expenses.

### Inflation Risk

**Definition:** This is the potential of a pension to lose purchasing power over time due to inflation.

**Identification:** The participants of pension plans without fully inflation-indexed benefits are subject to the risk that their purchasing power will be reduced over time due to inflation.

**Assessment:** Participants in this Plan bear all of the inflation risk for benefits earned in the past.

### Maturity Risk

**Definition:** This is the potential for total plan liabilities to become more heavily weighted toward inactive liabilities over time.

**Identification:** The Plan is subject to maturity risk because as plan assets and liabilities continue to grow, the impact of any gains or losses on the assets or liabilities also becomes larger.

**Assessment:** Maturity risk is not an imminent issue, but the Plan is getting bigger in both liability and assets. It should be continuously monitored with the assessment of proper funded status and contribution adequacy.

### Contribution Risk

**Definition:** This is the possibility that actual future contributions deviate from expected future contributions.

**Identification/Assessment:** As the contributions to the plan are directly related to the workload, the plan is subject to the risk that the demand for work will decrease thus decreasing expected contribution levels. The deferral of expected contributions into future years results in the loss of investment income in the intervening period.

## Retirement Risk

**Definition:** This is the potential for participants to retire and receive subsidized benefits more valuable than expected.

**Identification/Assessment:** This plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Investment Risk

**Definition:** The potential that investment returns will be different than expected.

**Identification/Assessment:** To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, funding contributions and funded status may vary significantly from those presented in this valuation.

## Interest Rate Risk

**Definition:** The potential that interest rates will be different than expected, which will affect the Plan's liability.

**Identification:** The pension liabilities reported herein have been calculated by computing the present value of expected future benefit payments using the interest rate described in Appendix B. If interest rates in future valuations differ from the current assumed interest rate, future pension liabilities, funding contributions, and funded status may differ significantly from those presented in this analysis. As a general rule, using a higher interest rate to compute the present value of future benefit payments will result in a lower pension liability, and vice versa. One aspect that can be used to estimate the impact of different interest rates is a plan's duration.

**Assessment:** If the interest rate changes by 1%, the estimated percentage change in pension liability is a plan's duration in years. The approximate duration of the Plan is 8.4 years. As such, if the interest rate changes by 1%, the estimated change in pension liability is 8.4%.

## Demographic Risk

**Definition:** The potential that mortality or other demographic experience for current plan participants will be different than expected.

**Identification/Assessment:** The pension liabilities reported herein have been calculated by assuming that participants will follow patterns of demographic experience (e.g. mortality, retirement, form of payment election, etc.) as described in Appendix B. If actual demographic experience or future demographic assumptions are different from what is assumed to occur in this valuation, future pension liabilities, funding contributions and funded status may differ from those presented in this valuation. This Plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Employer Withdrawal Risk

**Definition:** The potential that contribution rate increases or benefit reductions required by a funding improvement plan or rehabilitation plan, or other factors, will drive the bargaining parties to withdraw from the plan.

**Identification:** Employer withdrawals will reduce the plan's contribution base and add pressure on the remaining participating employers and the plan's investment returns to restore or strengthen the plan's funded status.

**Assessment:** The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to employer withdrawals.

### Covered Employment Risk

**Definition:** The potential that future covered employment is lower than expected due to a declining workforce in a company or industry, or a temporary workforce reduction due to market forces.

**Identification:** A reduction in the Plan's contribution base can potentially threaten its ability to recover from another market downturn.

**Assessment:** The Plan's active population and hours worked have both declined in recent years. The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to workforce reduction.

### Business Risk

**Definition:** The potential that a company suffers a financial setback which impairs its ability to make contributions or withdrawal liability payments to the plan.

**Identification:** If contributions cannot be recovered, it will shift the weight of maintaining/improving the plan's funded status upon the remaining employers of the plan.

### Insolvency Risk

**Definition:** The potential that a plan will become insolvent.

**Identification:** If a plan becomes insolvent, benefits will be reduced to the PBGC guarantee level and the PBGC will provide financial assistance to supplement any employer contributions and withdrawal liability payments and help pay plan benefits and expenses.

**Assessment:** The Plan is currently underfunded and the expected contributions are less than the sum of expected normal costs and administrative expenses. Therefore, the funded status of the Plan is expected to decline in future valuations and solvency is expected to be an issue in the future.



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Little Falls, NJ 07424  
Tel: +1 973 278 8860

milliman.com

March 31, 2023

Department of the Treasury  
Internal Revenue Service  
Employee Plans  
CHI-7602 – 25<sup>th</sup> Floor  
230 S. Dearborn Street  
Chicago, IL 60604

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning  
January 1, 2023 – District Council 37, Local 389 Home Care Employees Pension  
Fund**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2023 for the District Council 37, Local 389 Home Care Pension Plan.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used and were developed using models intended for projections that use standard actuarial techniques. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

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Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

cc: Board of Trustees (w/encs)  
Audrey Browne  
Aaron Shapiro

**District Council 37, Local 389 Home Care  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Funding Status Projection Results**

<b><u>Plan Year Beginning</u></b>	<b><u>Funded Percentage</u></b>	<b><u>Contributions</u></b>	<b><u>Credit Balance at End of Year</u></b>
1/1/2023	81.3%	993,000	(6,805,000)
1/1/2024	73.7%	995,000	(9,388,000)
1/1/2025	66.8%	997,000	(12,693,000)
1/1/2026	58.4%	999,000	(16,336,000)
1/1/2027	48.8%	1,001,000	(19,847,000)
1/1/2028	42.3%	1,003,000	(23,281,000)
1/1/2029	35.1%	1,005,000	(28,142,000)
1/1/2030	26.4%	1,007,000	(33,427,000)
1/1/2031	16.6%	1,010,000	(39,077,000)
1/1/2032	5.1%	1,112,000	(45,128,000)
1/1/2033	0%	1,116,000	(51,507,000)

The funded percentage as of January 1, 2023 is projected to be 81.3%.

<b><u>Plan Year Beginning</u></b>	<b><u>Critical Test 1</u></b>	<b><u>Critical Test 2</u></b>	<b><u>Critical Test 3</u></b>	<b><u>Critical Test 4</u></b>
1/1/2023	Pass	Fail	Fail	Pass
1/1/2024	Pass	Fail	Fail	Pass
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Fail	Fail	Fail	Pass
1/1/2027	Fail	Fail	Fail	Pass
1/1/2028	Fail	Fail	Fail	Fail

The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2023 plan year. Furthermore, the Plan is projected to become insolvent during the 2032 plan year. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2023 plan year.

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2022, I hereby certify that the District Council 37, Local 389 Home Care Employees Pension Plan is in “critical and declining” status for the plan year beginning January 1, 2023, as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.



March 31, 2023

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Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974

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Date

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2022 participant data and January 1, 2022 actuarial valuation results, as provided in our actuarial report dated March 31, 2023.
  - Estimated January 1, 2023 unaudited asset value of \$ 58,789,602 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately (12.76)% (net of investment-related administrative expenses) for the plan year ended December 31, 2022 and an assumed rate of return on market assets of 6.50% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2022. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2022.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2022. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2022.
  - Plan provisions identical to those used in the January 1, 2022 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2022 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 31, 2023.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 37, Local 389 Home Care  
Employees Pension Plan  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 37, Local 389 Home Care Employees Pension Plan  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2023 - December 31, 2023  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Tim Connor, FSA, EA, MAAA  
Enrolled Actuary #20-06974  
Address: Milliman  
150 Clove Road, 10th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 31, 2023

## Appendix

### District Council 37, Local 389 Home Care Employees Pension Plan PPA Actuarial Certification for Plan Year Beginning January 1, 2023

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 37, Local 389 Home Care  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Actuarial Methods and Assumptions**

**Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

**Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.50% compounded annually. (previously, 7.25% was used).

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan’s historical investment performance, the prior Actuary’s assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 37, Local 389 Home Care  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Actuarial Methods and Assumptions**

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Actuarial Methods and Assumptions**

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$5,400,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.4 million is held as of January 1, 2022 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Actuarial Methods and Assumptions**

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 37, Local 389 Home Care  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 37 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care  
Employees Pension Plan  
PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2023**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.



# District Council 37 Local 389 Home Care Employees Pension Fund

January 1, 2024 Actuarial Valuation

Prepared by:

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## January 1, 2024 Actuarial Valuation of the District Council 37 Local 389 Home Care Employees Pension Fund

The actuarial valuation of the District Council 37 Local 389 Home Care Employees Pension Fund (the “Plan”) for the plan year beginning January 1, 2024 has been completed in accordance with our understanding of the minimum funding requirements under ERISA and the Pension Protection Act of 2006 as well as the applicable sections of the Internal Revenue Code (IRC), including all regulations and guidance issued to date. It also has been completed in accordance with our understanding of FASB ASC Topic 960 for determining plan accounting requirements. The valuation results contained in this report are based on the actuarial methods ([Appendix A](#)), actuarial assumptions ([Appendix B](#)), and principal plan provisions ([Appendix C](#)) summarized in the appendices and were developed using models intended for valuations that use standard actuarial techniques. In addition, [Appendix D](#) contains information about the Plan’s risks.

### Purpose of the Valuation

In general, the actuarial valuation determines the current level of employer contributions that, taking into account prior funding, will accumulate assets sufficient to meet benefit payments and administrative expenses when due under the terms of the Plan. This report has been prepared for the District Council 37 Local 389 Home Care Employees Pension Fund as of January 1, 2024 to:

- Calculate the Minimum Required Contribution for the plan year beginning January 1, 2024.
- Calculate the Maximum Deductible Contribution for the 2024 fiscal year.
- Determine the actuarial Present Value of Accumulated Plan Benefits as of December 31, 2023 for purposes of disclosing the Plan’s liabilities under FASB ASC Topic 960.
- Determine and disclose the Plan’s Unfunded Vested Benefits as of December 31, 2023 for purposes of withdrawal liability assessments.
- Review the Plan’s funded status.
- Review the experience for the plan year ending December 31, 2023, including the performance of the Plan’s assets during the year and changes in the Plan’s participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

### Limited Distribution

Milliman’s work is prepared solely for the internal business use of the Plan’s Trustees and may not be provided to third parties without our prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman’s consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

- The Plan may provide a copy of Milliman’s work, in its entirety, to the Plan’s professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman’s work for any purpose other than to benefit the Plan.
- The Plan may distribute certain work product that Milliman and the Plan mutually agree is appropriate as may be required by the Pension Protection Act of 2006.

Any third party recipient of this work product who desires professional guidance should not rely upon Milliman’s work product, but should engage qualified professionals for advice appropriate to its own specific needs.

## Reliance

In preparing this report, we relied, without audit, on information (both written and oral) supplied by the Plan's Administrator and Auditor. This information includes, but is not limited to, plan documents and summaries, participant data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

## Limited Use

Actuarial computations for purposes other than determining the contribution requirements for an ongoing plan (such as for assessing benefit security upon potential plan termination) may yield significantly different results from those shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on plan funded status); and changes in plan provisions or applicable law. Except for the information provided in [Appendix D](#), due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

## Certification

In our opinion, each assumption used, other than those assumptions mandated directly by the Internal Revenue Code and regulations thereon, is individually reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, such assumptions offer our best estimate of anticipated experience under the Plan and are expected to have no significant bias.

On the basis of the foregoing, we hereby certify that to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,



\_\_\_\_\_  
Aaron Shapiro, FSA, EA, MAAA  
Principal and Consulting Actuary  
Enrolled Actuary Number 23-07290



\_\_\_\_\_  
Steve Mariani, ASA, EA, MAAA  
Actuary  
Enrolled Actuary Number 23-08541

March 3, 2025  
Date

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# Summary of Results

## A. Overview

Actuarial Valuation for Plan Year Beginning		
	1/1/2023	1/1/2024
<b>Assets</b>		
Market Value of Assets (MVA)	\$58,812,471	\$59,047,394
▪ Investment yield in prior plan year (MVA)	(12.76%)	7.44%
Actuarial Value of Assets (AVA)	\$66,917,756	\$65,722,613
▪ Investment yield in prior plan year (AVA)	3.13%	4.31%
Contributions during plan year <i>(2024 is expected)</i>	\$934,839	\$894,000
<b>Valuation Liabilities</b>		
Valuation Interest Rate	6.50%	6.25%
Normal Cost, including administrative expenses	\$1,460,017	\$1,445,451
Actuarial Accrued Liability	81,531,071	83,937,756
Unfunded Actuarial Accrued Liability	14,613,315	18,215,143
Present Value of Accrued Benefits (PVAB)	81,425,820	83,837,810
Funded percentage of Accrued Benefits:		
▪ Based on Market Value of Assets [ MVA / PVAB ]	72.23%	70.43%
▪ Based on Actuarial Value of Assets [ AVA / PVAB ]	82.18%	78.39%
<b>Credit Balance and Contribution Information</b>		
Credit Balance / (Funding Deficiency) at end of prior plan year	\$(3,674,991)	\$(6,618,494)
Minimum Required Contribution (before Credit Balance)	7,583,237	9,959,251
Maximum Deductible Contribution	107,489,429	94,760,947
<b>Certification Status</b>	<b>Critical and Declining</b> <b>("Deep Red Zone") for the 2023 plan year</b>	<b>Critical and Declining</b> <b>("Deep Red Zone") for the 2024 plan year</b>
<b>Participant Data</b>		
Active participants	1,190	1,099
Terminated vested participants and deferred beneficiaries	3,792	3,736
Retired participants	2,819	2,975
Beneficiaries in pay status	<u>71</u>	<u>72</u>
Total participants	7,872	7,882

# Exhibits

## Exhibit 1

## Summary of Income and Disbursements

The change in the Market Value of Assets from December 31, 2022 to December 31, 2023 is shown below.

1. Market Value of Assets as of December 31, 2022	\$58,812,471
2. Income	
a. Contributions	934,839
b. Investment income	4,226,869
c. Other Income	<u>2,567</u>
d. Total	5,164,275
3. Disbursements	
a. Benefit payments	3,821,072
b. Administrative expenses	<u>1,108,280</u>
c. Total	4,929,352
4. Net increase / decrease [(2d) - (3c)]	234,923
5. Market Value of Assets as of December 31, 2023 [(1) + (4)]	\$59,047,394
6. Estimated investment return on Market Value of Assets $\frac{[2 \times (2b)]}{\{(1) + (5) - (2b)\}}$	7.44%

## Exhibit 2

## Actuarial Value of Assets

The Actuarial Value of Assets is the Market Value of Assets less a weighted average of asset gains / (losses) over a four-year period (five-year smoothing), but it must be within 80% to 120% of the Market Value of Assets. The Actuarial Value of Assets as of December 31, 2023 is determined below.

1.	Market Value of Assets as of December 31, 2023			\$59,047,394
2.	Unrecognized asset gains / (losses) for the plan years ending			
	<u>Plan Year Ending</u>	<u>Gain / (Loss) for Year</u>	<u>Percent Unrecognized</u>	<u>Amount Unrecognized</u>
a.	December 31, 2023	531,754	80%	425,403
b.	December 31, 2022	(13,372,805)	60%	(8,023,683)
c.	December 31, 2021	900,496	40%	360,198
d.	December 31, 2020	2,814,313	20%	<u>562,863</u>
e.	Total			(6,675,219)
3.	Preliminary Actuarial Value of Assets as of December 31, 2023 [(1) - (2e)]			65,722,613
4.	Actuarial Value of Assets as of December 31, 2023 [(3), but not < 80% x (1), nor > 120% x (1)]			65,722,613

## Exhibit 3

## Estimated Investment Return on Actuarial Value of Assets

The estimated investment return on the Actuarial Value of Assets is determined for the Schedule MB of IRS Form 5500 using a simplified formula as specified in the form instructions. It assumes all cash flows of contributions, benefit payments, and administrative expenses are paid at mid-year. The estimated investment return on the Actuarial Value of Assets for the plan year ending December 31, 2023 is determined below.

1. Actuarial Value of Assets as of January 1, 2023	\$66,917,756
2. Actuarial Value of Assets	
a. Employer contributions for plan year	934,839
b. Investment return	2,796,803
c. Other income	<u>2,567</u>
d. Total	3,734,209
3. Actuarial Value of Assets	
a. Benefit payments to participants	3,821,072
b. Administrative expenses	<u>1,108,280</u>
c. Total	4,929,352
4. Net increase / (decrease) [(2d) - (3c)]	(1,195,143)
5. Actuarial Value of Assets as of January 1, 2024 [(1) + (4)]	65,722,613
6. Estimated investment return on Actuarial Value of Assets $\frac{\{2 \times (2b)\}}{\{(1) + (5) - (2b)\}}$	4.31%

## Exhibit 4

## Funding Standard Account for Prior Plan Year

The Funding Standard Account for the plan year ending December 31, 2023 is determined below.

1. Outstanding balances as of January 1, 2023	
a. Amortization charges	\$22,367,765
b. Amortization credits	11,429,441
2. Charges to Funding Standard Account	
a. Funding deficiency as of January 1, 2023	3,674,991
b. Normal Cost as of January 1, 2023	1,460,017
c. Amortization charges as of January 1, 2023	4,144,069
d. Interest on (a), (b), and (c) to end of plan year	<u>603,140</u>
e. Total	9,882,217
3. Credits to Funding Standard Account	
a. Credit Balance as of January 1, 2023	0
b. Employer contributions for plan year	934,839
c. Amortization credits as of January 1, 2023	2,158,667
d. Interest on (a), (b), and (c) to end of plan year	170,217
e. Full funding credit	<u>0</u>
f. Total	3,263,723
4. Credit Balance / (funding deficiency) as of December 31, 2023	(6,618,494)

## Exhibit 5

## Normal Cost

The Normal Cost is the amount allocated to the current plan year under the Plan's actuarial cost method. The Normal Cost as of January 1, 2024 is determined below.

1. Present value of active participant benefits	
a. Retirement	\$302,425
b. Termination	34,349
c. Death	2,820
d. Disability	<u>5,857</u>
e. Total	345,451
2. Beginning of year loading for administrative expenses	1,100,000
3. Total [(1e) + (2)]	1,445,451

## Exhibit 6

## Unfunded Actuarial Accrued Liability

The Actuarial Accrued Liability represents that portion of the present value of benefits that is allocated to service before the current plan year. The unfunded Actuarial Accrued Liability is the excess (deficiency) of the Actuarial Accrued Liability over the Actuarial Value of Assets. The unfunded Actuarial Accrued Liability as of January 1, 2024 is determined below

1. Actuarial Accrued Liability for active participants	
a. Retirement	\$9,016,069
b. Termination	400,855
c. Death	57,406
d. Disability	<u>162,104</u>
e. Total	9,636,434
2. Actuarial Accrued Liability for inactive participant benefits	
a. Terminated vested participants	36,297,249
b. Deferred beneficiaries	607,621
c. Retired participants	36,928,543
d. Beneficiaries in pay	<u>467,909</u>
e. Disabled participants	74,301,322
f. Total	
3. Total Actuarial Accrued Liability [(1e) + (2f)]	83,937,756
4. Actuarial Value of Assets	65,722,613
5. Unfunded Actuarial Accrued Liability [(4) - (5)]	18,215,143

## Exhibit 7

## Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2024 are determined below.

## 1. Charges as of January 1, 2024

	Date <u>Established</u>	Description <u>Description</u>	Amortization <u>Amount</u>	Years <u>Remaining</u>	Outstanding <u>Balance</u>
a.	January 1, 1996	Plan Amendment	\$270,452	2	\$524,996
b.	January 1, 1997	Plan Amendment	284,868	3	805,318
c.	January 1, 1998	Plan Amendment	12,964	4	47,459
d.	January 1, 1999	Change in Assumptions	22,504	5	100,038
e.	January 1, 1999	Plan Amendment	48,259	5	214,530
f.	January 1, 2000	Plan Amendment	2,753	6	14,269
g.	January 1, 2004	Change in Assumptions	10,109	10	78,127
h.	January 1, 2005	Plan Amendment	15,713	11	130,006
i.	January 1, 2006	Change in Assumptions	219,654	12	1,930,103
j.	January 1, 2010	Plan Amendment	142,813	1	142,813
k.	January 1, 2012	Actuarial Loss	363,341	3	1,027,162
l.	January 1, 2013	Actuarial Loss	156,810	4	574,035
m.	January 1, 2013	Change in Assumptions	136,303	4	498,964
n.	January 1, 2019	Change in Assumptions	68,868	10	532,234
o.	January 1, 2019	Actuarial Loss	413,719	10	3,197,345
p.	January 1, 2020	Actuarial Loss	309,847	11	2,563,577
q.	January 1, 2020	Change in Assumptions	214,614	11	1,775,649
r.	January 1, 2021	Change in Assumptions	81	12	716
s.	January 1, 2022	Change in Assumptions	447,866	13	4,151,775
t.	January 1, 2023	Actuarial Loss	113,022	14	1,099,122
u.	January 1, 2024	Change in Assumptions	143,525	15	1,457,180
v.	January 1, 2024	Actuarial Loss*	<u>59,551</u>	15	<u>604,606</u>
w.	Total		3,457,636		21,470,024

\* 2024 Actuarial Loss consists of a demographic gain of approximately \$790,000, an administrative expense gain of approximately \$28,000, and a loss on the Actuarial Value of Assets of approximately \$1,423,000.

## Exhibit 7

## Charges and Credits for Funding Standard Account (continued)

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2024 are determined below.

2. Credits as of January 1, 2024					
	Date		Amortization	Years	Outstanding
	<u>Established</u>	<u>Description</u>	<u>Amount</u>	<u>Remaining</u>	<u>Balance</u>
a.	January 1, 2002	Assumption change	\$8,458	8	\$55,254
b.	January 1, 2007	Assumption change	45,699	13	423,635
c.	January 1, 2010	Actuarial gain	404,623	1	404,623
d.	January 1, 2011	Actuarial gain	83,556	2	162,197
e.	January 1, 2014	Actuarial gain	978,702	5	4,350,684
f.	January 1, 2014	Assumption change	197,284	5	876,997
g.	January 1, 2015	Actuarial gain	82,300	6	426,633
h.	January 1, 2021	Actuarial gain	101,897	12	895,371
i.	January 1, 2022	Actuarial gain	243,910	13	2,261,071
j.	January 1, 2023	Assumption change	<u>1,739</u>	14	<u>16,910</u>
k.	Total		2,148,168		9,873,375
3. Net outstanding balance [(1w) - (2k)]					11,596,649
4. Credit Balance / (Funding Deficiency) as of January 1, 2024					(6,618,494)
5. Waived funding deficiency					0
6. Balance test result [(3) - (4) - (5)]					18,215,143
7. Unfunded Actuarial Accrued Liability as of January 1, 2024, minimum \$0					18,215,143

## Exhibit 8

## Full Funding Limitation

The full funding limitation (FFL) for the plan year ending December 31, 2024 and the tax year ending December 31, 2024 is determined below.

	Minimum Required Contribution	Maximum Deductible Contribution
1. 100% Actuarial Accrued Liability (AAL) FFL		
a. AAL as of January 1, 2024	\$83,937,756	\$83,937,756
b. Normal Cost to end of year	1,445,451	1,445,451
c. Value of assets as of January 1, 2024		
i. Lesser of actuarial and market value	59,047,394	59,047,394
ii. Credit Balance	0	n/a
iii. Undeducted employer contributions	n/a	0
iv. Plan assets [(i) - (ii) - (iii)]	59,047,394	59,047,394
d. Interest to December 31, 2024 at 6.25% on (a), (b), & (civ)	1,645,989	1,645,989
e. 100% AAL FFL [(a) + (b) - (civ) + (d), but not <\$0]	27,981,802	27,981,802
2. Estimated Current Liability as of December 31, 2024		
a. Current Liability as of January 1, 2024	113,949,834	113,949,834
b. Normal Cost to end of plan year	1,759,454	1,759,454
c. Estimated benefit disbursements to December 31, 2024	6,419,290	6,419,290
d. Expenses included in Normal Cost	1,100,000	1,100,000
e. Interest to December 31, 2024 at 2.82% on (a), (b), & (c)	3,142,099	3,142,099
f. Estimated EOY Current Liability [(a) + (b) - (c) - (d) + (e)]	111,332,097	111,332,097
3. Estimated assets for Current Liability FFL		
a. Actuarial Value of Assets as of January 1, 2024	65,722,613	65,722,613
b. Estimated benefit disbursements to December 31, 2024	6,419,290	6,419,290
c. Estimated employee contributions to December 31, 2024	0	0
d. Expenses included in Normal Cost	1,100,000	1,100,000
e. Estimated return to at 6.25% on (3a), (1ciii), (3b), (3c), & (3d)	3,841,350	3,841,350
f. Estimated assets as of December 31, 2024 [(3a) - (1ciii) - (3b) + (3c) - (3d) + (3e)]	62,044,673	62,044,673
4. 90% Current Liability minimum funding limitation		
a. 90% EOY RPA Current Liability [90% x (2f)]	100,198,888	100,198,888
b. 90% Current Liability FFL [(a) - (3f), but not < \$0]	38,154,214	38,154,214
5. Full funding limitation [maximum of (1e) and (4b)]	38,154,214	38,154,214

## Exhibit 9

## Current Liability

In accordance with IRS requirements, the Current Liability has been calculated at 2.82%. The Current Liability as of January 1, 2024 is determined below.

1. Current Liability			
	<u>Count</u>	<u>Vested Benefits</u>	<u>All Benefits</u>
a. Active participants	1,099	\$14,367,951	\$15,049,698
b. Terminated vested participants	3,736	52,241,204	52,241,204
c. Retirees, beneficiaries, and disabled participants	<u>3,047</u>	<u>46,658,932</u>	<u>46,658,932</u>
d. Total	7,882	113,268,087	113,949,834
2. Expected increase in Current Liability for benefit accruals during year			659,454
3. Expected distributions during year			6,419,290
4. Market Value of Assets			59,047,394
5. Current Liability funded percentage [(4) ÷ (1d)]			51.81%

## Exhibit 10

## Current Annual Cost and Minimum Required Contribution

The Current Annual Cost is the Plan's cost under the minimum funding requirements prior to the recognition of the full funding limitation and any Credit Balance. The Minimum Required Contribution is the amount needed to avoid a funding deficiency in the Funding Standard Account. These amounts for the plan year beginning January 1, 2024 are determined below.

1. Charges for plan year	
a. Funding deficiency as of January 1, 2024	\$6,618,494
b. Normal Cost	1,445,451
c. Amortization charges (on \$21,470,024)	3,457,636
d. Interest on (a), (b), and (c) to end of plan year	720,099
e. Additional funding charge	<u>0</u>
f. Total	12,241,680
2. Credits for plan year	
a. Amortization credits (on \$9,873,375)	2,148,168
b. Other credits	0
c. Interest on (a) and (b) to end of plan year	<u>134,261</u>
d. Total	2,282,429
3. Current Annual Cost for plan year [(1f) - (2d)]	9,959,251
4. Full funding credit for plan year	
a. Full funding limitation	38,154,214
b. Full funding credit [(3) - (4a), but not < \$0]	0
5. Credit Balance for plan year	
a. Credit Balance as of January 1, 2024	0
b. Interest on (a) to end of plan year	<u>0</u>
c. Total	0
6. Minimum Required Contribution for plan year [(3) - (4b) - (5c), but not < \$0]	9,959,251

## Implications of Statutory Minimum Contribution

The statutory Minimum Required Contribution ("MRC") equals the Plan's normal cost, plus the funding deficiency, if any, plus amortization of the unfunded actuarial accrued liability, if any. The MRC can be satisfied with cash contributions, which are set by collective bargaining, or the existing credit balance. Assuming no actuarial gains and losses, anticipated contributions are projected to result in a decrease in the funded status of the Plan.

Projected 2024 contributions are not expected to satisfy the MRC for the 2024 plan year. Projected future contributions are significantly less than the amounts necessary for the Plan to accumulate assets adequate to make benefit payments when due. The assets are projected to be depleted in fiscal year beginning 2034 if all actuarial assumptions are realized.

## Exhibit 11

## Maximum Deductible Contribution under IRC Section 404

The Maximum Deductible Contribution under IRC Section 404 for the tax year beginning January 1, 2024 is determined below.

1. Minimum Required Contribution for plan year beginning January 1, 2024	\$9,959,251
2. Preliminary Maximum Deductible Contribution under IRC Section 404 for tax year	
a. Normal Cost	1,445,451
b. Amortization payment on 10-year limitation bases	2,356,942
c. Interest to earlier of tax year end or plan year end	<u>237,650</u>
d. Total	4,040,043
3. Full funding limitation for tax year	38,154,214
4. Unfunded 140% of Current Liability as of December 31, 2024	
a. Current Liability (for IRC Section 404 purposes) projected to end of year	111,332,097
b. Actuarial Value of Assets (for IRC Section 404 purposes) projected to end of year	62,044,673
c. Unfunded 140% of Current Liability [140% × (a) - (b), but not less than \$0]	93,820,263
5. Maximum Deductible Contribution under IRC Section 404 for tax year [maximum of (1) and (2d), but not greater than (3), nor less than (4c)]	93,820,263

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Employers should consult their tax advisors regarding the deductibility of contributions.

## Exhibit 12

## Unfunded Vested Benefit Liability for Withdrawal Liability Calculations

Withdrawal liability payments are based on unfunded vested benefit liability. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as death and disability benefits which are not considered vested. These liabilities have been determined as of December 31, 2022 and December 31, 2023. However, if there is a termination by mass withdrawal during the year, a separate calculation has to be performed.

	12/31/2022	12/31/2023
1. Plan year of withdrawal	1/1/2023 – 12/31/2023	1/1/2024 – 12/31/2024
2. Present Value of Vested Benefits (PVVB)		
a. Active participants	\$12,430,669	\$10,951,992
b. Terminated vested participants	47,353,256	42,172,162
c. Retired participants	40,896,172	39,785,808
d. Beneficiaries in pay	<u>685,940</u>	<u>512,893</u>
e. Total vested benefits	101,366,037	93,422,855
3. Market Value of Assets (MVA)	58,812,471	59,047,394
4. Funded ratio [(3) ÷ (2e)]	58.01%	63.20%
5. Outstanding claims for withdrawal liability expected to be collected from previously withdrawn employers	\$0	\$0
6. Unfunded vested benefit liability (UVB) [(2e) - (3) - (5), but not less than \$0]	42,553,566	34,375,461

Assumptions Used for Withdrawal Liability Determination	12/31/2022	12/31/2023
1. Asset Valuation Method	Market Value	Market Value
2. Interest Rate Assumption for PVVB		
a. First segment rate	3.90%	5.06%
b. Second segment rate	3.65%	4.37%
c. First segment period (years)	20	20

## Exhibit 13

## Present Value of Accumulated Plan Benefits

Accumulated Plan Benefits are benefits earned to date, based on pay history and service rendered to date, expected to be paid in the future to retired, terminated vested, and active participants, and beneficiaries of active or former participants. The Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) as of January 1, 2023 and January 1, 2024 is shown below.

	1/1/2023	1/1/2024
1. Present Value of vested Accumulated Plan Benefits		
a. Active participants	\$8,972,071	\$9,151,423
b. Terminated vested participants	36,609,432	36,904,870
c. Retired participants	34,903,304	36,928,543
d. Beneficiaries in pay	556,812	467,909
e. Disabled participants	0	0
f. Total	81,041,619	83,452,745
2. Present Value of non-vested Accumulated Plan Benefits	384,201	385,065
3. Present Value of all Accumulated Plan Benefits [(1f) + (2)]	81,425,820	83,837,810
4. Market Value of Assets	58,812,471	59,047,394
5. Funded percentage on Market Value of Assets		
a. Vested benefits [(4) ÷ (1f)]	72.57%	70.76%
b. All benefits [(4) ÷ (3)]	72.23%	70.43%
6. Actuarial Value of Assets	\$66,917,756	\$65,722,613
7. Funded percentage on Actuarial Value of Assets		
a. Vested benefits [(6) ÷ (1f)]	82.57%	78.75%
b. All benefits [(6) ÷ (3)]	82.18%	78.39%

## Exhibit 14

## Change in Present Value of Accumulated Plan Benefits

The change in the Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) from January 1, 2023 to January 1, 2024 is shown below.

1. Present Value of all Accumulated Plan Benefits as of January 1, 2023	\$81,425,820
2. Changes	
a. Reduction in discount period	5,170,448
b. Benefits accumulated	367,905
c. Actuarial (gain) / loss	(756,248)
d. Benefit payments	(3,821,072)
e. Plan amendments	0
f. Change in assumptions	<u>1,450,957</u>
g. Total	2,411,990
3. Present Value of all Accumulated Plan Benefits as of January 1, 2024 [(1) + (2g)]	83,837,810

## Exhibit 15

## Summary of Home Care Participant Data

A summary of participant data for the plan years beginning January 1, 2023 and January 1, 2024 is shown below.

	1/1/2023	1/1/2024
1. Active participants		
a. Count	1,183	1,092
b. Average age	58.4	58.6
c. Average credited service	11.7	11.9
2. Terminated vested participants and deferred beneficiaries		
a. Count	3,758	3,703
b. Total monthly benefits	\$245,728	\$241,361
c. Average monthly benefit	\$65	\$65
3. Participants in pay status		
a. Count	2,778	2,932
b. Total monthly benefits	\$258,711	\$275,124
c. Average monthly benefit	\$93	\$94
4. Beneficiaries in pay status		
a. Count	69	70
b. Total monthly benefits	\$4,655	\$4,876
c. Average monthly benefit	\$67	\$70

## Exhibit 16

## Summary of Professional Participant Data

A summary of participant data for the plan years beginning January 1, 2023 and January 1, 2024 is shown below.

	1/1/2023	1/1/2024
1. Active participants		
a. Count	7	7
b. Average age	54.1	55.1
c. Average credited service	16.1	17.1
2. Terminated vested participants and deferred beneficiaries		
a. Count	34	33
b. Total monthly benefits	\$29,384	\$27,783
c. Average monthly benefit	\$864	\$842
3. Participants in pay status		
a. Count	41	43
b. Total monthly benefits	\$51,973	\$54,450
c. Average monthly benefit	\$1,268	1,266
4. Beneficiaries in pay status		
a. Count	2	2
b. Total monthly benefits	\$1,107	\$1,107
c. Average monthly benefit	\$554	\$554

## Exhibit 17

## Change in Home Care Participant Counts

The change in participant counts from January 1, 2023 to January 1, 2024 is shown below.

	Active	Suspended Active	Terminated Vested*	Retired	Beneficiaries in pay status	Total
As of 1/1/2023	1,077	106	3,758	2,778	69	7,788
Retired	(27)	(5)	(130)	162	0	0
Suspended Active	(51)	51	0	0	0	0
Terminated non-vested	(30)	(40)	0	0	0	(70)
Terminated vested	(41)	(38)	79	0	0	0
Benefit Expired	0	0	0	0	(3)	(3)
Died	(1)	0	(15)	(48)	(1)	(65)
Rehired	10	0	(4)	0	0	6
New during plan year	43	5	15	0	13	76
QDRO	0	0	0	0	0	0
Lump Sum	0	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>0</u>	<u>40</u>	<u>(8)</u>	32
Participants as of 12/31/2023	980	79	3,703	2,932	70	7,764
New Participants as of 1/1/2024	<u>33</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	33
As of 1/1/2024	1,013	79	3,703	2,932	70	7,797

\* Includes 12 deferred beneficiaries as of January 1, 2023 and 145 deferred beneficiaries as of January 1, 2024.

## Exhibit 18

## Change in Professional Participant Counts

The change in participant counts from January 1, 2023 to January 1, 2024 is shown below.

	Active	Terminated Vested	Retired	Beneficiaries in pay status	Total
As of 1/1/2023	7	34	41	2	84
Retired	0	(1)	1	0	0
Terminated non-vested	0	0	0	0	0
Terminated vested	0	0	0	0	0
Disabled	0	0	0	0	0
Died	0	0	0	0	0
Rehired	0	0	0	0	0
New during plan year	0	0	0	0	0
QDRO	0	0	0	0	0
Net data adjustments	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>
Participants as of 12/31/2023	7	33	43	2	85
New Participants as of 1/1/2024	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
As of 1/1/2024	7	33	43	2	85

**Exhibit 19**

**Active Home Care Participants by Age and Service**

The number of active participants summarized by attained age and years of credited service as of January 1, 2024 is shown below.

Age	Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>0-24</b>	4	-	-	-	-	-	-	-	-	4
<b>25-29</b>	8	-	-	-	-	-	-	-	-	8
<b>30-34</b>	12	7	-	-	-	-	-	-	-	19
<b>35-39</b>	24	12	-	-	-	-	-	-	-	36
<b>40-44</b>	29	15	3	1	-	-	-	-	-	48
<b>45-49</b>	33	25	9	13	6	-	-	-	-	86
<b>50-54</b>	50	53	23	23	10	1	1	-	-	161
<b>55-59</b>	54	37	27	25	13	8	7	2	-	173
<b>60-64</b>	49	61	33	30	25	20	13	9	1	241
<b>65-69</b>	36	43	27	33	16	15	16	9	3	198
<b>70+</b>	16	20	26	8	18	13	10	7	-	118
<b>Total</b>	315	273	148	133	88	57	47	27	4	1,092

The average accrued monthly benefits summarized by attained age and years of credited service as of January 1, 2024 is shown below.

Age	Years of Credited Service									Total
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	
<b>0-24</b>	*	-	-	-	-	-	-	-	-	*
<b>25-29</b>	*	*	-	-	-	-	-	-	-	*
<b>30-34</b>	*	*	-	-	-	-	-	-	-	*
<b>35-39</b>	16	*	-	-	-	-	-	-	-	23
<b>40-44</b>	15	*	*	*	-	-	-	-	-	25
<b>45-49</b>	17	38	*	*	*	-	-	-	-	46
<b>50-54</b>	15	38	68	93	*	*	*	-	-	49
<b>55-59</b>	16	37	68	95	*	*	*	-	-	60
<b>60-64</b>	18	38	65	93	122	138	*	*	*	71
<b>65-69</b>	16	37	66	105	*	*	*	*	*	87
<b>70+</b>	*	37	65	*	*	*	*	*	-	107
<b>Total</b>	16	37	66	97	131	156	169	178	*	66

\*Average accrued monthly benefits are not reported for cells with fewer than 20 participants.

**Exhibit 20**

**Active Professional Participants by Age and Service**

The number of active participants summarized by attained age and years of credited service as of January 1, 2024 is shown below.

Age	Years of Credited Service									Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
<b>0-24</b>	-	-	-	-	-	-	-	-	-	-	-
<b>25-29</b>	-	-	-	-	-	-	-	-	-	-	-
<b>30-34</b>	-	-	-	-	-	-	-	-	-	-	-
<b>35-39</b>	-	1	-	-	-	-	-	-	-	-	1
<b>40-44</b>	-	-	-	-	-	-	-	-	-	-	-
<b>45-49</b>	-	1	-	-	-	-	-	-	-	-	1
<b>50-54</b>	-	-	-	-	1	-	-	-	-	-	1
<b>55-59</b>	-	1	-	-	-	-	-	-	-	-	1
<b>60-64</b>	-	-	-	1	-	1	-	1	-	-	3
<b>65-69</b>	-	-	-	-	-	-	-	-	-	-	-
<b>70+</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	3	-	1	1	1	-	1	-	-	7

Average compensation and accrued monthly benefits are not reported, since all cells have fewer than 20 participants.

# Appendices

## Appendix A – Summary of Actuarial Methods

### **Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

### **Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

### **Amortization Method**

The amortization method for determining the current annual cost is the method used to determine the amount, timing, and pattern of recognizing changes in the unfunded actuarial accrued liability. We apply the amortization schedule defined in Section 431 of the Internal Revenue Code.

- Experience gains and losses. After the enactment of the Pension Protection Act of 2006 (PPA), changes in the unfunded actuarial accrued liability related to changes in plan amendments, actuarial assumptions, and experience gains and losses are amortized over 15 years. Prior to PPA, these changes were amortized over 30 years. Certain exceptions apply as noted below.
- Method changes. Changes related to the actuarial cost method or asset valuation method are amortized over 10 years.

## Appendix B – Summary of Actuarial Assumptions

### Interest (Discount) Rate:

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.25% compounded annually (previously, 6.50% was used).

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**Change in assumption:** The interest rate was changed from 6.50% to 6.25% to better reflect future market expectations.

### Current Liability Interest Rate:

**Assumption:** 2.82% assumed annual rate of return. This rate was 2.19% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses a rate permitted by law.

### Interest Rate for Unfunded Vested Benefit Liability for Withdrawal Liability Calculations:

**Assumption:** PBGC settlement rates effective December 2023 – 5.06% for 20 years, 4.37% thereafter (previously, 3.90% for 20 years, 3.65% thereafter).

**Rationale:** The withdrawal liability interest rates are based on market settlement rates which represent our best estimate assumption for withdrawal liability purposes.

### Retirement:

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

### Mortality for Funding:

**Healthy Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021.

**Disabled Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Change in Assumption:** In order to better reflect anticipated experience, Mortality tables for Healthy Participants were changed from the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021. Mortality tables for Disabled Participants were changed from the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

#### **Mortality for Current Liability:**

**Healthy and Disabled participants:** 2024 prescribed generational Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

#### **Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

#### **Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

#### **Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods.

## Actuarial Procedures Regarding Certain Liabilities:

### Liabilities for Terminated Vested Participants:

All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. This reflects the possibility that some of these records may never materialize into payment status, particularly those of advanced ages, representing unknown, unverifiable data, and/or deceased members not entitled to benefits.

### Liabilities for In Pay Participants:

\$5,700,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.7 million is held as of January 1, 2024 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

## Appendix C – Summary of Principal Plan Provisions

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

### Basic Information

**Plan Name:** District Council 37 Local 389 Home Care Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

### Benefit Formulas and Eligibilities for Home Care Employees

#### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to: \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

#### Early Retirement

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

#### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

## Benefit Formulas and Eligibilities for Professional Employees

### Normal Retirement

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

### Early Retirement

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

### Deferred Retirement after Normal Retirement Date

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

## Disability Retirement

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

## Pre-Retirement Death Benefits

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

## Form of Benefit

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

## Appendix D – Risk Disclosure

The purpose of this appendix is to identify, assess, and provide illustrations of risks that are significant to the Plan, and in some cases to the Plan’s participants.

The results of the projections are based on one set of reasonable assumptions. However, it is almost certain that future experience will not exactly match the assumptions. As an example, investments may perform better or worse than assumed in any single year and over any longer time horizon. It is therefore important to consider the potential impacts of these likely differences when making decisions that may affect the future financial health of the Plan, or of the Plan’s participants.

In addition, as plans mature they accumulate larger pools of assets and liabilities. This increases the potential risk to plan funding and the finances of those who are responsible for plan funding. As an example, it is more difficult for a plan sponsor to deal with the effects of a 10% investment loss on a plan with \$1 billion in assets and liabilities than if the same plan sponsor is responsible for a 10% investment loss on a plan with \$1 million in assets and liabilities. Since pension plans make long-term promises and rely on long-term funding, it is important to consider how mature the Plan is today, and how mature it may become in the future.

Actuarial Standard of Practice No. 51 (ASOP 51) addresses these issues by providing actuaries with guidance for assessing and disclosing the risk associated with measuring pension liabilities and the determination of pension plan contributions. Specifically, it directs the actuary to:

- Identify risks that may be significant to the Plan.
- Assess the risks identified as significant to the Plan. The assessment does not need to include numerical calculations.
- Disclose plan maturity measures and historical information that are significant to understanding the Plan’s risks.

ASOP 51 states that if in the actuary’s professional judgment, a more detailed assessment would be significantly beneficial in helping the individuals responsible for the Plan to understand the risks identified by the actuary, then the actuary should recommend that such an assessment be performed.

This section uses the framework of ASOP 51 to communicate important information about: significant risks to the Plan, the Plan’s maturity, and relevant historical plan data.

## Definition and Identification of Potential Risks

### PBGC Coverage Risk

**Definition:** This is the potential that the Pension Benefit Guaranty Corporation (PBGC) multiemployer insurance program becomes insolvent and is not able to provide financial assistance to insolvent plans. If this Plan and/or the PBGC become insolvent, participants would receive benefits below the PBGC guarantee level.

**Identification/Assessment:** The Plan has potential risk of future insolvency. If the Plan becomes insolvent, benefits will be reduced to the level guaranteed by the PBGC, and a portion of that benefit will be financed by the PBGC. There is a potential risk to the participants in this situation that the PBGC will become insolvent.

### Liquidity Risk

**Definition:** This is the potential that assets must be liquidated at a loss earlier than planned in order to pay for the Plan's benefits and operating costs. This risk is heightened for plans with negative cash flow, in which contributions do not exceed annual benefit payments plus expenses.

**Identification/Assessment:** The Plan has high cash flow requirements because the sum of benefit payments plus expenses is significantly larger than current contributions. However, the Plan does not have a high allocation to illiquid assets such as real estate and private equity. As a result, there is a minimal risk that assets may need to be liquidated at a loss before planned in order to pay benefits and expenses.

### Inflation Risk

**Definition:** This is the potential of a pension to lose purchasing power over time due to inflation.

**Identification:** The participants of pension plans without fully inflation-indexed benefits are subject to the risk that their purchasing power will be reduced over time due to inflation.

**Assessment:** Participants in this Plan bear all of the inflation risk for benefits earned in the past.

### Maturity Risk

**Definition:** This is the potential for total plan liabilities to become more heavily weighted toward inactive liabilities over time.

**Identification:** The Plan is subject to maturity risk because as plan assets and liabilities continue to grow, the impact of any gains or losses on the assets or liabilities also becomes larger.

**Assessment:** Maturity risk is not an imminent issue, but the Plan is getting bigger in both liability and assets. It should be continuously monitored with the assessment of proper funded status and contribution adequacy.

### Contribution Risk

**Definition:** This is the possibility that actual future contributions deviate from expected future contributions.

**Identification/Assessment:** As the contributions to the plan are directly related to the workload, the plan is subject to the risk that the demand for work will decrease thus decreasing expected contribution levels. The deferral of expected contributions into future years results in the loss of investment income in the intervening period.

## Retirement Risk

**Definition:** This is the potential for participants to retire and receive subsidized benefits more valuable than expected.

**Identification/Assessment:** This plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Investment Risk

**Definition:** The potential that investment returns will be different than expected.

**Identification/Assessment:** To the extent that actual investment returns differ from the assumed investment return, the Plan's future assets, funding contributions and funded status may vary significantly from those presented in this valuation.

If the plan were invested in a low-default-risk portfolio (e.g., current liability, which is based on 30-year Treasury securities), it would impact the interest rate assumption and therefore the actuarial accrued liability, funded percentage, and ultimately the annual contributions; the volatility of the contributions would also change based on the risk level of the portfolio. The table below illustrates the impact of using lower interest rates on the plan's actuarial accrued liability and funded percentage, which could result from investing in a low-default risk portfolio.

	Current Liability*	Plan's Current Assumption
Interest Rate	2.82%	6.25%
Actuarial Accrued Liability on January 1, 2024	\$113,949,834**	\$83,937,756
Funded Percentage on January 1, 2024	51.81%	70.34%

\* This would be considered a "low-default-risk obligation measure (LDROM)" using the language of Actuarial Standard of Practice No. 4 (ASOP 4).

\*\* Calculated using the same actuarial assumptions and methods that were used for this valuation, except for the interest rate and mortality.

Investing in lower-returning asset classes may reduce future investment returns and therefore increase future actuarially determined contributions (ADC), but the lower risk levels would result in lower year-over-year volatility in ADC and might provide more benefit security for plan participants. Conversely, investing in higher-returning asset classes may increase future investment returns and therefore reduce future ADC, but would also increase the volatility of the ADC and potentially reduce benefit security for plan participants.

## Interest Rate Risk

**Definition:** The potential that interest rates will be different than expected, which will affect the Plan's liability.

**Identification:** The pension liabilities reported herein have been calculated by computing the present value of expected future benefit payments using the interest rate described in Appendix B. If interest rates in future valuations differ from the current assumed interest rate, future pension liabilities, funding contributions, and funded status may differ significantly from those presented in this analysis. As a general rule, using a higher interest rate to compute the present value of future benefit payments will result in a lower pension liability, and vice versa. One aspect that can be used to estimate the impact of different interest rates is a plan's duration.

**Assessment:** If the interest rate changes by 1%, the estimated percentage change in pension liability is a plan's duration in years. The approximate duration of the Plan is 8.1 years. As such, if the interest rate changes by 1%, the estimated change in pension liability is 8.1%.

## Demographic Risk

**Definition:** The potential that mortality or other demographic experience for current plan participants will be different than expected.

**Identification/Assessment:** The pension liabilities reported herein have been calculated by assuming that participants will follow patterns of demographic experience (e.g. mortality, retirement, form of payment election, etc.) as described in Appendix B. If actual demographic experience or future demographic assumptions are different from what is assumed to occur in this valuation, future pension liabilities, funding contributions and funded status may differ from those presented in this valuation. This Plan has valuable early retirement benefits. If participants retire at earlier ages than anticipated by the actuarial assumptions, it is expected that additional funding will be required.

## Employer Withdrawal Risk

**Definition:** The potential that contribution rate increases or benefit reductions required by a funding improvement plan or rehabilitation plan, or other factors, will drive the bargaining parties to withdraw from the plan.

**Identification:** Employer withdrawals will reduce the plan's contribution base and add pressure on the remaining participating employers and the plan's investment returns to restore or strengthen the plan's funded status.

**Assessment:** The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to employer withdrawals.

## Covered Employment Risk

**Definition:** The potential that future covered employment is lower than expected due to a declining workforce in a company or industry, or a temporary workforce reduction due to market forces.

**Identification:** A reduction in the Plan's contribution base can potentially threaten its ability to recover from another market downturn.

**Assessment:** The Plan's active population and hours worked have both declined in recent years. The Plan related industry activity must be continuously monitored to assess the Plan's potential risk exposure to workforce reduction.

## Business Risk

**Definition:** The potential that a company suffers a financial setback which impairs its ability to make contributions or withdrawal liability payments to the plan.

**Identification:** If contributions cannot be recovered, it will shift the weight of maintaining/improving the plan's funded status upon the remaining employers of the plan.

## Insolvency Risk

**Definition:** The potential that a plan will become insolvent.

**Identification:** If a plan becomes insolvent, benefits will be reduced to the PBGC guarantee level and the PBGC will provide financial assistance to supplement any employer contributions and withdrawal liability payments and help pay plan benefits and expenses.

**Assessment:** The Plan is currently underfunded and the expected contributions are less than the sum of expected normal costs and administrative expenses. Therefore, the funded status of the Plan is expected to decline in future valuations and solvency is expected to be an issue in the future.



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Tel: +1 973 278 8860

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March 29, 2024

Department of the Treasury  
Internal Revenue Service  
Employee Plans  
CHI-7602 – 25<sup>th</sup> Floor  
230 S. Dearborn Street  
Chicago, IL 60604

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning  
January 1, 2024 – District Council 37, Local 389 Home Care Employees Pension  
Fund**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2024 for the District Council 37, Local 389 Home Care Employees Pension Fund.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used and were developed using models intended for projections that use standard actuarial techniques. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

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Aaron Shapiro, FSA, EA, MAAA  
Enrolled Actuary #23-07290

cc: Board of Trustees (w/encs)  
Audrey Browne  
Tim Connor  
Steve Mariani

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Funding Status Projection Results**

<b><u>Plan Year Beginning</u></b>	<b><u>Funded Percentage</u></b>	<b><u>Contributions</u></b>	<b><u>Credit Balance at End of Year</u></b>
1/1/2024	79.0%	962,000	(8,981,000)
1/1/2025	70.0%	964,000	(12,026,000)
1/1/2026	62.8%	966,000	(15,375,000)
1/1/2027	54.4%	968,000	(18,559,000)
1/1/2028	49.3%	970,000	(21,630,000)
1/1/2029	43.5%	972,000	(26,102,000)
1/1/2030	36.9%	975,000	(30,969,000)
1/1/2031	29.4%	977,000	(36,173,000)
1/1/2032	20.9%	979,000	(41,745,000)
1/1/2033	11.2%	981,000	(47,701,000)
1/1/2034	0.2%	984,000	(53,535,000)

The funded percentage as of January 1, 2024 is projected to be 79.0%.

<b><u>Plan Year Beginning</u></b>	<b><u>Critical Test 1</u></b>	<b><u>Critical Test 2</u></b>	<b><u>Critical Test 3</u></b>	<b><u>Critical Test 4</u></b>
1/1/2024	Pass	Fail	Fail	Pass
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Pass	Fail	Fail	Pass
1/1/2027	Pass	Fail	Fail	Pass
1/1/2028	Fail	Fail	Fail	Pass
1/1/2029	Fail	Fail	Fail	Pass

The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2024 plan year. Furthermore, the Plan is projected to become insolvent during the 2034 plan year. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2024 plan year.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2023, I hereby certify that the District Council 37, Local 389 Home Care Employees Pension Plan is in “critical and declining” status for the plan year beginning January 1, 2024, as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.

*Aaron Shapiro*

\_\_\_\_\_  
Aaron Shapiro, FSA, EA, MAAA  
Enrolled Actuary #23-07290

March 29, 2024

\_\_\_\_\_  
Date

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2023 participant data and January 1, 2023 actuarial valuation results, as provided in our actuarial report dated March 29, 2024.
  - Estimated January 1, 2024 unaudited asset value of \$ 59,050,508 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 7.43% (net of investment-related administrative expenses) for the plan year ended December 31, 2023 and an assumed rate of return on market assets of 6.50% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2023. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2023.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2023. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2023.
  - Plan provisions identical to those used in the January 1, 2023 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2023 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 29, 2024.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 37, Local 389 Home Care  
Employees Pension Fund  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 37, Local 389 Home Care Employees Pension Fund  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2024 - December 31, 2024  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Aaron Shapiro, FSA, EA, MAAA  
Enrolled Actuary #23-07290  
Address: Milliman  
150 Clove Road, 8th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 29, 2024

## Appendix

### District Council 37, Local 389 Home Care Employees Pension Fund PPA Actuarial Certification for Plan Year Beginning January 1, 2024

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

---

<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Actuarial Methods and Assumptions**

## **Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

## **Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.50% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan’s historical investment performance, the prior Actuary’s assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**District Council 37, Local 389 Home Care  
Employees Pension Fund  
PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Actuarial Methods and Assumptions**

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Actuarial Methods and Assumptions**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Actuarial Methods and Assumptions**

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$5,400,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.4 million is held as of January 1, 2023 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 37 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.



150 Clove Road, 8<sup>th</sup> Floor  
Little Falls, NJ 07424  
Tel: +1 973 278 8860

milliman.com

March 31, 2025

Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 – 17<sup>th</sup> Floor  
Chicago, Illinois 60604

**Re: Pension Protection Act (PPA) Actuarial Certification for Plan Year Beginning  
January 1, 2025 – District Council 37, Local 389 Home Care Employees Pension  
Fund**

In accordance with IRC Section 432(b)(3)(A), we have prepared and attached an actuarial certification for the plan year beginning January 1, 2025 for the District Council 37, Local 389 Home Care Employees Pension Fund.

In our opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this report are dependent on the assumptions used and were developed using models intended for projections that use standard actuarial techniques. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions used in these projections. Actual results will differ from projected amounts to the extent that actual experience is better or worse than expected.

On the basis of the foregoing and as a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

---

Aaron Shapiro, FSA, EA, MAAA  
Enrolled Actuary #23-07290

cc: Board of Trustees (w/encs)  
Audrey Browne  
Tim Connor  
Steve Mariani

**District Council 37, Local 389 Home Care  
Employees Pension Fund  
PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Funding Status Projection Results**

<b><u>Plan Year Beginning</u></b>	<b><u>Funded Percentage</u></b>	<b><u>Contributions</u></b>	<b><u>Credit Balance at End of Year</u></b>
1/1/2025	73.3%	896,000	(12,151,000)
1/1/2026	62.8%	899,000	(15,547,000)
1/1/2027	54.8%	901,000	(18,773,000)
1/1/2028	49.6%	903,000	(21,886,000)
1/1/2029	43.7%	905,000	(26,389,000)
1/1/2030	37.2%	907,000	(31,278,000)
1/1/2031	29.8%	909,000	(36,492,000)
1/1/2032	21.1%	912,000	(42,061,000)
1/1/2033	11.5%	914,000	(47,999,000)
1/1/2034	0.7%	917,000	(53,805,000)
1/1/2035	0.0%	919,000	(59,295,000)

The funded percentage as of January 1, 2025 is projected to be 73.3%.

<b><u>Plan Year Beginning</u></b>	<b><u>Critical Test 1</u></b>	<b><u>Critical Test 2</u></b>	<b><u>Critical Test 3</u></b>	<b><u>Critical Test 4</u></b>
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Pass	Fail	Fail	Pass
1/1/2027	Pass	Fail	Fail	Pass
1/1/2028	Fail	Fail	Fail	Pass
1/1/2029	Fail	Fail	Fail	Pass
1/1/2030	Fail	Fail	Fail	Fail

The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2025 plan year. Furthermore, the Plan is projected to become insolvent during the 2034 plan year. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2025 plan year.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

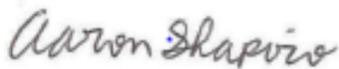
**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2024, I hereby certify that the District Council 37, Local 389 Home Care Employees Pension Plan is in “critical and declining” status for the plan year beginning January 1, 2025, as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.

**Scheduled Progress**

I certify that the Plan is making scheduled progress in meeting the requirements of its adopted Rehabilitation Plan.



March 31, 2025

---

Aaron Shapiro, FSA, EA, MAAA  
Enrolled Actuary #23-07290

---

Date

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2024 participant data and January 1, 2024 actuarial valuation results, as provided in our actuarial report dated March 3, 2025.
  - Estimated January 1, 2025 unaudited asset value of \$ 55,854,643 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 6.04% (net of investment-related administrative expenses) for the plan year ended December 31, 2024 and an assumed rate of return on market assets of 6.25% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2024. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2024.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2024. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2024.
  - Plan provisions identical to those used in the January 1, 2024 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2024 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 31, 2025.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**District Council 37, Local 389 Home Care  
Employees Pension Fund  
Plan and Enrolled Actuary Identification**

**Plan Identification**

Name: District Council 37, Local 389 Home Care Employees Pension Fund  
EIN/PN: 13-3698650/001  
Plan Year: January 1, 2025 - December 31, 2025  
Address: 420 West 45<sup>th</sup> Street, 5<sup>th</sup> Floor  
New York, NY 10036  
Telephone Number: (212) 925-6033

**Enrolled Actuary Identification**

Name: Aaron Shapiro, FSA, EA, MAAA  
Enrolled Actuary #23-07290  
Address: Milliman  
150 Clove Road, 8th Floor  
Little Falls, NJ 07424  
Telephone Number: +1 973 278 8860

Certification Date: March 31, 2025

## Appendix

### District Council 37, Local 389 Home Care Employees Pension Fund PPA Actuarial Certification for Plan Year Beginning January 1, 2025

#### Summary of Zone Status Definitions under PPA as Amended by MPRA

##### Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

##### Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

##### Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

##### Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Actuarial Methods and Assumptions**

**Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

**Amortization Method**

The amortization method for determining the current annual cost is the method used to determine the amount, timing, and pattern of recognizing changes in the unfunded actuarial accrued liability. We apply the amortization schedule defined in Section 431 of the Internal Revenue Code.

- Experience gains and losses. After the enactment of the Pension Protection Act of 2006 (PPA), changes in the unfunded actuarial accrued liability related to changes in plan amendments, actuarial assumptions, and experience gains and losses are amortized over 15 years. Prior to PPA, these changes were amortized over 30 years. Certain exceptions apply as noted below.

Method changes. Changes related to the actuarial cost method or asset valuation method are amortized over 10 years.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Actuarial Methods and Assumptions**

**Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.25% compounded annually (previously, 6.50% was used).

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**Change in assumption:** The interest rate was changed from 6.50% to 6.25% to better reflect future market expectations.

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021.

**Disabled Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Change in assumption:** In order to better reflect anticipated experience, mortality tables for Healthy Participants were changed from the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021. Mortality tables for Disabled Participants were changed from the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Actuarial Methods and Assumptions**

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67. 100% of Terminated vested participants are assumed to retire at age 65.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Actuarial Methods and Assumptions**

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

\$5,700,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.7 million is held as of January 1, 2024 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 37 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**District Council 37, Local 389 Home Care**  
**Employees Pension Fund**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2025**

**Summary of Principal Plan Provisions**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

2016 JAN 1 08 43:00

**DISTRICT COUNCIL 1707 LOCAL  
389 HOME CARE EMPLOYEES AND  
PROFESSIONAL STAFF PENSION FUND**

Effective January 1, 2014  
And As Amended Thereafter

**DISTRICT COUNCIL 1707 LOCAL 389  
HOME CARE EMPLOYEES AND PROFESSIONAL STAFF PENSION FUND**

**Amendment**

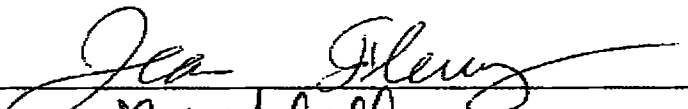
1. The Plan is amended in its entirety and will read in full as in the attached exhibit.
2. Subject to the provisions of 3 below, the effective date of this amendment is January 1, 2014, and this amendment will not operate to modify the benefits of any Pensioner hereunder who is a Pensioner on such date nor restore any Pension Credit or Vesting Service lost prior to such date as the result of prior Plan provisions, nor diminish the accrued vested benefit under this Plan of any person, nor reduce, retroactively, the Pension Credit or Vesting Service under this Plan that any person has as of January 1, 2014.

The provisions of this amended and restated Plan shall apply to all Participants who are, or who became Participants, on or after January 1, 2014, unless the provisions hereof specifically provided otherwise. The rights and benefits, if any, of Pensioners and other former Employees shall be determined by the prior Plan provisions in effect on the date employment terminated.

3. This amendment is intended to modify the Plan to such an extent that it will continue to satisfy the requirements of section 401(a) and section 501(a) of the Internal Revenue Code of 1986, as amended, and to incorporate all previous amendments to the Plan.

Adopted by the Trustees on: December 9, 2015

Attested:

Employer Trustee: 

Union Trustee: 

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## Article I - Definitions

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**1.1 Actuarial equivalent.** Unless otherwise specified in the Plan means:

- (a) For determinations as of any Annuity Starting Date that is on or after January 1, 2008, a benefit that has the same actuarial value as another benefit based on the "applicable mortality table" and the "applicable interest rate." For this purpose:
  - (1) The "applicable mortality table" is the mortality table prescribed by the Commissioner of the Internal Revenue Service for purposes of section 417(e)(3)(B) of the Code.
  - (2) The "applicable interest rate" are the rates specified in and applied in accordance with section 417(e)(3)(C) of the Code for the month of November immediately preceding the Plan Year that contains the Annuity Starting Date.
- (b) For determinations as of any Annuity Starting Date that is on or after January 1, 2000 and before January 1, 2008, a benefit that has the same actuarial value as another benefit based on the "applicable mortality table" and the "applicable interest rate." For this purpose:
  - (1) The "applicable mortality table" is the mortality table prescribed by the Commissioner of the Internal Revenue Service for purposes of sections 417(e)(3) and 415 (b)(2)(E) of the Internal Revenue Code.
  - (2) The "applicable interest rate" is, the annual rate of interest as specified by the Commissioner of the Internal Revenue Service for purposes of sections 417(e)(3) and 415(b)(2)(E) for the month of November immediately preceding the Plan Year that contains the Annuity Starting Date.
- (c) For Annuity Starting Dates in years before January 1, 2000, a benefit or form of payment of equivalent value when computed on the basis of the mortality tables, interest rate, and other actuarial factors last adopted by the Trustees for such purposes — on the advice of an enrolled actuary or an actuarial firm which employs enrolled actuaries. However, the interest rate used shall not exceed that of the PBGC.

**1.2 Annuity Starting Date.** Means the first day of the first month for which an amount is payable as an annuity, or in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitle the recipient to such benefit.

**1.3 Beneficiary.** Means an individual who is entitled to receive a benefit under the Plan upon a Participant's death. The Participant shall designate her Beneficiary. However, if the Participant fails to make such designation, or if the individual designated does not survive the Participant, or does not survive long enough to receive the entire benefit that has become payable, then the Beneficiary, with respect to such benefit or unpaid portion thereof, shall be the Participant's estate.

**1.4 Calendar Year.** Means the period from January 1 to the next December 31. For purposes of

ERISA regulations, the Calendar Year shall serve as the vesting computation period and benefit accrual computation period.

**1.5 Code.** Means the Internal Revenue Code of 1986, as amended from time to time.

**1.6 Collective Bargaining Agreement or Agreement.** Means an agreement between a union and an Employer which requires contributions to the Fund.

**1.7 Contributing Employer or Employer.** Means an employer signatory to a Collective Bargaining Agreement with a Union requiring contributions to this Fund and an employer signatory to any other agreement requiring contributions to this Fund.

For purposes of identifying Highly Compensated Employees and applying the rules on participation, vesting and statutory limits on benefits under the Fund but not for determining Covered Employment, the term "Employer" includes all corporations, trades or businesses under common control with an Employer within the meaning of Code §414(b) and (c), all members of an affiliated service group with an Employer within the meaning of Code §414(m) and all other businesses aggregated with an Employer under Code §414(o).

**1.8 Contribution Period.** Means with respect to a category of employment, the period during which the Employer is obligated by its Agreement to contribute to the Fund with respect to the category of employment.

**1.9 Covered Employment.** Means employment of an Employee by an Employer. For purposes of past service credit, except for a Professional Staff Employee, Covered Employment may include periods of employment preceding the Contribution Period which were not covered by a Collective Bargaining Agreement with the Union.

**1.10 Disqualifying Employment.** Means (a) for employment prior to Normal Retirement Age, any category of employment for which contributions are payable to the Fund, in any place within the jurisdiction of the Union and whether or not for a Contributing Employer, and (b) for employment on or after Normal Retirement Age, any Covered Employment.

However, for a Professional Staff Employee, "Disqualifying Employment" means (a) for employment prior to Normal Retirement Age, any work for a Contributing Employer, within a geographic area where the Union has jurisdiction and in any job classification for which contributions would be payable to the Fund, and (b) for employment on or after Normal Retirement Age, any work for a Contributing Employer.

**1.11 Early Retirement Age.** Means age 55 and at least 10 Pension Credits. For a Professional Staff Employee who is a Participant, "Early Retirement Age" means age 60 if she became a Participant in the Professional Staff Plan prior to 1985; otherwise it means age 60 and at least 10 Pension Credits.

**1.12 Election Period.** Means the period which starts on the date on which the written explanation of the Plan's benefit payments forms is received by the Participant, and which ends on the Participant's Annuity Starting Date, extended as provided in Section 5.2(g).

**1.13 Employee.** Means a person who is employed by an Employer and who is covered by a Collective Bargaining Agreement or any written agreement requiring Employer contributions on her behalf. If a Union, this Pension Fund, the District Council 1707 Local 389 Home Care Employees Health and Welfare Fund, the District Council 1707 Community & Social Agency Employees Union of the American Federation of State, County & Municipal Employees, AFL-CIO, the District Council 1707 Health

& Insurance Fund and/or the CSAE Federal Credit Union is a Contributing Employer, the Employees with respect to whom such Employer participates in this Plan, whether or not they are covered by a Collective Bargaining Agreement, are to be deemed Employees.

For purposes of participation, nondiscrimination, vesting and benefit limits, all Leased Employees shall be treated as employed by a Contributing Employer, except to the extent such Leased Employees are excluded under the safe harbor exemption of Code section 414(n)(5).

**1.14 ERISA.** Means the Employee Retirement Income Security Act of 1974, as amended from time to time.

**1.15 First Payment Date.** Means the first day on which a Pensioner receive a payment of her pension benefit.

**1.16 Highly Compensated Employee.** Has the meaning assigned to such term under Code section 414(q).

**1.17 Hour of Service.**

An "Hour of Service" is:

- (a) each hour with respect to which an Employer makes or is obligated to make contributions on an Employee's behalf to the Plan. These hours shall be credited to the Employee for the computation period or periods in which the duties are performed, or, when contributions are made for a time during which no duties are performed, for the computation period or periods in which such time falls; and
- (b) Hours of Service shall be computed and credited in accordance with paragraphs (b) and (c) of section 2530.200b-2 of the Department of Labor Regulations which are incorporated by reference.

**1.18 Non-Bargained Employee.** Means a Participant whose participation is not covered by a Collective Bargaining Agreement.

**1.19 Normal Retirement Age.** Means age 65, or if later, the age of the Participant on the fifth anniversary of the start of her participation in the Plan. Participation before a Permanent Break in Service and participation before a Temporary Break in Service in the case of a former Participant who has not returned to Covered Employment and reestablished participation in accordance with Section 2.4 are disregarded in applying this Section. In the case of a Professional Staff Employee who is a Participant in this Plan, "Normal Retirement Age" means age 65.

**1.20 Leased Employee.** Means a "leased employee" within the meaning of Code section 414(n)(2).

**1.21 Married.** Means that a Participant is married to an individual, and such marriage is recognized as being valid in the state in which the marriage was entered into.

**1.22 Participant.** Means a Pensioner, a Beneficiary, or an Employee who meets the requirements for participation in the Plan as set forth in Article II, or a former Employee who has acquired the rights to a pension under this Plan.

**1.23 Pension Credit.** Means the years and parts of years of service which are credited toward a pension under this Plan in accordance with the provision of Article IV.

**1.24 Pension Fund or Fund.** Means the Pension Fund established under the Trust Agreement.

**1.25 Pensioner.** Means a person to whom a pension under this Plan is being paid or to whom a pension would be paid but for time for administrative processing.

**1.26 Plan.** Means the plan set forth in this document, as may be amended from time to time.

**1.27 Plan Year.** Is the Calendar Year.

**1.28 Professional Staff Employee.** Means an Employee who is a member of the Union described in Section 1.36(b).

**1.29 Professional Staff Plan.** Means the District Council 1707 Professional Staff Employees Retirement Fund, as in effect on September 1, 2009.

**1.30 Qualified Domestic Relations Order.** Means an order which is determined to be a "Qualified Domestic Relations Order" under Section 10.2 hereof.

**1.31 Qualified Spouse.** Means a Spouse to whom the Participant has been Married throughout the 1-year period ending on the earlier of the Participant's Annuity Starting Date or the date of the Participant's death. For purposes of the preceding sentence, if the Participant and her Spouse marry within 1 year before the Participant's Annuity Starting Date, and they remain Married for at least a 1-year period ending on or before the date of the Participant's death, then the Participant and Spouse shall be treated as having been Married throughout the 1-year period ending on the Participant's Annuity Starting Date. A former Spouse shall be treated as a Qualified Spouse to the extent required in a Qualified Domestic Relations Order.

**1.32 Retirement.** Has the meaning assigned in Section 6.7.

**1.33 Spouse.** Means the individual to whom the Participant is Married, and if and to the extent provided in a Qualified Domestic Relations Order, a Participant's former Spouse.

**1.34 Trust Agreement.** Means the Agreement and Declaration of Trust dated March 9, 1994 establishing the Pension Fund effective January 1, 1994, and as thereafter amended.

**1.35 Trustees.** Means the Board of Trustees as established and constituted from time to time in accordance with the Trust Agreement.

**1.36 Union.** Means (a) the Local 389, District Council 1707, Community and Social Agency Employees Union, AFSCME, AFL-CIO or (b) the District Council 1707 Professional Employees Union of the American Federation of State, County & Municipal Employees, AFL-CIO.

Except as the context may specifically require otherwise, use of the masculine (feminine) gender shall be understood to include both masculine and feminine genders.

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## Article II – Participation

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**2.1 PURPOSE.** This Article contains definitions to meet certain requirements of ERISA. It should be noted that once an Employee has become a Participant, the provisions of this Plan give her credit in accordance with the rules of the Plan for some or all of her services before she became a Participant.

### **2.2 PARTICIPATION.**

- (a) An Employee who is participating in the Plan on December 31, 2013 shall be a Participant on and after January 1, 2014, except as hereinafter provided. Any other Employee who is engaged in Covered Employment during the Contribution Period shall become a Participant in the Plan on the earliest January 1 or July 1 following completion of a 12 consecutive month period from date of hire by the Employer during which she completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1<sup>st</sup> following the Calendar Year in which she completes at least 1,000 Hours of Service. In any case, the required hours may also be completed with any Hours of Service in other employment with an Employer if that other employment is continuous with the Employee's Covered Employment with that Employer.
  
- (b) Notwithstanding the foregoing, a Professional Staff Employee, who has a benefit (whether or not vested) in the Professional Staff Plan on September 1, 2009, shall become a Participant in this Plan on said date. A Professional Staff Employee, who does not become a Participant under the preceding sentence, will join the Plan on the day after the completion of a 12 consecutive month period from date of hire by the Employer during which she completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1<sup>st</sup> following the Calendar Year in which she completes at least 1,000 Hours of Service.
  
- (c) In addition, notwithstanding any provision of the Plan to the contrary, a Leased Employee may not participate in this Plan.

**2.3 TERMINATION OF PARTICIPATION.** A person who incurs a One-Year Break-in-Service (defined in Section 4.6) shall cease to be a Participant as of the last day of the Calendar Year which constituted the One-Year Break in-Service, unless such Participant is a Pensioner, or has acquired the right to a pension (other than for disability), whether immediate or deferred.

**2.4 REINSTATEMENT OF PARTICIPATION.** An Employee who has lost her status as a Participant in accordance with Section 2.3 shall again become a Participant by meeting the requirements

of Section 2.2 within a Calendar Year on the basis of Hours of Service after the Calendar Year during which her participation terminated. However, an Employee who has lost her status as a Participant, in accordance with Section 2.3, but has not incurred a Permanent Break in Service, shall immediately participate in the Plan upon her reemployment commencement date (first Hour of Service with an Employer).

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## Article III — Pension Eligibility And Amounts

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**3.1 GENERAL.** This Article sets forth the eligibility conditions and benefits amounts for the pensions provided by this Plan. The accumulation and retention of Pension Credits for eligibility are subject to the provisions of Article IV. The benefit amounts are subject to reduction on account of the Husband-and-Wife Pension and other optional forms of payment (Article V). Entitlement of an eligible Participant to receive pension benefits is subject to her Retirement and application for benefits, as provided in Article VI.

Eligibility depends on Pension Credits or years of Vesting Service, which are defined in Article IV.

**3.2 REGULAR PENSION - ELIGIBILITY.** A Participant may Retire on a Regular Pension if, while in Covered Employment, the Participant meets the following requirements:

- (a) She has attained age 65; and
- (b) She has at least 10 Pension Credits.

Notwithstanding the foregoing, a Professional Staff Employee who is a Participant may Retire on a Regular Pension if while in Covered Employment if: she became a Participant before 1985 and reaches age 65, or she became a Participant after 1984 and reaches the earlier of (i) the later of age 65 or the 10<sup>th</sup> anniversary of her date of hire by an Employer or (ii) age 65 if she has at least 10 years of Pension Credits.

**3.3 REGULAR PENSION - AMOUNT.** The monthly amount of the Regular Pension is \$5.50 for each of the Participant's Pension Credits, up to a maximum of 25 Pension Credits.

Notwithstanding the foregoing, for a Professional Staff Employee who is a Participant, the monthly amount of the Regular Pension is 1/12 of her Pension Credits multiplied by:

For Pension Credits earned in years before 1990, 1.3% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the five consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned in the years 1990, 1991 and 1992, 1.3% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned during 1993, 1.5% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned in the years 1994 through 2006, 2.0% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned in years after 2006, 1.7% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For these purposes, "compensation" means the weekly, monthly or annual salary or wages earned in a Calendar Year, including overtime and bonuses.

**3.4 EARLY RETIREMENT PENSION – ELIGIBILITY.** A Participant may Retire on an Early Retirement Pension on or after the day on which the Participant attains Early Retirement Age while in Covered Employment.

**3.5 EARLY RETIREMENT PENSION - AMOUNT.** The monthly amount of the Early Retirement Pension is the monthly amount of the Regular Pension reduced by one-half of one percent for each month (or 6% per year) by which the commencement of the pension precedes the date the Participant will attain age 65. However, in the case of a Professional Staff Employee who is a Participant, said reduction shall be 4/10 of 1% for each month that payments are made before age 65.

**3.6 VESTED PENSION - ELIGIBILITY.** A Participant shall have a right to a Vested Pension if she has attained Vested Status (Section 4.8).

A Vested Pension shall be payable after the Participant has attained Normal Retirement Age. It is provided, however, that if the Participant has at least 10 Pension Credits (0 Pension Credits required for a Professional Staff Employee who participated in the Professional Staff Plan prior to 1985 and reached age 65 while in Covered Employment) the Participant may elect to have payment of her Vested Pension begin as of the first day of any month following her 55<sup>th</sup> birthday (60<sup>th</sup> birthday for a Professional Staff Employee) and preceding Normal Retirement Age.

**3.7 VESTED PENSION AMOUNT.** The monthly amount of the Vested Pension is the monthly amount of the Regular Pension. If the Participant elects to have payment of the Vested Pension begin before Normal Retirement Age, the Participant's Vested Pension shall be reduced in the same manner as if it were an Early Retirement Pension.

**3.8 DISABILITY PENSION-ENTITLEMENT AND AMOUNT.** If a Professional Staff Employee, who is a Participant, has been awarded a Social Security disability award, and has at least 10 years of Pension Credit at the time such award is made, such Participant shall be entitled to receive a Disability Pension. The monthly amount of such pension shall be equal to the monthly amount of the Participant's Regular Pension, with no adjustment for age.

If the Participant ceases to be eligible for Social Security disability benefits at any time prior to age 65, her Disability Pension shall end on the last day of the last month in which the Social Security benefit is received. If such Participant thereafter becomes an Employee

and subsequently Retires under the Plan at age 65 or later, she shall receive the same amount as she received as a Disability Pension plus any additional pension based on Credited Service earned from the date of re-employment to her Retirement date.

**3.9 APPLICATION OF BENEFIT INCREASES.** The pension to which a Participant is entitled shall be determined under the terms of the Plan as in effect at the time he or she separates from Covered Employment.

A Participant shall be deemed to be separated from Covered Employment on the last day of the year which is followed by a One-Year Break-in-Service except if she subsequently earns at least  $\frac{1}{2}$  Pension Credit.

If a Participant, except a Professional Staff Employee, has more than 25 Pension Credits, his or her monthly benefit will be calculated on the basis of the Pension Credits at the highest accrual rate as in effect at the time the Participant separates from Covered Employment, but not exceeding \$137.50 in total.

**3.10 ROUNDING OF BENEFITS AMOUNTS.** If the monthly amount of any Pensioner's benefit is not a multiple of ten cents, it shall be rounded off to the next highest multiple of ten cents, at the last step of the calculation when the Early Retirement reduction and/or the Husband-and-Wife (or other benefit form) reduction applies.

**3.11 NON-DUPLICATION OF PENSIONS.** A person shall be entitled to only one type of pension under this Plan. A Pensioner may also receive a pension as the Qualified Spouse or Beneficiary of a deceased Pensioner or Participant.

**3.12 60 MONTH PRE-RETIREMENT GUARANTEE.** The Beneficiary of an Active Participant, who has attained Vested Status but dies on or after January 1, 2000 while not Married to a Qualified Spouse, shall receive, in 60 monthly installments, the monthly pension benefit which such Participant would have received had she lived and left Covered Employment on her date of death. The benefit hereunder shall first be payable on the first date on which such Participant would have been eligible to receive such pension. A Participant shall be deemed to be "Active" unless, prior to her death, she separated from Covered Employment, and such separation was followed by a One-Year Break in Service.

The paragraph above shall not apply to a Professional Staff Employee. Instead, in the case of any Professional Staff Employee is a Participant, a death benefit shall be paid to the Beneficiary of any such Professional Staff Employee who dies after attaining Vested Status but while not Married to a Qualified Spouse, and who has at least 10 years of Pension Credit. If the Professional Staff Employee dies while in Covered Employment, the death benefit shall be a lump sum payment which the Actuarial Equivalent of the Professional Staff Employee's accrued benefit under the Plan. Otherwise, the death benefit shall be a lump sum payment which is the Actuarial Equivalent of the Qualified Pre-retirement Survivor Annuity that would be payable if the Professional Staff Employee had been married to a Qualified Spouse whose age is 3 years less than the Professional Staff Employee.

A Participant may designate a Beneficiary to receive the benefit due under this Section by forwarding such designation to the Plan in such written form as may be required by the Trustees. A Participant shall have the right to change the designation of her Beneficiary without the consent of the Beneficiary. However, no such change shall be effective or binding on the Trustees unless it is received by them in such written form as they may require prior to the time

that any payments are made to the Beneficiary whose designation is on file with the Trustees.

### **3.13 ACTUARIAL ADJUSTMENT FOR DELAYED RETIREMENT.**

- (a) Effective as of January 1, 1994 if the Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age, and the Annuity Starting Date (for which benefits were not suspended), and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application or to the automatic form of Husband-and-Wife Pension if no other form is elected.
- (b) If a Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.
- (c) The actuarial increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter.
- (d) It is provided, however, that the amount of any actuarial increase under this Section 3.13 shall not be less than any accrued benefit earned by the Participant through additional service performed after her Normal Retirement Age through her Annuity Starting Date.
- (e) In no event may payment be deferred after the April 1 of the year following the year the Participant reaches age 70½ whether in Covered Employment or not.

**3.14 LUMP SUM OPTION.** Notwithstanding any other provision of this Plan regarding benefit payment options and distributions, if the Actuarial Equivalent of the vested benefit of a Participant, or of the Beneficiary of any such Participant, is \$5,000 or less as of the Annuity Starting Date or other date on which payments would begin, the benefit may be paid out in a single lump sum, in an amount equal to the Actuarial Equivalent lump sum value. Such Participant or Beneficiary shall be given a choice (with required Spousal consent for a Participant) to take either the "Actuarial Equivalent" lump sum or a lifetime monthly benefit, with all appropriate requirements as promulgated under the various sections of this plan. The Plan does not permit lump sum distributions to be paid without the applicant's consent.

### **3.15 MINIMUM DISTRIBUTION REQUIREMENTS.**

#### **(a) General Rules.**

- (1) Effective Date.** Unless an earlier effective date is specified in the plan, the provisions of this article will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.
- (2) Coordination with Minimum Distributions Requirements Previously in Effect.** If the plan specifies an effective date of this article that is earlier than calendar years beginning with the 2003 calendar year, required minimum distributions for 2002 under this article will be determined as follows. If the total amount of the 2002 required minimum distributions under the plan made to the distributee prior to the effective date of this article equals or exceeds the required minimum distributions determined under this article, then no additional distributions will be required to be made for 2002 on or after such date to the distributee. If the total amount of the

2002 required minimum distributions under the plan made to the distributee prior to the effective date of this article is less than the amount determined under this article, then required minimum distributions for 2002 on and after such date will be determined so that the total amount of required minimum distributions for 2002 made to the distributee will be the amount determined under this article.

- (3) Precedence.** The requirements of this article will take precedence over any inconsistent provision of the plan.
- (4) Requirements of Treasury Regulations Incorporated.** All distributions required under this article will be determined and made in accordance with the Treasury regulations under section 401(a)(9) of the Internal Revenue Code.
- (5) TEFRA Section 242(b)(2) Elections.** Notwithstanding the other provisions of this article, other than Section 3.15(a)(4), distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the plan that relate to section 242(b)(2) of TEFRA.

**(b) Time and Manner of Distribution.**

- (1) Required Beginning Date.** The participant's entire interest will be distributed, or begin to be distributed, to the participant no later than the participant's required beginning date.
- (2) Death of Participant Before Distributions Begin.** If the participant dies before distributions begin, the participant's entire interest will be distributed, or begin to be distributed no later than as follows:
  - (i) If the participant's surviving spouse is the participant's sole designated beneficiary, then, except as provided in the plan, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the participant died, or by December 31 of the calendar year in which the participant would have attained age 70 1/2, if later.
  - (ii) If the participant's surviving spouse is not the participant's sole designated beneficiary, then, except as provided in the plan, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the participant died.
  - (iii) If there is no designated beneficiary as of September 30 of the year following the year of the participant's death, the participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
  - (iv) If the participant's surviving spouse is the participant's sole designated beneficiary and the surviving spouse dies after the participant but before distributions to the surviving spouse begin, this Section 3.15(b)(2), other than Section 3.15(b)(2)(i), will apply as if the surviving spouse were the participant.

For purposes of this Section 3.15(b)(2) and Section 3.15(e), distributions are considered to

begin on the participant's required beginning date (or, if Section 3.15(b)(2)(iv)) applies, the date distributions are required to begin to the surviving spouse under Section 3.15(b)(2)(i)). If annuity payments irrevocably commence to the participant before the participant's required beginning date (or to the participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 3.15(b)(2)(i)), the date distributions are considered to begin is the date distributions actually commence.

**(3) Form of Distribution.** Unless the participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 3.15(c), (d), and (e) of this article. If the participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401(a)(9) of the Code and the Treasury regulations. Any part of the participant's interest which is in the form of an individual account described in section 414(k) of the Code will be distributed in a manner satisfying the requirements of section 401(a)(9) of the Code and the Treasury regulations that apply to individual accounts.

**(c) Determination of Amount to Be Distributed Each Year.**

**(1) General Annuity Requirements.** If the participant's interest is paid in the form of annuity distributions under the plan, payments under the annuity will satisfy the following requirements:

- (i) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;
- (ii) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Section 3.15(d) or (e);
- (iii) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
- (iv) payments will either be non-increasing or increase only as follows:
  - (a) by an annual percentage that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
  - (b) to the extent of the reduction in the amount of the participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section 3.15(d) dies or is no longer the participant's beneficiary pursuant to a qualified domestic relations order within the meaning of section 414(p) of the Code;
  - (c) to provide cash refunds of employee contributions upon the participant's death; or
  - (d) to pay increased benefits that result from a plan amendment.

- (2) Amount Required to be Distributed by Required Beginning Date.** The amount that must be distributed on or before the participant's required beginning date (or, if the participant dies before distributions begin, the date distributions are required to begin under Section 3.15(b)(2)(i) or (ii) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received e.g., bi-monthly, monthly, semi-annually, or annually. All of the participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the participant's required beginning date.
- (3) Additional Accruals After First Distribution Calendar Year.** Any additional benefits accruing to the participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.
- (d) Requirements for Annuity Distributions That Commence During Participant's Lifetime.**
- (1) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse.** If the participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the participant and a nonspouse beneficiary, annuity payments to be made on or after the participant's required beginning date to the designated beneficiary after the participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the participant using the table set forth in Q&A 2 of section 1.401(a)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the participant and a nonspouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.
- (2) Period Certain Annuities.** Unless the participant's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the participant's lifetime may not exceed the applicable distribution period for the participant under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the participant reaches age 70, the applicable distribution period for the participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the participant as of the participant's birthday in the year that contains the annuity starting date. If the participant's spouse is the participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the participant's applicable distribution period, as determined under this Section 3.15(d)(2), or the joint life and last survivor expectancy of the participant and the participant's spouse as determined under the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the participant's and

spouse's attained ages as of the participant's and spouse's birthdays in the calendar year that contains the annuity starting date.

**(e) Requirements for Minimum Distributions Where Participant Dies Before Date Distributions Begin.**

- (1) Participant Survived by Designated Beneficiary.** Except as provided in the plan, if the participant dies before the date distribution of his or her interest begins and there is a designated beneficiary, the participant's entire interest will be distributed, beginning no later than the time described in Section 3.15(b)(2)(i) or (ii), over the life of the designated beneficiary or over a period certain not exceeding:
  - (i) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the participant's death; or
  - (ii) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the annuity starting date.
- (2) No Designated Beneficiary.** If the participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the participant's death, distribution of the participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
- (3) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin.** If the participant dies before the date distribution of his or her interest begins, the participant's surviving spouse is the participant's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section 3.15(e) will apply as if the surviving spouse were the participant, except that the time by which distributions must begin will be determined without regard to Section 3.15(b)(2)(i).

**(f) Definitions.**

- (1) Designated beneficiary.** The individual who is designated as the beneficiary under Article 1 of the plan and is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.
- (2) Distribution calendar year.** A calendar year for which a minimum distribution is required. For distributions beginning before the participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the participant's required beginning date. For distributions beginning after the participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Section 3.15(b)(2).

- (3) Life expectancy.** Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.
- (4) Required beginning date.** The date specified in Section 6.6(d)(ii) of the plan.

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## Article IV — Pension Credits, Breaks In Service, And Vested Status

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**4.1 OUTLINE.** The purpose of this Article is to define the manner in which Participants will accumulate credit toward eligibility for a pension under this Plan. The general intention is to provide benefits to Participants who Retire at the Normal Retirement Age after earning a minimum of 10 Pension Credits in Covered Employment. This Article also defines circumstances under which a Participant loses the Pension Credits and years of Vesting Service which she may have previously accumulated.

### 4.2 PENSION CREDIT FOR CALENDAR YEARS BEFORE JANUARY 1, 1994.

- (a) A Participant may receive Pension Credit for the period or periods of her work prior to January 1, 1994, if such work was performed for an Employer who is or was signatory to a Collective Bargaining Agreement with the Union on January 1, 1994 or on a date thereafter and such employment was in a job category defined in the Collective Bargaining Agreement. A Participant will receive Pension Credit on the basis of weeks of work within the Calendar Years prior to January 1, 1994 according to the following schedule:

<u>Weeks of Work</u> <u>Within the Calendar Year</u>	<u>Pension Credit</u>
12-23	14
24-35	1/2
36-47	3/4
48 or more	1

- (b) It is recognized that in many cases it will be difficult, because of changing employment, to establish past years of service in Covered Employment. Therefore, it may be presumed that an Employee remained active as a home care attendant engaged in Covered Employment throughout the period of her membership in the Union.
- (c) In no event shall a Participant be granted more than 10 Pension Credits or 10 years of Vesting Service for periods before the Contribution Period.

**4.3 PENSION CREDIT FOR NON-WORKING PERIODS PRIOR TO JANUARY 1, 1994.** This Section recognized certain periods when a Participant is not actually working in Covered Employment but is to receive Pension Credits just as if she were working in Covered Employment. This provision applies only if the Participant has prior credits (in accordance with Section 4.2). Periods of absence from Covered Employment are to be credited up to a maximum of 2 Pension Credits as if they were periods of work in Covered Employment if they were due to temporary or permanent disability (the latter being judicially determined) arising from Covered Employment for a period (not exceeding 12 months) compensated by the Workers' Compensation Law or New York Disability Benefits Law.

### 4.4 PENSION CREDIT ON AND AFTER JANUARY 1, 1994.

A Participant shall be credited with Pension Credit on the basis of her Hours of Service in Covered Employment during a Plan Year in which contributions to the Pension Fund were made on her behalf in

accordance with the following schedule:

<b>Hours In Covered Employment</b>	<b>Pension Credits</b>
Less than 250	0
250 but less than 500	1/4
500 but less than 750	1/2
750 but less than 1,000	3/4
1,000 or more	1

#### **4.5 PENSION CREDIT FOR PROFESSIONAL STAFF EMPLOYEES.**

Notwithstanding the above, a Professional Staff Employee earns Pension Credits as follows:

For Years Before January 1, 1977: A Professional Staff Employee will receive one year of Pension Credit for each year, before January 1, 1977, she worked 1000 hours or more if the work was for an Employer that signed it's Collective Bargaining Agreement with the Union on January 1, 1977, or a later date, and she worked in a job category covered by the Collective Bargaining Agreement.

For Years After January 1, 1977: Same as in Section 4.4.

For the purposes of calculating pension and vesting credits for a Professional Staff Employee, it shall be presumed that a Participant works 35 hours per week.

#### **4.6 BREAKS IN SERVICE ON OR AFTER JANUARY 1, 1994.**

( a ) **General.** If a person has a Break in Service before attaining Vested Status, it has the effect of canceling her standing under the Plan, that is, her participation, her previously credited years of Vesting Service, and her previous Pension Credits. However, a Break may be temporary, subject to repair by a sufficient amount of subsequent service. A longer Break may be permanent.

#### **( b ) One-Year Break in Service.**

- (1) A Participant has a One-Year Break in Service in any Calendar Year after December 31, 1993 (January 1, 1977 for a Professional Staff Employee) in which she fails to complete 500 Hours of Service in Covered Employment.
- (2) Time of employment with a Contributing Employer in non-covered employment after December 31, 1993 (December 31, 1976 for a Professional Staff Employee), shall be counted as if it were Covered Employment in determining whether a Break in Service has been incurred.
- (3) Periods of absence while on leave under the Family and Medical Leave Act will not count towards a One-Year Break in Service.
- (4) If a One-Year Break in Service occurs, a Participant will lose all Pension Credits and Years of Vesting Service, as of the last day of the Calendar Year in which the break

occurs, unless the Participant has attained Vested Status prior to such last day.

- (5) A One-Year Break in Service is repairable, in the sense that its effects are eliminated if, before incurring a Permanent Break in Service, the Participant subsequently earns 1/2 Pension Credit (500 hours). More specifically,
- (i) Previously earned years of Vesting Service and Pension Credits are restored.
  - (ii) Nothing in this paragraph (v) shall change the effect of a Permanent Break in Service.

**(c) Permanent Break in Service.**

A Participant who has not attained Vested Status and has earned four or fewer years of Vesting Service has a permanent Break in Service if she has at least five consecutive One-Year Breaks in Service.

In the case of a Participant who does not have one Hour of Service after 1998 (1988 for a Participant not covered by a Collective Bargaining Agreement), if the Participant has not attained Vested Status, she will have a permanent Break in Service if she has a number of consecutive One-Year Breaks in Service that equal or exceed the number of years of Vesting Service with which she has been credited prior to the break.

**4.7 CREDIT FOR MATERNITY/PATERNITY LEAVE.**

Solely for the purpose of determining whether a One-Year Break in Service has occurred, if a Participant is absent from Covered Employment by reason of:

- (a) her pregnancy,
- (b) birth of a child of such Participant,
- (c) placement of a child with such Participant in connection with adoption of such child, or
- (d) care for such child for a period beginning immediately following such birth or placement; the Hours of Service that would otherwise normally have been credited to such Participant but for such absence shall be treated as Hours of Service to a maximum of 501 Hours of Service for each pregnancy or placement. The hours so credited shall be applied to the Calendar Year in which such absence begins if doing so will prevent the Participant from incurring a One-Year Break in Service that year; otherwise, they shall be applied to the immediately following Calendar Year. The Fund may require, as a condition for granting such credit, that the Participant establish to the satisfaction of the Trustees that the absence is for one of the reasons specified and the number of hours for which such absence occurred.

**4.8 VESTING SERVICE AND VESTED STATUS**

- (a) A Participant shall be credited with one (1) year of Vesting Service, for each Plan Year in which she earns at least one thousand Hours of Service. For each Plan Year in which the Participant works less than one thousand hours, she will not be credited with any years of Vesting Service. Participants cannot earn partial years of Vesting Service. Once a person has achieved Vested Status, her Pension Credit becomes vested and is nonforfeitable.

- (b) A Participant's right to her accrued benefit is nonforfeitable upon her attainment of Vested Status. Vested Status is earned as follows:
- (1) A Participant attains Vested Status upon reaching Normal Retirement Age while in Covered Employment.
  - (2) A Participant with one or more Hours of Service on or after January 1, 1999, acquires Vested Status upon completion of five years of Vesting Service.
  - (3) A Participant who does not meet the requirements in paragraph (b)(i) or (ii) above acquires Vested Status after completion of ten years of Vesting Service.
  - (4) A Participant who is not represented by a Union for purposes of collective bargaining and who has an Hour of Service on or after January 1, 1989 as a Participant acquires Vested Status upon completion of a least five years of Vesting Service, none of which has been canceled by a Permanent Break in Service.
  - (5) Years of Vesting Service that are not taken into account because of a Permanent Break in Service do not count in determining a Participant's Vested Status.

No forfeitures due to failure to attain Vested Status shall be applied to increase the benefits of any Participant.

- (c) ERISA also provides certain limitations on any Plan amendments that may change the Plan's vesting schedule. In accordance with those legal limitations, no amendment of this Plan may take away a Participant's Vested Status if she has already earned it at the time of the amendment. Also, an amendment may not change the schedule on the basis of which a Participant acquires Vested Status, unless each Participant who has credit for at least three years of Vesting Service at the time the amendment is adopted or effective (whichever is later) is given the option of achieving Vested Status on the basis of the pre-amendment schedule. That option must be exercised within 60 days after the latest of the following dates:
- (1) when the amendment was adopted,
  - (2) when the amendment was effective, or
  - (3) when the Participant was given written notice of the amendment.

**4.9 WORK IN NONCOVERED EMPLOYMENT.** If a Participant works for a Contributing Employer in a job not covered by this Plan, and such employment is continuous with her employment with that Employer in Covered Employment, her Hours of Service in such non-covered job during the Contribution Period shall be counted toward a year of Vesting Service, but not for purposes of benefit accrual.

**4.10 MILITARY SERVICE.** Effective December 12, 1994 and notwithstanding any provision of this Plan to the contrary, contributions, benefits, credits for service and avoidance of breaks in service with respect to qualified military service will be provided in accordance with Internal Revenue Code §414(u). To the extent required by section 414(u)(12) of the Code and regulations or other guidance issued thereunder, an individual receiving differential wage payments (within the meaning of section 3401(h)(2) of the Code) from an Employer shall be treated as an Employee and the differential wage payments shall be treated as compensation.

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## **Article V —Optional Forms of Pension**

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**5.1 GENERAL.** The following general provisions, that is, subsections 5.1(a), (b), (c), and (d), are subject to all of the conditions and limitations in this Article:

- (a) If a Married Participant makes an application for a pension benefit, the benefit is to be paid as a Husband-and-Wife Pension unless:
  - (1) the Participant and Spouse elect otherwise in accordance with Section 5.2(h); or
  - (2) the Spouse is not a Qualified Spouse.
- (b) A Married Participant with a Qualified Spouse, who has rejected a Husband-and-Wife Pension under Section 5.2(h), may select either the Optional Husband-and-Wife Pension (available after 2007) or the Life Annuity (With 60 Months Certain).
- (c) If a Married Participant, who has a Qualified Spouse and has attained Vested Status, dies before any pension payments have started, a Pre-retirement Surviving Spouse Pension shall be payable to his surviving Spouse.
- (d) If a Participant, who is Not Married, or is Married but does not have a Qualified Spouse, makes an application for a pension benefit, the benefit is to be paid as a Life Annuity (With 60 Months Certain).

### **5.2 FORM OF PENSION PAYMENT.**

- (a) The pension of a Participant who is Married to a Qualified Spouse shall be paid in the form of a Husband-and-Wife Pension, unless a valid waiver of that form of payment has been filed with the Plan.
- (b) A Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 50% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be a percentage of the full monthly amount of the Regular Pension, Early Retirement Pension, or Vested Pension, as applicable, adjusted as follows:
  - (1) The percentage shall be 96% plus .3% for each full year that the Spouse is older than the Participant and minus .3% for each full year that the Spouse is younger than the Participant;
  - (2) In no event is the percentage to be greater than 99%.
- (c) The pension of a Participant who is not Married to a Qualified Spouse shall be paid in the form of a Life Annuity (With 60 Months Certain). The pension of a Participant who is Married to a Qualified Spouse, and who elects not to be paid in the form of a Husband-And-Wife Pension, shall be paid in the form of an Optional Husband-and-Wife Pension (available after 2007) or a Life Annuity (With 60 Months Certain), whichever the

Participant selects.

- (d) A Life Annuity (With 60 Months Certain) pays a monthly annuity for life, which is equal to the Participant's Regular Pension, Early Retirement Pension, or Vested Pension, as applicable, with no further adjustment. However, if the Participant dies before receive 60 monthly payments, then payments (in the same amount) shall continue to be paid to the Beneficiary, until a total of 60 payments have been made to the Participant and Beneficiary.
- (e) An Optional Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 75% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be a percentage of the full monthly amount of the Regular Pension, Early Retirement Pension, or Vested Pension, as applicable, adjusted as follows:
  - (1) The percentage shall be 94% plus .4% for each full year that the Spouse is older than the Participant and minus .4% for each full year that the Spouse is younger than the Participant;
  - (2) In no event is the percentage to be greater than 99%.
- (f) A Husband-and-Wife Pension or an Optional Husband-and-Wife Pension, once payments have begun, may not be revoked nor may the Pensioner's benefits be increased by reason of subsequent divorce or death of the Spouse before that of the Participant.

Notwithstanding the above, except for a Professional Staff Employee, for pensions whose Annuity Starting Date is on or after July 1, 2004 and are payable as a Husband and Wife Pension, if the Participant's Spouse predeceases the Pensioner the monthly amount payable to the Pensioner thereafter shall then be increased to the monthly amount it would have been had the benefit not been adjusted for the difference in age between the Participant and her Spouse. This increase shall only be upon a prospective basis.

- (g) No more than 180 days, and no less than 30 days, before the Participant's Annuity Starting Date, the Participant and his Spouse, if any, shall be provided with the a written explanation of: (i) the terms and conditions of the Husband-and-Wife Pension, and of the other optional forms of benefit payment under the Plan; (ii) the material features, eligibility conditions, relative values, and financial effect of being paid in the Husband - and-Wife Pension and in each of the other payment forms; (iii) the Participant's right to elect, and the effect of an election, to waive the Husband-and-Wife Pension, and to then elect to receive one of the other optional forms of benefit payment under the Plan; (iv) the right of the Participant to revoke any such elections, and the final date on which such revocation may be made; (v) the right of the Spouse to consent to any election by the Participant to waive the Husband-and-Wife Pension, and to select one of the other optional forms of benefit payment under the Plan; (vi) the right to defer the start of benefit payments and the consequences of failing to so defer, including a description of how much larger benefits will be if the start of payments is so deferred; and (vii) any other information required by the notice requirements of Code section 417(a)(3) and Treasury Regulation § 1.417(a)(3)-1.

It is provided, however, that the written explanation may be provided less than 30 days prior to the Annuity Starting Date, so long as: (i) the Participant, after having received the

written explanation, affirmatively elects a form of distribution and the Spouse consents to that form (if her consent is necessary); (ii) the Plan provides information to the Participant clearly indicating that the Participant has a right to at least 30 days to consider whether to waive the Husband -And-Wife Pension and elect another payment form, and that the Election Period will be extended accordingly; (iii) the Participant is permitted to revoke an affirmative payment form election, at any time, up to the later of Annuity Starting Date or the First Payment Date; (iv) the Annuity Starting Date is after the date that the written explanation is provided; and (v) payment of the pension benefit, in accordance with the Participant's affirmative election, does not commence before the expiration of the 7-day period that begins the day after the written explanation is provided.

- (h) At any time during the Election Period, the Participant may accept, or if applicable may waive and select, forms of pension payment. Such acceptance, or waiver and selection, shall be provided on an election form, furnished by the Plan, and completed and filed with the Plan prior to the close of the Election Period, as follows.
- (1) If the Participant has a Qualified Spouse, the Participant must complete the Election Form. On the form, the Participant shall elect to receive the Husband-and-Wife Pension, or shall waive that form and elect to receive either the Optional Husband-and-Wife or the Life Annuity (With 60 Months Certain). If the Participant elects the Life Annuity (With 60 Months Certain), he shall designate a Beneficiary to receive any payments to be made under that form following the Participant's death. In addition, if the Participant's Annuity Starting Date precedes his Normal Retirement Age, the Participant must consent to the immediate start of benefit payments.
  - (2) If the Participant described in (i) above waives the Husband-and-Wife Pension, then, on the Election Form, his Spouse must consent to, and acknowledge the effect on her of: (A) such waiver; (B) the particular form of benefit payment the Participant has elected; (C) if the Participant has elected the Life Annuity (With 60 Months Certain), the Beneficiary the Participant has designated; and (D) if the Participant's Annuity Date precedes her Normal Retirement Age, the immediate start of benefit payments.
  - (3) The Spouse must sign the election form, and her signature must be notarized. However, the consent and signature of the Spouse is not required if it is established to the satisfaction of the Trustees that such consent and signature cannot be obtained because there is no Spouse, because the Spouse cannot be located, or because of such other circumstances as prescribed by the applicable Treasury regulations. Also, if a Participant is legally separated or has been abandoned (within the meaning of the law of the Participant's State of residence) and the Participant has a court order to that effect, spousal consent is not required unless a Qualified Domestic Relations Order provides otherwise. In addition, if the Spouse is legally incompetent to give consent, the Spouse's legal guardian, even if the guardian is the Participant, may give consent. Any consent by a Spouse (or the individual who signs for a legally incompetent Spouse), or the establishment

that the consent of a Spouse may not be obtained, shall be effective only with respect to that Spouse.

- (4) If the Participant does not have a Qualified Spouse, the Participant must complete the election form. On the form, the Participant will: (A) acknowledge that his pension benefit will be paid in the form of a Life Annuity (With 60 Months Certain); (B) designate a Beneficiary to receive any payments to be made under that form following the Participant's death; and (C) if the Participant's Annuity Starting Date precedes his Normal Retirement Age, consent to the immediate start of benefit payments.
- (i) Once an election form has been filed with the Plan, a Participant may revoke such election form, without any spousal consent, and complete and file with the Plan a new election form, with spousal consent where applicable, at any time prior to the later of the Annuity Starting Date or the First Payment Date. The number of such revocations and new election forms is not limited. However, an election form may not be revoked on or after the later of the Annuity Starting Date or the First Payment Date.

### **5.3 PAYMENT FORMS FOR PROFESSIONAL STAFF EMPLOYEES.**

Notwithstanding the foregoing, in the case of a Professional Staff Employee, a Married Participant with a Qualified Spouse who waives the Husband-and-Wife Pension may elect to receive a 75% Husband-and-Wife Pension, a 100% Husband-and-Wife Pension, a Life Annuity (With 120 Months Certain), or a Straight Life Annuity as described below:

- (a) A Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 50% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be the Regular Pension, Early Retirement Pension, Vested Pension or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest.
- (b) A 75% Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 75% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be the Regular Pension, Early Retirement Pension, Vested Pension or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest.
- (c) A 100% Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 100% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be the Regular Pension, Early Retirement Pension, Vested Pension or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest.

- (d) A Life Annuity (With 120 Months Certain) pays a monthly annuity for life, which is equal to the Participant's Regular Pension, Early Retirement Pension, Vested Pension, or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest. However, if the Participant dies before receiving 120 monthly payments, then payments (in the same amount) shall continue to be paid to the Beneficiary, until a total of 120 payments have been made to the Participant and Beneficiary.
- (e) A Straight Life Annuity pays a monthly annuity for life, which is equal to the Participant's Regular Pension, Early Retirement Pension, Vested Pension, or Disability Pension, as applicable, with no adjustment and no continuance to any Beneficiary after death.

The pension of a Professional Staff Employee who is not Married to a Qualified Spouse shall be paid in the form of a Life Annuity (With 120 Months Certain) or a Straight Life Annuity, as described above. If a Professional Staff Employee became a Participant before 1985, her pension benefit may, at her election and consent of her Spouse (if any), be paid in a lump sum which is the Actuarial Equivalent of her pension benefit. Section 5.1 and Section 5.2(f), (g), (h) and (i) shall apply to a Professional Staff Employee, substituting the payment forms available to such employee for the payment forms set forth therein.

#### **5.4 PRE-RETIREMENT SURVIVING SPOUSE PENSION.**

- (a) If a Participant who has a Qualified Spouse dies before her pension payments start but at a time when she had attained Vested Status, a Pre-retirement Surviving Spouse Pension shall be paid to her surviving Spouse.
- (b) If the Participant described in (a) above died at a time when she would have been eligible to begin receiving payment of a pension had she Retired, the surviving Qualified Spouse shall be entitled to a Pre-retirement Surviving Spouse Pension equal to the life annuity payable to him, determined as if the Participant had Retired with an immediate Husband-and-Wife Pension on the day before she died.
- (c) If the Participant described in (a) above died before she would have been eligible to begin receiving pension payments had she Retired, the surviving Qualified Spouse shall be entitled to a Pre-retirement Surviving Spouse Pension calculated as if the Participant: (i) had separated from service under the Plan on the earlier of the date she last worked in Covered Employment or the date of her death, (ii) had survived to the earliest age at which a pension would be payable to her under the Plan, (iii) had Retired at that age with an immediate Husband-and-Wife Pension, and (iv) had died the next day.
- (d) Payment of the Pre-retirement Surviving Spouse Pension begins, in the case of a Participant described in (b) above, immediately following the Participant's death, and in the case of a participant described in (c) above, when the Participant would have attained the earliest age at which payment of her pension benefit could have started. The amount of the Preretirement Surviving Spouse Pension shall be determined under the terms of the Plan in effect when the Participant last worked in Covered Employment, unless otherwise expressly specified.
- (e) Notwithstanding any other provisions of this Article, a Pre-retirement Surviving Spouse Pension shall not be paid at the time described above, if the Spouse elects in writing filed with the

Trustees, and on whatever form they may prescribe, to defer commencement of the Pre-retirement Surviving Spouse Pension until a specified date that is no later than the first of the month on or immediately before the later of: (i) the end of the calendar year immediately following the calendar year in which the employee died or (ii) the end of the calendar year in which the employee would have attained age 70 1/2. The amount payable at that time shall be determined as described in this Section 5.4, increased to be the Actuarial Equivalent of the amount starting at the time described in (d) above.

**5.5 RELATION TO QUALIFIED DOMESTIC RELATIONS ORDER.** Any rights of a former Spouse or other alternative payee under a Qualified Domestic Relations Order, with respect to a Participant's pension, shall take precedence over those of any later Spouse of the Participant under this Article.

**5.6 QUALIFIED MILITARY SERVICE DEATH BENEFITS.** In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing Qualified Military Service (as defined in Code section 414(u)), the survivors of the Participant are entitled to any benefits provided under the Plan as if the Participant had resumed and then terminated employment on account of death.

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## Article VI — Applications, Benefit Payments, And Retirement

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**6.1 APPLICATIONS.** A pension must be applied for in writing, on an approved application form, filed with the Trustees at least one month in advance of the first month for which benefits could be payable. The plan does not permit retroactive Annuity Starting Dates. Once completed application has been received by the Trustees, the Trustees will assign an Annuity Starting Date to the Participant.

**6.2 INFORMATION AND PROOF.** Every Participant, Pensioner, Spouse or Beneficiary shall furnish, at the request of the Trustees, any information or proof reasonably required to determine her benefit rights. If the claimant makes a willfully false statement material to her application or furnishes fraudulent information or proof, material to her claim, benefits not vested under this Plan may be denied, suspended, or discontinued. The Trustees shall have the right to recover any benefit payments made in reliance on any willfully false or fraudulent statement, information or proof submitted by a Participant or Pensioner.

**6.3 ACTION OF TRUSTEES.** The Trustees shall have exclusive discretionary authority to administer and operate the Plan in accordance with its terms. Subject to the requirements of law, the Trustees shall be the sole judges of the standard of proof required in any case involving the application and interpretation of this Plan, and decisions of the Trustees, subject to the Plan's appeals and review procedure, shall be final and binding on all parties.

Whenever in the Plan, the Trustees are given discretionary powers, the Trustees shall exercise such powers in a uniform and nondiscriminatory manner.

The Trustees may, from time to time, adopt by resolution objective standards under which benefits, eligibility or administration of the Plan is provided or operated.

**6.4 TRUSTEES' RELIANCE.** In making determinations under this Article, the Trustees shall be entitled to rely on written representations, consents, and revocations submitted by Participants, Spouses or other parties and, unless such reliance is arbitrary or capricious, the Trustees' determinations shall be final and binding, and shall discharge the Fund and the Trustees from liability. This means that, unless the Plan is administered in a manner determined to be inconsistent with the fiduciary standards of Part 4 of Title I of ERISA, the Fund shall not be liable under this Article for, among other things, duplicate benefits with respect to the same Participant, or for surviving Spouse benefits in excess of the actuarial present value of the benefits described in this Section, determined as of the Annuity Starting Date of the Participant's pension or, if earlier, the date of the Participant's death.

**6.5 RIGHT OF APPEAL.** A Participant or Beneficiary whose application for benefits under this Plan has been denied, in whole or in part, shall have the right to appeal the decision by written request filed with the Trustees pursuant to the Plan's claims procedure set forth in Article IX.

### **6.6 BENEFIT PAYMENTS GENERALLY.**

- (a) A Participant who is eligible to receive benefits under this Plan and makes application in accordance with the rules of this Pension Plan shall be entitled upon Retirement to receive the monthly benefits provided for the remainder of her life, subject to the provisions of this Plan.

- (b) However, in no event unless a Participant elects otherwise, shall the payment of benefits begin later than the 60<sup>th</sup> day after the later of the close of the Plan Year in which:
  - (1) The Participant attains age 65, or
  - (2) The Participant terminates Covered Employment and Retires as that term is defined in Section 6.7 of this Article A Participant may, however, elect in writing filed with the Trustees, to receive benefits first payable for a later month, provided that no such election postpones the Annuity Starting Date of the Participant's pension until after the Required Beginning Date as defined in Section 6.6(d)(ii).
- (c) In the case of an Annuity Starting Date that occurs on or after Normal Retirement Age, such date applies to any additional benefit accruals after the Annuity Starting Date. In the case of an Annuity Starting Date that occurs prior to Normal Retirement Age, such date does not apply to any additional benefit accruals after such date.
- (d) Notwithstanding any provision of the Plan to the contrary, the Fund will begin benefit payments to all Participants by their Required Beginning Dates, whether or not they apply for benefits.
  - (1) A Participant's Required Beginning Date is April 1, of the Calendar Year following the year the Participant reaches 70-1/2.
  - (2) If a Participant who is definitely located fails to file a completed application for benefits on a timely basis, the Fund will establish the Participant's Required Beginning Date as the Annuity Starting Date and begin benefit payments as follows:
    - (i) In the form of a Husband-and-Wife Pension calculated on the assumptions that the Participant is and has been married for at least one year by the date payments start and that the husband is 3 years older than the wife.
    - (ii) The benefit payment form specified here will be irrevocable once it begins, with the sole exception that it may be changed to a single-life annuity if the Participant proves that she did not have a Qualified Spouse (including an alternate payee under a QDRO) on the Required Beginning Date; also, the amounts of future benefits will be adjusted based on the actual age difference between the Participant and Spouse if proven to be different from the foregoing assumptions.
    - (iii) Federal, state and local income tax, and any other applicable taxes, will be withheld from the benefit payments as required by law or determined by the Trustees to be appropriate for the protection of the Fund and the Participant.
- (e) Any additional benefits earned by a Participant in Covered Employment after Normal Retirement Age will be determined at the end of each Plan Year and will be payable as of January 1, following the end of the Plan year in which it accrued, provided payment of benefits at that time is not suspended pursuant to Section 6.8 or postponed due to the Participant's continued employment.

Additional benefits described in this Subsection that are not suspended or postponed will be paid in the payment form in effect for the Participant as of the Annuity Starting Date most recently preceding the date the additional benefit became payable.

- (f) Pension payments shall end with the payment for the month in which the death of the Pensioner occurs except as provided in accordance with a Husband-and-Wife Pension (Article V) and any other provision of this Plan for payments after the death of the Pensioner.

**6.7 RETIREMENT.** To be considered retired, to retire, or to be in retirement, a Participant must have separated from any employment with Contributing Employers within the "geographic area" covered by this Plan.

The "geographic area" covered by the Plan is the State of New York and any other area covered by the Plan when the Participant's pension began or, but for suspension under this Article, would have begun.

**6.8 SUSPENSION OF BENEFITS.**

**(a) Before Normal Retirement Age.**

If any Pensioner, subsequent to Retirement but prior to attaining Normal Retirement Age, engages in Disqualifying Employment, payment of her pension benefit shall be suspended for any month during which such Pensioner is so engaged in such employment and, except for a Professional Staff Employee, for up to six months after such employment ceases.

**(b) After Normal Retirement.**

If any Pensioner, subsequent to Retirement and after attaining Normal Retirement Age, engages in Disqualifying Employment, payment of her pension benefit shall be suspended for any month in which she worked or was paid for at least 40 hours of such employment.

**(c) Definition of Suspension.**

"Suspension of benefits" for a month means non-entitlement to payment of benefits for the month. If benefits were paid for a month for which benefits were later determined to be suspended, the erroneous payments shall be recoverable through deductions from future pension payments, pursuant to and in accordance with Section 6.8.

**(d) Notices.**

- (1) At Normal Retirement Age or upon commencement of pension payments, the Trustees shall notify the Participant of the Plan rules governing suspension of benefits, including a description of work that constitutes Disqualifying Employment. If benefits have been suspended and payment resumed, new notification shall, upon resumption, be given to the Participant, if there has been any material change in the suspension rules or the definition of Disqualifying Employment.

- (2) A Participant must, at such time and with such frequency as may be reasonable, as a condition to receiving future benefit payments, either certify that he is unemployed or provide factual information sufficient to establish that any employment does not constitute disqualifying employment, if specifically requested by the Trustees.
  
- (3) A Pensioner shall notify the Plan in writing within 21 days after starting any work of a type that is or may be disqualifying under the provisions of the Plan and without regard to the number of hours of such work (that is, whether or not less than 40 hours in a month). The Plan may request from an employee access to reasonable information for the purpose of verifying such employment. If a Pensioner has worked in Disqualifying Employment in any month and has failed to give timely notice to the Plan of such employment, the Trustees shall presume that she worked for at least 40 hours in such month and any subsequent month before the Pensioner gives notice that she has ceased disqualifying employment, and may suspend benefits on this basis. The Pensioner shall have the right to overcome such presumption by establishing that her work was not in fact an appropriate basis, under the Plan, for suspension of her benefits.
  - (i) If the Pensioner fails to give the notice required by the preceding paragraphs, the Trustees, in their discretion, may suspend payment of benefits for up to an additional 12 months after the suspension would otherwise end.
  - (ii) The Trustees shall inform Participants at least once every 12 months of the reemployment notification requirements and the presumptions set forth above.
  
- (4) A Pensioner whose pension has been suspended shall notify the Plan when Disqualifying Employment has ended. The Trustees shall have the right to hold back benefit payments until such notice is filed with the Plan.
  
- (5) A Pensioner may ask the Plan whether a particular employment will be disqualifying. The Plan shall provide the Pensioner with its determination.
  
- (6) The Plan shall inform a Pensioner of any suspension of benefits by notice given by personal delivery or first class mail during the first calendar month in which her benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, a general description of why benefit payments are suspended, a copy of the relevant provisions of the Plan, reference to the applicable regulation of the U.S. Department of Labor in 29 CFR 2530.203-3 and a statement of the procedure for securing a review of the suspension. In addition, the notice shall describe the procedure for the Pensioner to notify the Plan when her disqualifying employment ends or to provide any other notice or certification required or request permitted hereunder. If the Plan intends to recover prior overpayments by offset, the suspension notice shall explain the offset procedure and identify the amount expected to be recovered and the periods of employment to which they relate.

**(e) Required Beginning Date.**

If the Pensioner attains her Required Beginning Date on or after January 1, 1994 she may, on or after the Required Beginning Date, work in any trade or occupation and continue to receive pension benefits from this Fund without any suspension of benefits, restrictions and/or penalties.

**(f) Review.**

A Pensioner shall be entitled to a review of a determination suspending her benefits by written request filed with the Trustees within 180 days of the notice of suspension.

The same right of review shall apply, under the same terms, to a determination by or on behalf of the Trustees that contemplated employment will be disqualifying.

**6.9 BENEFIT PAYMENTS FOLLOWING SUSPENSION.**

**(a) Resumption of Benefit Payments**

- (1) Benefits shall be resumed for months after the last month for which benefits were suspended, with payments beginning no later than the third month after the last calendar month for which the Pensioner's benefit was suspended, provided the Pensioner has complied with the notification requirements of Section 6.8(d)(iv).
- (2) Overpayments attributable to payments made for any month or months for which the Pensioner had Disqualifying Employment shall be deducted from pension payments otherwise paid or payable subsequent to the period of suspension. A deduction from a monthly benefit for a month after the Pensioner attained Normal Retirement Age shall not exceed 25 percent of the pension amount (before deduction), except for the first pension payment made upon resumption after a suspension. If a Pensioner dies before recoupment of overpayments has been completed, deductions shall be made from the benefits payable to her Beneficiary or contingent annuitant, subject to the 25 percent limitation on the rate of deduction.

**(b) Exception to Preserve Nonforfeitable Benefits**

Suspension of such benefits prior to a Pensioner's attainment of Normal Retirement Age shall not affect the Pensioner's entitlement to a Regular Pension payable after attainment of Normal Retirement Age, or the Actuarial Equivalent thereof.

**6.10 NON-DUPLICATION WITH DISABILITY BENEFITS.** No pension benefits shall be payable for any month for which the Participant or Pensioner receives wage indemnification for disability under the State of New York Disability Benefits Law. Pension benefits payable for any month for which the Participant or Pensioner receives wage indemnification for disability from the State of New York Disability Benefits Law shall be reduced by the amount of such disability payment.

**6.11 INCOMPETENCE OR INCAPACITY OF A PENSIONER OR BENEFICIARY.** In the event it is determined to the satisfaction of the Trustees that a Pensioner or Beneficiary is unable to care for his or her affairs because of mental or physical incapacity, any payment due may be applied

to the maintenance and support of such Pensioner or Beneficiary or to such person as the Trustees find to be an object of the natural bounty of the Pensioner or Beneficiary, based upon available information, unless, prior to such payment, claim shall have been made for such payment by a legally-appointed guardian, committee, or other legal representative appropriate to receive such payments on behalf of the Pensioner or Beneficiary.

#### **6.12 NON-ASSIGNMENT OF BENEFITS.**

- (a) No Participant, Pensioner or Beneficiary entitled to any benefits under this Plan shall have the right to assign, alienate, transfer, encumber, pledge, mortgage, hypothecate, anticipate, or impair in any manner her legal or beneficial interest under the Plan, or any interest in assets of the Pension Fund, or in any benefits of this Plan. Neither the Pension Fund nor any of the assets thereof shall be liable for the debts of any Participant, Pensioner or Beneficiary entitled to any benefits under this Plan, nor be subject to attachment or execution or process in any court action or proceeding.
- (b) Notwithstanding the foregoing or any other provision of the Plan, subsection (a) shall not preclude:
  - (1) Any benefits from being paid in accordance with a Qualified Domestic Relations Order, or
  - (2) Any offset of a Participant's benefits provided under the Plan against an amount that the Participant is ordered or required to pay to the Plan if:
    - (i) the order or requirement to pay arises—
      - (A) under a judgment of conviction for a crime involving the Plan,
      - (B) under a civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a breach (or alleged breach) of fiduciary duty under ERISA, or
      - (C) pursuant to a settlement agreement between the Secretary of Labor and the Participant, or a settlement agreement between the Pension Benefit Guaranty Corporation and the Participant, in connection with a breach (or alleged breach) of fiduciary duty under ERISA,
    - (ii) the judgment, order, decree, or settlement agreement expressly provides for the offset of all or part of the amount ordered or required to be paid to the Plan against the Participant's benefits provided under the Plan, and
    - (iii) in a case in which the survivor annuity requirements of section 401(a)(11) of the Code apply with respect to distributions from the Plan to the Participant, if the Participant has a Spouse at the time at which the offset is to be made—

- (A) either such Spouse has consented in writing to such offset and such consent is witnessed by a notary public or representative of the plan (or it is established to the satisfaction of a plan representative that such consent may not be obtained by reason of circumstances described in section 417(a)(2)(B) of the Code, or an election to waive the right of the Spouse to either a qualified joint and survivor annuity or a qualified preretirement survivor annuity is in effect in accordance with the requirements of section 417(a) of the Code),
- (B) such Spouse is ordered or required in such judgment, order, decree, or settlement to pay an amount to the Plan in connection with a breach of fiduciary duty under ERISA, or
- (C) in such judgment, order, decree, or settlement, such Spouse retains the right to receive the survivor annuity under a qualified joint and survivor annuity provided pursuant to section 401(a)(11)(A)(i) of the Code and under a qualified preretirement survivor annuity provided pursuant to section 401(a)(11)(A)(ii) of the Code, determined in accordance with section 401(a)(11)(D) of the Code.

**6.13 NO RIGHT TO ASSETS.** No person other than the Trustees of the Pension Fund shall have any right, title or interest in any of the income or property of any funds received or held by or for the account of the Pension Fund, and no person shall have the right to benefits provided by the Pension Plan except as expressly provided herein.

**6.14 MAXIMUM BENEFITS.** The provisions of this Section 6.13 shall apply as of January 1, 2014. The benefits paid under this Plan shall not exceed the benefits allowable under section 415 of the Code, the terms of which are incorporated by reference in this Plan. For this purpose, the "Limitation Year" shall be the Plan Year, and "Compensation" shall have the meaning assigned to it below.

- (a) The annual benefit paid to a Participant in any Limitation Year shall be adjusted so that it does not exceed the maximum permissible amount under Code section 415 for that Limitation Year.
- (b) In addition, the benefit earned or accrued in any Limitation Year by a Participant shall be adjusted, but only to the extent necessary to satisfy Code section 415, so that the benefit accrued does not exceed the maximum permissible amount that may be accrued or earned Code section 415 in that Limitation Year.
- (c) In the event that benefits of this Plan must be aggregated with benefits of another plan to determine compliance with Code section 415, the benefits of the other plan shall be adjusted to the extent necessary to comply with Code section 415.
- (d) If the benefit under the Plan is payable in any form other than a straight life annuity, the determinations as to whether the limitation described in Code section 415(b)(1) has been satisfied shall be made by adjusting such benefit so that it is equivalent to a straight life annuity. For this purpose, that portion of any joint and

survivor annuity which constitutes a qualified joint and survivor annuity (as defined in Code section 417) shall not be taken into account.

- (e) If the benefit under the Plan begins before age 62, the determination as to whether the dollar limitation of Code section 415(b)(1)(A) has been satisfied shall be made by reducing such dollar limitation, so that such limitation (as so reduced) equals an annual benefit (beginning when such benefit begins) which is equivalent to an annual benefit equal to the amount of such dollar limitation beginning at age 62.
- (f) If the benefit under the Plan begins after age 65, the determination as to whether the dollar limitation of Code section 415 (b)(1)(A) has been satisfied shall be made by increasing such dollar limitation, so that such limitation (as so increased) equals an annual benefit (beginning when such benefit begins) which is equivalent to an annual benefit equal to the amount of such dollar limitation beginning at age 65.
- (g) For purposes of adjusting any limitation under subsection (e) and, except as provided in the next sentence, for purposes of adjusting any benefit under subsection (d), the interest rate assumption shall not be less than the greater of 5 percent or the rate specified in the Plan. For purposes of adjusting any benefit under subsection (d) for any form of benefit subject to Code section 417(e)(3), the interest rate assumption shall not be less than the greatest of: (i) 5.5 percent, (ii) the rate that provides a benefit of not more than 105 percent of the benefit that would be provided if the applicable interest rate (as defined in Code section 417(e)(3)) were the interest rate assumption, or (iii) the rate specified under the Plan.
- (h) For purposes of adjusting any limitation under subsection (f), the interest rate assumption shall not be greater than the lesser of 5 percent or the rate specified in the plan.
- (i) For purposes of adjusting any benefit or limitation subsection (d), (e) or (f), the mortality table used shall be the "applicable mortality table", within the meaning of Code section 417(e)(3)(B).
- (j) For purposes of this Section 6.13, "compensation" shall have the meaning assigned to such term under Treasury Regulation section 1.415(c)-2(a). Compensation paid or made available during a Limitation Year shall also include the Participant's regular pay, as defined in Treasury Regulation section 1.415-2(e)(3)(ii), paid by the later of: (i) two and one-half (2 and ½) months after severance from employment or (ii) the end of the Limitation Year that includes the severance from employment.
- (k) For purposes of applying the limitations of Code section 415 with respect to a Participant who is employed by a particular Contributing Employer, there shall be taken into account only the benefits provided by that particular Contributing Employer, provided that this special rule shall apply only if it would increase the maximum permissible amount payable under Code section 415 (relative to the maximum permissible amount which would be payable if the limitations were determined by aggregating the benefits provided by all Contributing Employers under the Plan). For this purpose, the annual pension benefit provided by a particular Contributing Employer shall be equal to the total annual pension benefit payable to the Participant multiplied by a fraction, the numerator of which is the

Participant's Pension Credit earned with the Contributing Employer and the denominator of which is the Participant's total Pension Credit.

- (l) If a Participant's monthly pension benefit is limited pursuant to this Section 6.13, as the limitations in Code section 415 continue to be adjusted for cost-of-living increases (if any) subsequent to such Participant commencing receipt of his pension benefit, so too shall his pension benefit be adjusted accordingly.

**6.15 MERGERS.** In the case of any merger or consolidation with, or transfer of, assets or liabilities to any other Plan, each Participant shall (if the Plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit she would have been entitled to receive immediately before the merger, consolidation, or transfer (if this Plan had then terminated). This Section shall apply to the extent determined by the Pension Benefit Guaranty Corporation.

**6.16 TRANSFER BETWEEN BARGAINED AND NON-BARGAINED STATUS.** Effective for a Participant who has at least one Hour of Service after January 1, 1994, but no Hours of Service on or after January 1, 1999:

- (a) If a Participant who is in a non-bargained job when he or she completes the fifth year of service, or if the Participant accumulates 5 years of service in non-bargained positions even if they are not consecutive (as long as they are not separated by a permanent break in service), the person will be fully vested in all benefits accrued under the Plan, including those accrued under the Plan, including those accrued through bargaining-unit work.
- (b) In every other case the Participant's status at time of termination of service will control the classification for this purpose.
- (c) A Participant who has both bargained-for and non-bargained service during a Plan year is treated as a Non-Bargained Employee for that year if (i) she has enough service in non-bargained covered employment to earn a year of Vesting Service, or (ii) the majority of her covered employment for the Calendar Year is as a Non-Bargained Employee.

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## **Article VII — Miscellaneous**

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**7.1 TRUST FUND.** The funding of the Plan and payment for the benefits hereunder shall be provided through the medium of the Fund held under the Trust Agreement. Such Fund shall be comprised of all of the assets held by the Trustees, consisting of contributions of the Contributing Employers pursuant to the Plan and any income, gains, or profits and less distributions, expenses paid from the fund and losses.

**7.2 PARTICIPANT CONTRIBUTIONS.** No Participant shall be required or permitted to make any contributions to the Plan.

**7.3 NON REVERSION.** It is expressly understood that in no event shall any of the corpus or assets of the Pension Fund revert to the Employers or be subject to any claims of any kind or nature by the Employers, except for the return of an erroneous contribution within the time limits prescribed by law.

**7.4 NO DIVERSION.** It is impossible and shall remain impossible, at any time prior to the satisfaction of all liabilities with respect to Participants and their beneficiaries under the Plan and Trust Agreement, for any part of the corpus or income of the Trust Fund to be used for, or diverted to, purposes other than for the exclusive benefit of such Participants and their beneficiaries under the Plan and the payment of reasonable administrative expenses of the Plan.

**7.5 LIMITATION OF LIABILITY.** Except for liabilities which may result from provisions of ERISA, nothing in this Plan shall be construed to impose any obligation to contribute beyond the obligation of the Employer to make contributions as stipulated in its Collective Bargaining Agreement with the Union, or other agreement which requires that it makes contributions to the Plan. There shall be no liability upon the Trustees individually, or collectively, or upon the Union to provide the benefits established by this Plan, if the Pension Fund does not have assets to make such payments.

**7.6 NEW EMPLOYERS.** The participation of any such new Employer shall be subject to such terms and conditions as the Trustees may lawfully prescribe including, but not limited to, the imposition of waiting periods in connection with the commencement of benefits, a requirement for retroactive contributions, or the application of modified benefit conditions and amounts. In adopting applicable terms or conditions, the Trustees shall take into account such requirements as they may deem necessary to preserve an equitable relationship with the contributions required from other participating Employers and the benefits provided to their Employees.

**7.7 TERMINATED EMPLOYER.**

- (a) The provisions of this Section establish the respective obligations of the Pension Fund and of the Employer in the event that an Employer ceases to participate in the Pension Fund as Contributing Employer with respect to a bargaining unit.
- (b) An Employer ceases to participate in the Pension Fund with respect to a bargaining unit if it is determined by the Trustees to be terminated because it no longer has a Collective Bargaining Agreement for the bargaining unit requiring contributions to the Pension Fund or because it fails to make the contributions for which it is obligated for the unit for a period of 90 days.
- (c) Upon the termination of participation of an Employer unit, the Trustees shall, in the interest

of preserving the actuarial soundness of the Pension Fund, limit the liability of the Fund so that it is not liable for benefits accrued as a result of service within a bargaining unit before it participated in the Plan, and after it ceased to participate in the Plan, and, moreover, is not liable for benefits that cannot be paid out of "net contributions". "Net contributions" shall be the contributions received from the Employer with respect to the terminated unit, less the sum of benefits paid during the participation of the Employer unit and attributable to a Participant's service in the terminated unit, each adjusted for administration expenses and investment yield as determined by the Trustees on a reasonable basis.

- (d) The Trustees shall discharge their liability under this Section by allocating assets sufficient to meet their liability for benefits, as defined under subsection (c) or by transferring such assets to a successor Plan, if one has been established and maintained by the Employer or to the Pension Benefit Guaranty Corporation or to a Trustee appointed pursuant to Title IV of ERISA.

**7.8 TERMINATION.** The Trustees shall have the right to discontinue or terminate this Plan in whole or in part. In the event of a termination of this Plan the rights of all affected Participants to benefits then accrued, to the extent then funded, shall become 100% vested and nonforfeitable. Upon a termination of the Plan, the Trustees shall take steps as they deem necessary or desirable to comply with sections 4041A and 4281 of ERISA.

**7.9 EMPLOYER WITHDRAWAL LIABILITY.** Any Contributing Employer that withdraws from the Plan after September 25, 1980, in either a complete or partial withdrawal, shall owe and pay withdrawal liability to the Plan as determined under ERISA and the procedures adopted by the Trustees. For the purpose of computing the Employer Withdrawal Liability of any Employer that withdraws from the Plan after December 31, 2007, whether as a complete withdrawal or partial withdrawal, the method described in section 4211(c)(3) of ERISA and the Mandatory de Minimis Rule pursuant to section 4209(a) of ERISA shall be used. Complete withdrawal from the Plan shall be determined in accordance with section 4203 of ERISA. Partial withdrawal shall be determined in accordance with section 4205 of ERISA."

**7.10 PLAN ASSETS.** Any contribution which an Employer is required to make to the Plan shall be treated as a "plan asset", within the meaning of 29 CFR § 2510.3-101 as of the due date of such contribution.

**7.11 PLAN INTERPRETATION AND DETERMINATIONS.** Notwithstanding any other provision of this Plan, the Board of Trustees, or their designee, shall have exclusive authority and discretion to:

- (a) determine whether an individual is eligible for any benefits under this Plan;
- (b) determine the amount of benefits, if any, an individual is entitled to under this Plan;
- (c) interpret all of the provisions of this Plan;
- (d) determine or find facts that are relevant to any claim for benefits from this Plan;
- (e) interpret all of the provisions of the Plan's Summary Plan Description;
- (f) interpret the provisions of any Collective Bargaining Agreement or written participation agreement involving or impacting this Plan;

- (g) interpret the provisions of the Trust Agreement governing the operation of this Plan;
- (h) interpret all of the provisions of any other document or instrument involving or impacting this Plan; and
- (i) interpret all of the terms used in this Plan, the Summary Plan Description, and all of the other previously mentioned Agreements, documents, and instruments.

All such determinations and interpretations made by the Trustees, or their designee, shall: be final and binding upon any individual claiming benefits under the Plan, and upon all Employees, all Employers, the Union, and any party who has executed any Agreement with the Trustees or the Union; shall be given deference in all courts of law, to the greatest extent allowed by applicable law; and, shall not be overturned or set aside by any court of law unless the Court finds that the Trustees, or their designee, abused their discretion in making such determination or rendering such interpretation.

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## Article VIII — Amendments

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**81 AMENDMENT.** This Plan may be amended at any time by the Trustees, consistent with the provisions of the Trust Agreement. However, no amendment may decrease the accrued benefit of any Participant, except:

- (a) As necessary to establish or maintain the qualification of the Plan or the Trust Fund under the Code and to maintain compliance of the Plan with the requirements of ERISA, or
- (b) If the amendment meets the requirements of section 302(c)(8) of ERISA and section 412(c)(8) of the Internal Revenue Code, and the Secretary of Labor has been notified of such amendment and has either approved of it or, within 90 days after the date on which such notice was filed, she failed to disapprove.

Further, no amendment shall have the effect of:

- (a) authorizing any part of the Fund to be used for, or diverted to, purposes other than for the exclusive benefits of Participants or their beneficiaries;
- (b) except as expressly provided above, decreasing the accrued benefits of any Member or his Beneficiary under the Plan;
- (c) eliminating or reducing an early retirement benefit or retirement-type subsidy or eliminating any optional form of benefit payment of any Participant or his Beneficiary;
- (d) reducing the vested percentage of any Member; or
- (e) changing the vesting schedule, except as permitted in Section 4.8(c).

It is provided, however, that the prohibitions in (b) and (c) shall not apply to the extent such amendment is permitted or required by the Act or the Code.

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## Article IX — Appeal Procedure

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**9.1 APPLICATION DENIAL.** If your application for a pension is denied by the Trustees, if you disagree with the amount or duration of your pension benefit, or if you otherwise believe that a benefit or entitlement due you under the Plan has not been provided, then you or your representative (the "claimant") may file a claim for a benefit in accordance with the Plan's claims procedure described below.

**9.2 FILING THE CLAIM.** The claimant may file the claim by writing to the Trustees at the address provided in the Plan's summary plan description (the "SPD"). The Trustees will review all claims filed.

**9.3 NOTIFICATION OF THE INITIAL DECISION.**

- (a) Time of Notification. The claimant will be notified of the Trustees' decision within 90 days after the claim has been received. However, an additional 90 days may be required under special circumstances communicated to the claimant, along with an expected date of the decision, before the expiration of the original 90-day period.

In the case of a claim for a disability pension benefit, the Trustees will notify the claimant of their decision within a reasonable period of time, but not later than 45 days after receipt of the claim. This period may be extended by the Trustees for up to 30 days, provided that the Trustees determine that such an extension is necessary due to matters beyond their control and they notify the claimant, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and the date by which the Trustees expect to render a decision. The notice of extension will specifically explain the standards on which entitlement to a disability pension benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues. The claimant will be afforded at least 45 days within which to provide the specified information.

- (b) Method of Notification. The notification of the Trustees' decision on the claim will be in writing or provided electronically in accordance with the Department of Labor regulations at 29 CFR section 104b-1(c).
- (c) Content of the Notification. If the claim has been denied in whole or in part, the notification will: (i) describe the specific reason(s) for denial, (ii) contain specific references to pertinent Plan provisions upon which the denial is based, (iii) describe any additional material or information necessary for the claimant to perfect the claim and why such material or information is needed, (iv) explain the Plan's review procedure and the time limit applicable to such procedure and (v) include a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following the whole or partial denial of the claim after the appeal described below.

In the case of a denial of a claim for a disability pension benefit, in addition to the above, if an internal rule, guideline, protocol, or other similar criterion (the "rule") was relied upon in making such denial, then the notification will include either: (i) a copy of the rule or (ii) a statement that the rule was relied upon in making the denial and that a copy of the rule will be provided free of charge to the claimant upon request.

#### **9.4 PROCEDURE FOR REVIEW OF DENIED CLAIM.**

- (a) **Time and Method of Requesting Review.** If the claimant desires further consideration of the decision denying the claim, the claimant may request a review of the decision within 60 days after receiving notification of the denial. This request is made by writing to the Trustees at the address provided in the SPD. Failure to file a request for review within this 60-day period will constitute a waiver of the right to review of the decision and such decision will be final and binding upon all parties thereto, except as otherwise determined by a court.
- (b) **Documents and Other Information.** In connection with this review, the claimant will be provided with, upon request and free of charge, reasonable access to and all copies of documents, records and other information which is in the possession of the Plan, and which is relevant to the claim. Further, the claimant may submit written issues and comments, documents, records and any other information to be considered by the Trustees. In reaching a decision on the review, the Trustees will consider all issues, comments, documents, records and other information submitted by the claimant, without regard to whether the same was considered in the initial review.
- (c) **Time and Method of the Decision on the Claim.** The Trustees will render a decision on the claim at the regular quarterly meeting following the receipt of the review request. However, if the request for review is filed within 30 days preceding the date of such meeting, a determination may be made by no later than by the date of the second regular quarterly meeting following the Trustees' receipt of the request. If special circumstances (such as the need to hold a hearing) require a further extension of time for processing the claim being appealed, a determination will be rendered not later than by the date of the third regular quarterly meeting of the Trustees following the receipt of the request for review. If such an extension of time for review is so required, the Trustees will provide the claimant with written notice of the extension, describing the special circumstances and the date as of which the determination on the claim will be made, prior to the start of the extension.

The Trustees will notify the claimant of its determination on the review as soon as possible, but not later than 5 days after the Trustees' meeting at which the determination is made. The notification will be in writing or sent electronically in accordance with Department of Labor regulations at 29 CFR section 104b-1(c).

- (d) **Content of the Notice of the Decision.** Notification of an adverse decision will include: (i) the specific reason(s) for the determination, (ii) specific references to pertinent Plan provisions upon which the determination is based, (iii) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information which is held by the Plan, and which is relevant to the claim, and (iv) a statement of the claimant's right to bring a civil action under section 502(a) of ERISA.

In the case of a denial of a claim for a disability pension benefit, if an internal rule, guideline, protocol, or other similar criterion (a "rule") was relied upon in making the adverse determination, then the notification will include either: (i) a copy of the rule or (ii) a statement that the rule was relied upon in making the adverse determination and that a copy of the rule will be provided free of charge to the claimant upon request. Also, the notification will include the following statement: "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of

Labor Office and your State insurance regulatory agency.”

**9.5 TIME LIMIT ON LEGAL ACTION.** No civil action or other legal action may be commenced by the claimant with respect to or arising out of any claim for benefits or rights against the Plan (or the Trustees or any of their agents) more than 180 days after the claimant is given notice of denial of that claim on appeal.

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## Article X — Qualified Domestic Relations Order

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**10.1 SUPERSEDES.** In the event the Trustees are presented with a Qualified Domestic Relations Order, the Trustees shall obey such order and all other provisions of this Plan shall be subject to it.

**10.2 QUALIFIED.** An order shall be treated as a Qualified Domestic Relations Order if the Trustees determine that:

- (a) the order is made pursuant to a State domestic relations law (including a community property law);
- (b) the order creates or recognizes an alternate payee's rights to (or assigns an alternate payee the right to) receive all or a portion of the participant's benefits. An "alternate payee" is defined as any Spouse, former Spouse, child or other dependent of the Participant who is recognized in the order as having a right to receive all (or a portion of) the benefits payable to the Participant under the Plan;
- (c) the order clearly specifies the name (if any) of the Participant and the name and mailing address of each alternate payee covered by the order;
- (d) the order clearly specifies the amount or percentage of the benefits to be paid by the Plan to each such alternate payee (or the manner in which the amount or percentage is to be determined);
- (e) the order clearly specifies the number of payments or the period to which the order applies;
- (f) the order clearly specifies each plan to which the order relates;
- (g) the order does not require the Plan to provide any form of benefit option not otherwise available under the Plan except as permitted by law;
- (h) the order does not require the Plan to provide actuarially increased benefits; and
- (i) the order does not require the Plan to provide benefits to an alternate payee which are to be paid to another alternate payee under a separate order previously determined to be a Qualified Domestic Relations Order.

**10.3 PROVISION EXCEPTION.** An order shall be treated as a Qualified Domestic Relations Order if it meets the requirements of 10.2, even if it requires the payment of benefits to an alternate payee at any time prior to the Participant's separation from service, provided that:

- (a) the Participant has attained (or would have attained) the earliest retirement age under the Plan;
- (b) benefit payments are computed as if the Participant had Retired on the date on which payments are to begin (based on the present value of benefits actually accrued); and

- (c) such payments are in a form in which benefits may be paid under the Plan to the Participant (other than in a form which provides a survivor annuity to the alternate payee's surviving spouse).

**10.4 COOPERATION.** To receive benefits from the Plan pursuant to a Qualified Domestic Relations Order, the alternate payee must furnish the Trustees with a copy of the order, certified by the Clerk of the Court issuing the order.

**10.5 TRUSTEES' DUTIES.** Upon receipt of a certified copy of a State domestic relations order, the Trustees shall:

- (a) promptly notify the Participant and any other alternate payee of the receipt of the order and provide said person with a copy of this Plan section;
- (b) promptly determine whether the order is a Qualified Domestic Relations Order; and
- (c) promptly notify the Participant and all other alternate payees of such determination.

If the determination is that the order is a Qualified Domestic Relations Order the notification in C. shall set forth the date on which payments are schedule to begin. If the determination is that the order is not a Qualified Domestic Relations Order, the notification in C. shall set forth the specific reasons for the conclusion. The Participant and the alternate payee(s) may appeal any determination made in accordance with the Plan's appeal procedure, a copy of which shall be included with the determination letter.

**10.6 TRUSTEES UNABLE TO DECIDE.** In the event the Trustees are unable to make a determination whether an order is or is not a Qualified Domestic Relations Order prior to the next scheduled distribution of benefits to the Participant whose benefits are subject to the order, the Trustees shall segregate in a separate account the amount that would have been payable to the alternate payee(s) had the order been determined to be a Qualified Domestic Relations Order and shall continue to segregate such amounts until the earlier of the date a determination is made or the expiration of 18 months.

If within such 18 months, the Trustees determine the order to be a Qualified Domestic Relations Order, the Trustees shall pay the segregated amounts (plus any interest earned thereon) to the person or persons entitled to receive them. If, within the 18 months the order is determined not to be a Qualified Domestic Relations Order or, after the 18-month period has expired, no determination is made, the segregated amounts (plus any interest) shall be paid to the person who would have received the amounts if there had been no order. Thereafter any determination that an order is a Qualified Domestic Relations Order shall apply prospectively (i.e., the Plan shall not be liable for payments to an alternate payee(s) for the period before the order was determined to be a Qualified Domestic Relations Order). The Plan shall be discharged from any obligation or liability to any Participant or alternate payee(s) to the extent of any payment made pursuant to these procedures, provided the Trustees have acted in accordance with their fiduciary responsibility.

The Trustees may require any Participant and any alternate payee(s) to furnish to the Trustees, such releases, documents or information as the Trustees require for the administration of the Plan and this article.

**10.7 ACTUARIAL EQUALIZATION.** To insure that compliance with a Qualified Domestic Relations Order does not increase the actuarial cost to the Plan, an adjustment in the amount and/or form of the payment to the Participant shall be made by the Trustees where the order would otherwise result in such increase in actuarial cost. In determining the extent of such adjustment, the actuarial equivalence is calculated in accordance with Section 1.1.

**10.8 REFERRAL TO FUND COUNSEL.** As with all issues concerning the Plan, the Trustees reserve the right to have any court order reviewed by Counsel to determine its qualified status.

**10.9 LIABILITY LIMITATION.** Neither the Fund, its Administrators, fiduciaries, employees, or agents are liable: (a) for any loss, cost, or suffering occasioned by any delay in determining whether an order is a Qualified Domestic Relations Order; or (b) for any payment made or withheld as a result of such determination, provided such determination is made in accordance with ERISA's fiduciary responsibility provisions.

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## Article XI — Direct Rollovers

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**11.1 DIRECT ROLLOVERS.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Article, a Distributee may elect, at the time and in the manner prescribed by the Trustees, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

**11.2 DEFINITIONS.** For purposes of this Article XI, the following terms shall have the meanings indicated:

- (a) **Eligible Rollover Distribution.** An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that 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 or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities). In addition, an Eligible Rollover Distribution does not include a hardship distribution.
- (b) **Eligible Retirement Plan.** An Eligible Retirement Plan is: (1) an individual retirement account described in section 408(a) of the Code, (2) an individual retirement annuity described in section 408(b) of the Code, (3) an annuity plan described in section 403(a) of the Code, (4) a qualified trust described in section 401(a) of the Code, (5) an eligible deferred compensation plan described in Code section 457(b) that is maintained by an eligible employer as described in Code section 457(e)(1)(A) that shall separately account for the eligible rollover distribution, (6) an annuity contract described in Code section 403(b), provided such plan or annuity accepts the Distributee's eligible rollover distribution, or (7) effective January 1, 2010, a Roth IRA described in Code section 408A(b) (subject to the rules and provisions set forth in Code section 408A(e) and any regulations thereunder). The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order. For a non-spouse beneficiary, an Eligible Retirement Plan shall include only an individual retirement plan or annuity described in (1), (2), or (7) above, that is treated as an inherited IRA of the beneficiary.
- (c) **Distributee.** A Distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse or non-spouse beneficiary within the meaning of Code section 402(c)(11), and the employee's or former employee's spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order, are Distributees with regard to their own interests in the Plan.
- (d) **Direct Rollover.** A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

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**DISTRICT COUNCIL 1707 LOCAL  
389 HOME CARE EMPLOYEES AND  
PROFESSIONAL STAFF PENSION FUND**

Effective January 1, 2014  
And As Amended Thereafter

**DISTRICT COUNCIL 1707 LOCAL 389  
HOME CARE EMPLOYEES AND PROFESSIONAL STAFF PENSION FUND**

**Amendment**

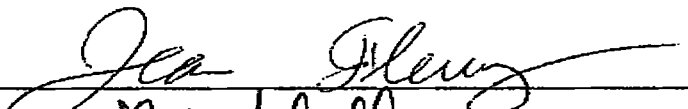
1. The Plan is amended in its entirety and will read in full as in the attached exhibit.
2. Subject to the provisions of 3 below, the effective date of this amendment is January 1, 2014, and this amendment will not operate to modify the benefits of any Pensioner hereunder who is a Pensioner on such date nor restore any Pension Credit or Vesting Service lost prior to such date as the result of prior Plan provisions, nor diminish the accrued vested benefit under this Plan of any person, nor reduce, retroactively, the Pension Credit or Vesting Service under this Plan that any person has as of January 1, 2014.

The provisions of this amended and restated Plan shall apply to all Participants who are, or who became Participants, on or after January 1, 2014, unless the provisions hereof specifically provided otherwise. The rights and benefits, if any, of Pensioners and other former Employees shall be determined by the prior Plan provisions in effect on the date employment terminated.

3. This amendment is intended to modify the Plan to such an extent that it will continue to satisfy the requirements of section 401(a) and section 501(a) of the Internal Revenue Code of 1986, as amended, and to incorporate all previous amendments to the Plan.

Adopted by the Trustees on: December 9, 2015

Attested:

Employer Trustee: 

Union Trustee: 

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## Article I - Definitions

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**1.1 Actuarial equivalent.** Unless otherwise specified in the Plan means:

- (a) For determinations as of any Annuity Starting Date that is on or after January 1, 2008, a benefit that has the same actuarial value as another benefit based on the "applicable mortality table" and the "applicable interest rate." For this purpose:
  - (1) The "applicable mortality table" is the mortality table prescribed by the Commissioner of the Internal Revenue Service for purposes of section 417(e)(3)(B) of the Code.
  - (2) The "applicable interest rate" are the rates specified in and applied in accordance with section 417(e)(3)(C) of the Code for the month of November immediately preceding the Plan Year that contains the Annuity Starting Date.
  
- (b) For determinations as of any Annuity Starting Date that is on or after January 1, 2000 and before January 1, 2008, a benefit that has the same actuarial value as another benefit based on the "applicable mortality table" and the "applicable interest rate." For this purpose:
  - (1) The "applicable mortality table" is the mortality table prescribed by the Commissioner of the Internal Revenue Service for purposes of sections 417(e)(3) and 415 (b)(2)(E) of the Internal Revenue Code.
  - (2) The "applicable interest rate" is, the annual rate of interest as specified by the Commissioner of the Internal Revenue Service for purposes of sections 417(e)(3) and 415(b)(2)(E) for the month of November immediately preceding the Plan Year that contains the Annuity Starting Date.
  
- (c) For Annuity Starting Dates in years before January 1, 2000, a benefit or form of payment of equivalent value when computed on the basis of the mortality tables, interest rate, and other actuarial factors last adopted by the Trustees for such purposes — on the advice of an enrolled actuary or an actuarial firm which employs enrolled actuaries. However, the interest rate used shall not exceed that of the PBGC.

**1.2 Annuity Starting Date.** Means the first day of the first month for which an amount is payable as an annuity, or in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitle the recipient to such benefit.

**1.3 Beneficiary.** Means an individual who is entitled to receive a benefit under the Plan upon a Participant's death. The Participant shall designate her Beneficiary. However, if the Participant fails to make such designation, or if the individual designated does not survive the Participant, or does not survive long enough to receive the entire benefit that has become payable, then the Beneficiary, with respect to such benefit or unpaid portion thereof, shall be the Participant's estate.

**1.4 Calendar Year.** Means the period from January 1 to the next December 31. For purposes of

ERISA regulations, the Calendar Year shall serve as the vesting computation period and benefit accrual computation period.

**1.5 Code.** Means the Internal Revenue Code of 1986, as amended from time to time.

**1.6 Collective Bargaining Agreement or Agreement.** Means an agreement between a union and an Employer which requires contributions to the Fund.

**1.7 Contributing Employer or Employer.** Means an employer signatory to a Collective Bargaining Agreement with a Union requiring contributions to this Fund and an employer signatory to any other agreement requiring contributions to this Fund.

For purposes of identifying Highly Compensated Employees and applying the rules on participation, vesting and statutory limits on benefits under the Fund but not for determining Covered Employment, the term "Employer" includes all corporations, trades or businesses under common control with an Employer within the meaning of Code §414(b) and (c), all members of an affiliated service group with an Employer within the meaning of Code §414(m) and all other businesses aggregated with an Employer under Code §414(o).

**1.8 Contribution Period.** Means with respect to a category of employment, the period during which the Employer is obligated by its Agreement to contribute to the Fund with respect to the category of employment.

**1.9 Covered Employment.** Means employment of an Employee by an Employer. For purposes of past service credit, except for a Professional Staff Employee, Covered Employment may include periods of employment preceding the Contribution Period which were not covered by a Collective Bargaining Agreement with the Union.

**1.10 Disqualifying Employment.** Means (a) for employment prior to Normal Retirement Age, any category of employment for which contributions are payable to the Fund, in any place within the jurisdiction of the Union and whether or not for a Contributing Employer, and (b) for employment on or after Normal Retirement Age, any Covered Employment.

However, for a Professional Staff Employee, "Disqualifying Employment" means (a) for employment prior to Normal Retirement Age, any work for a Contributing Employer, within a geographic area where the Union has jurisdiction and in any job classification for which contributions would be payable to the Fund, and (b) for employment on or after Normal Retirement Age, any work for a Contributing Employer.

**1.11 Early Retirement Age.** Means age 55 and at least 10 Pension Credits. For a Professional Staff Employee who is a Participant, "Early Retirement Age" means age 60 if she became a Participant in the Professional Staff Plan prior to 1985; otherwise it means age 60 and at least 10 Pension Credits.

**1.12 Election Period.** Means the period which starts on the date on which the written explanation of the Plan's benefit payments forms is received by the Participant, and which ends on the Participant's Annuity Starting Date, extended as provided in Section 5.2(g).

**1.13 Employee.** Means a person who is employed by an Employer and who is covered by a Collective Bargaining Agreement or any written agreement requiring Employer contributions on her behalf. If a Union, this Pension Fund, the District Council 1707 Local 389 Home Care Employees Health and Welfare Fund, the District Council 1707 Community & Social Agency Employees Union of the American Federation of State, County & Municipal Employees, AFL-CIO, the District Council 1707 Health

& Insurance Fund and/or the CSAE Federal Credit Union is a Contributing Employer, the Employees with respect to whom such Employer participates in this Plan, whether or not they are covered by a Collective Bargaining Agreement, are to be deemed Employees.

For purposes of participation, nondiscrimination, vesting and benefit limits, all Leased Employees shall be treated as employed by a Contributing Employer, except to the extent such Leased Employees are excluded under the safe harbor exemption of Code section 414(n)(5).

**1.14 ERISA.** Means the Employee Retirement Income Security Act of 1974, as amended from time to time.

**1.15 First Payment Date.** Means the first day on which a Pensioner receive a payment of her pension benefit.

**1.16 Highly Compensated Employee.** Has the meaning assigned to such term under Code section 414(q).

**1.17 Hour of Service.**

An "Hour of Service" is:

- (a) each hour with respect to which an Employer makes or is obligated to make contributions on an Employee's behalf to the Plan. These hours shall be credited to the Employee for the computation period or periods in which the duties are performed, or, when contributions are made for a time during which no duties are performed, for the computation period or periods in which such time falls; and
- (b) Hours of Service shall be computed and credited in accordance with paragraphs (b) and (c) of section 2530.200b-2 of the Department of Labor Regulations which are incorporated by reference.

**1.18 Non-Bargained Employee.** Means a Participant whose participation is not covered by a Collective Bargaining Agreement.

**1.19 Normal Retirement Age.** Means age 65, or if later, the age of the Participant on the fifth anniversary of the start of her participation in the Plan. Participation before a Permanent Break in Service and participation before a Temporary Break in Service in the case of a former Participant who has not returned to Covered Employment and reestablished participation in accordance with Section 2.4 are disregarded in applying this Section. In the case of a Professional Staff Employee who is a Participant in this Plan, "Normal Retirement Age" means age 65.

**1.20 Leased Employee.** Means a "leased employee" within the meaning of Code section 414(n)(2).

**1.21 Married.** Means that a Participant is married to an individual, and such marriage is recognized as being valid in the state in which the marriage was entered into.

**1.22 Participant.** Means a Pensioner, a Beneficiary, or an Employee who meets the requirements for participation in the Plan as set forth in Article II, or a former Employee who has acquired the rights to a pension under this Plan.

**1.23 Pension Credit.** Means the years and parts of years of service which are credited toward a pension under this Plan in accordance with the provision of Article IV.

**1.24 Pension Fund or Fund.** Means the Pension Fund established under the Trust Agreement.

**1.25 Pensioner.** Means a person to whom a pension under this Plan is being paid or to whom a pension would be paid but for time for administrative processing.

**1.26 Plan.** Means the plan set forth in this document, as may be amended from time to time.

**1.27 Plan Year.** Is the Calendar Year.

**1.28 Professional Staff Employee.** Means an Employee who is a member of the Union described in Section 1.36(b).

**1.29 Professional Staff Plan.** Means the District Council 1707 Professional Staff Employees Retirement Fund, as in effect on September 1, 2009.

**1.30 Qualified Domestic Relations Order.** Means an order which is determined to be a "Qualified Domestic Relations Order" under Section 10.2 hereof.

**1.31 Qualified Spouse.** Means a Spouse to whom the Participant has been Married throughout the 1-year period ending on the earlier of the Participant's Annuity Starting Date or the date of the Participant's death. For purposes of the preceding sentence, if the Participant and her Spouse marry within 1 year before the Participant's Annuity Starting Date, and they remain Married for at least a 1-year period ending on or before the date of the Participant's death, then the Participant and Spouse shall be treated as having been Married throughout the 1-year period ending on the Participant's Annuity Starting Date. A former Spouse shall be treated as a Qualified Spouse to the extent required in a Qualified Domestic Relations Order.

**1.32 Retirement.** Has the meaning assigned in Section 6.7.

**1.33 Spouse.** Means the individual to whom the Participant is Married, and if and to the extent provided in a Qualified Domestic Relations Order, a Participant's former Spouse.

**1.34 Trust Agreement.** Means the Agreement and Declaration of Trust dated March 9, 1994 establishing the Pension Fund effective January 1, 1994, and as thereafter amended.

**1.35 Trustees.** Means the Board of Trustees as established and constituted from time to time in accordance with the Trust Agreement.

**1.36 Union.** Means (a) the Local 389, District Council 1707, Community and Social Agency Employees Union, AFSCME, AFL-CIO or (b) the District Council 1707 Professional Employees Union of the American Federation of State, County & Municipal Employees, AFL-CIO.

Except as the context may specifically require otherwise, use of the masculine (feminine) gender shall be understood to include both masculine and feminine genders.

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## Article II – Participation

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**2.1 PURPOSE.** This Article contains definitions to meet certain requirements of ERISA. It should be noted that once an Employee has become a Participant, the provisions of this Plan give her credit in accordance with the rules of the Plan for some or all of her services before she became a Participant.

### **2.2 PARTICIPATION.**

- (a) An Employee who is participating in the Plan on December 31, 2013 shall be a Participant on and after January 1, 2014, except as hereinafter provided. Any other Employee who is engaged in Covered Employment during the Contribution Period shall become a Participant in the Plan on the earliest January 1 or July 1 following completion of a 12 consecutive month period from date of hire by the Employer during which she completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1<sup>st</sup> following the Calendar Year in which she completes at least 1,000 Hours of Service. In any case, the required hours may also be completed with any Hours of Service in other employment with an Employer if that other employment is continuous with the Employee's Covered Employment with that Employer.
  
- (b) Notwithstanding the foregoing, a Professional Staff Employee, who has a benefit (whether or not vested) in the Professional Staff Plan on September 1, 2009, shall become a Participant in this Plan on said date. A Professional Staff Employee, who does not become a Participant under the preceding sentence, will join the Plan on the day after the completion of a 12 consecutive month period from date of hire by the Employer during which she completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1<sup>st</sup> following the Calendar Year in which she completes at least 1,000 Hours of Service.
  
- (c) In addition, notwithstanding any provision of the Plan to the contrary, a Leased Employee may not participate in this Plan.

**2.3 TERMINATION OF PARTICIPATION.** A person who incurs a One-Year Break-in-Service (defined in Section 4.6) shall cease to be a Participant as of the last day of the Calendar Year which constituted the One-Year Break in-Service, unless such Participant is a Pensioner, or has acquired the right to a pension (other than for disability), whether immediate or deferred.

**2.4 REINSTATEMENT OF PARTICIPATION.** An Employee who has lost her status as a Participant in accordance with Section 2.3 shall again become a Participant by meeting the requirements

of Section 2.2 within a Calendar Year on the basis of Hours of Service after the Calendar Year during which her participation terminated. However, an Employee who has lost her status as a Participant, in accordance with Section 2.3, but has not incurred a Permanent Break in Service, shall immediately participate in the Plan upon her reemployment commencement date (first Hour of Service with an Employer).

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## **Article III – Pension Eligibility And Amounts**

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**3.1 GENERAL.** This Article sets forth the eligibility conditions and benefits amounts for the pensions provided by this Plan. The accumulation and retention of Pension Credits for eligibility are subject to the provisions of Article IV. The benefit amounts are subject to reduction on account of the Husband-and-Wife Pension and other optional forms of payment (Article V). Entitlement of an eligible Participant to receive pension benefits is subject to her Retirement and application for benefits, as provided in Article VI.

Eligibility depends on Pension Credits or years of Vesting Service, which are defined in Article IV.

**3.2 REGULAR PENSION - ELIGIBILITY.** A Participant may Retire on a Regular Pension if, while in Covered Employment, the Participant meets the following requirements:

- (a) She has attained age 65; and
- (b) She has at least 10 Pension Credits.

Notwithstanding the foregoing, a Professional Staff Employee who is a Participant may Retire on a Regular Pension if while in Covered Employment if: she became a Participant before 1985 and reaches age 65, or she became a Participant after 1984 and reaches the earlier of (i) the later of age 65 or the 10<sup>th</sup> anniversary of her date of hire by an Employer or (ii) age 65 if she has at least 10 years of Pension Credits.

**3.3 REGULAR PENSION - AMOUNT.** The monthly amount of the Regular Pension is \$5.50 for each of the Participant's Pension Credits, up to a maximum of 25 Pension Credits.

Notwithstanding the foregoing, for a Professional Staff Employee who is a Participant, the monthly amount of the Regular Pension is 1/12 of her Pension Credits multiplied by:

For Pension Credits earned in years before 1990, 1.3% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the five consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned in the years 1990, 1991 and 1992, 1.3% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned during 1993, 1.5% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned in the years 1994 through 2006, 2.0% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For Pension Credits earned in years after 2006, 1.7% of annual compensation. To determine annual compensation for purposes of the preceding sentence, the amount of compensation earned in each of the last ten completed years before the final day of work is taken into account, and compensation for the three consecutive years, out of the final ten completed years of employment, for which compensation is highest shall be averaged.

For these purposes, "compensation" means the weekly, monthly or annual salary or wages earned in a Calendar Year, including overtime and bonuses.

**3.4 EARLY RETIREMENT PENSION – ELIGIBILITY.** A Participant may Retire on an Early Retirement Pension on or after the day on which the Participant attains Early Retirement Age while in Covered Employment.

**3.5 EARLY RETIREMENT PENSION - AMOUNT.** The monthly amount of the Early Retirement Pension is the monthly amount of the Regular Pension reduced by one-half of one percent for each month (or 6% per year) by which the commencement of the pension precedes the date the Participant will attain age 65. However, in the case of a Professional Staff Employee who is a Participant, said reduction shall be 4/10 of 1% for each month that payments are made before age 65.

**3.6 VESTED PENSION - ELIGIBILITY.** A Participant shall have a right to a Vested Pension if she has attained Vested Status (Section 4.8).

A Vested Pension shall be payable after the Participant has attained Normal Retirement Age. It is provided, however, that if the Participant has at least 10 Pension Credits (0 Pension Credits required for a Professional Staff Employee who participated in the Professional Staff Plan prior to 1985 and reached age 65 while in Covered Employment) the Participant may elect to have payment of her Vested Pension begin as of the first day of any month following her 55<sup>th</sup> birthday (60<sup>th</sup> birthday for a Professional Staff Employee) and preceding Normal Retirement Age.

**3.7 VESTED PENSION AMOUNT.** The monthly amount of the Vested Pension is the monthly amount of the Regular Pension. If the Participant elects to have payment of the Vested Pension begin before Normal Retirement Age, the Participant's Vested Pension shall be reduced in the same manner as if it were an Early Retirement Pension.

**3.8 DISABILITY PENSION-ENTITLEMENT AND AMOUNT.** If a Professional Staff Employee, who is a Participant, has been awarded a Social Security disability award, and has at least 10 years of Pension Credit at the time such award is made, such Participant shall be entitled to receive a Disability Pension. The monthly amount of such pension shall be equal to the monthly amount of the Participant's Regular Pension, with no adjustment for age.

If the Participant ceases to be eligible for Social Security disability benefits at any time prior to age 65, her Disability Pension shall end on the last day of the last month in which the Social Security benefit is received. If such Participant thereafter becomes an Employee

and subsequently Retires under the Plan at age 65 or later, she shall receive the same amount as she received as a Disability Pension plus any additional pension based on Credited Service earned from the date of re-employment to her Retirement date.

**3.9 APPLICATION OF BENEFIT INCREASES.** The pension to which a Participant is entitled shall be determined under the terms of the Plan as in effect at the time he or she separates from Covered Employment.

A Participant shall be deemed to be separated from Covered Employment on the last day of the year which is followed by a One-Year Break-in-Service except if she subsequently earns at least  $\frac{1}{2}$  Pension Credit.

If a Participant, except a Professional Staff Employee, has more than 25 Pension Credits, his or her monthly benefit will be calculated on the basis of the Pension Credits at the highest accrual rate as in effect at the time the Participant separates from Covered Employment, but not exceeding \$137.50 in total.

**3.10 ROUNDING OF BENEFITS AMOUNTS.** If the monthly amount of any Pensioner's benefit is not a multiple of ten cents, it shall be rounded off to the next highest multiple of ten cents, at the last step of the calculation when the Early Retirement reduction and/or the Husband-and-Wife (or other benefit form) reduction applies.

**3.11 NON-DUPLICATION OF PENSIONS.** A person shall be entitled to only one type of pension under this Plan. A Pensioner may also receive a pension as the Qualified Spouse or Beneficiary of a deceased Pensioner or Participant.

**3.12 60 MONTH PRE-RETIREMENT GUARANTEE.** The Beneficiary of an Active Participant, who has attained Vested Status but dies on or after January 1, 2000 while not Married to a Qualified Spouse, shall receive, in 60 monthly installments, the monthly pension benefit which such Participant would have received had she lived and left Covered Employment on her date of death. The benefit hereunder shall first be payable on the first date on which such Participant would have been eligible to receive such pension. A Participant shall be deemed to be "Active" unless, prior to her death, she separated from Covered Employment, and such separation was followed by a One-Year Break in Service.

The paragraph above shall not apply to a Professional Staff Employee. Instead, in the case of any Professional Staff Employee is a Participant, a death benefit shall be paid to the Beneficiary of any such Professional Staff Employee who dies after attaining Vested Status but while not Married to a Qualified Spouse, and who has at least 10 years of Pension Credit. If the Professional Staff Employee dies while in Covered Employment, the death benefit shall be a lump sum payment which the Actuarial Equivalent of the Professional Staff Employee's accrued benefit under the Plan. Otherwise, the death benefit shall be a lump sum payment which is the Actuarial Equivalent of the Qualified Pre-retirement Survivor Annuity that would be payable if the Professional Staff Employee had been married to a Qualified Spouse whose age is 3 years less than the Professional Staff Employee.

A Participant may designate a Beneficiary to receive the benefit due under this Section by forwarding such designation to the Plan in such written form as may be required by the Trustees. A Participant shall have the right to change the designation of her Beneficiary without the consent of the Beneficiary. However, no such change shall be effective or binding on the Trustees unless it is received by them in such written form as they may require prior to the time

that any payments are made to the Beneficiary whose designation is on file with the Trustees.

### **3.13 ACTUARIAL ADJUSTMENT FOR DELAYED RETIREMENT.**

- (a) Effective as of January 1, 1994 if the Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age, and the Annuity Starting Date (for which benefits were not suspended), and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application or to the automatic form of Husband-and-Wife Pension if no other form is elected.
- (b) If a Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.
- (c) The actuarial increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter.
- (d) It is provided, however, that the amount of any actuarial increase under this Section 3.13 shall not be less than any accrued benefit earned by the Participant through additional service performed after her Normal Retirement Age through her Annuity Starting Date.
- (e) In no event may payment be deferred after the April 1 of the year following the year the Participant reaches age 70½ whether in Covered Employment or not.

**3.14 LUMP SUM OPTION.** Notwithstanding any other provision of this Plan regarding benefit payment options and distributions, if the Actuarial Equivalent of the vested benefit of a Participant, or of the Beneficiary of any such Participant, is \$5,000 or less as of the Annuity Starting Date or other date on which payments would begin, the benefit may be paid out in a single lump sum, in an amount equal to the Actuarial Equivalent lump sum value. Such Participant or Beneficiary shall be given a choice (with required Spousal consent for a Participant) to take either the "Actuarial Equivalent" lump sum or a lifetime monthly benefit, with all appropriate requirements as promulgated under the various sections of this plan. The Plan does not permit lump sum distributions to be paid without the applicant's consent.

### **3.15 MINIMUM DISTRIBUTION REQUIREMENTS.**

#### **(a) General Rules.**

- (1) Effective Date.** Unless an earlier effective date is specified in the plan, the provisions of this article will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.
- (2) Coordination with Minimum Distributions Requirements Previously in Effect.** If the plan specifies an effective date of this article that is earlier than calendar years beginning with the 2003 calendar year, required minimum distributions for 2002 under this article will be determined as follows. If the total amount of the 2002 required minimum distributions under the plan made to the distributee prior to the effective date of this article equals or exceeds the required minimum distributions determined under this article, then no additional distributions will be required to be made for 2002 on or after such date to the distributee. If the total amount of the

2002 required minimum distributions under the plan made to the distributee prior to the effective date of this article is less than the amount determined under this article, then required minimum distributions for 2002 on and after such date will be determined so that the total amount of required minimum distributions for 2002 made to the distributee will be the amount determined under this article.

- (3) Precedence.** The requirements of this article will take precedence over any inconsistent provision of the plan.
- (4) Requirements of Treasury Regulations Incorporated.** All distributions required under this article will be determined and made in accordance with the Treasury regulations under section 401(a)(9) of the Internal Revenue Code.
- (5) TEFRA Section 242(b)(2) Elections.** Notwithstanding the other provisions of this article, other than Section 3.15(a)(4), distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the plan that relate to section 242(b)(2) of TEFRA.

**(b) Time and Manner of Distribution.**

- (1) Required Beginning Date.** The participant's entire interest will be distributed, or begin to be distributed, to the participant no later than the participant's required beginning date.
- (2) Death of Participant Before Distributions Begin.** If the participant dies before distributions begin, the participant's entire interest will be distributed, or begin to be distributed no later than as follows:
  - (i) If the participant's surviving spouse is the participant's sole designated beneficiary, then, except as provided in the plan, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the participant died, or by December 31 of the calendar year in which the participant would have attained age 70 1/2, if later.
  - (ii) If the participant's surviving spouse is not the participant's sole designated beneficiary, then, except as provided in the plan, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the participant died.
  - (iii) If there is no designated beneficiary as of September 30 of the year following the year of the participant's death, the participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
  - (iv) If the participant's surviving spouse is the participant's sole designated beneficiary and the surviving spouse dies after the participant but before distributions to the surviving spouse begin, this Section 3.15(b)(2), other than Section 3.15(b)(2)(i), will apply as if the surviving spouse were the participant.

For purposes of this Section 3.15(b)(2) and Section 3.15(e), distributions are considered to

begin on the participant's required beginning date (or, if Section 3.15(b)(2)(iv)) applies, the date distributions are required to begin to the surviving spouse under Section 3.15(b)(2)(i)). If annuity payments irrevocably commence to the participant before the participant's required beginning date (or to the participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 3.15(b)(2)(i)), the date distributions are considered to begin is the date distributions actually commence.

**(3) Form of Distribution.** Unless the participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 3.15(c), (d), and (e) of this article. If the participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401(a)(9) of the Code and the Treasury regulations. Any part of the participant's interest which is in the form of an individual account described in section 414(k) of the Code will be distributed in a manner satisfying the requirements of section 401(a)(9) of the Code and the Treasury regulations that apply to individual accounts.

**(c) Determination of Amount to Be Distributed Each Year.**

**(1) General Annuity Requirements.** If the participant's interest is paid in the form of annuity distributions under the plan, payments under the annuity will satisfy the following requirements:

- (i) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;
- (ii) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Section 3.15(d) or (e);
- (iii) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
- (iv) payments will either be non-increasing or increase only as follows:
  - (a) by an annual percentage that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
  - (b) to the extent of the reduction in the amount of the participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section 3.15(d) dies or is no longer the participant's beneficiary pursuant to a qualified domestic relations order within the meaning of section 414(p) of the Code;
  - (c) to provide cash refunds of employee contributions upon the participant's death; or
  - (d) to pay increased benefits that result from a plan amendment.

**(2) Amount Required to be Distributed by Required Beginning Date.** The amount that must be distributed on or before the participant's required beginning date (or, if the participant dies before distributions begin, the date distributions are required to begin under Section 3.15(b)(2)(i) or (ii) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received e.g., bi-monthly, monthly, semi-annually, or annually. All of the participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the participant's required beginning date.

**(3) Additional Accruals After First Distribution Calendar Year.** Any additional benefits accruing to the participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

**(d) Requirements for Annuity Distributions That Commence During Participant's Lifetime.**

**(1) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse.** If the participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the participant and a nonspouse beneficiary, annuity payments to be made on or after the participant's required beginning date to the designated beneficiary after the participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the participant using the table set forth in Q&A 2 of section 1.401(a)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the participant and a nonspouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

**(2) Period Certain Annuities.** Unless the participant's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the participant's lifetime may not exceed the applicable distribution period for the participant under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the participant reaches age 70, the applicable distribution period for the participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the participant as of the participant's birthday in the year that contains the annuity starting date. If the participant's spouse is the participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the participant's applicable distribution period, as determined under this Section 3.15(d)(2), or the joint life and last survivor expectancy of the participant and the participant's spouse as determined under the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the participant's and

spouse's attained ages as of the participant's and spouse's birthdays in the calendar year that contains the annuity starting date.

**(e) Requirements for Minimum Distributions Where Participant Dies Before Date Distributions Begin.**

- (1) Participant Survived by Designated Beneficiary.** Except as provided in the plan, if the participant dies before the date distribution of his or her interest begins and there is a designated beneficiary, the participant's entire interest will be distributed, beginning no later than the time described in Section 3.15(b)(2)(i) or (ii), over the life of the designated beneficiary or over a period certain not exceeding:
  - (i) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the participant's death; or
  - (ii) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the annuity starting date.
- (2) No Designated Beneficiary.** If the participant dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the participant's death, distribution of the participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the participant's death.
- (3) Death of Surviving Spouse Before Distributions to Surviving Spouse Begin.** If the participant dies before the date distribution of his or her interest begins, the participant's surviving spouse is the participant's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section 3.15(e) will apply as if the surviving spouse were the participant, except that the time by which distributions must begin will be determined without regard to Section 3.15(b)(2)(i).

**(f) Definitions.**

- (1) Designated beneficiary.** The individual who is designated as the beneficiary under Article 1 of the plan and is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-1, Q&A-4, of the Treasury regulations.
- (2) Distribution calendar year.** A calendar year for which a minimum distribution is required. For distributions beginning before the participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the participant's required beginning date. For distributions beginning after the participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Section 3.15(b)(2).

- (3) **Life expectancy.** Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.
- (4) **Required beginning date.** The date specified in Section 6.6(d)(ii) of the plan.

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## **Article IV — Pension Credits, Breaks In Service, And Vested Status**

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**4.1 OUTLINE.** The purpose of this Article is to define the manner in which Participants will accumulate credit toward eligibility for a pension under this Plan. The general intention is to provide benefits to Participants who Retire at the Normal Retirement Age after earning a minimum of 10 Pension Credits in Covered Employment. This Article also defines circumstances under which a Participant loses the Pension Credits and years of Vesting Service which she may have previously accumulated.

### **4.2 PENSION CREDIT FOR CALENDAR YEARS BEFORE JANUARY 1, 1994.**

- (a) A Participant may receive Pension Credit for the period or periods of her work prior to January 1, 1994, if such work was performed for an Employer who is or was signatory to a Collective Bargaining Agreement with the Union on January 1, 1994 or on a date thereafter and such employment was in a job category defined in the Collective Bargaining Agreement. A Participant will receive Pension Credit on the basis of weeks of work within the Calendar Years prior to January 1, 1994 according to the following schedule:

<u>Weeks of Work Within the Calendar Year</u>	<u>Pension Credit</u>
12-23	14
24-35	1/2
36-47	3/4
48 or more	1

- (b) It is recognized that in many cases it will be difficult, because of changing employment, to establish past years of service in Covered Employment. Therefore, it may be presumed that an Employee remained active as a home care attendant engaged in Covered Employment throughout the period of her membership in the Union.
- (c) In no event shall a Participant be granted more than 10 Pension Credits or 10 years of Vesting Service for periods before the Contribution Period.

**4.3 PENSION CREDIT FOR NON-WORKING PERIODS PRIOR TO JANUARY 1, 1994.** This Section recognized certain periods when a Participant is not actually working in Covered Employment but is to receive Pension Credits just as if she were working in Covered Employment. This provision applies only if the Participant has prior credits (in accordance with Section 4.2). Periods of absence from Covered Employment are to be credited up to a maximum of 2 Pension Credits as if they were periods of work in Covered Employment if they were due to temporary or permanent disability (the latter being judicially determined) arising from Covered Employment for a period (not exceeding 12 months) compensated by the Workers' Compensation Law or New York Disability Benefits Law.

### **4.4 PENSION CREDIT ON AND AFTER JANUARY 1, 1994.**

A Participant shall be credited with Pension Credit on the basis of her Hours of Service in Covered Employment during a Plan Year in which contributions to the Pension Fund were made on her behalf in

accordance with the following schedule:

<b>Hours In Covered Employment</b>	<b>Pension Credits</b>
Less than 250	0
250 but less than 500	1/4
500 but less than 750	1/2
750 but less than 1,000	3/4
1,000 or more	1

#### **4.5 PENSION CREDIT FOR PROFESSIONAL STAFF EMPLOYEES.**

Notwithstanding the above, a Professional Staff Employee earns Pension Credits as follows:

For Years Before January 1, 1977: A Professional Staff Employee will receive one year of Pension Credit for each year, before January 1, 1977, she worked 1000 hours or more if the work was for an Employer that signed it's Collective Bargaining Agreement with the Union on January 1, 1977, or a later date, and she worked in a job category covered by the Collective Bargaining Agreement.

For Years After January 1, 1977: Same as in Section 4.4.

For the purposes of calculating pension and vesting credits for a Professional Staff Employee, it shall be presumed that a Participant works 35 hours per week.

#### **4.6 BREAKS IN SERVICE ON OR AFTER JANUARY 1, 1994.**

( a ) **General.** If a person has a Break in Service before attaining Vested Status, it has the effect of canceling her standing under the Plan, that is, her participation, her previously credited years of Vesting Service, and her previous Pension Credits. However, a Break may be temporary, subject to repair by a sufficient amount of subsequent service. A longer Break may be permanent.

##### **( b ) One-Year Break in Service.**

- (1) A Participant has a One-Year Break in Service in any Calendar Year after December 31, 1993 (January 1, 1977 for a Professional Staff Employee) in which she fails to complete 500 Hours of Service in Covered Employment.
- (2) Time of employment with a Contributing Employer in non-covered employment after December 31, 1993 (December 31, 1976 for a Professional Staff Employee), shall be counted as if it were Covered Employment in determining whether a Break in Service has been incurred.
- (3) Periods of absence while on leave under the Family and Medical Leave Act will not count towards a One-Year Break in Service.
- (4) If a One-Year Break in Service occurs, a Participant will lose all Pension Credits and Years of Vesting Service, as of the last day of the Calendar Year in which the break

occurs, unless the Participant has attained Vested Status prior to such last day.

- (5) A One-Year Break in Service is repairable, in the sense that its effects are eliminated if, before incurring a Permanent Break in Service, the Participant subsequently earns 1/2 Pension Credit (500 hours). More specifically,
  - (i) Previously earned years of Vesting Service and Pension Credits are restored.
  - (ii) Nothing in this paragraph (v) shall change the effect of a Permanent Break in Service.

**(c) Permanent Break in Service.**

A Participant who has not attained Vested Status and has earned four or fewer years of Vesting Service has a permanent Break in Service if she has at least five consecutive One-Year Breaks in Service.

In the case of a Participant who does not have one Hour of Service after 1998 (1988 for a Participant not covered by a Collective Bargaining Agreement), if the Participant has not attained Vested Status, she will have a permanent Break in Service if she has a number of consecutive One-Year Breaks in Service that equal or exceed the number of years of Vesting Service with which she has been credited prior to the break.

**4.7 CREDIT FOR MATERNITY/PATERNITY LEAVE.**

Solely for the purpose of determining whether a One-Year Break in Service has occurred, if a Participant is absent from Covered Employment by reason of:

- (a) her pregnancy,
- (b) birth of a child of such Participant,
- (c) placement of a child with such Participant in connection with adoption of such child, or
- (d) care for such child for a period beginning immediately following such birth or placement; the Hours of Service that would otherwise normally have been credited to such Participant but for such absence shall be treated as Hours of Service to a maximum of 501 Hours of Service for each pregnancy or placement. The hours so credited shall be applied to the Calendar Year in which such absence begins if doing so will prevent the Participant from incurring a One-Year Break in Service that year; otherwise, they shall be applied to the immediately following Calendar Year. The Fund may require, as a condition for granting such credit, that the Participant establish to the satisfaction of the Trustees that the absence is for one of the reasons specified and the number of hours for which such absence occurred.

**4.8 VESTING SERVICE AND VESTED STATUS**

- (a) A Participant shall be credited with one (1) year of Vesting Service, for each Plan Year in which she earns at least one thousand Hours of Service. For each Plan Year in which the Participant works less than one thousand hours, she will not be credited with any years of Vesting Service. Participants cannot earn partial years of Vesting Service. Once a person has achieved Vested Status, her Pension Credit becomes vested and is nonforfeitable.

- (b) A Participant's right to her accrued benefit is nonforfeitable upon her attainment of Vested Status. Vested Status is earned as follows:
- (1) A Participant attains Vested Status upon reaching Normal Retirement Age while in Covered Employment.
  - (2) A Participant with one or more Hours of Service on or after January 1, 1999, acquires Vested Status upon completion of five years of Vesting Service.
  - (3) A Participant who does not meet the requirements in paragraph (b)(i) or (ii) above acquires Vested Status after completion of ten years of Vesting Service.
  - (4) A Participant who is not represented by a Union for purposes of collective bargaining and who has an Hour of Service on or after January 1, 1989 as a Participant acquires Vested Status upon completion of a least five years of Vesting Service, none of which has been canceled by a Permanent Break in Service.
  - (5) Years of Vesting Service that are not taken into account because of a Permanent Break in Service do not count in determining a Participant's Vested Status.

No forfeitures due to failure to attain Vested Status shall be applied to increase the benefits of any Participant.

- (c) ERISA also provides certain limitations on any Plan amendments that may change the Plan's vesting schedule. In accordance with those legal limitations, no amendment of this Plan may take away a Participant's Vested Status if she has already earned it at the time of the amendment. Also, an amendment may not change the schedule on the basis of which a Participant acquires Vested Status, unless each Participant who has credit for at least three years of Vesting Service at the time the amendment is adopted or effective (whichever is later) is given the option of achieving Vested Status on the basis of the pre-amendment schedule. That option must be exercised within 60 days after the latest of the following dates:
- (1) when the amendment was adopted,
  - (2) when the amendment was effective, or
  - (3) when the Participant was given written notice of the amendment.

**4.9 WORK IN NONCOVERED EMPLOYMENT.** If a Participant works for a Contributing Employer in a job not covered by this Plan, and such employment is continuous with her employment with that Employer in Covered Employment, her Hours of Service in such non-covered job during the Contribution Period shall be counted toward a year of Vesting Service, but not for purposes of benefit accrual.

**4.10 MILITARY SERVICE.** Effective December 12, 1994 and notwithstanding any provision of this Plan to the contrary, contributions, benefits, credits for service and avoidance of breaks in service with respect to qualified military service will be provided in accordance with Internal Revenue Code §414(u). To the extent required by section 414(u)(12) of the Code and regulations or other guidance issued thereunder, an individual receiving differential wage payments (within the meaning of section 3401(h)(2) of the Code) from an Employer shall be treated as an Employee and the differential wage payments shall be treated as compensation.

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## **Article V –Optional Forms of Pension**

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**5.1 GENERAL.** The following general provisions, that is, subsections 5.1(a), (b), (c), and (d), are subject to all of the conditions and limitations in this Article:

- (a) If a Married Participant makes an application for a pension benefit, the benefit is to be paid as a Husband-and-Wife Pension unless:
  - (1) the Participant and Spouse elect otherwise in accordance with Section 5.2(h); or
  - (2) the Spouse is not a Qualified Spouse.
- (b) A Married Participant with a Qualified Spouse, who has rejected a Husband-and-Wife Pension under Section 5.2(h), may select either the Optional Husband-and-Wife Pension (available after 2007) or the Life Annuity (With 60 Months Certain).
- (c) If a Married Participant, who has a Qualified Spouse and has attained Vested Status, dies before any pension payments have started, a Pre-retirement Surviving Spouse Pension shall be payable to his surviving Spouse.
- (d) If a Participant, who is Not Married, or is Married but does not have a Qualified Spouse, makes an application for a pension benefit, the benefit is to be paid as a Life Annuity (With 60 Months Certain).

### **5.2 FORM OF PENSION PAYMENT.**

- (a) The pension of a Participant who is Married to a Qualified Spouse shall be paid in the form of a Husband-and-Wife Pension, unless a valid waiver of that form of payment has been filed with the Plan.
- (b) A Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 50% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be a percentage of the full monthly amount of the Regular Pension, Early Retirement Pension, or Vested Pension, as applicable, adjusted as follows:
  - (1) The percentage shall be 96% plus .3% for each full year that the Spouse is older than the Participant and minus .3% for each full year that the Spouse is younger than the Participant;
  - (2) In no event is the percentage to be greater than 99%.
- (c) The pension of a Participant who is not Married to a Qualified Spouse shall be paid in the form of a Life Annuity (With 60 Months Certain). The pension of a Participant who is Married to a Qualified Spouse, and who elects not to be paid in the form of a Husband-And-Wife Pension, shall be paid in the form of an Optional Husband-and-Wife Pension (available after 2007) or a Life Annuity (With 60 Months Certain), whichever the

Participant selects.

- (d) A Life Annuity (With 60 Months Certain) pays a monthly annuity for life, which is equal to the Participant's Regular Pension, Early Retirement Pension, or Vested Pension, as applicable, with no further adjustment. However, if the Participant dies before receive 60 monthly payments, then payments (in the same amount) shall continue to be paid to the Beneficiary, until a total of 60 payments have been made to the Participant and Beneficiary.
- (e) An Optional Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 75% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be a percentage of the full monthly amount of the Regular Pension, Early Retirement Pension, or Vested Pension, as applicable, adjusted as follows:
  - (1) The percentage shall be 94% plus .4% for each full year that the Spouse is older than the Participant and minus .4% for each full year that the Spouse is younger than the Participant;
  - (2) In no event is the percentage to be greater than 99%.
- (f) A Husband-and-Wife Pension or an Optional Husband-and-Wife Pension, once payments have begun, may not be revoked nor may the Pensioner's benefits be increased by reason of subsequent divorce or death of the Spouse before that of the Participant.

Notwithstanding the above, except for a Professional Staff Employee, for pensions whose Annuity Starting Date is on or after July 1, 2004 and are payable as a Husband and Wife Pension, if the Participant's Spouse predeceases the Pensioner the monthly amount payable to the Pensioner thereafter shall then be increased to the monthly amount it would have been had the benefit not been adjusted for the difference in age between the Participant and her Spouse. This increase shall only be upon a prospective basis.

- (g) No more than 180 days, and no less than 30 days, before the Participant's Annuity Starting Date, the Participant and his Spouse, if any, shall be provided with the a written explanation of: (i) the terms and conditions of the Husband-and-Wife Pension, and of the other optional forms of benefit payment under the Plan; (ii) the material features, eligibility conditions, relative values, and financial effect of being paid in the Husband - and-Wife Pension and in each of the other payment forms; (iii) the Participant's right to elect, and the effect of an election, to waive the Husband-and-Wife Pension, and to then elect to receive one of the other optional forms of benefit payment under the Plan; (iv) the right of the Participant to revoke any such elections, and the final date on which such revocation may be made; (v) the right of the Spouse to consent to any election by the Participant to waive the Husband-and-Wife Pension, and to select one of the other optional forms of benefit payment under the Plan; (vi) the right to defer the start of benefit payments and the consequences of failing to so defer, including a description of how much larger benefits will be if the start of payments is so deferred; and (vii) any other information required by the notice requirements of Code section 417(a)(3) and Treasury Regulation § 1.417(a)(3)-1.

It is provided, however, that the written explanation may be provided less than 30 days prior to the Annuity Starting Date, so long as: (i) the Participant, after having received the

written explanation, affirmatively elects a form of distribution and the Spouse consents to that form (if her consent is necessary); (ii) the Plan provides information to the Participant clearly indicating that the Participant has a right to at least 30 days to consider whether to waive the Husband -And-Wife Pension and elect another payment form, and that the Election Period will be extended accordingly; (iii) the Participant is permitted to revoke an affirmative payment form election, at any time, up to the later of Annuity Starting Date or the First Payment Date; (iv) the Annuity Starting Date is after the date that the written explanation is provided; and (v) payment of the pension benefit, in accordance with the Participant's affirmative election, does not commence before the expiration of the 7-day period that begins the day after the written explanation is provided.

- (h) At any time during the Election Period, the Participant may accept, or if applicable may waive and select, forms of pension payment. Such acceptance, or waiver and selection, shall be provided on an election form, furnished by the Plan, and completed and filed with the Plan prior to the close of the Election Period, as follows.
- (1) If the Participant has a Qualified Spouse, the Participant must complete the Election Form. On the form, the Participant shall elect to receive the Husband-and-Wife Pension, or shall waive that form and elect to receive either the Optional Husband-and-Wife or the Life Annuity (With 60 Months Certain). If the Participant elects the Life Annuity (With 60 Months Certain), he shall designate a Beneficiary to receive any payments to be made under that form following the Participant's death. In addition, if the Participant's Annuity Starting Date precedes his Normal Retirement Age, the Participant must consent to the immediate start of benefit payments.
  - (2) If the Participant described in (i) above waives the Husband-and-Wife Pension, then, on the Election Form, his Spouse must consent to, and acknowledge the effect on her of: (A) such waiver; (B) the particular form of benefit payment the Participant has elected; (C) if the Participant has elected the Life Annuity (With 60 Months Certain), the Beneficiary the Participant has designated; and (D) if the Participant's Annuity Date precedes her Normal Retirement Age, the immediate start of benefit payments.
  - (3) The Spouse must sign the election form, and her signature must be notarized. However, the consent and signature of the Spouse is not required if it is established to the satisfaction of the Trustees that such consent and signature cannot be obtained because there is no Spouse, because the Spouse cannot be located, or because of such other circumstances as prescribed by the applicable Treasury regulations. Also, if a Participant is legally separated or has been abandoned (within the meaning of the law of the Participant's State of residence) and the Participant has a court order to that effect, spousal consent is not required unless a Qualified Domestic Relations Order provides otherwise. In addition, if the Spouse is legally incompetent to give consent, the Spouse's legal guardian, even if the guardian is the Participant, may give consent. Any consent by a Spouse (or the individual who signs for a legally incompetent Spouse), or the establishment

that the consent of a Spouse may not be obtained, shall be effective only with respect to that Spouse.

- (4) If the Participant does not have a Qualified Spouse, the Participant must complete the election form. On the form, the Participant will: (A) acknowledge that his pension benefit will be paid in the form of a Life Annuity (With 60 Months Certain); (B) designate a Beneficiary to receive any payments to be made under that form following the Participant's death; and (C) if the Participant's Annuity Starting Date precedes his Normal Retirement Age, consent to the immediate start of benefit payments.
- (i) Once an election form has been filed with the Plan, a Participant may revoke such election form, without any spousal consent, and complete and file with the Plan a new election form, with spousal consent where applicable, at any time prior to the later of the Annuity Starting Date or the First Payment Date. The number of such revocations and new election forms is not limited. However, an election form may not be revoked on or after the later of the Annuity Starting Date or the First Payment Date.

### **5.3 PAYMENT FORMS FOR PROFESSIONAL STAFF EMPLOYEES.**

Notwithstanding the foregoing, in the case of a Professional Staff Employee, a Married Participant with a Qualified Spouse who waives the Husband-and-Wife Pension may elect to receive a 75% Husband-and-Wife Pension, a 100% Husband-and-Wife Pension, a Life Annuity (With 120 Months Certain), or a Straight Life Annuity as described below:

- (a) A Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 50% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be the Regular Pension, Early Retirement Pension, Vested Pension or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest.
- (b) A 75% Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 75% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be the Regular Pension, Early Retirement Pension, Vested Pension or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest.
- (c) A 100% Husband-and-Wife Pension means that the Participant will receive an adjusted monthly amount for life and, if the Participant dies before her Qualified Spouse, the latter will receive a monthly benefit for her lifetime of 100% of the Participant's adjusted monthly amount. The Participant's monthly amount shall be the Regular Pension, Early Retirement Pension, Vested Pension or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest.

- (d) A Life Annuity (With 120 Months Certain) pays a monthly annuity for life, which is equal to the Participant's Regular Pension, Early Retirement Pension, Vested Pension, or Disability Pension, as applicable, actuarially reduced and equivalent to the amount computed in Article 3 payable as a life annuity. The actuarial reduction shall be based upon the UP84 mortality table with a five (5) year setback for spouses and 6.5% interest. However, if the Participant dies before receiving 120 monthly payments, then payments (in the same amount) shall continue to be paid to the Beneficiary, until a total of 120 payments have been made to the Participant and Beneficiary.
- (e) A Straight Life Annuity pays a monthly annuity for life, which is equal to the Participant's Regular Pension, Early Retirement Pension, Vested Pension, or Disability Pension, as applicable, with no adjustment and no continuance to any Beneficiary after death.

The pension of a Professional Staff Employee who is not Married to a Qualified Spouse shall be paid in the form of a Life Annuity (With 120 Months Certain) or a Straight Life Annuity, as described above. If a Professional Staff Employee became a Participant before 1985, her pension benefit may, at her election and consent of her Spouse (if any), be paid in a lump sum which is the Actuarial Equivalent of her pension benefit. Section 5.1 and Section 5.2(f), (g), (h) and (i) shall apply to a Professional Staff Employee, substituting the payment forms available to such employee for the payment forms set forth therein.

#### **5.4 PRE-RETIREMENT SURVIVING SPOUSE PENSION.**

- (a) If a Participant who has a Qualified Spouse dies before her pension payments start but at a time when she had attained Vested Status, a Pre-retirement Surviving Spouse Pension shall be paid to her surviving Spouse.
- (b) If the Participant described in (a) above died at a time when she would have been eligible to begin receiving payment of a pension had she Retired, the surviving Qualified Spouse shall be entitled to a Pre-retirement Surviving Spouse Pension equal to the life annuity payable to him, determined as if the Participant had Retired with an immediate Husband-and-Wife Pension on the day before she died.
- (c) If the Participant described in (a) above died before she would have been eligible to begin receiving pension payments had she Retired, the surviving Qualified Spouse shall be entitled to a Pre-retirement Surviving Spouse Pension calculated as if the Participant: (i) had separated from service under the Plan on the earlier of the date she last worked in Covered Employment or the date of her death, (ii) had survived to the earliest age at which a pension would be payable to her under the Plan, (iii) had Retired at that age with an immediate Husband-and-Wife Pension, and (iv) had died the next day.
- (d) Payment of the Pre-retirement Surviving Spouse Pension begins, in the case of a Participant described in (b) above, immediately following the Participant's death, and in the case of a participant described in (c) above, when the Participant would have attained the earliest age at which payment of her pension benefit could have started. The amount of the Preretirement Surviving Spouse Pension shall be determined under the terms of the Plan in effect when the Participant last worked in Covered Employment, unless otherwise expressly specified.
- (e) Notwithstanding any other provisions of this Article, a Pre-retirement Surviving Spouse Pension shall not be paid at the time described above, if the Spouse elects in writing filed with the

Trustees, and on whatever form they may prescribe, to defer commencement of the Pre-retirement Surviving Spouse Pension until a specified date that is no later than the first of the month on or immediately before the later of: (i) the end of the calendar year immediately following the calendar year in which the employee died or (ii) the end of the calendar year in which the employee would have attained age 70 1/2. The amount payable at that time shall be determined as described in this Section 5.4, increased to be the Actuarial Equivalent of the amount starting at the time described in (d) above.

**5.5 RELATION TO QUALIFIED DOMESTIC RELATIONS ORDER.** Any rights of a former Spouse or other alternative payee under a Qualified Domestic Relations Order, with respect to a Participant's pension, shall take precedence over those of any later Spouse of the Participant under this Article.

**5.6 QUALIFIED MILITARY SERVICE DEATH BENEFITS.** In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing Qualified Military Service (as defined in Code section 414(u)), the survivors of the Participant are entitled to any benefits provided under the Plan as if the Participant had resumed and then terminated employment on account of death.

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## Article VI — Applications, Benefit Payments, And Retirement

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**6.1 APPLICATIONS.** A pension must be applied for in writing, on an approved application form, filed with the Trustees at least one month in advance of the first month for which benefits could be payable. The plan does not permit retroactive Annuity Starting Dates. Once completed application has been received by the Trustees, the Trustees will assign an Annuity Starting Date to the Participant.

**6.2 INFORMATION AND PROOF.** Every Participant, Pensioner, Spouse or Beneficiary shall furnish, at the request of the Trustees, any information or proof reasonably required to determine her benefit rights. If the claimant makes a willfully false statement material to her application or furnishes fraudulent information or proof, material to her claim, benefits not vested under this Plan may be denied, suspended, or discontinued. The Trustees shall have the right to recover any benefit payments made in reliance on any willfully false or fraudulent statement, information or proof submitted by a Participant or Pensioner.

**6.3 ACTION OF TRUSTEES.** The Trustees shall have exclusive discretionary authority to administer and operate the Plan in accordance with its terms. Subject to the requirements of law, the Trustees shall be the sole judges of the standard of proof required in any case involving the application and interpretation of this Plan, and decisions of the Trustees, subject to the Plan's appeals and review procedure, shall be final and binding on all parties.

Whenever in the Plan, the Trustees are given discretionary powers, the Trustees shall exercise such powers in a uniform and nondiscriminatory manner.

The Trustees may, from time to time, adopt by resolution objective standards under which benefits, eligibility or administration of the Plan is provided or operated.

**6.4 TRUSTEES' RELIANCE.** In making determinations under this Article, the Trustees shall be entitled to rely on written representations, consents, and revocations submitted by Participants, Spouses or other parties and, unless such reliance is arbitrary or capricious, the Trustees' determinations shall be final and binding, and shall discharge the Fund and the Trustees from liability. This means that, unless the Plan is administered in a manner determined to be inconsistent with the fiduciary standards of Part 4 of Title I of ERISA, the Fund shall not be liable under this Article for, among other things, duplicate benefits with respect to the same Participant, or for surviving Spouse benefits in excess of the actuarial present value of the benefits described in this Section, determined as of the Annuity Starting Date of the Participant's pension or, if earlier, the date of the Participant's death.

**6.5 RIGHT OF APPEAL.** A Participant or Beneficiary whose application for benefits under this Plan has been denied, in whole or in part, shall have the right to appeal the decision by written request filed with the Trustees pursuant to the Plan's claims procedure set forth in Article IX.

### **6.6 BENEFIT PAYMENTS GENERALLY.**

- (a) A Participant who is eligible to receive benefits under this Plan and makes application in accordance with the rules of this Pension Plan shall be entitled upon Retirement to receive the monthly benefits provided for the remainder of her life, subject to the provisions of this Plan.

- (b) However, in no event unless a Participant elects otherwise, shall the payment of benefits begin later than the 60<sup>th</sup> day after the later of the close of the Plan Year in which:
- (1) The Participant attains age 65, or
  - (2) The Participant terminates Covered Employment and Retires as that term is defined in Section 6.7 of this Article A Participant may, however, elect in writing filed with the Trustees, to receive benefits first payable for a later month, provided that no such election postpones the Annuity Starting Date of the Participant's pension until after the Required Beginning Date as defined in Section 6.6(d)(ii).
- (c) In the case of an Annuity Starting Date that occurs on or after Normal Retirement Age, such date applies to any additional benefit accruals after the Annuity Starting Date. In the case of an Annuity Starting Date that occurs prior to Normal Retirement Age, such date does not apply to any additional benefit accruals after such date.
- (d) Notwithstanding any provision of the Plan to the contrary, the Fund will begin benefit payments to all Participants by their Required Beginning Dates, whether or not they apply for benefits.
- (1) A Participant's Required Beginning Date is April 1, of the Calendar Year following the year the Participant reaches 70-1/2.
  - (2) If a Participant who is definitely located fails to file a completed application for benefits on a timely basis, the Fund will establish the Participant's Required Beginning Date as the Annuity Starting Date and begin benefit payments as follows:
    - (i) In the form of a Husband-and-Wife Pension calculated on the assumptions that the Participant is and has been married for at least one year by the date payments start and that the husband is 3 years older than the wife.
    - (ii) The benefit payment form specified here will be irrevocable once it begins, with the sole exception that it may be changed to a single-life annuity if the Participant proves that she did not have a Qualified Spouse (including an alternate payee under a QDRO) on the Required Beginning Date; also, the amounts of future benefits will be adjusted based on the actual age difference between the Participant and Spouse if proven to be different from the foregoing assumptions.
    - (iii) Federal, state and local income tax, and any other applicable taxes, will be withheld from the benefit payments as required by law or determined by the Trustees to be appropriate for the protection of the Fund and the Participant.
- (e) Any additional benefits earned by a Participant in Covered Employment after Normal Retirement Age will be determined at the end of each Plan Year and will be payable as of January 1, following the end of the Plan year in which it accrued, provided payment of benefits at that time is not suspended pursuant to Section 6.8 or postponed due to the Participant's continued employment.

Additional benefits described in this Subsection that are not suspended or postponed will be paid in the payment form in effect for the Participant as of the Annuity Starting Date most recently preceding the date the additional benefit became payable.

- (f) Pension payments shall end with the payment for the month in which the death of the Pensioner occurs except as provided in accordance with a Husband-and-Wife Pension (Article V) and any other provision of this Plan for payments after the death of the Pensioner.

**6.7 RETIREMENT.** To be considered retired, to retire, or to be in retirement, a Participant must have separated from any employment with Contributing Employers within the "geographic area" covered by this Plan.

The "geographic area" covered by the Plan is the State of New York and any other area covered by the Plan when the Participant's pension began or, but for suspension under this Article, would have begun.

**6.8 SUSPENSION OF BENEFITS.**

**(a) Before Normal Retirement Age.**

If any Pensioner, subsequent to Retirement but prior to attaining Normal Retirement Age, engages in Disqualifying Employment, payment of her pension benefit shall be suspended for any month during which such Pensioner is so engaged in such employment and, except for a Professional Staff Employee, for up to six months after such employment ceases.

**(b) After Normal Retirement.**

If any Pensioner, subsequent to Retirement and after attaining Normal Retirement Age, engages in Disqualifying Employment, payment of her pension benefit shall be suspended for any month in which she worked or was paid for at least 40 hours of such employment.

**(c) Definition of Suspension.**

"Suspension of benefits" for a month means non-entitlement to payment of benefits for the month. If benefits were paid for a month for which benefits were later determined to be suspended, the erroneous payments shall be recoverable through deductions from future pension payments, pursuant to and in accordance with Section 6.8.

**(d) Notices.**

- (1) At Normal Retirement Age or upon commencement of pension payments, the Trustees shall notify the Participant of the Plan rules governing suspension of benefits, including a description of work that constitutes Disqualifying Employment. If benefits have been suspended and payment resumed, new notification shall, upon resumption, be given to the Participant, if there has been any material change in the suspension rules or the definition of Disqualifying Employment.

- (2) A Participant must, at such time and with such frequency as may be reasonable, as a condition to receiving future benefit payments, either certify that he is unemployed or provide factual information sufficient to establish that any employment does not constitute disqualifying employment, if specifically requested by the Trustees.
  
- (3) A Pensioner shall notify the Plan in writing within 21 days after starting any work of a type that is or may be disqualifying under the provisions of the Plan and without regard to the number of hours of such work (that is, whether or not less than 40 hours in a month). The Plan may request from an employee access to reasonable information for the purpose of verifying such employment. If a Pensioner has worked in Disqualifying Employment in any month and has failed to give timely notice to the Plan of such employment, the Trustees shall presume that she worked for at least 40 hours in such month and any subsequent month before the Pensioner gives notice that she has ceased disqualifying employment, and may suspend benefits on this basis. The Pensioner shall have the right to overcome such presumption by establishing that her work was not in fact an appropriate basis, under the Plan, for suspension of her benefits.
  - (i) If the Pensioner fails to give the notice required by the preceding paragraphs, the Trustees, in their discretion, may suspend payment of benefits for up to an additional 12 months after the suspension would otherwise end.
  - (ii) The Trustees shall inform Participants at least once every 12 months of the reemployment notification requirements and the presumptions set forth above.
  
- (4) A Pensioner whose pension has been suspended shall notify the Plan when Disqualifying Employment has ended. The Trustees shall have the right to hold back benefit payments until such notice is filed with the Plan.
  
- (5) A Pensioner may ask the Plan whether a particular employment will be disqualifying. The Plan shall provide the Pensioner with its determination.
  
- (6) The Plan shall inform a Pensioner of any suspension of benefits by notice given by personal delivery or first class mail during the first calendar month in which her benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, a general description of why benefit payments are suspended, a copy of the relevant provisions of the Plan, reference to the applicable regulation of the U.S. Department of Labor in 29 CFR 2530.203-3 and a statement of the procedure for securing a review of the suspension. In addition, the notice shall describe the procedure for the Pensioner to notify the Plan when her disqualifying employment ends or to provide any other notice or certification required or request permitted hereunder. If the Plan intends to recover prior overpayments by offset, the suspension notice shall explain the offset procedure and identify the amount expected to be recovered and the periods of employment to which they relate.

**(e) Required Beginning Date.**

If the Pensioner attains her Required Beginning Date on or after January 1, 1994 she may, on or after the Required Beginning Date, work in any trade or occupation and continue to receive pension benefits from this Fund without any suspension of benefits, restrictions and/or penalties.

**(f) Review.**

A Pensioner shall be entitled to a review of a determination suspending her benefits by written request filed with the Trustees within 180 days of the notice of suspension.

The same right of review shall apply, under the same terms, to a determination by or on behalf of the Trustees that contemplated employment will be disqualifying.

**6.9 BENEFIT PAYMENTS FOLLOWING SUSPENSION.**

**(a) Resumption of Benefit Payments**

- (1) Benefits shall be resumed for months after the last month for which benefits were suspended, with payments beginning no later than the third month after the last calendar month for which the Pensioner's benefit was suspended, provided the Pensioner has complied with the notification requirements of Section 6.8(d)(iv).
- (2) Overpayments attributable to payments made for any month or months for which the Pensioner had Disqualifying Employment shall be deducted from pension payments otherwise paid or payable subsequent to the period of suspension. A deduction from a monthly benefit for a month after the Pensioner attained Normal Retirement Age shall not exceed 25 percent of the pension amount (before deduction), except for the first pension payment made upon resumption after a suspension. If a Pensioner dies before recoupment of overpayments has been completed, deductions shall be made from the benefits payable to her Beneficiary or contingent annuitant, subject to the 25 percent limitation on the rate of deduction.

**(b) Exception to Preserve Nonforfeitable Benefits**

Suspension of such benefits prior to a Pensioner's attainment of Normal Retirement Age shall not affect the Pensioner's entitlement to a Regular Pension payable after attainment of Normal Retirement Age, or the Actuarial Equivalent thereof.

**6.10 NON-DUPLICATION WITH DISABILITY BENEFITS.** No pension benefits shall be payable for any month for which the Participant or Pensioner receives wage indemnification for disability under the State of New York Disability Benefits Law. Pension benefits payable for any month for which the Participant or Pensioner receives wage indemnification for disability from the State of New York Disability Benefits Law shall be reduced by the amount of such disability payment.

**6.11 INCOMPETENCE OR INCAPACITY OF A PENSIONER OR BENEFICIARY.** In the event it is determined to the satisfaction of the Trustees that a Pensioner or Beneficiary is unable to care for his or her affairs because of mental or physical incapacity, any payment due may be applied

to the maintenance and support of such Pensioner or Beneficiary or to such person as the Trustees find to be an object of the natural bounty of the Pensioner or Beneficiary, based upon available information, unless, prior to such payment, claim shall have been made for such payment by a legally-appointed guardian, committee, or other legal representative appropriate to receive such payments on behalf of the Pensioner or Beneficiary.

#### **6.12 NON-ASSIGNMENT OF BENEFITS.**

- (a) No Participant, Pensioner or Beneficiary entitled to any benefits under this Plan shall have the right to assign, alienate, transfer, encumber, pledge, mortgage, hypothecate, anticipate, or impair in any manner her legal or beneficial interest under the Plan, or any interest in assets of the Pension Fund, or in any benefits of this Plan. Neither the Pension Fund nor any of the assets thereof shall be liable for the debts of any Participant, Pensioner or Beneficiary entitled to any benefits under this Plan, nor be subject to attachment or execution or process in any court action or proceeding.
- (b) Notwithstanding the foregoing or any other provision of the Plan, subsection (a) shall not preclude:
  - (1) Any benefits from being paid in accordance with a Qualified Domestic Relations Order, or
  - (2) Any offset of a Participant's benefits provided under the Plan against an amount that the Participant is ordered or required to pay to the Plan if:
    - (i) the order or requirement to pay arises—
      - (A) under a judgment of conviction for a crime involving the Plan,
      - (B) under a civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a breach (or alleged breach) of fiduciary duty under ERISA, or
      - (C) pursuant to a settlement agreement between the Secretary of Labor and the Participant, or a settlement agreement between the Pension Benefit Guaranty Corporation and the Participant, in connection with a breach (or alleged breach) of fiduciary duty under ERISA,
    - (ii) the judgment, order, decree, or settlement agreement expressly provides for the offset of all or part of the amount ordered or required to be paid to the Plan against the Participant's benefits provided under the Plan, and
    - (iii) in a case in which the survivor annuity requirements of section 401(a)(11) of the Code apply with respect to distributions from the Plan to the Participant, if the Participant has a Spouse at the time at which the offset is to be made—

- (A) either such Spouse has consented in writing to such offset and such consent is witnessed by a notary public or representative of the plan (or it is established to the satisfaction of a plan representative that such consent may not be obtained by reason of circumstances described in section 417(a)(2)(B) of the Code, or an election to waive the right of the Spouse to either a qualified joint and survivor annuity or a qualified preretirement survivor annuity is in effect in accordance with the requirements of section 417(a) of the Code),
- (B) such Spouse is ordered or required in such judgment, order, decree, or settlement to pay an amount to the Plan in connection with a breach of fiduciary duty under ERISA, or
- (C) in such judgment, order, decree, or settlement, such Spouse retains the right to receive the survivor annuity under a qualified joint and survivor annuity provided pursuant to section 401(a)(11)(A)(i) of the Code and under a qualified preretirement survivor annuity provided pursuant to section 401(a)(11)(A)(ii) of the Code, determined in accordance with section 401(a)(11)(D) of the Code.

**6.13 NO RIGHT TO ASSETS.** No person other than the Trustees of the Pension Fund shall have any right, title or interest in any of the income or property of any funds received or held by or for the account of the Pension Fund, and no person shall have the right to benefits provided by the Pension Plan except as expressly provided herein.

**6.14 MAXIMUM BENEFITS.** The provisions of this Section 6.13 shall apply as of January 1, 2014. The benefits paid under this Plan shall not exceed the benefits allowable under section 415 of the Code, the terms of which are incorporated by reference in this Plan. For this purpose, the "Limitation Year" shall be the Plan Year, and "Compensation" shall have the meaning assigned to it below.

- (a) The annual benefit paid to a Participant in any Limitation Year shall be adjusted so that it does not exceed the maximum permissible amount under Code section 415 for that Limitation Year.
- (b) In addition, the benefit earned or accrued in any Limitation Year by a Participant shall be adjusted, but only to the extent necessary to satisfy Code section 415, so that the benefit accrued does not exceed the maximum permissible amount that may be accrued or earned Code section 415 in that Limitation Year.
- (c) In the event that benefits of this Plan must be aggregated with benefits of another plan to determine compliance with Code section 415, the benefits of the other plan shall be adjusted to the extent necessary to comply with Code section 415.
- (d) If the benefit under the Plan is payable in any form other than a straight life annuity, the determinations as to whether the limitation described in Code section 415(b)(1) has been satisfied shall be made by adjusting such benefit so that it is equivalent to a straight life annuity. For this purpose, that portion of any joint and

survivor annuity which constitutes a qualified joint and survivor annuity (as defined in Code section 417) shall not be taken into account.

- (e) If the benefit under the Plan begins before age 62, the determination as to whether the dollar limitation of Code section 415(b)(1)(A) has been satisfied shall be made by reducing such dollar limitation, so that such limitation (as so reduced) equals an annual benefit (beginning when such benefit begins) which is equivalent to an annual benefit equal to the amount of such dollar limitation beginning at age 62.
- (f) If the benefit under the Plan begins after age 65, the determination as to whether the dollar limitation of Code section 415 (b)(1)(A) has been satisfied shall be made by increasing such dollar limitation, so that such limitation (as so increased) equals an annual benefit (beginning when such benefit begins) which is equivalent to an annual benefit equal to the amount of such dollar limitation beginning at age 65.
- (g) For purposes of adjusting any limitation under subsection (e) and, except as provided in the next sentence, for purposes of adjusting any benefit under subsection (d), the interest rate assumption shall not be less than the greater of 5 percent or the rate specified in the Plan. For purposes of adjusting any benefit under subsection (d) for any form of benefit subject to Code section 417(e)(3), the interest rate assumption shall not be less than the greatest of: (i) 5.5 percent, (ii) the rate that provides a benefit of not more than 105 percent of the benefit that would be provided if the applicable interest rate (as defined in Code section 417(e)(3)) were the interest rate assumption, or (iii) the rate specified under the Plan.
- (h) For purposes of adjusting any limitation under subsection (f), the interest rate assumption shall not be greater than the lesser of 5 percent or the rate specified in the plan.
- (i) For purposes of adjusting any benefit or limitation subsection (d), (e) or (f), the mortality table used shall be the "applicable mortality table", within the meaning of Code section 417(e)(3)(B).
- (j) For purposes of this Section 6.13, "compensation" shall have the meaning assigned to such term under Treasury Regulation section 1.415(c)-2(a). Compensation paid or made available during a Limitation Year shall also include the Participant's regular pay, as defined in Treasury Regulation section 1.415-2(e)(3)(ii), paid by the later of: (i) two and one-half (2 and ½) months after severance from employment or (ii) the end of the Limitation Year that includes the severance from employment.
- (k) For purposes of applying the limitations of Code section 415 with respect to a Participant who is employed by a particular Contributing Employer, there shall be taken into account only the benefits provided by that particular Contributing Employer, provided that this special rule shall apply only if it would increase the maximum permissible amount payable under Code section 415 (relative to the maximum permissible amount which would be payable if the limitations were determined by aggregating the benefits provided by all Contributing Employers under the Plan). For this purpose, the annual pension benefit provided by a particular Contributing Employer shall be equal to the total annual pension benefit payable to the Participant multiplied by a fraction, the numerator of which is the

Participant's Pension Credit earned with the Contributing Employer and the denominator of which is the Participant's total Pension Credit.

- (f) If a Participant's monthly pension benefit is limited pursuant to this Section 6.13, as the limitations in Code section 415 continue to be adjusted for cost-of-living increases (if any) subsequent to such Participant commencing receipt of his pension benefit, so too shall his pension benefit be adjusted accordingly.

**6.15 MERGERS.** In the case of any merger or consolidation with, or transfer of, assets or liabilities to any other Plan, each Participant shall (if the Plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit she would have been entitled to receive immediately before the merger, consolidation, or transfer (if this Plan had then terminated). This Section shall apply to the extent determined by the Pension Benefit Guaranty Corporation.

**6.16 TRANSFER BETWEEN BARGAINED AND NON-BARGAINED STATUS.** Effective for a Participant who has at least one Hour of Service after January 1, 1994, but no Hours of Service on or after January 1, 1999:

- (a) If a Participant who is in a non-bargained job when he or she completes the fifth year of service, or if the Participant accumulates 5 years of service in non-bargained positions even if they are not consecutive (as long as they are not separated by a permanent break in service), the person will be fully vested in all benefits accrued under the Plan, including those accrued under the Plan, including those accrued through bargaining-unit work.
- (b) In every other case the Participant's status at time of termination of service will control the classification for this purpose.
- (c) A Participant who has both bargained-for and non-bargained service during a Plan year is treated as a Non-Bargained Employee for that year if (i) she has enough service in non-bargained covered employment to earn a year of Vesting Service, or (ii) the majority of her covered employment for the Calendar Year is as a Non-Bargained Employee.

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## **Article VII — Miscellaneous**

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**7.1 TRUST FUND.** The funding of the Plan and payment for the benefits hereunder shall be provided through the medium of the Fund held under the Trust Agreement. Such Fund shall be comprised of all of the assets held by the Trustees, consisting of contributions of the Contributing Employers pursuant to the Plan and any income, gains, or profits and less distributions, expenses paid from the fund and losses.

**7.2 PARTICIPANT CONTRIBUTIONS.** No Participant shall be required or permitted to make any contributions to the Plan.

**7.3 NON REVERSION.** It is expressly understood that in no event shall any of the corpus or assets of the Pension Fund revert to the Employers or be subject to any claims of any kind or nature by the Employers, except for the return of an erroneous contribution within the time limits prescribed by law.

**7.4 NO DIVERSION.** It is impossible and shall remain impossible, at any time prior to the satisfaction of all liabilities with respect to Participants and their beneficiaries under the Plan and Trust Agreement, for any part of the corpus or income of the Trust Fund to be used for, or diverted to, purposes other than for the exclusive benefit of such Participants and their beneficiaries under the Plan and the payment of reasonable administrative expenses of the Plan.

**7.5 LIMITATION OF LIABILITY.** Except for liabilities which may result from provisions of ERISA, nothing in this Plan shall be construed to impose any obligation to contribute beyond the obligation of the Employer to make contributions as stipulated in its Collective Bargaining Agreement with the Union, or other agreement which requires that it makes contributions to the Plan. There shall be no liability upon the Trustees individually, or collectively, or upon the Union to provide the benefits established by this Plan, if the Pension Fund does not have assets to make such payments.

**7.6 NEW EMPLOYERS.** The participation of any such new Employer shall be subject to such terms and conditions as the Trustees may lawfully prescribe including, but not limited to, the imposition of waiting periods in connection with the commencement of benefits, a requirement for retroactive contributions, or the application of modified benefit conditions and amounts. In adopting applicable terms or conditions, the Trustees shall take into account such requirements as they may deem necessary to preserve an equitable relationship with the contributions required from other participating Employers and the benefits provided to their Employees.

**7.7 TERMINATED EMPLOYER.**

- (a) The provisions of this Section establish the respective obligations of the Pension Fund and of the Employer in the event that an Employer ceases to participate in the Pension Fund as Contributing Employer with respect to a bargaining unit.
- (b) An Employer ceases to participate in the Pension Fund with respect to a bargaining unit if it is determined by the Trustees to be terminated because it no longer has a Collective Bargaining Agreement for the bargaining unit requiring contributions to the Pension Fund or because it fails to make the contributions for which it is obligated for the unit for a period of 90 days.
- (c) Upon the termination of participation of an Employer unit, the Trustees shall, in the interest

of preserving the actuarial soundness of the Pension Fund, limit the liability of the Fund so that it is not liable for benefits accrued as a result of service within a bargaining unit before it participated in the Plan, and after it ceased to participate in the Plan, and, moreover, is not liable for benefits that cannot be paid out of "net contributions". "Net contributions" shall be the contributions received from the Employer with respect to the terminated unit, less the sum of benefits paid during the participation of the Employer unit and attributable to a Participant's service in the terminated unit, each adjusted for administration expenses and investment yield as determined by the Trustees on a reasonable basis.

- (d) The Trustees shall discharge their liability under this Section by allocating assets sufficient to meet their liability for benefits, as defined under subsection (c) or by transferring such assets to a successor Plan, if one has been established and maintained by the Employer or to the Pension Benefit Guaranty Corporation or to a Trustee appointed pursuant to Title IV of ERISA.

**7.8 TERMINATION.** The Trustees shall have the right to discontinue or terminate this Plan in whole or in part. In the event of a termination of this Plan the rights of all affected Participants to benefits then accrued, to the extent then funded, shall become 100% vested and nonforfeitable. Upon a termination of the Plan, the Trustees shall take steps as they deem necessary or desirable to comply with sections 4041A and 4281 of ERISA.

**7.9 EMPLOYER WITHDRAWAL LIABILITY.** Any Contributing Employer that withdraws from the Plan after September 25, 1980, in either a complete or partial withdrawal, shall owe and pay withdrawal liability to the Plan as determined under ERISA and the procedures adopted by the Trustees. For the purpose of computing the Employer Withdrawal Liability of any Employer that withdraws from the Plan after December 31, 2007, whether as a complete withdrawal or partial withdrawal, the method described in section 4211(c)(3) of ERISA and the Mandatory de Minimis Rule pursuant to section 4209(a) of ERISA shall be used. Complete withdrawal from the Plan shall be determined in accordance with section 4203 of ERISA. Partial withdrawal shall be determined in accordance with section 4205 of ERISA."

**7.10 PLAN ASSETS.** Any contribution which an Employer is required to make to the Plan shall be treated as a "plan asset", within the meaning of 29 CFR § 2510.3-101 as of the due date of such contribution.

**7.11 PLAN INTERPRETATION AND DETERMINATIONS.** Notwithstanding any other provision of this Plan, the Board of Trustees, or their designee, shall have exclusive authority and discretion to:

- (a) determine whether an individual is eligible for any benefits under this Plan;
- (b) determine the amount of benefits, if any, an individual is entitled to under this Plan;
- (c) interpret all of the provisions of this Plan;
- (d) determine or find facts that are relevant to any claim for benefits from this Plan;
- (e) interpret all of the provisions of the Plan's Summary Plan Description;
- (f) interpret the provisions of any Collective Bargaining Agreement or written participation agreement involving or impacting this Plan;

- (g) interpret the provisions of the Trust Agreement governing the operation of this Plan;
- (h) interpret all of the provisions of any other document or instrument involving or impacting this Plan; and
- (i) interpret all of the terms used in this Plan, the Summary Plan Description, and all of the other previously mentioned Agreements, documents, and instruments.

All such determinations and interpretations made by the Trustees, or their designee, shall: be final and binding upon any individual claiming benefits under the Plan, and upon all Employees, all Employers, the Union, and any party who has executed any Agreement with the Trustees or the Union; shall be given deference in all courts of law, to the greatest extent allowed by applicable law; and, shall not be overturned or set aside by any court of law unless the Court finds that the Trustees, or their designee, abused their discretion in making such determination or rendering such interpretation.

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## Article VIII – Amendments

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**81 AMENDMENT.** This Plan may be amended at any time by the Trustees, consistent with the provisions of the Trust Agreement. However, no amendment may decrease the accrued benefit of any Participant, except:

- (a) As necessary to establish or maintain the qualification of the Plan or the Trust Fund under the Code and to maintain compliance of the Plan with the requirements of ERISA, or
- (b) If the amendment meets the requirements of section 302(c)(8) of ERISA and section 412(c)(8) of the Internal Revenue Code, and the Secretary of Labor has been notified of such amendment and has either approved of it or, within 90 days after the date on which such notice was filed, she failed to disapprove.

Further, no amendment shall have the effect of:

- (a) authorizing any part of the Fund to be used for, or diverted to, purposes other than for the exclusive benefits of Participants or their beneficiaries;
- (b) except as expressly provided above, decreasing the accrued benefits of any Member or his Beneficiary under the Plan;
- (c) eliminating or reducing an early retirement benefit or retirement-type subsidy or eliminating any optional form of benefit payment of any Participant or his Beneficiary;
- (d) reducing the vested percentage of any Member; or
- (e) changing the vesting schedule, except as permitted in Section 4.8(c).

It is provided, however, that the prohibitions in (b) and (c) shall not apply to the extent such amendment is permitted or required by the Act or the Code.

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## Article IX — Appeal Procedure

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**9.1 APPLICATION DENIAL.** If your application for a pension is denied by the Trustees, if you disagree with the amount or duration of your pension benefit, or if you otherwise believe that a benefit or entitlement due you under the Plan has not been provided, then you or your representative (the "claimant") may file a claim for a benefit in accordance with the Plan's claims procedure described below.

**9.2 FILING THE CLAIM.** The claimant may file the claim by writing to the Trustees at the address provided in the Plan's summary plan description (the "SPD"). The Trustees will review all claims filed.

**9.3 NOTIFICATION OF THE INITIAL DECISION.**

- (a) Time of Notification. The claimant will be notified of the Trustees' decision within 90 days after the claim has been received. However, an additional 90 days may be required under special circumstances communicated to the claimant, along with an expected date of the decision, before the expiration of the original 90-day period.

In the case of a claim for a disability pension benefit, the Trustees will notify the claimant of their decision within a reasonable period of time, but not later than 45 days after receipt of the claim. This period may be extended by the Trustees for up to 30 days, provided that the Trustees determine that such an extension is necessary due to matters beyond their control and they notify the claimant, prior to the expiration of the initial 45-day period, of the circumstances requiring the extension of time and the date by which the Trustees expect to render a decision. The notice of extension will specifically explain the standards on which entitlement to a disability pension benefit is based, the unresolved issues that prevent a decision on the claim, and the additional information needed to resolve those issues. The claimant will be afforded at least 45 days within which to provide the specified information.

- (b) Method of Notification. The notification of the Trustees' decision on the claim will be in writing or provided electronically in accordance with the Department of Labor regulations at 29 CFR section 104b-1(c).
- (c) Content of the Notification. If the claim has been denied in whole or in part, the notification will: (i) describe the specific reason(s) for denial, (ii) contain specific references to pertinent Plan provisions upon which the denial is based, (iii) describe any additional material or information necessary for the claimant to perfect the claim and why such material or information is needed, (iv) explain the Plan's review procedure and the time limit applicable to such procedure and (v) include a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following the whole or partial denial of the claim after the appeal described below.

In the case of a denial of a claim for a disability pension benefit, in addition to the above, if an internal rule, guideline, protocol, or other similar criterion (the "rule") was relied upon in making such denial, then the notification will include either: (i) a copy of the rule or (ii) a statement that the rule was relied upon in making the denial and that a copy of the rule will be provided free of charge to the claimant upon request.

#### **9.4 PROCEDURE FOR REVIEW OF DENIED CLAIM.**

- (a) **Time and Method of Requesting Review.** If the claimant desires further consideration of the decision denying the claim, the claimant may request a review of the decision within 60 days after receiving notification of the denial. This request is made by writing to the Trustees at the address provided in the SPD. Failure to file a request for review within this 60-day period will constitute a waiver of the right to review of the decision and such decision will be final and binding upon all parties thereto, except as otherwise determined by a court.
- (b) **Documents and Other Information.** In connection with this review, the claimant will be provided with, upon request and free of charge, reasonable access to and all copies of documents, records and other information which is in the possession of the Plan, and which is relevant to the claim. Further, the claimant may submit written issues and comments, documents, records and any other information to be considered by the Trustees. In reaching a decision on the review, the Trustees will consider all issues, comments, documents, records and other information submitted by the claimant, without regard to whether the same was considered in the initial review.
- (c) **Time and Method of the Decision on the Claim.** The Trustees will render a decision on the claim at the regular quarterly meeting following the receipt of the review request. However, if the request for review is filed within 30 days preceding the date of such meeting, a determination may be made by no later than by the date of the second regular quarterly meeting following the Trustees' receipt of the request. If special circumstances (such as the need to hold a hearing) require a further extension of time for processing the claim being appealed, a determination will be rendered not later than by the date of the third regular quarterly meeting of the Trustees following the receipt of the request for review. If such an extension of time for review is so required, the Trustees will provide the claimant with written notice of the extension, describing the special circumstances and the date as of which the determination on the claim will be made, prior to the start of the extension.

The Trustees will notify the claimant of its determination on the review as soon as possible, but not later than 5 days after the Trustees' meeting at which the determination is made. The notification will be in writing or sent electronically in accordance with Department of Labor regulations at 29 CFR section 104b-1(c).

- (d) **Content of the Notice of the Decision.** Notification of an adverse decision will include: (i) the specific reason(s) for the determination, (ii) specific references to pertinent Plan provisions upon which the determination is based, (iii) a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information which is held by the Plan, and which is relevant to the claim, and (iv) a statement of the claimant's right to bring a civil action under section 502(a) of ERISA.

In the case of a denial of a claim for a disability pension benefit, if an internal rule, guideline, protocol, or other similar criterion (a "rule") was relied upon in making the adverse determination, then the notification will include either: (i) a copy of the rule or (ii) a statement that the rule was relied upon in making the adverse determination and that a copy of the rule will be provided free of charge to the claimant upon request. Also, the notification will include the following statement: "You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of

Labor Office and your State insurance regulatory agency.”

**9.5 TIME LIMIT ON LEGAL ACTION.** No civil action or other legal action may be commenced by the claimant with respect to or arising out of any claim for benefits or rights against the Plan (or the Trustees or any of their agents) more than 180 days after the claimant is given notice of denial of that claim on appeal.

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## Article X — Qualified Domestic Relations Order

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**10.1 SUPERSEDES.** In the event the Trustees are presented with a Qualified Domestic Relations Order, the Trustees shall obey such order and all other provisions of this Plan shall be subject to it.

**10.2 QUALIFIED.** An order shall be treated as a Qualified Domestic Relations Order if the Trustees determine that:

- (a) the order is made pursuant to a State domestic relations law (including a community property law);
- (b) the order creates or recognizes an alternate payee's rights to (or assigns an alternate payee the right to) receive all or a portion of the participant's benefits. An "alternate payee" is defined as any Spouse, former Spouse, child or other dependent of the Participant who is recognized in the order as having a right to receive all (or a portion of) the benefits payable to the Participant under the Plan;
- (c) the order clearly specifies the name (if any) of the Participant and the name and mailing address of each alternate payee covered by the order;
- (d) the order clearly specifies the amount or percentage of the benefits to be paid by the Plan to each such alternate payee (or the manner in which the amount or percentage is to be determined);
- (e) the order clearly specifies the number of payments or the period to which the order applies;
- (f) the order clearly specifies each plan to which the order relates;
- (g) the order does not require the Plan to provide any form of benefit option not otherwise available under the Plan except as permitted by law;
- (h) the order does not require the Plan to provide actuarially increased benefits; and
- (i) the order does not require the Plan to provide benefits to an alternate payee which are to be paid to another alternate payee under a separate order previously determined to be a Qualified Domestic Relations Order.

**10.3 PROVISION EXCEPTION.** An order shall be treated as a Qualified Domestic Relations Order if it meets the requirements of 10.2, even if it requires the payment of benefits to an alternate payee at any time prior to the Participant's separation from service, provided that:

- (a) the Participant has attained (or would have attained) the earliest retirement age under the Plan;
- (b) benefit payments are computed as if the Participant had Retired on the date on which payments are to begin (based on the present value of benefits actually accrued); and

- (c) such payments are in a form in which benefits may be paid under the Plan to the Participant (other than in a form which provides a survivor annuity to the alternate payee's surviving spouse).

**10.4 COOPERATION.** To receive benefits from the Plan pursuant to a Qualified Domestic Relations Order, the alternate payee must furnish the Trustees with a copy of the order, certified by the Clerk of the Court issuing the order.

**10.5 TRUSTEES' DUTIES.** Upon receipt of a certified copy of a State domestic relations order, the Trustees shall:

- (a) promptly notify the Participant and any other alternate payee of the receipt of the order and provide said person with a copy of this Plan section;
- (b) promptly determine whether the order is a Qualified Domestic Relations Order; and
- (c) promptly notify the Participant and all other alternate payees of such determination.

If the determination is that the order is a Qualified Domestic Relations Order the notification in C. shall set forth the date on which payments are schedule to begin. If the determination is that the order is not a Qualified Domestic Relations Order, the notification in C. shall set forth the specific reasons for the conclusion. The Participant and the alternate payee(s) may appeal any determination made in accordance with the Plan's appeal procedure, a copy of which shall be included with the determination letter.

**10.6 TRUSTEES UNABLE TO DECIDE.** In the event the Trustees are unable to make a determination whether an order is or is not a Qualified Domestic Relations Order prior to the next scheduled distribution of benefits to the Participant whose benefits are subject to the order, the Trustees shall segregate in a separate account the amount that would have been payable to the alternate payee(s) had the order been determined to be a Qualified Domestic Relations Order and shall continue to segregate such amounts until the earlier of the date a determination is made or the expiration of 18 months.

If within such 18 months, the Trustees determine the order to be a Qualified Domestic Relations Order, the Trustees shall pay the segregated amounts (plus any interest earned thereon) to the person or persons entitled to receive them. If, within the 18 months the order is determined not to be a Qualified Domestic Relations Order or, after the 18-month period has expired, no determination is made, the segregated amounts (plus any interest) shall be paid to the person who would have received the amounts if there had been no order. Thereafter any determination that an order is a Qualified Domestic Relations Order shall apply prospectively (i.e., the Plan shall not be liable for payments to an alternate payee(s) for the period before the order was determined to be a Qualified Domestic Relations Order). The Plan shall be discharged from any obligation or liability to any Participant or alternate payee(s) to the extent of any payment made pursuant to these procedures, provided the Trustees have acted in accordance with their fiduciary responsibility.

The Trustees may require any Participant and any alternate payee(s) to furnish to the Trustees, such releases, documents or information as the Trustees require for the administration of the Plan and this article.

**10.7 ACTUARIAL EQUALIZATION.** To insure that compliance with a Qualified Domestic Relations Order does not increase the actuarial cost to the Plan, an adjustment in the amount and/or form of the payment to the Participant shall be made by the Trustees where the order would otherwise result in such increase in actuarial cost. In determining the extent of such adjustment, the actuarial equivalence is calculated in accordance with Section 1.1.

**10.8 REFERRAL TO FUND COUNSEL.** As with all issues concerning the Plan, the Trustees reserve the right to have any court order reviewed by Counsel to determine its qualified status.

**10.9 LIABILITY LIMITATION.** Neither the Fund, its Administrators, fiduciaries, employees, or agents are liable: (a) for any loss, cost, or suffering occasioned by any delay in determining whether an order is a Qualified Domestic Relations Order; or (b) for any payment made or withheld as a result of such determination, provided such determination is made in accordance with ERISA's fiduciary responsibility provisions.

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## Article XI — Direct Rollovers

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**11.1 DIRECT ROLLOVERS.** Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Article, a Distributee may elect, at the time and in the manner prescribed by the Trustees, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.

**11.2 DEFINITIONS.** For purposes of this Article XI, the following terms shall have the meanings indicated:

- (a) **Eligible Rollover Distribution.** An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: any distribution that 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 or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under section 401(a)(9) of the Code; and the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities). In addition, an Eligible Rollover Distribution does not include a hardship distribution.
- (b) **Eligible Retirement Plan.** An Eligible Retirement Plan is: (1) an individual retirement account described in section 408(a) of the Code, (2) an individual retirement annuity described in section 408(b) of the Code, (3) an annuity plan described in section 403(a) of the Code, (4) a qualified trust described in section 401(a) of the Code, (5) an eligible deferred compensation plan described in Code section 457(b) that is maintained by an eligible employer as described in Code section 457(e)(1)(A) that shall separately account for the eligible rollover distribution, (6) an annuity contract described in Code section 403(b), provided such plan or annuity accepts the Distributee's eligible rollover distribution, or (7) effective January 1, 2010, a Roth IRA described in Code section 408A(b) (subject to the rules and provisions set forth in Code section 408A(e) and any regulations thereunder). The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order. For a non-spouse beneficiary, an Eligible Retirement Plan shall include only an individual retirement plan or annuity described in (1), (2), or (7) above, that is treated as an inherited IRA of the beneficiary.
- (c) **Distributee.** A Distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse or non-spouse beneficiary within the meaning of Code section 402(c)(11), and the employee's or former employee's spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order, are Distributees with regard to their own interests in the Plan.
- (d) **Direct Rollover.** A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.



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May 17, 2023

Ms. Audrey Browne  
DC 37 Local 389 Pension Fund  
420 W. 45th Street, Fifth Floor  
New York, NY 10036

**Re: District Council 37, Local 389 Home Care Employees Pension Plan –  
Rehabilitation Plan Schedule and Considerations**

Dear Audrey:

As you are aware, the District Council 37, Local 389 Home Care Employees Pension Plan (the "Plan") was certified to be in Critical and Declining Status on March 31, 2023 for the plan year beginning January 1, 2023. As such, one or more Rehabilitation Plans must be adopted by the Trustees by November 26, 2023.

Rehabilitation Plans are designed to allow a plan to cease being in Critical or Critical and Declining Status as of the end of the rehabilitation period. The rehabilitation period is the 10-year period beginning on the first day of the plan year after the second anniversary of the adoption of the Rehabilitation Plan, or the first day of the plan year following the expiration of Collective Bargaining Agreements ("CBAs") covering at least 75% of participants, if earlier. Based on the information that we have regarding the current CBAs, we have calculated that the rehabilitation period for the Plan would begin on January 1, 2024 and end on December 31, 2033.

The Rehabilitation Plan (or Plans) may include some or all of the following features:

- Contribution increases,
- Removal of Adjustable Benefits, which include:
  - o Post-retirement death benefits
  - o Disability benefits for participants not yet in pay status
  - o Early retirement subsidies
  - o Benefit payment options (other than QJSA)
  - o Benefit increases made less than 60 months before the first day of the plan year in which a plan is deemed to be in Critical or Critical and Declining Status
- Reduction of future benefit accruals \*
  - o Accrual rate cannot fall below 1% of contributions required to be made with respect to a participant.

*\* The benefit accrual rate for professional staff employees is currently 1.7% of Annual Compensation. Since the current contribution rate is 17.04% of pay, the future benefit accrual rate can be decreased to 0.1704% of Annual Compensation.*

*The benefit accrual rate for home care employees is \$5.50 per month. All locations have different contribution rates. Using the JASA location as an example, the current contribution rate is \$0.455 per hour. Assuming a JASA employee works 1,500 hours per year, contributions of \$682.50 would be made on their behalf, and thus their benefit accrual rate could be reduced to \$0.57 per month (\$682.50 x 1% / 12 months). Actual accrual rate reduction may vary based on contribution rate and actual hours worked.*

There is a surcharge on employer contributions during the rehabilitation period. The surcharge is equal to 5% of the otherwise required contribution from each employer commencing May 30, 2023. The surcharge in subsequent years, commencing January 1, 2024, is equal to 10% of the otherwise required contribution from each employer. Surcharges will no longer be required once an employer has adopted a Rehabilitation Plan. The surcharges cannot be used to provide for increased benefit accruals.

If the plan sponsor determines that, based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures, the Plan cannot reasonably be expected to emerge from critical status by the end of the rehabilitation period, the Rehabilitation Plan must provide for reasonable measures to emerge from critical status at a later time or to forestall possible insolvency.

We have performed preliminary analysis to determine if a Rehabilitation Plan can be drafted that would allow the Plan to emerge from Critical and Declining Status by the end of the rehabilitation period. The Plan offers the following Adjustable Benefits:

- Disability benefits
- Early retirement subsidies more generous than plan actuarial equivalence factors

Even with the removal of Adjustable Benefits and the reduction of future benefit accruals, we have projected that the contribution rates for active participants would have to be increased by a multiplier of approximately 4.1 in order for the Plan to be projected to emerge from Critical and Declining Status by the end of the rehabilitation period. For example, for professional staff employees, the contribution rate would have to increase to  $17.04\% \times 4.1 = 69.86\%$  of pay, for home care employees at the JASA location, contributions would have to increase to  $\$0.455 \times 4.1 = \$1.87$  per hour, and so on. The removal of these Adjustable Benefits and reduction of future benefit accruals has a negligible impact on the Plan's liabilities.

We would anticipate that the increase in contributions would not be plausible. As such, emergence from Critical and Declining Status may not be achievable even after taking all reasonable measures to do so. Accordingly, the Trustees would need to determine that all they can attempt to do is forestall the inevitable insolvency.

As the removal of adjustable benefits would not allow the Plan to emerge from the Critical and Declining status, those changes are not permitted. However, the trustees could amend the plan to lower the rate of future benefit accruals.

Lastly, it should be noted that as the Plan has been determined to be in Critical and Declining status, the Plan may be eligible for Special Financial Assistance under the American Rescue Plan Act of 2021. This financial assistance would provide support for benefit payments through 2051, and potentially beyond, with favorable financial asset performance.

Unless otherwise stated, this estimate is based upon the assumptions and methods disclosed in the Actuarial Certification for the Plan Year Beginning January 1, 2023, issued on March 31, 2023.

**Reliance and Limitation of Use**

In preparing this information, we relied, without audit, on information supplied by the Plan office. This information includes, but is not limited to, plan documents and provisions, employee and employer data, and financial information. Additional financial information was taken from publicly available Form 5500 filings. As is our usual practice, we have not audited or verified the accuracy or completeness of the data. Since the results are dependent on the integrity of the data supplied, results can be expected to differ if the underlying data is incomplete or inaccurate.

For actuarial requirements under ERISA, all costs, liabilities, rates of interest, and other factors under the Plan (except when mandated directly by regulations) have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the Plan and reasonable expectations) and which, in combination, offer our best estimate of anticipated experience under the Plan.

Future actuarial measurements may differ significantly from the current measurements presented herein due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

This letter is intended for the sole use of the Trustees of the Plan for the purposes stated in the letter and attachments. It is a complex, technical analysis and is not for the use or benefit of any third party for any purpose and may not be provided to third parties without Milliman's prior written consent. Any third-party recipient of Milliman's work product who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs.

Milliman is a benefit consulting firm and may not render any legal or tax advice. Any such issues related to this analysis should be addressed to the appropriate party.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices. I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.



Ms. Audrey Browne  
May 17, 2023  
Page 4

Please call if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Aaron Shapiro".

Aaron Shapiro, FSA, EA, MAAA  
Principal and Consulting Actuary

Enclosures

c: Tim Connor  
Steve Mariani

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AB\_05172023\_Rehabilitation Plan Considerations.docx

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Statements of Net Assets Available for Benefits

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<u>Assets</u>	As of December 31,	
	2023	2022
Investments, at fair value	\$ 58,187,359	\$ 58,492,568
Receivables:		
Employer contributions	123,200	112,950
Total receivables	123,200	112,950
Cash and cash equivalents	1,036,536	436,923
Property and equipment, net	-	304
Security deposits	6,903	6,903
Prepaid expenses	32,484	38,210
Total assets	59,386,482	59,087,858
<u>Liabilities</u>		
Accounts payable and accrued expenses	85,073	96,500
Due to related entity	250,901	178,887
Total liabilities	335,974	275,387
Net assets available for benefits	\$ 59,050,508	\$ 58,812,471

The accompanying notes are an integral part of these financial statements

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Statements of Changes in Net Assets Available for Benefits

	For the Years Ended December 31,	
	2023	2022
<u>Additions</u>		
Investment income:		
Net appreciation (decrease) in fair value of investments	\$ 3,483,282	\$ (9,557,324)
Dividends and interest	886,246	869,722
	4,369,528	(8,687,602)
Less: Custodian and investment expenses	149,824	169,922
Net investment income	4,219,704	(8,857,524)
Employer contributions	926,768	1,041,633
Other income	2,567	34
Total additions	5,149,039	(7,815,857)
<u>Deductions</u>		
Benefits paid directly to participants	3,821,072	3,517,652
Administrative expenses	1,089,930	1,060,081
Total deductions	4,911,002	4,577,733
Net increase (decrease) in net assets available for benefits	238,037	(12,393,590)
Net assets available for benefits:		
Beginning of year	58,812,471	71,206,061
End of year	\$ 59,050,508	\$ 58,812,471

The accompanying notes are an integral part of these financial statements

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Schedules of Administrative Expenses

	For the Years ended December 31,	
	2023	2022
Legal fees	\$ 51,857	\$ 63,238
Accounting and audit fees	36,000	36,000
Actuarial fees	134,522	116,837
Pension benefit processing fees	28,047	46,888
Postage and delivery	18,026	10,901
Pension Benefit Guaranty Corporation	276,395	248,913
Office expenses and supplies	7,171	34,943
Computer expenses	-	410
Insurance	40,678	35,409
Allocated expenses	496,930	465,341
Depreciation	304	1,201
	\$ 1,089,930	\$ 1,060,081



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April 19, 2022

Ms. Audrey Browne  
DC 37 Local 389 Health & Welfare Fund and  
DC 37 Local 389 Pension Fund  
420 W. 45th Street, Fifth Floor  
New York, NY 10036

**Re: Withdrawal Liability Calculation – Home Attendant Vendor Association**

Dear Audrey:

Attached is a withdrawal liability assessment for the Home Attendant Vendor Association (“HAVA-232”) with regard to their former participation in the District Council 37 Local 389 Homecare and Professional Employees Pension Plan (the “Plan”). HAVA-232 withdrew from the Plan during the 2019 calendar year.

It is our understanding that HAVA-232 is not part of any controlled group of employers that participate in the Plan. If any additional employers are or were part of a controlled group with HAVA-232 at any time, our calculations may need to be revised.

The assessment to HAVA-232 for a withdrawal occurring during the 2019 plan year is **\$1,198,356**. The required payment schedule consists of **5 quarterly payments of \$231,102 and 1 final payment of \$62,707**. Details supporting these calculations are provided in the attached Exhibits A and B.

Calculations were completed in accordance with our understanding of the Plan Document, which stipulates the use of the “Rolling-5” Method, as outlined under ERISA Section 4211(c)(3). These calculations are based on December 31, 2018 assets and liabilities determined using the assumptions specified by the prior actuary for their 2018 actuarial valuation. The methods and assumptions utilized in the calculation are summarized on the attached Exhibit C.

Please note that this calculation utilized the information received from the Fund Office, which contained actual contributions received each year from HAVA-232. If the Fund Office is able to provide HAVA-232’s obligated contributions (i.e., contributions due) on a yearly basis, we will revise the calculation accordingly.

In preparing this calculation, we relied, without audit, on information supplied by your office. This information includes, but is not limited to, Plan documents and provisions, employee and employer data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. Additional financial information was taken from publicly available Form 5500 filings. As is our usual practice, we have not audited or verified the accuracy or completeness of the data. Since the results are dependent on the integrity of the data supplied, results can be expected to differ if the underlying data is incomplete or inaccurate.

For actuarial requirements under ERISA, all costs, liabilities, rates of interest, and other factors under the Plan (except when mandated directly by regulations) have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the Plan and reasonable expectations) and which, in combination, offer a best estimate of anticipated experience under the Plan. It is our understanding that the prior actuary's assumptions are to be utilized for this calculation. However, if after consultation with Fund Counsel and/or upon further legal review, the calculation is to be completed using different assumptions, we will work with you and Fund Counsel to revise calculations accordingly.

Future actuarial measurements may differ significantly from the current measurements presented herein due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

This letter and attachments are intended for the sole use of the Trustees of the District Council 37 Local 389 Homecare and Professional Employees Pension Plan and Plan Counsel for the purposes stated in the letter and attachments. It is a complex, technical analysis and is not for the use or benefit of any third party for any purpose and may not be provided to third parties without Milliman's prior written consent. We understand that the results of this calculation will be shared with the withdrawing employer and we consent to such information being shared. Any third party recipient of Milliman's work product who desires professional guidance, including the above named employer and their counsel, should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs.

The calculations reported herein have been made on a basis consistent with our understanding of MEPPA and related guidance and regulations as of the date of this letter. Determinations for purposes other than calculating withdrawal liability under MEPPA may differ significantly from the results reported herein. Accordingly, additional determinations may be needed for other purposes.

Milliman is a benefit consulting firm and may not render any legal or tax advice. Any such issues related to this analysis should be addressed to the appropriate party.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this letter is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.



Ms. Audrey Browne  
April 19, 2022  
Page 3

Please call if you have any questions. I am available for additional assistance if needed.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Connor".

Tim Connor, FSA, EA, MAAA  
Principal & Consulting Actuary

Enclosures

c: Lisa Gomez  
Jeff Ashendorf  
Jonathan Cerrito  
Phil Davidoff  
Aaron Shapiro

0335HCR10-67  
Withdrawal Liability - HAVA.docx

**Exhibit A**

**District Council 37, Local 389 Home Care and Professional Employees Pension Plan  
Withdrawal Liability Assessment for Home Attendant Vendor Association**

1. Plan Year of withdrawal		1/1/2019 - 12/31/2019
2. Date of Unfunded Vested Benefits (UVBs) determination		12/31/2018
3. Market Value of Assets (MVA)		\$58,291,628
4. Vested Liability		\$64,034,162
5. Expected outstanding claims for withdrawal liability to be collected with respect to employers that withdrew before 2019		\$0
6. UVBs for Withdrawal Liability: (4) - (3) - (5)		\$5,742,534
7.	(a)	(b)
	Plan Year Ended	Total Plan Contributions
	12/31	Withdrawn Employer's Contributions
	2014	\$2,449,537
	2015	2,191,372
	2016	2,269,322
	2017	2,214,605
	2018	<u>1,763,003</u>
	5-Year Total	\$10,887,839
		\$2,272,083
8. Allocation ratio: (7b) ÷ (7a)		20.8681%
9. <i>De minimis</i>		\$43,069
10. Deductible: [\$100,000 + (9) - (6) × (8)], but not greater than (9) nor less than zero		\$0
11. Withdrawal Liability: [(6) × (8) - (10)], but not less than \$0		\$1,198,356
12. Payment Amount		
a) Average highest 3-year period of contribution base units (CBUs):		
	Plan Year Ended	CBUs
	12/31	
	2009	2,278,475
	2010	2,084,734
	2011	1,731,770
	2012	1,617,305
	2013	409,674
	2014	1,084,677
	2015	905,408
	2016	1,173,162
	2017	616,782
	2018	<u>1,213,559</u>
	High 3-year average (2009 - 2011)	2,031,660
b) Highest obligated contribution rate for the 10 year period ending December 31, 2019		0.4550
c) Quarterly payment: [(12a) × (12b) ÷ 4] rounded up to the nearest dollar		\$231,102

**Exhibit B**

District Council 37, Local 389 Home Care and Professional Employees Pension Plan  
Withdrawal Liability Assessment for Home Attendant Vendor Association

Payment Schedule

Date	Amount
7/1/2022	\$231,102
10/1/2022	231,102
1/1/2023	231,102
4/1/2023	231,102
7/1/2023	231,102
10/1/2023	62,707

## Exhibit C

### Actuarial Methods

Allocation and Liability Method: Withdrawal liability allocations are based on the Rolling-5 Method. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as disability benefits which are not considered vested based on the assumptions and plan provisions.

Asset Valuation Method: Assets are determined as the market value of assets.

### Actuarial Assumptions/Procedures

Interest Rates:	7.25%, compounded annually.	
Retirement Age:	100% of eligible active participants are assumed to retire at age 67. 100% of terminated vested participants are assumed to retire at age 65.	
Mortality:		
Healthy:	Rates in accordance with the sex distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with Scale AA.	
Disabled:	Rates in accordance with the sex distinct RP-2000 Disabled Mortality Table.	
Turnover:	<u>Age</u>	<u>Rate</u>
	20	17.93%
	25	17.22%
	30	16.20%
	35	14.85%
	40	13.10%
	45	10.83%
	50	7.91%
	55	4.40%
	60	1.20%
Disability:	<u>Age</u>	<u>Rate</u>
	20	0.06%
	25	0.07%
	30	0.08%
	35	0.10%
	40	0.15%
	45	0.25%
	50	0.47%
	55	0.92%
	60	1.86%

## **Exhibit C**

Percent Married:	100% of active participants are assumed to be married, with males three years older than their female spouse.
Form of Payment:	Married and active terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5-year certain period for Homecare employees and a Single Life Annuity option for Professional employees.
Liabilities for Terminated Vested Participants:	All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.
Liabilities for In Pay Participants:	\$3,000,000 added to the liabilities. Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a temporary liability hold of \$3 million is held as of January 1, 2019 representing liability attributable to retroactive payments potentially owed to retired participants calculated with interest as specified in the Plan's actuarial equivalence definition.

DC 37 Local 389 Home Care Employees Pension Fund  
13-3698650  
001

WL Method is Rolling Five

This is in the plan document, related to procedures, including collections

**District Council 1707, Local 389  
Home Care and Professional  
Employees Pension Plan**

Actuarial Valuation  
As of January 1, 2018

**Bolton**

Submitted by:

**Gregory J. Pastino, Vice President**

(609) 422-5649

[gpastino@boltonusa.com](mailto:gpastino@boltonusa.com)

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# Bolton

January 23, 2019

Mr. Ismael Torres, Administrator  
District Council 1707 Local 389 Home Care and  
Professional Employees Pension Plan  
P.O. Box 3620991  
Port Authority Convenience Center  
New York, NY 10129

Re: ***January 1, 2018 Actuarial Valuation***

Dear Ismael:

This report sets forth the actuarial valuation of the District Council 1707 Local 389 Home Care and Professional Employees Pension Plan as of January 1, 2018 for the plan year beginning on that date. The report is based on census and contribution data submitted by your office. Financial data for the plan year ended December 31, 2017 was submitted by Fitzsimmons & Abrams, LLP. We have relied on the accuracy of this data.

## **Actuarial Methods and Assumptions**

All methods and assumptions remain the same as those used in the prior valuation.

## **Plan Changes**

No plan changes have occurred since the prior valuation.

## **Plan Assets and Investment Performance**

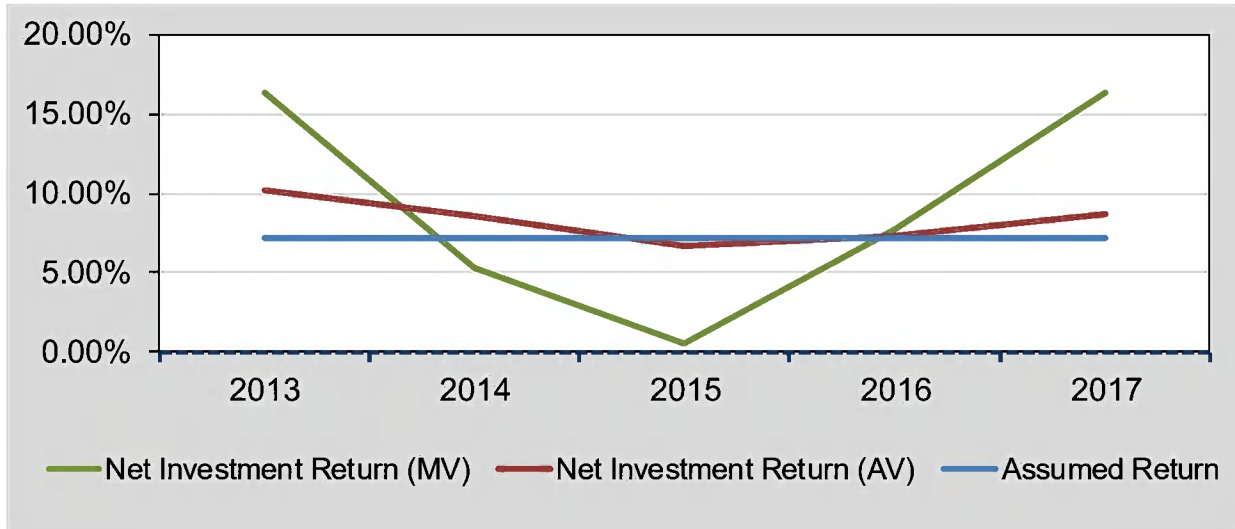
The market value of assets (MV) as of January 1, 2018 is \$64,071,660. The actuarial value of assets (AV) as of the same date is \$61,540,026.

The net return for the year ended December 31, 2017 after investment expenses was 16.33% on a market value basis and 8.76% on an actuarial value basis.

Historically, the return on the fund on an average basis has been as follows:

Plan Year Ended	Net Investment Return (MV)	Net Investment Return (AV)
2013	16.33%	10.21%
2014	5.28%	8.64%
2015	0.53%	6.64%
2016	7.66%	7.28%
2017	16.33%	8.76%
<b>5 Year Average</b>	<b>9.05%</b>	<b>8.30%</b>

A 7.25% investment return assumption is used in the valuation of the plan.

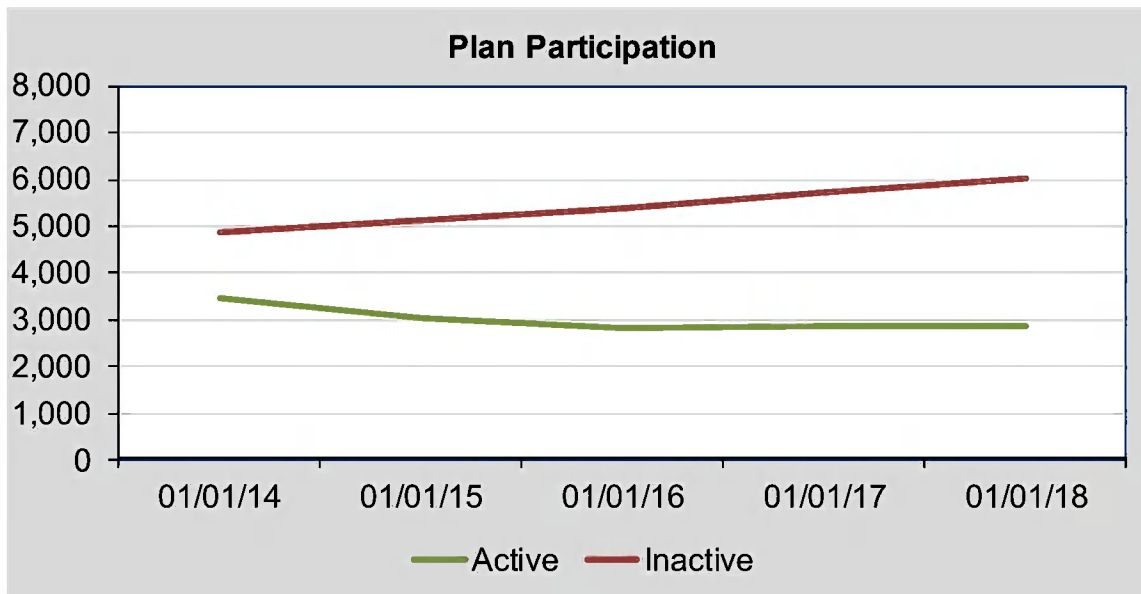


## Participation

Over the past five years, the change in participation in the plan has been as follows:

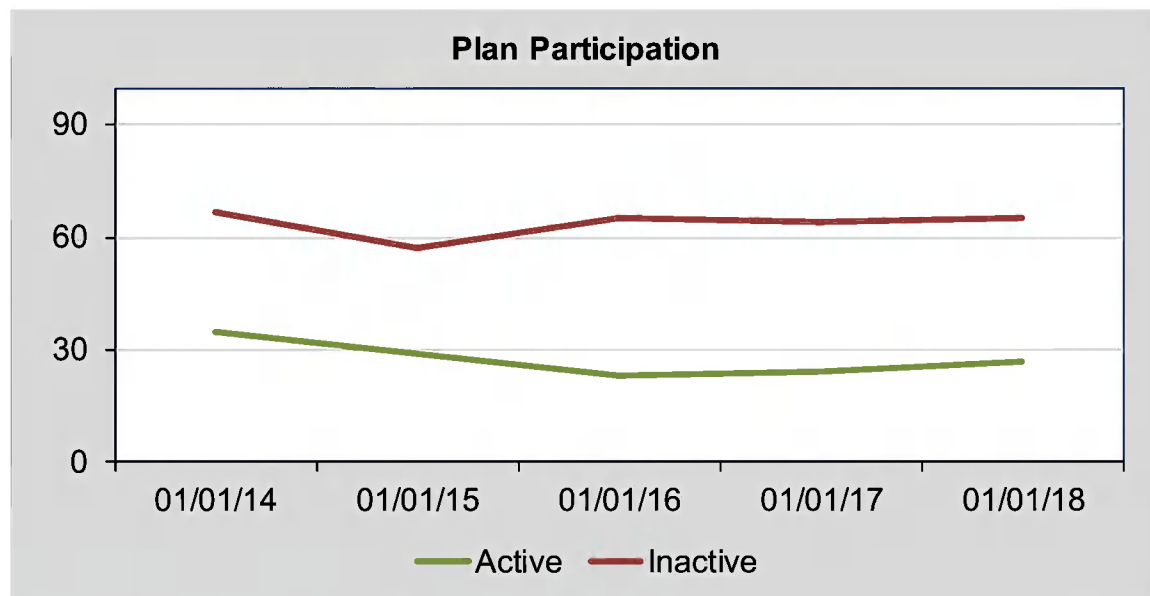
### Home Care Employees

	01/01/14	01/01/15	01/01/16	01/01/17	01/01/18
<b>Active</b>	3,473	3,034	2,813	2,856	2,868
<b>Retirees</b>	2,303	2,257	2,432	2,478	2,643
<b>Term Vested</b>	2,572	2,854	2,938	3,257	3,364
<b>Total</b>	<b>8,348</b>	<b>8,145</b>	<b>8,183</b>	<b>8,591</b>	<b>8,875</b>
<b>Active/Inactive</b>	<b>0.71</b>	<b>0.59</b>	<b>0.52</b>	<b>0.50</b>	<b>0.48</b>



### Professional Employees

	01/01/14	01/01/15	01/01/16	01/01/17	01/01/18
<b>Active</b>	35	29	23	24	27
<b>Retirees</b>	25	29	33	33	36
<b>Term Vested</b>	42	28	32	31	29
<b>Total</b>	<b>102</b>	<b>86</b>	<b>88</b>	<b>88</b>	<b>92</b>
<b>Active/Inactive</b>	<b>0.52</b>	<b>0.51</b>	<b>0.35</b>	<b>0.38</b>	<b>0.42</b>



### Funded Status Based on Market Value of Assets

A comparison of the present value of vested benefits and the present value of accrued benefits under the plan for the last two years is as follows:

	1/1/2017	1/1/2018
Present Value of Vested Benefits (PVVB)	\$ 55,549,072	\$ 57,401,849
Market Value of Assets	56,698,630	64,071,660
Surplus/(Deficit) of Assets over PVVB	1,149,558	6,669,811
Present Value of Accrued Benefits (PVAB)	56,317,863	58,115,485
Surplus/(Deficit) of Assets over PVAB	380,767	5,956,175
<b>Funded Percentage (PVVB)</b>	<b>102.07%</b>	<b>111.62%</b>
<b>Funded Ratio (PVAB)</b>	<b>100.68%</b>	<b>110.25%</b>

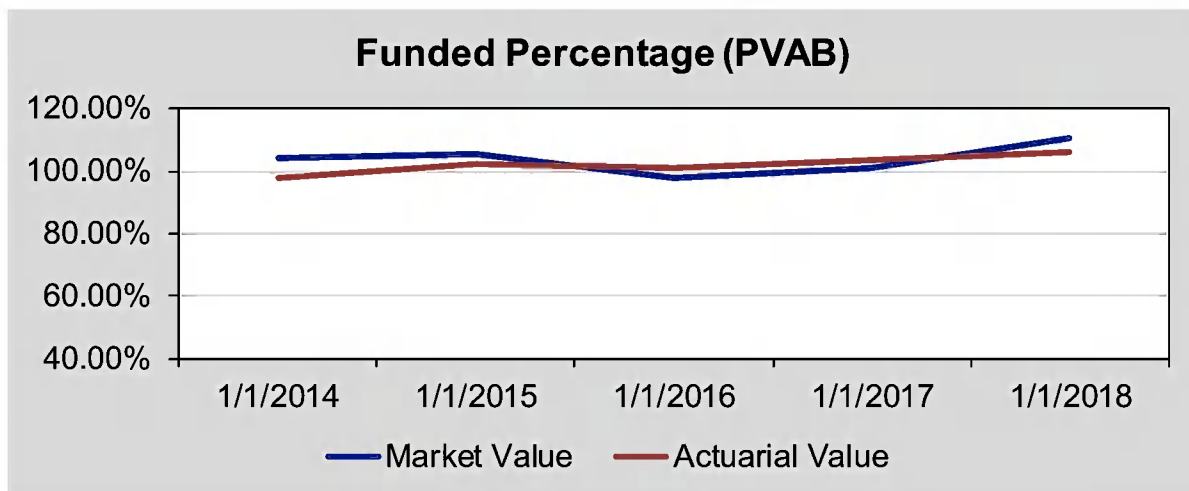
## Funded Status Based on Actuarial Value of Assets

A comparison of funded values on actuarial value of assets is as follows:

	1/1/2017	1/1/2018
Present Value of Vested Benefits (PVVB)	\$ 55,549,072	\$ 57,401,849
Actuarial Value of Assets	58,260,477	61,540,026
Surplus/(Deficit) of Assets over PVVB	2,711,405	4,138,177
Present Value of Accrued Benefits (PVAB)	56,317,863	58,115,485
Surplus/(Deficit) of Assets over PVAB	1,942,614	3,424,541
<b>Funded Percentage (PVVB)</b>	<b>104.88%</b>	<b>107.21%</b>
<b>Funded Ratio (PVAB)</b>	<b>103.45%</b>	<b>105.89%</b>

## Recent History of Funded Percentage

Date	Market Value	Actuarial Value
1/1/2014	104.06%	98.04%
1/1/2015	105.48%	102.46%
1/1/2016	97.88%	100.85%
1/1/2017	100.68%	103.45%
1/1/2018	110.25%	105.89%



## Minimum Funding

The minimum funding requirement is the normal cost including expenses for the year plus an amortization of unfunded liabilities under the plan's actuarial cost method, with interest to the end of the year.

<b>Minimum Funding Requirement before the Credit Balance</b>	
Total Normal Cost	\$ 1,739,070
Net Amortization Charges	425,717
Interest	156,947
<b>Total Minimum Funding Requirement</b>	<b>\$ 2,321,734</b>

For the plan to satisfy minimum funding requirements, employer contributions to the plan plus the credit balance for prior contributions in excess of minimums must exceed this total. Total contributions plus interest for 2018 are anticipated to be \$2,461,093. The credit balance with interest is \$3,840,168. These total \$6,301,261. Thus, assuming a continuation of the current rate of contributions, the minimum contribution requirements are met for the year.

Each year's actuarial gain or loss is amortized over a 15-year period. Plan amendments and actuarial assumption changes are amortized over a 15-year period. A schedule later in this report sets forth each component of the amortization, the outstanding balance and the number of years remaining.

## Deductible Contributions

Under the Internal Revenue Code, if the anticipated contributions for the year do not exceed the deductible limit, then the actual amounts contributed are deemed to be deductible. For 2018, the deductible limit is \$72,505,488. Therefore, anticipated contributions do not exceed the deductible limit.

For 2017, the contributions were \$2,214,605 which did not exceed the deductible limit of \$72,992,062. Therefore, the contributions for 2017 are deductible.

## Actuarial Certification

This actuarial valuation sets forth our calculation of an estimate of the liabilities of the pension plan, together with a comparison of these liabilities with the value of the plan assets, as reported by the plan's auditor. This calculation and comparison with assets is applicable for the valuation date only. The future is uncertain, and the plan may become better funded or more poorly funded in the future. This valuation does not provide any guarantee that the plan will be able to provide the promised benefits in the future.

This is a deterministic valuation in that it is based on a single set of assumptions. This set of assumptions is one possible basis for our calculations. Other assumptions may be equally valid. We may consider that some factors are not material to the valuation of the plan and may not provide a specific assumption for those factors. We may have used other assumptions in the past. We will likely consider changes in assumptions at a future date.

A change in assumptions does not indicate that the prior assumptions were invalid. At the time the prior assumptions were chosen, they represented our best estimate of the future experience of the plan. If we change assumptions in the future, it would be to align the assumptions with our then-current best estimate.

The trustees could reasonably ask how the valuation would change if we used a different assumption set or if plan experience exhibited variations from our assumptions. This report does not contain such an analysis. This type of analysis would be a separate assignment.

In addition, decisions regarding benefit improvements, benefit changes, the trust's investment policy, and similar issues should not be based on this valuation. These are complex issues and other factors should be considered when making such decisions. These other factors might include the anticipated vitality of the local economy and the growth expectation for the industry within which the contributing employers work, as well as other economic and financial factors.

The cost of this plan is determined by the benefits promised by the plan, the plan's participant population, the investment experience of the plan and many other factors. An actuarial valuation is a budgeting tool for the trustees. It does not affect the cost of the plan. Different funding methods provide for different timing of contributions to the plan. As the experience of the plan evolves, it is normal for the level of contributions to the plan to change. If a contribution is not made for a particular year, either by deliberate choice or because of an error in a calculation, that contribution can be made in later years. We will not be responsible for contributions that are made at a future time rather than an earlier time. The contributing employers are responsible for funding the cost of the plan.

We make every effort to ensure that our calculations are accurately performed. These calculations are complex. Despite our best efforts, we may make a mistake. We reserve the right to correct any potential errors by amending the results of this report or by including the corrections in a future valuation report.

This report is based on plan provisions and census data submitted by District Council 1707 Local 389 Home Care and Professional Employees Pension Plan, and asset data submitted by Fitzsimmons & Abrams, LLP. We have relied on this information for purposes of preparing this report, but have not performed an audit.

The accuracy of the results presented in this report is dependent upon the accuracy and completeness of the underlying information. The plan sponsor is solely responsible for the validity and completeness of this information.

The information in this report was prepared for the internal use of the Board of Trustees and its auditors in connection with our actuarial valuations of the pension plan. It is neither intended nor necessarily suitable for other purposes. We are not responsible for the consequences of any other use.

This report provides certain financial calculations for use by the auditor. These values have been computed in accordance with our understanding of generally accepted actuarial principles and practices and fairly reflect the actuarial position of the Plan. The various actuarial assumptions and methods which have been used are, in our opinion, appropriate for the purposes of this report.

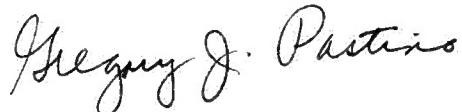
This report is conditioned on the assumption of an ongoing plan and is not meant to present the actuarial position of the Plan in the case of Plan termination. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status), and changes in plan provisions or applicable law.

Gregory J. Pastino meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein, and is currently compliant with the continuing professional education requirements developed by the Joint Board for the Enrollment of Actuaries. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services that could create a conflict of interest that would impair the objectivity of our work.

The remaining sections of this report set forth details of the valuation as well as the information required for the auditors in accordance with FASB Accounting Standards Codification No. 960.

Respectfully Submitted,

**BOLTON PARTNERS, INC.**



Gregory J. Pastino, A.S.A., M.A.A.A., E.A.  
Enrolled Actuary No. 17-3916



## Section I. Summary of Assets

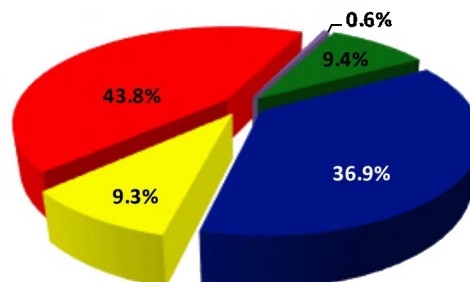
### Income Statement for the Plan Year Ended December 31, 2017

<b>Beginning of the year</b>	
Market Value of Assets for Valuation as of January 1, 2017	\$ 56,698,630
Plus: Auditor's Adjustments	0
<b>Market Value of Assets Reflecting Auditor's Adjustments</b>	<b>\$ 56,698,630</b>
<b>Receipts</b>	
Employer Contribution for the Plan Year	\$ 2,214,605
Interest and Dividends	837,703
Net Appreciation	8,414,576
Other Income	1,572
<b>Total Receipts</b>	<b>\$ 11,468,456</b>
<b>Disbursements</b>	
Distributions to Participants/Beneficiaries	\$ 2,998,236
Administrative Expenses	962,302
Investment Expenses	134,888
<b>Total Disbursements</b>	<b>\$ 4,095,426</b>
<b>End of the year</b>	
Net Increase/(Decrease) in Assets	\$ 7,373,030
<b>Market Value of Assets</b>	<b>\$ 64,071,660</b>

## Section I. Summary of Assets (cont.)

### Summary of Market Value of Assets as of December 31, 2017

Investments	
Cash	\$ 364,609
REIT Fund	5,998,605
RCTS LLC	23,530,383
Private Placement Fund	5,922,623
Mutual Fund	27,911,719
<b>Total Investments</b>	<b>\$ 63,727,939</b>
Receivables	
Employer's Contribution	\$ 260,644
Accrued Interest and Dividends	-
Other	125,050
<b>Total Receivables</b>	<b>\$ 385,694</b>
Other Assets	
Property Assets	\$ 348
Security Deposit	6,903
Prepaid Expenses	30,791
<b>Total Other Assets</b>	<b>\$ 38,042</b>
Gross Assets	
<b>Total Assets</b>	<b>\$ 64,151,675</b>
Liabilities	
Accounts Payable & Accrued Expenses	\$ 36,550
Due to Related Entities	43,465
<b>Total Liabilities</b>	<b>\$ 80,015</b>
Net Assets	
<b>Market Value of Assets</b>	<b>\$ 64,071,660</b>



■ Cash 
 ■ REIT Fund 
 ■ RCTS LLC 
 ■ Private Placement Fund 
 ■ Mutual Fund

## Section I. Summary of Assets (cont.)

### Determination of Investment Gain/(Loss) for Assets

<b>Market Value of Assets</b>			
As of January 1, 2017			\$ 56,698,630
<b>Item</b>	<b>Amount</b>	<b>Weight for Timing</b>	<b>Weighted Amount</b>
(1)	(2)	(3)	(4)
Contributions	\$ 1,953,961	50%	\$ 976,981
Contributions receivable *	260,644	0%	-
Benefits Paid	(2,998,236)	50%	(1,499,118)
Expenses	(962,302)	50%	(481,151)
<b>Total</b>			<b>\$ (1,003,288)</b>
Market Value plus Total Weighted Amount			\$ 55,695,342
Assumed Rate of Return for the Year			7.25%
<b>Expected Return</b>			<b>\$ 4,037,912</b>

\*No interest is credited to receivable contributions.

<b>Actual</b>	
Market Value as of January 1, 2017	\$ 56,698,630
Contributions	2,214,605
Benefits and Administrative Expenses Paid	(3,960,538)
Market Value as of January 1, 2018	64,071,660
<b>Actual Return [(4) - (1) - (2) - (3)]</b>	<b>\$ 9,118,963</b>

<b>Investment Gain/(Loss)</b>	
<b>Actual Return minus Expected Return</b>	<b>\$ 5,081,051</b>

## Section I. Summary of Assets (cont.)

### Development of Actuarial Value of Assets

<b>Market Value of Assets</b>				
As of January 1, 2018				\$ 64,071,660
Plan Year End (1)	Investment Gain/(Loss) (2)	Percent Recognized (3)	Percent Deferred (4)	Deferred Gain/(Loss) (2) x (4)
12/31/2014	(1,005,321)	80%	20%	(201,064)
12/31/2015	(3,669,202)	60%	40%	(1,467,681)
12/31/2016	225,897	40%	60%	135,538
12/31/2017	5,081,051	20%	80%	4,064,841
<b>Total</b>				<b>\$ 2,531,634</b>
<b>Preliminary Actuarial Value of Assets</b>				
As of January 1, 2018				\$ 61,540,026
<b>Actuarial Value of Assets</b>				
As of January 1, 2018				
(Market Value of Assets less total Deferred Gain/(Loss))				\$ 61,540,026
As a Percentage of Market Value				96.0%

Note: The actuarial value of assets is a calculated value determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the expected investment return) during each of the last 5 years at a rate of 20% per year. The actuarial value is subject to a restriction that it not be less than 80% or more than 120% of total market value.

### Investment Returns (net of investment expenses)

Plan Year End	Market Value	Actuarial Value
12/31/2017	16.33%	8.76%

## Section II. Summary of Data

### Participation Reconciliation

#### Home Care Employees

	Actives	Deferred Vested Participants	Pensioners & Beneficiaries	Total
<b>1. Participants in Prior Valuation</b>	2,856	3,257	2,478	8,591
<b>2. Change During Year</b>				
a. died (beneficiary receiving immediate benefit)			(4)	(4)
b. died (without beneficiary)		(7)	(21)	(28)
c. retired (received lump sum)	(6)	(15)		(21)
d. retired (received immediate benefit)	(86)	(70)	156	0
e. vested terminations	(179)	179		0
f. non-vested terminations	(267)			(267)
g. data additions *		34	33	67
h. data deletions			(1)	(1)
i. returns to active employment	14	(14)		0
j. certain period expired			(3)	(3)
k. new beneficiary			5	5
l. new entrants	536			536
m. total increase (decrease)	12	107	165	284
<b>3. Participants in Current Valuation</b>	<b>2,868</b>	<b>3,364</b>	<b>2,643</b>	<b>8,875</b>

\*Additional participants discovered during change in fund office programming procedures.

## Section II. Summary of Data

### Participation Reconciliation

#### Professional Employees

	Actives	Deferred Vested Participants	Pensioners & Beneficiaries	Total
<b>1. Participants in Prior Valuation</b>	24	31	33	88
<b>2. Change During Year</b>				
a. deaths with beneficiary		(1)		(1)
b. deaths without beneficiary				0
c. with beneficiary receiving lump sum				0
d. retirements		(2)	2	0
e. vested terminations	(1)	1		0
f. non-vested terminations	(1)			(1)
g. data correction				0
h. return to active status				0
i. beneficiaries			1	1
j. new entrants	5			5
k. total increase (decrease)	3	(2)	3	4
<b>3. Participants in Current Valuation</b>	<b>27</b>	<b>29</b>	<b>36</b>	<b>92</b>

## Section II. Summary of Data

### Schedule of Active Participant Data as of January 1, 2018 Years of Pension Service

#### Home Care Employees

Attained Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 &	Total
Under 25	23	14	0	0	0	0	0	0	0	0	37
25 - 29	48	47	0	0	0	0	0	0	0	0	95
30 - 34	32	41	5	1	0	0	0	0	0	0	79
35 - 39	40	54	11	10	0	0	0	0	0	0	115
40 - 44	50	49	29	23	14	2	0	0	0	0	167
45 - 49	65	86	64	54	24	9	2	0	0	0	304
50 - 54	59	92	70	57	44	15	21	1	0	0	359
55 - 59	71	109	115	88	70	51	33	16	0	0	553
60 - 64	53	102	131	117	101	60	33	25	1	0	623
65 - 69	16	49	75	58	61	55	32	23	0	0	369
70 & Over	8	23	41	26	28	15	16	10	0	0	167
<b>Total</b>	<b>465</b>	<b>666</b>	<b>541</b>	<b>434</b>	<b>342</b>	<b>207</b>	<b>137</b>	<b>75</b>	<b>1</b>	<b>0</b>	<b>2,868</b>
<b>Average Age</b>	<b>54.88</b>										
<b>Average Service</b>	<b>9.40</b>										

## Section II. Summary of Data

### Schedule of Active Participant Data as of January 1, 2018 Years of Pension Service

#### Professional Employees

Attained Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 &	Total
Under 25	0	1	0	0	0	0	0	0	0	0	1
25 - 29	0	0	0	0	0	0	0	0	0	0	0
30 - 34	0	1	0	1	0	0	0	0	0	0	2
35 - 39	0	1	0	1	0	0	0	0	0	0	2
40 - 44	0	1	0	0	0	0	0	0	0	0	1
45 - 49	0	0	0	0	1	0	0	0	0	0	1
50 - 54	0	3	1	0	1	0	0	1	0	0	6
55 - 59	0	1	1	2	3	1	0	0	0	0	8
60 - 64	0	1	0	0	1	0	0	0	0	0	2
65 - 69	0	0	0	0	1	2	0	0	0	0	3
70 & Over	0	0	1	0	0	0	0	0	0	0	1
<b>Total</b>	<b>0</b>	<b>9</b>	<b>3</b>	<b>4</b>	<b>7</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>27</b>
<b>Average Age</b>	<b>52.07</b>										
<b>Average Service</b>	<b>10.92</b>										

## Section II. Summary of Data (cont.)

### Pensioners

During the year ending in 2017, 161 participants started receiving pensions. The following table describes them.

Home Care Employees  
New Pensioners During 2017

<i>Class</i>	<i>Number</i>	<i>Average Age on Retirement Date</i>	<i>Monthly Pension</i>		
			<i>Avg.</i>	<i>Low</i>	<i>High</i>
Regular	127	68	95	28	138
Early	29	62	89	47	126
Beneficiary	5	77	63	27	124
<b>Total</b>	<b>161</b>	<b>67</b>	<b>93</b>	<b>27</b>	<b>138</b>

The following table analyzes those who are receiving periodic benefits on 1/1/18.

Home Care Employees  
Pensioners at 1/1/18

<i>Class</i>	<i>Number</i>	<i>Average Age on Valuation Date</i>	<i>Monthly Pension</i>		
			<i>Avg.</i>	<i>Low</i>	<i>High</i>
Regular	1,981	76	82	23	405
Early	602	71	70	21	137
Beneficiary	60	77	37	10	124
<b>Total</b>	<b>2,643</b>	<b>75</b>	<b>79</b>	<b>10</b>	<b>405</b>

## Section II. Summary of Data (cont.)

### Pensioners

During the year ending in 2017, 3 participants started receiving pensions. The following table describes them.

Professional Employees  
New Pensioners During 2017

<i>Class</i>	<i>Number</i>	<i>Average Age on Retirement Date</i>	<i>Monthly Pension</i>		
			<i>Avg.</i>	<i>Low</i>	<i>High</i>
Regular	1	67	366	366	366
Early	1	62	612	612	612
Beneficiary	1	59	836	836	836
<b>Total</b>	<b>3</b>	<b>63</b>	<b>605</b>	<b>366</b>	<b>836</b>

Professional Employees  
Pensioners at 1/1/18

<i>Class</i>	<i>Number</i>	<i>Average Age on Valuation Date</i>	<i>Monthly Pension</i>		
			<i>Avg.</i>	<i>Low</i>	<i>High</i>
Regular	23	76	1,005	163	5,334
Early	11	70	1,660	474	3,402
Beneficiary	2	68	554	271	836
<b>Total</b>	<b>36</b>	<b>74</b>	<b>1,180</b>	<b>163</b>	<b>5,334</b>

## Section II. Summary of Data (cont.)

### Active Participants

Just as the plan has a liability for those already receiving benefits, it also has a liability for the earned pensions of those participants who are not yet on pension.

The following table indicates how many of the active participants have satisfied the age and service requirements for the several types of benefits in the plan.

Home Care Employees  
Benefit Eligibility: Active Participants at 1/1/18

<i>Type of Benefit</i>	<i>Number Eligible</i>	<i>Number Not Eligible</i>
Normal pension	430	2,438
Early pension	596	2,272
Vesting	1,703	1,165
Pre-retirement death	1,703	1,165

Professional Employees  
Benefit Eligibility: Active Participants at 1/1/18

<i>Type of Benefit</i>	<i>Number Eligible</i>	<i>Number Not Eligible</i>
Normal pension	4	23
Early pension	1	26
Disability pension	11	16
Vesting	18	10
Surviving spouse pension	18	10
Pre-retirement death	15	12

## Section II. Summary of Data (cont.)

### Pension Service

The following table shows the average pension hours worked by age during the last five years for Home Care Employees. Participants who were terminated, died or retired during the plan year are not included.

Home Care Employees  
Pension Hours Earned By Age: Five Years

Age Group	Number of Active Participants:					Average Pension Hours Worked:				
	1/1/2018	1/1/2017	1/1/2016	1/1/2015	1/1/2014	2017	2016	2015	2014	2013
under 20	4	2	0	1	0	100	195	0	1,149	0
20-25	33	29	13	19	5	1,001	819	973	719	1,080
25-29	95	68	31	31	39	791	755	1,391	1,113	1,335
30-34	79	62	46	50	57	869	1,092	1,283	1,270	1,409
35-39	115	96	88	109	121	1,050	1,176	1,511	1,522	1,591
40-44	167	162	166	191	243	1,171	1,363	1,597	1,747	1,607
45-49	304	288	277	282	335	1,343	1,532	1,793	1,835	1,751
50-54	359	388	401	455	591	1,389	1,534	1,774	1,909	1,813
55-59	553	571	605	644	761	1,502	1,640	1,870	1,925	1,780
60-64	623	637	658	712	768	1,534	1,714	1,851	1,921	1,800
65-69	369	401	398	410	423	1,552	1,606	1,792	1,780	1,731
70-74	139	120	106	101	107	1,441	1,682	1,783	1,884	1,582
75-79	21	26	20	25	21	1,251	1,416	1,755	1,701	1,808
80-84	7	5	3	4	2	1,140	1,163	792	1,802	1,580
Unknown	0	1	1	0	0	0	195	311	0	0
<b>Total</b>	<b>2,868</b>	<b>2,856</b>	<b>2,813</b>	<b>3,034</b>	<b>3,473</b>	<b>1,392</b>	<b>1,551</b>	<b>1,781</b>	<b>1,838</b>	<b>1,744</b>



## Section III. Valuation Results

### Actuarial Liabilities and Normal Cost (Projected Unit Credit)

	2017	2018
Interest Rate	7.25%	7.25%
<b>Number of Participants</b>		
Active	2,880	2,895
Retired	2,511	2,679
Terminated Vested	3,288	3,393
<b>Total Actuarial Accrued Liability</b>	<b>8,679</b>	<b>8,967</b>
<b>Actuarial Accrued Liability</b>		
Active	\$ 13,207,460	\$ 13,261,052
Retired	22,373,262	23,686,805
Terminated Vested	20,951,224	21,382,046
<b>Total Actuarial Accrued Liability</b>	<b>\$ 56,531,946</b>	<b>\$ 58,329,903</b>
<b>Unfunded Actuarial Accrued Liability</b>		
Actuarial Value of Assets	\$ 58,260,477	\$ 61,540,026
<b>Unfunded Actuarial Accrued Liability</b>	-	-
Funded Ratio	103.1%	105.5%
<b>Total Normal Cost</b>		
Retirement benefits	\$ 823,379	\$ 739,070
Administration	1,000,000	1,000,000
<b>Total Normal Cost</b>	<b>\$ 1,823,379</b>	<b>\$ 1,739,070</b>
<b>Components of Minimum Funding</b>		
Total Normal Cost	1,823,379	1,739,070
Net Amortization Charges	227,863	425,717
Full Funding Credit	-	-
Interest	148,715	156,947
<b>Total Minimum Funding Before Credit Balance</b>	<b>\$ 2,199,957</b>	<b>\$ 2,321,734</b>
<b>Minimum Funding After Credit Balance</b>		
Credit Balance	\$ 3,258,832	\$ 3,580,576
Minimum Funding After Credit Balance	-	-
<b>Maximum Deductible Limit</b>		
Maximum Deductible Limit	\$ 72,992,062	\$ 72,505,488



## Section III. Valuation Results (cont.)

### Development of Actuarial (Gain)/Loss for January 2016 to December 31, 2016

Calculation of Expected Unfunded Actuarial Accrued Liability (UAAL)	
UAAL as of January 1, 2017	\$ -
Normal Cost	1,823,379
Interest on UAAL and Normal Cost	132,195
Employer Contribution	2,214,605
Interest on Employer Contributions	70,831
<b>Expected UAAL as of December 31, 2017</b>	<b>\$ -</b>

Calculation of Actuarial Gain/(Loss)	
Expected UAAL as of January 1, 2018	\$ -
Less: Actual Unfunded Actuarial Accrued Liability as of January 1, 2018	-
<b>Actuarial Gain/(Loss)</b>	<b>\$ -</b>



## Section III. Valuation Results (cont.)

### Schedule of Amortization Bases as of January 1, 2018

Amortization Charges	Date of First Charge	Years Remaining	Outstanding Balance	Amortization Charge
(1) Initial UL	01/01/94	6	\$ 1,473,984	\$ 290,561
(2) Plan Amendment	01/01/96	8	1,734,491	273,465
(3) Plan Amendment	01/01/97	9	2,000,015	289,275
(4) Plan Amendment	01/01/98	10	98,447	13,221
(5) Assumption Change	01/01/99	11	183,022	23,042
(6) Plan Amendment	01/01/99	11	392,484	49,412
(7) Plan Amendment	01/01/00	12	23,785	2,829
(8) Assumption Change	01/01/04	16	105,114	10,547
(9) Actuarial Loss	01/01/04	1	128,534	128,534
(10) Plan Amendment	01/01/05	17	169,332	16,453
(11) Actuarial Loss	01/01/05	2	292,207	151,214
(12) Actuarial Loss	01/01/06	3	353,013	125,996
(13) Assumption Change	01/01/06	18	2,445,295	230,766
(14) Actuarial Loss	01/01/07	4	141,693	39,224
(15) Actuarial Loss	01/01/08	5	627,159	143,574
(16) Actuarial Loss	01/01/09	6	2,937,854	579,127
(17) Plan Amendment	01/01/10	7	823,818	143,773
(18) Actuarial Loss	01/01/12	9	2,550,976	368,965
(19) Actuarial Loss	01/01/13	10	1,190,723	159,904
(20) Assumption Change	01/01/13	10	1,035,002	138,992
<b>Total Charges</b>			<b>\$ 18,706,948</b>	<b>\$ 3,178,874</b>

Amortization Credits	Date of First Credit	Years Remaining	Outstanding Balance	Amortization Credit
(1) Assumption Change	01/01/02	14	\$ 80,951	\$ 8,760
(2) Assumption Change	01/01/07	19	524,089	48,170
(3) Assumption Change	01/01/08	5	1,417,041	324,401
(4) Method Change	01/01/10	2	1,142,663	591,318
(5) Actuarial Gain	01/01/10	7	2,334,083	407,346
(6) Actuarial Gain	01/01/11	8	535,874	84,488
(7) Assumption Change	01/01/14	11	1,604,475	201,995
(8) Actuarial Gain	01/01/14	11	7,959,633	1,002,078
(9) Actuarial Gain	01/01/15	12	711,173	84,601
<b>Total Credits</b>			<b>\$ 16,309,982</b>	<b>\$ 2,753,157</b>

Equation of Balance	
Scheduled Amortization Bases	\$ 2,396,966
Less: Credit Balance	3,580,576
<b>Actual Unfunded</b>	<b>\$ (1,183,610)</b>

Revenue Ruling 81-213 does not permit the unfunded accrued liability to be less than \$0 in the Funded Standard Account.

## Section III. Valuation Results (cont.)

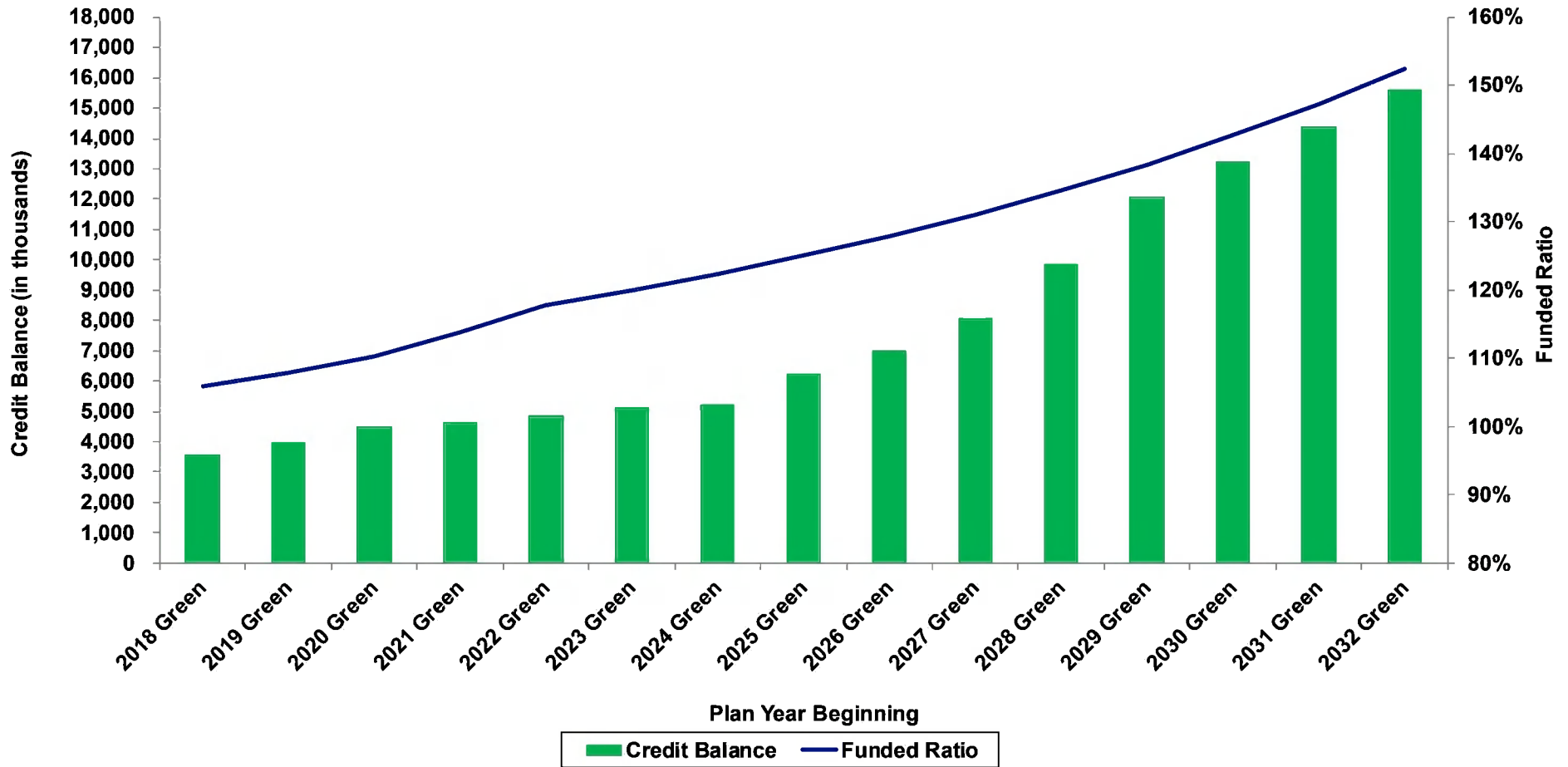
### 15 Year Projection of the Credit Balance

Year	Beginning	Normal	Net	Anticipated	Interest	Ending	Beginning
Beginning	Credit	Cost	Amortization	Contribution		Credit	Funded
1/1	Balance		Charge/(Credit)			Balance	Percentage
2017	\$ 3,258,832	\$ 1,823,379	\$ 227,863	\$ 2,214,605	\$ 158,381	\$ 3,580,576	103.45%
2018	3,580,576	1,739,070	425,717	2,374,999	188,738	3,979,526	105.89%
2019	3,979,526	1,759,070	297,189	2,381,934	225,782	4,530,983	107.80%
2020	4,530,983	1,779,470	737,290	2,389,008	232,633	4,635,864	110.16%
2021	4,635,864	1,800,278	611,288	2,396,223	248,125	4,868,646	113.89%
2022	4,868,646	1,821,502	572,069	2,403,582	266,573	5,145,230	117.71%
2023	5,145,230	1,843,151	752,894	2,411,089	272,218	5,232,492	119.99%
2024	5,232,492	1,865,233	(116,795)	2,418,746	340,274	6,243,074	122.42%
2025	6,243,074	1,887,756	146,781	2,426,556	393,081	7,028,174	125.04%
2026	7,028,174	1,910,730	(42,201)	2,434,522	462,326	8,056,493	127.92%
2027	8,056,493	1,934,163	(700,439)	2,442,647	583,196	9,848,612	131.09%
2028	9,848,612	1,958,065	(1,012,556)	2,450,935	734,322	12,088,360	134.58%
2029	12,088,360	1,982,445	119,065	2,459,389	813,200	13,259,439	138.39%
2030	13,259,439	2,007,313	200,837	2,468,012	890,684	14,409,985	142.67%
2031	14,409,985	2,032,678	200,838	2,476,807	972,579	15,625,855	147.33%

The Ending Credit Balance is equal to the Beginning Credit Balance, less Normal Cost and Net Amortization Charges (Credits), plus Anticipated Contribution and Interest.

## Section III. Valuation Results (cont.)

### 15 Year Projection of the Credit Balance



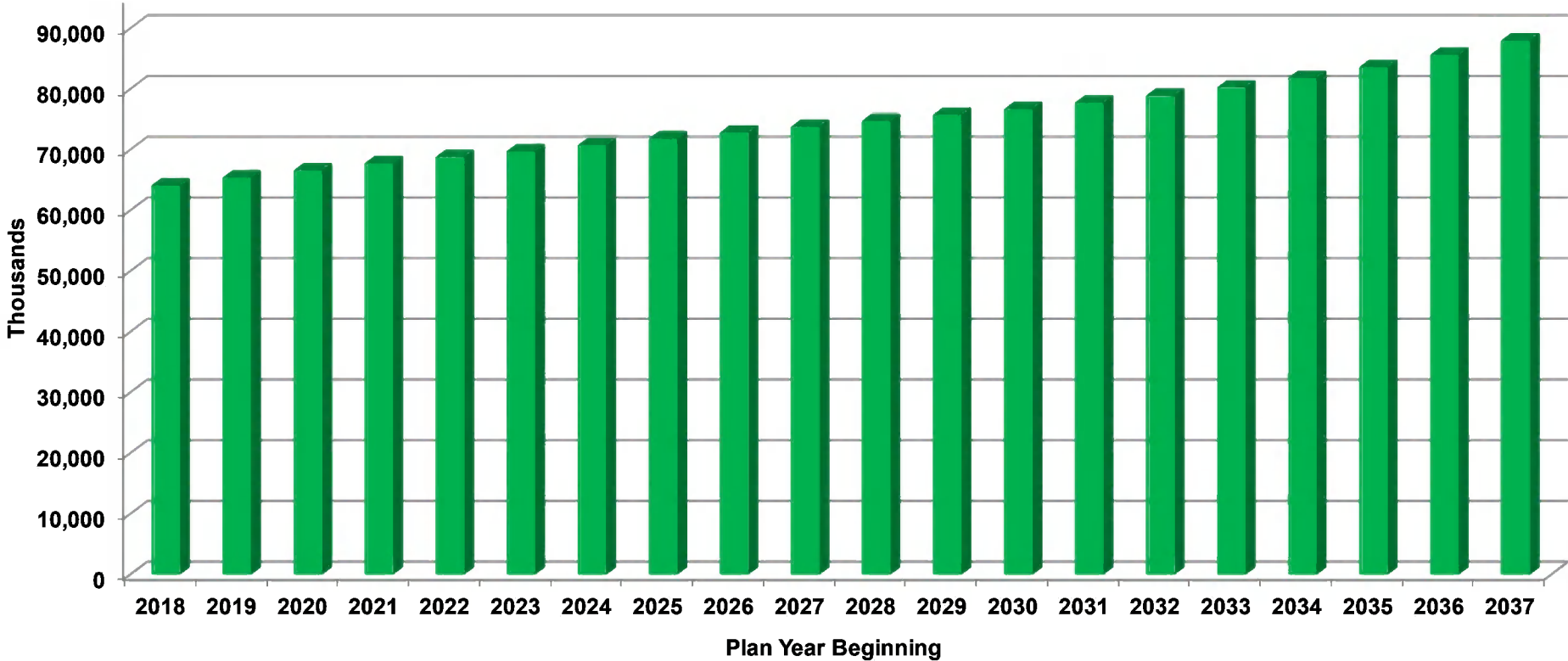
## Section III. Valuation Results (cont.)

### 20 Year Projection of the Market Value of Assets

Plan Year Beginning 1/1	Market value of Assets at Beg. of Year	Contributions	Estimated Benefit Payments	Estimated Admin. Expenses	Estimated Investment Return	Market value of Assets at End of Year
2018	\$ 64,071,660	\$2,374,999	\$ 4,598,004	\$ 1,000,000	\$ 4,492,111	\$ 65,340,766
2019	65,340,766	2,381,934	4,733,112	1,020,000	4,578,026	66,547,614
2020	66,547,614	2,389,008	4,842,698	1,040,400	4,660,326	67,713,850
2021	67,713,850	2,396,223	5,037,262	1,061,208	4,736,579	68,748,182
2022	68,748,182	2,403,582	5,191,061	1,082,432	4,804,721	69,682,992
2023	69,682,992	2,411,089	5,140,651	1,104,081	4,873,024	70,722,373
2024	70,722,373	2,418,746	5,186,396	1,126,163	4,945,398	71,773,958
2025	71,773,958	2,426,556	5,283,523	1,148,686	5,016,767	72,785,072
2026	72,785,072	2,434,522	5,401,318	1,171,660	5,084,426	73,731,042
2027	73,731,042	2,442,647	5,440,038	1,195,093	5,150,201	74,688,759
2028	74,688,759	2,450,935	5,448,697	1,218,995	5,217,889	75,689,891
2029	75,689,891	2,459,389	5,555,175	1,243,375	5,285,150	76,635,880
2030	76,635,880	2,468,012	5,485,026	1,268,243	5,354,787	77,705,410
2031	77,705,410	2,476,807	5,443,621	1,293,608	5,432,309	78,877,297
2032	78,877,297	2,485,778	5,339,422	1,319,480	5,519,497	80,223,670
2033	80,223,670	2,494,929	5,219,491	1,345,870	5,619,875	81,773,113
2034	81,773,113	2,504,263	5,092,471	1,372,787	5,735,201	83,547,319
2035	83,547,319	2,513,783	4,926,259	1,400,243	5,868,210	85,602,810
2036	85,602,810	2,523,494	4,752,527	1,428,248	6,021,853	87,967,382
2037	87,967,382	2,533,399	4,592,655	1,456,813	6,197,369	90,648,682

# Section III. Valuation Results (cont.)

## 20 Year Projection of the Market Value of Assets



## Section IV. History of Unfunded Vested Benefits for Withdrawal Liability Purposes

### History of Unfunded Vested Benefits (calculated using valuation assumptions)

For purposes of employer withdrawal liability under the Multiemployer Pension Plan Amendments Act of 1980 we have calculated the value of unfunded vested benefits as of the end of each plan year since 12/31/01.

As of 12/31/07, the pertinent assumptions used to value unfunded vested benefits are the same as those we have used for the basic actuarial valuation.

Before 2007 the major assumptions used to value unfunded vested benefits were as follows:

- Interest: For liabilities up to market value of assets, 5.80% for 20 years and 4.75% beyond. For liabilities in excess of market value of assets, same as used for plan funding.
- Administrative expenses: Calculated as prescribed by PBGC formula (29 CFR Part 4044, Appendix C); not applicable to those liabilities determined using funding interest rates.
- Mortality: Same as used for plan funding.
- Retirement rates: Same as used for plan funding.

The following table shows the results of those calculations for recent dates.

<i>Plan Year End</i>	<i>Unfunded Vested Benefits</i>
12/31/2001	1,167,927
12/31/2002	6,183,395
12/31/2003	8,044,067
12/31/2004	11,572,133
12/31/2005	15,806,364
12/31/2006	13,667,029
12/31/2007	4,098,391
12/31/2008	13,066,293
12/31/2009	8,308,415
12/31/2010	4,931,525
12/31/2011	9,489,110
12/31/2012	10,283,142
12/31/2013	0
12/31/2014	0
12/31/2015	89,104
12/31/2016	0
12/31/2017	0



## Section V. Statement of Accounting Standards Codification No. 960

### Statement of Accumulated Plan Benefits as of January 1, 2018

Present Value of Accumulated Plan Benefits (PVAB)	1/1/2017	1/1/2018
<b>Vested Benefits</b>		
Participants Currently Receiving Payments	\$ 22,373,262	\$ 23,686,805
Deferred Vested Participants	20,951,224	21,382,046
Active Participants	12,224,586	12,332,998
<b>Total Vested Benefits</b>	<b>55,549,072</b>	<b>57,401,849</b>
Non-Vested Benefits	768,791	713,636
<b>Total (PVAB)</b>	<b>56,317,863</b>	<b>58,115,485</b>
<b>Market Value of Assets</b>	<b>56,698,630</b>	<b>64,071,660</b>

The interest rate used in determining the present value of accumulated plan benefits was 7.25% for 2017 and 7.25% for 2018.

<b>Statement of Changes in Accumulated Plan Benefits</b>		
Actuarial Present Value of Accumulated Plan Benefits as of January 1, 2017		\$ 56,317,863
<b>Increase (Decrease) during the year attributable to:</b>		
Interest	\$ 3,974,359	
Plan Experience	821,499	
Benefits Paid	(2,998,236)	
Assumption Change	-	
Plan Amendment	-	
Net Decrease		1,797,622
Actuarial Present Value of Accumulated Plan Benefits as of December 31, 2017		58,115,485
Actuarial Value of Assets as of December 31, 2017		61,540,026
<b>Funded Percentage based on Actuarial Value of Assets</b>		<b>105.89%</b>

## Section VI. Summary of Plan Provisions

### Plan Provisions

#### Home Care Employees

<b>Pension Service:</b>		
Years of Pension Service Earned – one-quarter of a year for each 250 hours (No more than one year of pension service may be earned in any one plan year)		
<b>Eligibility for Benefits:</b>		
Type of Benefit	Age Requirement	Service Requirement
Participation	none	1000 hours in 12 consecutive months
Regular pension	65	10 pension credits, 5 years of vesting service, or 5 <sup>th</sup> anniversary of plan participation
Early pension	55	10 pension credits
Pre-retirement death benefit	none	vested
Vesting	none	5 years of vesting service
<b>Benefits:</b>		
Type	Duration	Amount
Normal pension	life, guaranteed for 60 months	\$5.50 for each year of pension service (up to 25 years)
Early pension	life, guaranteed for 60 months	same as normal but reduced 1/2 of 1% for each month prior to normal
<b>Pre and Post Pension Death:</b>		
Death benefit (pre-pension only)	60 payments	Same as normal
Surviving spouse pension	life of spouse	50% of husband and wife benefit
<b>Options at Normal and Early Pension Age:</b>		
Type	Duration	Amount
Husband and wife	life of both pensioner and spouse	actuarially reduced with 50% or 75% payable to surviving spouse

## Section VI. Summary of Plan Provisions (cont.)

### Professional Employees

<b><i>Credit for Service:</i></b>		
<b>Time Period</b>	<b>Credit For Service Earned</b>	
Past service prior to 1/1/77	from the date of employment as a full-time employee	
Future service on and after 1/1/77	<b>Hours of Covered Employment</b>	<b>Pension Credits</b>
	Less than 250	0
	250 but less than 500	¼
	500 but less than 750	½
	750 but less than 1,000	¾
	1,000 or more	1
<b><i>Eligibility for Benefits:</i></b>		
<b>Type of Benefit</b>	<b>Age Requirement</b>	<b>Service Requirement</b>
Participation	none	1,000 hours of service in covered employment during initial consecutive 12-month period, or January 1 or July 1 upon subsequent satisfaction of eligibility requirements
Normal pension	65	5 years of participation
Early retirement pension	60	10 years of credit for service
Disability award pension	none	10 years of credit for service, with Social Security Disability Award
Pre-retirement survivor pension	none	vested
Pre-retirement death benefit	none	10 years of credited service
Vesting	none	5 years of vesting service

## Section VI. Summary of Plan Provisions (cont.)

### Professional Employees (cont'd)

<b>Benefits:</b>		
Type	Duration	Amount
Normal pension	life	1.7% of highest 3 consecutive years of average compensation, multiplied by credit for service
Early retirement pension	life	same as normal but reduced 4/10 of 1% for each month prior to normal
Disability award pension	life	normal
Death benefit:		
Pre-retirement lump sum, or	lump sum	actuarial equivalent of accrued benefit
Pre-retirement survivor pension	life of spouse	50% of husband and wife benefit
<b>Options at Normal and Early Pension Age:</b>		
Type	Duration	Amount
Husband and wife pension	life of both pensioner and spouse	actuarially reduced with 50%, 75% or 100% payable to surviving spouse
10 year certain pension	life, 120 months guaranteed	actuarially reduced

### Changes to Prior Year's Plan Provisions

None.

## Section VII. Actuarial Methods and Assumptions

### Assumptions

#### Mortality:

The Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA for non-disabled lives and the Sex Distinct RP-2000 Disabled Retiree Mortality Table for disabled lives.

The mortality assumption was selected to reflect the experience under the plan.

#### Investment Yield:

7.25% annual compound interest, net of investment expenses, determined in consultation with the plan's investment consultants.

#### Turnover:

Terminations of employment, other than death, disability or pension, are based on the following rates:

Age	Withdrawal
20	17.94
25	17.22
30	16.21
35	14.86
40	13.10
45	10.84
50	7.92
55	4.40
60	1.20

The withdrawal assumption was selected using professional judgement.

#### Disability:

The 1973 Disability Model, Transactions of Society of Actuaries, XXVI, in assuming the rate of disability in the future for Professional Staff Employees.

The disability assumption was selected using professional judgement.

#### Future Work Year:

Each active participant will work 1,700 hours of pension service in each year in the future.



## Section VII. Actuarial Methods and Assumptions (cont.)

### Assumptions (cont.)

#### Entry Age:

Each participant enters the plan on his/her union initiation date.

#### Age at Pension:

Each separated vested participant will elect pension as soon as eligible for normal pension, and age 67 if active.

The retirement assumption is based on plan provisions and experience under the plan supplemented with professional judgement.

#### Administration Expenses:

\$1,000,000 annually.

#### Number of Active Participants:

For the purpose of projecting future contributions only, we have assumed that the number of active participants will remain constant.

#### Salary Scale:

2%/yr for professional employees.

### Changes to Prior Year's Assumptions

None

## Section VII. Actuarial Methods and Assumptions (cont.)

### Asset Valuation Method

The actuarial value of assets is determined using the smoothed market value in accordance with IRS Revenue Procedure 2000-40 and described as follows:

- A. An expected asset value is determined. This value is equal to the market value of assets on the preceding valuation date multiplied by the valuation rate of interest plus the excess of contributions over disbursements during the preceding plan year with interest at the valuation rate from the middle to the end of the year.
- B. If there is an excess of market value over expected value, the difference is a gain. Conversely, a loss is generated if the expected value is greater than the market value.
- C. For the first year this method is used, the actuarial value of assets equals the market value of assets as of the valuation date. In each subsequent year, the actuarial value of assets is equal to the market value of assets, with gains subtracted or losses added as follows:
  - (i) 4/5 of the prior year's gain or loss
  - (ii) 3/5 of the second preceding year's gain or loss
  - (iii) 2/5 of the third preceding year's gain or loss
  - (iv) 1/5 of the fourth preceding year's gain or loss

Only gains and losses occurring in the year of the method change or later are recognized. The smoothing period is five years.

- D. If the preliminary actuarial value of assets is more than 20% above the market value, it is adjusted downward to the value 20% above market value; if more than 20% below market value, it is adjusted upward to the value 20% below market value.

There was no change in Asset Valuation Method from the prior year.

## Section VII. Actuarial Methods and Assumptions (cont.)

### Actuarial Funding Method

We have used the projected unit credit cost method in establishing the normal cost and actuarial accrued liability for the participants.

### Normal Cost

In this method the normal cost at each year's valuation date is the present value of the portion of the benefit assigned to the current year. Normal costs are calculated for active participants only.

### Actuarial Accrued Liability

One of the calculations made in the course of the actuarial valuation is the estimate of the plan's actuarial accrued liability on the valuation date. In general, this term means the present value, expressed in a single sum, of the benefits to be paid, for each of the three major classes of plan participants:

1. those already receiving pension benefits;
2. those who have separated from active service with vested rights and are not yet receiving pension benefits; and
3. those who are in active service in employment covered by the plan.

For pensioners, the calculation reflects their actual payment and form of annuity. For separated vested, the calculation reflects the benefits accrued at termination. For active participants, we take into account the accrued projected benefits computed using final average earnings at pension age with assumed annual salary increases.

There was no change in Actuarial Funding Method from the prior year.

## Section VIII. Contribution Rate History

The following table shows the Fund's historical contribution rates, including those rates as set by the current Collective Bargaining Agreement.

<i>Effective Date</i>	<i>Professional Staff</i>	<i>Self Help (HHA/CHC/N&amp;S/PH)</i>	<i>Jewish Care Services of L. and Self Help (HMK)</i>	<i>All Other Agencies</i>	
				<i>Single Rate</i>	<i>Mutual Rate</i>
04/01/08	N/A	\$0.085	\$0.125	\$0.435	\$0.2175
01/01/10	15.49% of Pay	0.085	0.125	0.435	0.2175
01/01/14	17.04% of Pay	0.105	0.145	0.455	0.2275



## Section IX. Full Funding Limitation

### Determination of Current Liability as of January 1, 2018

	Number of Participants	RPA 94 Current Liability
Retired Participants and Beneficiaries	2,679	\$ 33,318,207
Terminated Vested Participants	3,393	37,089,908
Active Participants		
Non-Vested		1,417,145
Vested		23,048,431
<b>Total Active Participants</b>	<b>2,895</b>	<b>\$ 24,465,576</b>
<b>Total</b>	<b>8,967</b>	<b>\$ 94,873,691</b>

RPA '94 Information		
Value of Benefits Accruing During the Year		\$ 1,679,803
Expected Benefit Payments During the Year		4,598,004
Interest Rate		2.98%
Mortality Table	2018 IRS Static Mortality	

## Section IX. Full Funding Limitation (cont.)

### Full Funding Limitation for Minimum Funding

The Full Funding Limitation for Minimum Funding establishes the maximum net charge to the Funding Standard Account calculated without regard for contributions or credit balance. If the net charge exceeds this limit then a special credit is taken on the Schedule MB of Form 5500. The net charge for the Fund does not exceed this limitation.

The RPA liabilities are computed at 2.98% using the 2018 IRS Static Mortality Table.



## Section IX. Full Funding Limitation (cont.)

### Full Funding Limitation for Minimum Funding As of December 31, 2018

<b>I. Projected Liabilities</b>	<b>ERISA</b>	<b>RPA</b>
1. Accrued Liability as of January 1, 2018	\$ 58,329,903	\$ 94,873,691
2. Normal Cost	739,070	1,679,803
3. Expected Benefit Payments During the Year	N/A	4,598,004
4. Interest Rate	7.25%	2.98%
5. Net Interest	4,282,501	2,808,784
<b>6. Expected Liability as of December 31, 2018</b> <b>[(1) + (2) - (3) + (5)]</b>	<b>\$ 63,351,474</b>	<b>\$ 94,764,274</b>

<b>II. Projected Assets for Minimum Funding</b>	<b>ERISA</b>	<b>RPA</b>
1. Market Value of Assets as of January 1, 2018	\$ 64,071,660	N/A
2. Actuarial Value of Assets as of January 1, 2018	61,540,026	61,540,026
3. Lesser of (1) and (2)	61,540,026	61,540,026
4. Credit Balance as of January 1, 2018	3,580,576	N/A
5. Expected Benefit Payments During the Year	N/A	4,598,004
6. Expected Administrative Expense	1,000,000	1,000,000
7. Interest at Valuation Rate	4,129,560	4,222,474
<b>8. Expected Assets for Minimum Funding</b> <b>as of December 31, 2018 [(3) - (4) - (5) - (6) + (7)]</b>	<b>\$ 61,089,010</b>	<b>\$ 60,164,496</b>

<b>III. Full Funding Limitation for Minimum Funding</b>	<b>ERISA</b>	<b>RPA</b>
1. Expected Liability	\$ 63,351,474	\$ 94,764,274
2. Liability Percentage	100%	90%
3. Funding Limit Liability [(1) x (2)]	63,351,474	85,287,847
4. Expected Assets for Minimum Funding	61,089,010	60,164,496
5. Preliminary Full Funding Limitation [(3) - (4), not less than zero]	\$ 2,262,464	\$ 25,123,351
<b>6. Full Funding Limitation</b> <b>[greater of (5) from ERISA or (5) from RPA]</b>	<b>\$ 25,123,351</b>	

## Section IX. Full Funding Limitation (cont.)

### Full Funding Limitation for Maximum Deductible

The Full Funding Limitation for Maximum Funding provides one of several components in the calculation of the limit for deductible contributions for the plan.

The maximum Deductible Limitation is the greater of:

- (1) 140% of current Liability Deductible Limit on RPA basis less actuarial value of assets, and
- (2) The lesser of:
  - (a) Normal Cost plus Ten Year Amortization of the Unfunded Actuarial Accrued Liability, or
  - (b) Full Funding Limitation for Maximum Funding.

For the current year, the 140% Current Liability deductible Limit is \$72,505,488, the Normal Cost plus Ten Year Amortization is \$1,865,153 and the Full Funding Limitation is \$25,123,350. Therefore, the Maximum Deductible Limit is \$72,505,488.

The RPA liabilities are computed at 2.98% using the 2018 IRS Static Mortality Table.



## Section IX. Full Funding Limitation (cont.)

### Full Funding Limitation for Maximum Deductible as of December 31, 2017

<b>I. Projected Liabilities</b>	<b>ERISA</b>	<b>RPA</b>
1. Accrued Liability as of January 1, 2018	\$ 58,329,903	\$ 94,873,691
2. Normal Cost	739,070	1,679,803
3. Expected Benefit Payments During the Year	N/A	4,598,004
4. Interest Rate	7.25%	2.98%
5. Net Interest	4,282,501	2,808,784
<b>6. Expected Liability as of December 31, 2018</b> <b>[(1) + (2) - (3) + (5)]</b>	<b>\$ 63,351,474</b>	<b>\$ 94,764,274</b>

<b>II. Projected Assets for Maximum Funding</b>	<b>ERISA</b>	<b>RPA</b>
1. Market Value of Assets as of January 1, 2018	\$ 64,071,660	N/A
2. Actuarial Value of Assets as of January 1, 2018	61,540,026	61,540,026
3. Lesser of (1) and (2)	61,540,026	61,540,026
4. Expected Benefit Payments During the Year	N/A	4,598,004
5. Expected Administrative Expense	1,000,000	1,000,000
6. Interest at Valuation Rate	4,389,152	4,222,474
<b>7. Expected Assets for Maximum Funding</b> <b>As of December 31, 2018 [(3) - (4) - (5) + (6)]</b>	<b>\$ 64,929,178</b>	<b>\$ 60,164,496</b>

<b>III. Full Funding Limitation for Maximum Funding</b>	<b>ERISA</b>	<b>RPA</b>
1. Expected Liability	\$ 63,351,474	\$ 94,764,274
2. Liability Percentage	100%	90%
3. Funding Limit Liability [(1) x (2)]	63,351,474	85,287,847
4. Expected Assets for Maximum Funding	64,929,178	60,164,496
5. Preliminary Full Funding Limitation [(3) - (4), not less than zero]	\$ -	\$ 25,123,351
<b>6. Full Funding Limitation</b> <b>[greater of (5) from ERISA or (5) from RPA]</b>	<b>\$ 25,123,351</b>	

<b>IV. Current Liability Deductible Limit</b>	
<b>[140% of RPA Expected Liability –RPA Expected Assets]</b>	<b>\$ 72,505,488</b>

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Statements of Net Assets Available for Benefits

<u>Assets</u>	<u>As of December 31,</u>	
	<u>2024</u>	<u>2023</u>
Investments, at fair value	\$ 54,834,562	\$ 58,198,274
Receivables:		
Employer contributions	114,462	131,271
Total receivables	<u>114,462</u>	<u>131,271</u>
Cash and cash equivalents	1,142,340	1,036,587
Security deposits	6,903	6,903
Prepaid expenses	<u>32,914</u>	<u>32,656</u>
Total assets	<u>56,131,181</u>	<u>59,405,691</u>
<u>Liabilities</u>		
Accounts payable and accrued expenses	64,633	82,918
Due to related entity	<u>199,015</u>	<u>275,379</u>
Total liabilities	<u>263,648</u>	<u>358,297</u>
Net assets available for benefits	<u>\$ 55,867,533</u>	<u>\$ 59,047,394</u>

Draft for discussion purposes

The accompanying notes are an integral part of these financial statements

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Statements of Changes in Net Assets Available for Benefits

	For the Years Ended December 31,	
	2024	2023
<u>Additions</u>		
Investment income:		
Net appreciation in fair value of investments	\$ 2,337,755	\$ 3,494,197
Dividends and interest	1,074,968	886,246
	3,412,723	4,380,443
Less: Custodian and investment expenses	143,214	153,574
Net investment income	3,269,509	4,226,869
Employer contributions	880,995	934,839
Other income	114,667	2,567
Total additions	4,265,171	5,164,275
<u>Deductions</u>		
Benefits paid directly to participants	6,388,935	3,821,072
Administrative expenses	1,056,097	1,108,280
Total deductions	7,445,032	4,929,352
Net increase (decrease) in net assets available for benefits	(3,179,861)	234,923
Net assets available for benefits:		
Beginning of year	59,047,394	58,812,471
End of year	\$ 55,867,533	\$ 59,047,394

The accompanying notes are an integral part of these financial statements

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Schedules of Administrative Expenses

	For the Years ended December 31,	
	2024	2023
Legal fees	\$ 21,899	\$ 51,057
Accounting and audit fees	37,000	36,000
Actuarial fees	79,234	134,522
Pension benefit processing fees	42,012	33,351
Postage and delivery	25,501	9,971
Stationery and printing	13,677	1,509
Pension Benefit Guaranty Corporation	290,413	274,015
Office expenses and supplies	1,805	7,171
Insurance	42,299	40,707
Allocated expenses	502,257	519,673
Depreciation	-	304
	<u>\$ 1,056,097</u>	<u>\$ 1,108,280</u>

Draft for discussion purposes

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
EIN 13-3698650  
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)  
As of December 31, 2024

(a)	(b)	(c)	(d)	(e)
<i>Identity of Issue</i>	<i>Description of Investment including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value</i>	<i>Cost</i>	<i>Current Value</i>	
<b><i>Mutual Funds</i></b>				
Vanguard	Total Bond Mkt Index, 290,719.355 shares	\$ 3,010,595	\$ 2,756,019	
Vanguard	Total World Stock Idx, 55,479.075 shares	7,247,266	13,302,218	
Vanguard	Treasury Money Market, 8,601,025.770 shares	<u>8,601,026</u>	<u>8,601,026</u>	
Total Mutual Fund		<u>18,858,887</u>	<u>24,659,263</u>	
<b><i>Common Collective Trusts</i></b>				
Invesco Trust Company	Balanced Risk Allocation Trust, 189,088.831 shares	3,338,988	5,485,467	
Marco Consulting Group Trust	Fixed Income Participation, 1,078,279.638 units	<u>14,068,600</u>	<u>15,669,331</u>	
Total Common Collective Trusts		<u>17,407,588</u>	<u>21,154,798</u>	
<b><i>Limited Liability Companies</i></b>				
RCTS Limited Liability Company	Emerging Mkts Equity, 160,772.104 shares	<u>1,757,142</u>	<u>2,976,343</u>	
<b><i>Limited Partnership</i></b>				
American Core Realty Fund	Real Estate Investment Trust Fund, 50.5381 shares	<u>6,187,903</u>	<u>6,044,158</u>	
Total assets held for investment purposes		<u>\$ 44,211,520</u>	<u>\$ 54,834,562</u>	

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
EIN 13-3698650  
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)  
As of December 31, 2023

(a)	(b)	(c)	(d)	(e)
<i>Identity of Issue</i>	<i>Description of Investment including Maturity Date, Rate of Interest, Collateral, Par, or Maturity</i>		<i>Cost</i>	<i>Current Value</i>
	<b><i>Mutual Funds</i></b>			
Vanguard	Total Bond Mkt Index, 271,593.60 shares		\$ 2,910,990	\$ 2,721,935
Vanguard	Total World Stock Idx, 118,201.57 shares		9,236,142	15,348,096
Vanguard	Treasury Money Market		8,172,431	8,172,431
Total Mutual Fund			<u>20,319,563</u>	<u>26,242,462</u>
	<b><i>Common Collective Trusts</i></b>			
Invesco Trust Company	Balanced Risk Allocation Trust, 240,227.35 shares		3,817,192	5,966,287
Marco Consulting Group Trust	Fixed Income Participation, 1,148,799.69 units		14,988,654	16,268,393
Total Common Collective Trusts			<u>18,805,846</u>	<u>22,234,680</u>
	<b><i>Limited Liability Companies</i></b>			
RCTS Limited Liability Company	Emerging Mkts Equity, 320,079.654 shares		1,757,142	2,825,230
	<b><i>Limited Partnership</i></b>			
American Core Realty Fund	Real Estate Investment Trust Fund, 57.033 shares		6,690,114	6,884,987
Total assets held for investment purposes			<u>\$ 47,572,665</u>	<u>\$ 58,187,359</u>









**Plan Information**

Abbreviated Plan Name: DC 37 Local 389 Home Care Employees Pension Fund

EIN: 13-3698650

PN: 001

**Special Financial Assistance Application****Section B, Item 9 – Death Audit Results and Reconciliation**

The Plan's policy for Tracking Participants, Locating Lost or Missing Participants and Commencing Benefits is attached.

Under the attached policy, the Plan used PBI to verify death status for participants.

On or about August 6, 2025, we received the results of the death audit from PBI.

The certification by the Plan's Enrolled Actuary regarding the treatment of the reported deaths is contained in the certification of the SFA amount.

v20220701p

**Version Updates**

Version	Date updated
v20220701p	07/01/2022

**TEMPLATE 1**

File name: *Template 1 Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

v20220701p

**Form 5500 Projection**

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
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	01/01/2018	01/01/2019	01/01/2020	01/01/2021	01/01/2022	01/01/2023	01/01/2024	
Plan Year End Date	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	
Plan Year	Expected Benefit Payments							
2018		N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019		\$4,778,397	N/A	N/A	N/A	N/A	N/A	N/A
2020		\$4,899,459	\$3,034,136	N/A	N/A	N/A	N/A	N/A
2021		\$5,112,053	\$13,609,025	\$3,335,650	N/A	N/A	N/A	N/A
2022		\$5,273,902	\$5,630,701	\$15,429,690	\$3,517,652	N/A	N/A	N/A
2023		\$5,401,944	\$5,744,271	\$6,250,523	\$16,298,085	\$3,821,072	N/A	N/A
2024		\$5,294,355	\$5,863,901	\$6,377,611	\$6,449,630	\$16,339,857	\$6,388,935	N/A
2025		\$5,350,112	\$5,783,828	\$6,502,180	\$6,593,020	\$6,313,531	\$15,267,183	
2026		\$5,408,707	\$5,864,025	\$6,398,690	\$6,701,661	\$6,425,388	\$6,507,666	
2027		\$5,424,925	\$5,892,688	\$6,412,952	\$6,508,883	\$6,487,500	\$6,550,496	
2028	N/A	\$5,395,356	\$5,864,166	\$6,371,418	\$6,471,506	\$6,256,644	\$6,554,717	
2029	N/A	N/A	\$5,897,174	\$6,394,086	\$6,502,882	\$6,306,939	\$6,399,386	
2030	N/A	N/A	N/A	\$6,279,258	\$6,392,739	\$6,208,154	\$6,296,740	
2031	N/A	N/A	N/A	N/A	\$6,315,066	\$6,143,747	\$6,240,715	
2032	N/A	N/A	N/A	N/A	N/A	\$6,021,152	\$6,113,565	
2033	N/A	N/A	N/A	N/A	N/A	N/A	\$5,955,022	
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.

v20230727p

**Version Updates**

Version	Date updated	
v20230727p	07/27/2023	Updated to highlight explanation needed if contributions and withdrawal liability payments do not match the plan year 5500 amounts.
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.

v20230727p

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 contributions and withdrawal liabilities shown on this table do not equal the amount shown as 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: DC 37 Local 389 Home Care Employees Pension Fund

EIN: 13-3698650

PN: 001

Unit (e.g. hourly, weekly): Hourly

All Other Sources of Non-Investment Income

Plan Year (in order from oldest to most recent)	Plan Year Start Date	Plan Year End Date	All Other Sources of Non-Investment Income							Number of Active Participants at Beginning of Plan Year
			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**	
2010	01/01/2010	12/31/2010	\$3,507,135	8,356,041	\$0.42				\$61,904.00	6,668
2011	01/01/2011	12/31/2011	\$2,709,088	6,786,468	\$0.40				\$0.00	4,762
2012	01/01/2012	12/31/2012	\$2,914,882	8,278,127	\$0.35				\$0.00	5,066
2013	01/01/2013	12/31/2013	\$2,659,629	7,855,470	\$0.34				\$0.00	3,294
2014	01/01/2014	12/31/2014	\$2,449,537	6,056,912	\$0.40				\$0.00	3,294
2015	01/01/2015	12/31/2015	\$2,191,372	5,576,492	\$0.39				\$0.00	3,192
2016	01/01/2016	12/31/2016	\$2,269,322	5,009,953	\$0.45				\$0.00	2,904
2017	01/01/2017	12/31/2017	\$2,214,605	4,429,656	\$0.50				\$0.00	2,728
2018	01/01/2018	12/31/2018	\$1,682,860	3,992,256	\$0.42				\$0.00	2,728
2019	01/01/2019	12/31/2019	\$1,663,835	3,617,033	\$0.46				\$0.00	2,868
2020	01/01/2020	12/31/2020	\$1,235,215	2,685,250	\$0.46				\$0.00	1,673
2021	01/01/2021	12/31/2021	\$1,543,399	2,351,158	\$0.66				\$409,562.00	1,277
2022	01/01/2022	12/31/2022	\$1,041,633	1,976,815	\$0.53				\$0.00	1,144

\* Total contributions shown here should be contributions based upon CBU's and should not include items separately shown in any columns under "All Other Sources of Non-Investment Income."

\*\* If the contributions and withdrawal liabilities shown on this table do not equal the amounts shown as credited to the funding standard account on the plan year Schedule MB of Form 5500, include an explanation as a footnote to this table.

## 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	

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
Initial Application Date:	03/31/2023
SFA Measurement Date:	12/31/2022
Last day of first plan year ending after the measurement date:	12/31/2023

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:	7.25%	Interest rate used for the funding standard account projections in the plan's most recently completed certification of plan status before 1/1/2021.
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Corresponding ERISA Section 303(h)(2)(C)(i), (ii), and (iii) rates disregarding modifications made under clause (iv) of such section.

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	2.50%	3.83%	4.06%
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.
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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.
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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.
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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.
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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.
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SFA Interest Rate Match Check:	Match	If the SFA Interest Rate Calculation is not equal to the SFA Interest Rate Used, provide explanation below.
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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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
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	Current Terminated	Current Active	New Entrants	Total
		Beneficiaries in Pay Status	Vested Participants	Participants		
01/01/2023	12/31/2023	\$3,678,383	\$4,885,183	\$260,897	\$70,544	\$8,895,006
01/01/2024	12/31/2024	\$8,255,024	\$2,353,003	\$272,848	\$111,971	\$10,992,845
01/01/2025	12/31/2025	\$3,512,028	\$2,573,616	\$290,138	\$162,369	\$6,538,150
01/01/2026	12/31/2026	\$3,348,869	\$2,761,161	\$309,805	\$235,576	\$6,655,411
01/01/2027	12/31/2027	\$3,181,232	\$2,605,415	\$289,756	\$297,592	\$6,373,995
01/01/2028	12/31/2028	\$3,027,862	\$2,692,249	\$273,839	\$354,543	\$6,348,493
01/01/2029	12/31/2029	\$2,871,829	\$2,771,891	\$303,399	\$478,350	\$6,425,469
01/01/2030	12/31/2030	\$2,713,670	\$2,788,625	\$283,575	\$554,524	\$6,340,394
01/01/2031	12/31/2031	\$2,553,996	\$2,815,726	\$269,752	\$661,937	\$6,301,410
01/01/2032	12/31/2032	\$2,393,480	\$2,841,410	\$233,008	\$726,770	\$6,194,668
01/01/2033	12/31/2033	\$2,232,872	\$2,832,791	\$206,817	\$778,992	\$6,051,473
01/01/2034	12/31/2034	\$1,960,315	\$2,786,127	\$182,860	\$822,716	\$5,752,018
01/01/2035	12/31/2035	\$1,802,034	\$2,754,949	\$161,780	\$867,463	\$5,586,226
01/01/2036	12/31/2036	\$1,646,285	\$2,714,668	\$141,873	\$904,100	\$5,406,926
01/01/2037	12/31/2037	\$1,494,058	\$2,639,983	\$123,957	\$977,142	\$5,235,140
01/01/2038	12/31/2038	\$1,346,361	\$2,569,154	\$95,776	\$1,007,660	\$5,018,952
01/01/2039	12/31/2039	\$1,204,185	\$2,495,978	\$80,647	\$1,027,403	\$4,808,214
01/01/2040	12/31/2040	\$1,068,473	\$2,393,571	\$61,839	\$1,041,709	\$4,565,591
01/01/2041	12/31/2041	\$940,086	\$2,294,586	\$47,117	\$1,045,414	\$4,327,203
01/01/2042	12/31/2042	\$819,785	\$2,189,409	\$35,981	\$1,036,013	\$4,081,189
01/01/2043	12/31/2043	\$708,205	\$2,084,820	\$27,875	\$1,023,841	\$3,844,741
01/01/2044	12/31/2044	\$605,825	\$1,981,599	\$20,653	\$1,000,649	\$3,608,726
01/01/2045	12/31/2045	\$512,951	\$1,860,686	\$15,173	\$979,288	\$3,368,099
01/01/2046	12/31/2046	\$429,699	\$1,779,327	\$11,222	\$944,687	\$3,164,936
01/01/2047	12/31/2047	\$355,992	\$1,662,526	\$8,278	\$904,493	\$2,931,290
01/01/2048	12/31/2048	\$291,566	\$1,541,450	\$6,050	\$864,790	\$2,703,856
01/01/2049	12/31/2049	\$235,989	\$1,438,083	\$4,357	\$820,080	\$2,498,508
01/01/2050	12/31/2050	\$188,690	\$1,325,028	\$3,626	\$781,090	\$2,298,434
01/01/2051	12/31/2051	\$148,991	\$1,231,251	\$2,398	\$735,138	\$2,117,778

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
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
01/01/2023	12/31/2023	7,787	\$272,580	\$835,700	\$1,108,280	
01/01/2024	12/31/2024	7,678	\$284,123	\$771,974	\$1,056,097	
01/01/2025	12/31/2025	7,563	\$294,957	\$886,922	\$1,181,879	
01/01/2026	12/31/2026	7,441	\$297,680	\$1,475,629	\$1,773,309	
01/01/2027	12/31/2027	7,128	\$292,289	\$819,397	\$1,111,686	
01/01/2028	12/31/2028	6,949	\$291,858	\$833,181	\$1,125,039	
01/01/2029	12/31/2029	6,763	\$290,852	\$857,669	\$1,148,521	
01/01/2030	12/31/2030	6,568	\$288,992	\$883,452	\$1,172,444	
01/01/2031	12/31/2031	6,365	\$331,032	\$865,786	\$1,196,818	
01/01/2032	12/31/2032	6,158	\$332,532	\$889,219	\$1,221,751	
01/01/2033	12/31/2033	5,945	\$332,976	\$914,177	\$1,247,153	
01/01/2034	12/31/2034	5,728	\$332,224	\$940,809	\$1,273,033	
01/01/2035	12/31/2035	5,507	\$330,480	\$969,020	\$1,299,500	
01/01/2036	12/31/2036	5,283	\$327,608	\$998,857	\$1,326,465	
01/01/2037	12/31/2037	5,055	\$323,584	\$1,030,453	\$1,354,037	
01/01/2038	12/31/2038	4,827	\$318,582	\$1,063,545	\$1,382,127	
01/01/2039	12/31/2039	4,597	\$312,596	\$1,098,148	\$1,410,744	
01/01/2040	12/31/2040	4,365	\$305,550	\$1,134,450	\$1,440,000	
01/01/2041	12/31/2041	4,133	\$297,648	\$1,172,157	\$1,469,805	
01/01/2042	12/31/2042	3,904	\$288,896	\$1,211,374	\$1,500,270	
01/01/2043	12/31/2043	3,676	\$279,452	\$1,251,854	\$1,531,306	
01/01/2044	12/31/2044	3,452	\$269,334	\$1,293,691	\$1,563,025	
01/01/2045	12/31/2045	3,233	\$258,640	\$1,336,698	\$1,595,338	
01/01/2046	12/31/2046	3,018	\$247,558	\$1,380,800	\$1,628,358	
01/01/2047	12/31/2047	2,809	\$236,040	\$1,425,956	\$1,661,996	
01/01/2048	12/31/2048	2,607	\$224,202	\$1,472,162	\$1,696,364	
01/01/2049	12/31/2049	2,411	\$212,256	\$1,519,120	\$1,731,376	
01/01/2050	12/31/2050	2,224	\$200,160	\$1,566,985	\$1,767,145	
01/01/2051	12/31/2051	2,044	\$188,048	\$1,615,535	\$1,803,583	

TEMPLATE 4A - Sheet 4A-4

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$58,812,471
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$35,537,980
Projected SFA exhaustion year:	01/01/2026
Non-SFA Interest Rate:	5.85%
SFA Interest Rate:	3.77%

Meets the definition of a MPRA plan described in § 4262.4(a)(3)?

MPRA increasing assets method described in § 4262.4(a)(2)(i).  
MPRA present value method described in § 4262.4(a)(2)(ii).

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.

Only required on this sheet if the requested amount of SFA is based on the "basic method".  
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.

On this Sheet, show payments INTO the plan as positive amounts, and payments OUT of the plan as negative amounts.

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
		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))
01/01/2023	12/31/2023	\$992,730	\$0	\$0	-\$8,895,006	-\$1,108,280	-\$10,003,286	\$1,152,964	\$26,687,658	\$0	\$3,469,154	\$62,281,625	
01/01/2024	12/31/2024	\$964,866	\$0	\$0	-\$10,992,845	-\$1,056,097	-\$12,048,942	\$781,103	\$15,419,820	\$0	\$3,671,296	\$66,917,788	
01/01/2025	12/31/2025	\$937,818	\$0	\$0	-\$6,538,150	-\$1,181,879	-\$7,720,029	\$437,151	\$8,136,941	\$0	\$3,941,732	\$71,797,337	
01/01/2026	12/31/2026	\$911,561	\$0	\$0	-\$6,655,411	-\$1,773,309	-\$8,136,941	\$0	\$0	-\$291,779	\$4,218,015	\$76,635,135	
01/01/2027	12/31/2027	\$886,072	\$0	\$0	-\$6,373,995	-\$1,111,686	\$0	\$0	\$0	-\$7,485,680	\$4,292,860	\$74,328,386	
01/01/2028	12/31/2028	\$861,328	\$0	\$0	-\$6,348,493	-\$1,125,039	\$0	\$0	\$0	-\$7,473,532	\$4,157,552	\$71,873,735	
01/01/2029	12/31/2029	\$837,306	\$0	\$0	-\$6,425,469	-\$1,148,521	\$0	\$0	\$0	-\$7,573,990	\$4,010,366	\$69,147,417	
01/01/2030	12/31/2030	\$813,986	\$0	\$0	-\$6,340,394	-\$1,172,444	\$0	\$0	\$0	-\$7,512,838	\$3,851,967	\$66,300,533	
01/01/2031	12/31/2031	\$791,347	\$0	\$0	-\$6,301,410	-\$1,196,818	\$0	\$0	\$0	-\$7,498,228	\$3,685,193	\$63,278,845	
01/01/2032	12/31/2032	\$769,368	\$0	\$0	-\$6,194,668	-\$1,221,751	\$0	\$0	\$0	-\$7,416,419	\$3,510,149	\$60,141,943	
01/01/2033	12/31/2033	\$763,453	\$0	\$0	-\$6,051,473	-\$1,247,153	\$0	\$0	\$0	-\$7,298,625	\$3,329,867	\$56,936,638	
01/01/2034	12/31/2034	\$757,614	\$0	\$0	-\$5,752,018	-\$1,273,033	\$0	\$0	\$0	-\$7,025,051	\$3,150,076	\$53,819,277	
01/01/2035	12/31/2035	\$751,852	\$0	\$0	-\$5,586,226	-\$1,299,500	\$0	\$0	\$0	-\$6,885,726	\$2,971,562	\$50,656,965	
01/01/2036	12/31/2036	\$746,165	\$0	\$0	-\$5,406,926	-\$1,326,465	\$0	\$0	\$0	-\$6,733,391	\$2,790,795	\$47,460,534	
01/01/2037	12/31/2037	\$740,552	\$0	\$0	-\$5,235,140	-\$1,354,037	\$0	\$0	\$0	-\$6,589,177	\$2,607,800	\$44,219,709	
01/01/2038	12/31/2038	\$735,014	\$0	\$0	-\$5,018,952	-\$1,382,127	\$0	\$0	\$0	-\$6,401,079	\$2,423,476	\$40,977,121	
01/01/2039	12/31/2039	\$729,550	\$0	\$0	-\$4,808,214	-\$1,410,744	\$0	\$0	\$0	-\$6,218,958	\$2,238,878	\$37,726,591	
01/01/2040	12/31/2040	\$724,159	\$0	\$0	-\$4,565,591	-\$1,440,000	\$0	\$0	\$0	-\$6,005,591	\$2,054,719	\$34,499,878	
01/01/2041	12/31/2041	\$718,840	\$0	\$0	-\$4,327,203	-\$1,469,805	\$0	\$0	\$0	-\$5,797,008	\$1,871,817	\$31,293,527	
01/01/2042	12/31/2042	\$713,593	\$0	\$0	-\$4,081,189	-\$1,500,270	\$0	\$0	\$0	-\$5,581,458	\$1,690,310	\$28,115,973	
01/01/2043	12/31/2043	\$708,418	\$0	\$0	-\$3,844,741	-\$1,531,306	\$0	\$0	\$0	-\$5,376,046	\$1,510,197	\$24,958,541	
01/01/2044	12/31/2044	\$703,314	\$0	\$0	-\$3,608,726	-\$1,563,025	\$0	\$0	\$0	-\$5,171,751	\$1,331,230	\$21,821,335	
01/01/2045	12/31/2045	\$698,280	\$0	\$0	-\$3,368,099	-\$1,595,338	\$0	\$0	\$0	-\$4,963,437	\$1,153,565	\$18,709,744	
01/01/2046	12/31/2046	\$693,316	\$0	\$0	-\$3,164,936	-\$1,628,358	\$0	\$0	\$0	-\$4,793,293	\$976,300	\$15,586,067	
01/01/2047	12/31/2047	\$688,422	\$0	\$0	-\$2,931,290	-\$1,661,996	\$0	\$0	\$0	-\$4,593,286	\$799,191	\$12,480,394	
01/01/2048	12/31/2048	\$683,597	\$0	\$0	-\$2,703,856	-\$1,696,364	\$0	\$0	\$0	-\$4,400,220	\$622,937	\$9,386,707	
01/01/2049	12/31/2049	\$678,840	\$0	\$0	-\$2,498,508	-\$1,731,376	\$0	\$0	\$0	-\$4,229,885	\$446,731	\$6,282,393	
01/01/2050	12/31/2050	\$674,151	\$0	\$0	-\$2,298,434	-\$1,767,145	\$0	\$0	\$0	-\$4,065,579	\$269,731	\$3,160,695	
01/01/2051	12/31/2051	\$669,529	\$0	\$0	-\$2,117,778	-\$1,803,583	\$0	\$0	\$0	-\$3,921,360	\$91,136	\$0	

TEMPLATE 4A - Sheet 4A-5

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). 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". 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)
		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))
SFA Measurement Date / Plan Year Start Date	Plan Year End Date												

## 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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
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
01/01/2023	12/31/2023	\$6,293,196	\$4,827,635	\$331,440	\$0	\$11,452,271
01/01/2024	12/31/2024	\$3,617,161	\$2,295,455	\$384,819	\$0	\$6,297,435
01/01/2025	12/31/2025	\$3,464,165	\$2,516,068	\$452,507	\$0	\$6,432,740
01/01/2026	12/31/2026	\$3,301,006	\$2,703,614	\$545,381	\$0	\$6,550,001
01/01/2027	12/31/2027	\$3,133,370	\$2,565,569	\$587,347	\$0	\$6,286,286
01/01/2028	12/31/2028	\$2,979,999	\$2,656,006	\$628,382	\$0	\$6,264,387
01/01/2029	12/31/2029	\$2,823,966	\$2,739,286	\$781,749	\$0	\$6,345,001
01/01/2030	12/31/2030	\$2,665,808	\$2,759,643	\$838,099	\$0	\$6,263,549
01/01/2031	12/31/2031	\$2,506,133	\$2,790,293	\$931,689	\$0	\$6,228,115
01/01/2032	12/31/2032	\$2,345,618	\$2,819,392	\$959,778	\$0	\$6,124,788
01/01/2033	12/31/2033	\$2,120,197	\$2,813,997	\$985,809	\$0	\$5,920,003
01/01/2034	12/31/2034	\$1,960,315	\$2,770,318	\$1,005,576	\$0	\$5,736,209
01/01/2035	12/31/2035	\$1,802,034	\$2,741,852	\$1,029,243	\$0	\$5,573,129
01/01/2036	12/31/2036	\$1,646,285	\$2,703,990	\$1,045,973	\$0	\$5,396,248
01/01/2037	12/31/2037	\$1,494,058	\$2,631,422	\$1,101,099	\$0	\$5,226,579
01/01/2038	12/31/2038	\$1,346,361	\$2,562,412	\$1,103,436	\$0	\$5,012,209
01/01/2039	12/31/2039	\$1,204,185	\$2,490,769	\$1,108,050	\$0	\$4,803,005
01/01/2040	12/31/2040	\$1,068,473	\$2,389,627	\$1,103,548	\$0	\$4,561,648
01/01/2041	12/31/2041	\$940,086	\$2,291,665	\$1,092,531	\$0	\$4,324,282
01/01/2042	12/31/2042	\$819,785	\$2,187,294	\$1,071,994	\$0	\$4,079,074
01/01/2043	12/31/2043	\$708,205	\$2,083,325	\$1,051,716	\$0	\$3,843,246
01/01/2044	12/31/2044	\$605,825	\$1,980,569	\$1,021,302	\$0	\$3,607,696
01/01/2045	12/31/2045	\$512,951	\$1,859,995	\$994,461	\$0	\$3,367,407
01/01/2046	12/31/2046	\$429,699	\$1,778,875	\$955,909	\$0	\$3,164,483
01/01/2047	12/31/2047	\$355,992	\$1,662,239	\$912,772	\$0	\$2,931,002
01/01/2048	12/31/2048	\$291,566	\$1,541,272	\$870,840	\$0	\$2,703,678
01/01/2049	12/31/2049	\$235,989	\$1,437,976	\$824,437	\$0	\$2,498,401
01/01/2050	12/31/2050	\$188,690	\$1,324,965	\$784,717	\$0	\$2,298,372
01/01/2051	12/31/2051	\$148,991	\$1,231,216	\$737,535	\$0	\$2,117,742

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
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
01/01/2023	12/31/2023	7,787	\$272,580	\$727,420	\$1,000,000	
01/01/2024	12/31/2024	7,678	\$284,123	\$735,877	\$1,020,000	
01/01/2025	12/31/2025	7,563	\$294,957	\$745,443	\$1,040,400	
01/01/2026	12/31/2026	7,441	\$297,680	\$763,528	\$1,061,208	
01/01/2027	12/31/2027	7,128	\$292,289	\$790,143	\$1,082,432	
01/01/2028	12/31/2028	6,949	\$291,858	\$812,223	\$1,104,081	
01/01/2029	12/31/2029	6,763	\$290,852	\$835,310	\$1,126,162	
01/01/2030	12/31/2030	6,568	\$288,992	\$859,694	\$1,148,686	
01/01/2031	12/31/2031	6,365	\$331,032	\$840,627	\$1,171,659	
01/01/2032	12/31/2032	6,158	\$332,532	\$862,561	\$1,195,093	
01/01/2033	12/31/2033	5,945	\$332,976	\$886,018	\$1,218,994	
01/01/2034	12/31/2034	5,728	\$332,224	\$911,150	\$1,243,374	
01/01/2035	12/31/2035	5,507	\$330,480	\$937,762	\$1,268,242	
01/01/2036	12/31/2036	5,283	\$327,608	\$965,999	\$1,293,607	
01/01/2037	12/31/2037	5,055	\$323,584	\$995,895	\$1,319,479	
01/01/2038	12/31/2038	4,827	\$318,582	\$1,027,286	\$1,345,868	
01/01/2039	12/31/2039	4,597	\$312,596	\$1,060,190	\$1,372,786	
01/01/2040	12/31/2040	4,365	\$305,550	\$1,094,691	\$1,400,241	
01/01/2041	12/31/2041	4,133	\$297,648	\$350,994	\$648,642	
01/01/2042	12/31/2042	3,904	\$288,896	\$322,965	\$611,861	
01/01/2043	12/31/2043	3,676	\$279,452	\$297,035	\$576,487	
01/01/2044	12/31/2044	3,452	\$269,334	\$271,820	\$541,154	
01/01/2045	12/31/2045	3,233	\$258,640	\$246,471	\$505,111	
01/01/2046	12/31/2046	3,018	\$247,558	\$227,115	\$474,673	
01/01/2047	12/31/2047	2,809	\$236,040	\$203,610	\$439,650	
01/01/2048	12/31/2048	2,607	\$224,202	\$181,350	\$405,552	
01/01/2049	12/31/2049	2,411	\$212,256	\$162,504	\$374,760	
01/01/2050	12/31/2050	2,224	\$200,160	\$144,596	\$344,756	
01/01/2051	12/31/2051	2,044	\$188,048	\$129,613	\$317,661	

TEMPLATE 5A - Sheet 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

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$58,812,471
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$10,428,480
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)
						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))
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)								
01/01/2023	12/31/2023	\$2,039,178	\$0	\$0	-\$11,452,271	-\$1,000,000	-\$12,452,271	\$160,600	-\$1,863,191	\$0	\$0	\$3,499,328	\$62,311,799
01/01/2024	12/31/2024	\$2,046,857	\$0	\$0	-\$6,297,435	-\$1,020,000	-\$1,863,191	\$0	\$0	-\$9,180,625	\$3,439,543	\$58,617,573	
01/01/2025	12/31/2025	\$2,054,691	\$0	\$0	-\$6,432,740	-\$1,040,400	\$0	\$0	\$0	-\$7,473,140	\$3,272,891	\$56,472,015	
01/01/2026	12/31/2026	\$2,062,681	\$0	\$0	-\$6,550,001	-\$1,061,208	\$0	\$0	\$0	-\$7,611,209	\$3,143,625	\$54,067,112	
01/01/2027	12/31/2027	\$2,070,830	\$0	\$0	-\$6,286,286	-\$1,082,432	\$0	\$0	\$0	-\$7,368,718	\$3,010,165	\$51,779,389	
01/01/2028	12/31/2028	\$2,079,143	\$0	\$0	-\$6,264,387	-\$1,104,081	\$0	\$0	\$0	-\$7,368,467	\$2,876,580	\$49,366,645	
01/01/2029	12/31/2029	\$2,087,622	\$0	\$0	-\$6,345,001	-\$1,126,162	\$0	\$0	\$0	-\$7,471,164	\$2,732,718	\$46,715,822	
01/01/2030	12/31/2030	\$2,087,622	\$0	\$0	-\$6,263,549	-\$1,148,686	\$0	\$0	\$0	-\$7,412,235	\$2,579,344	\$43,970,553	
01/01/2031	12/31/2031	\$2,087,622	\$0	\$0	-\$6,228,115	-\$1,171,659	\$0	\$0	\$0	-\$7,399,774	\$2,419,105	\$41,077,506	
01/01/2032	12/31/2032	\$2,087,622	\$0	\$0	-\$6,124,788	-\$1,195,093	\$0	\$0	\$0	-\$7,319,880	\$2,252,166	\$38,097,413	
01/01/2033	12/31/2033	\$2,087,622	\$0	\$0	-\$5,920,003	-\$1,218,994	\$0	\$0	\$0	-\$7,138,998	\$2,083,046	\$35,129,083	
01/01/2034	12/31/2034	\$2,087,622	\$0	\$0	-\$5,736,209	-\$1,243,374	\$0	\$0	\$0	-\$6,979,584	\$1,913,995	\$32,151,117	
01/01/2035	12/31/2035	\$2,087,622	\$0	\$0	-\$5,573,129	-\$1,268,242	\$0	\$0	\$0	-\$6,841,371	\$1,743,769	\$29,141,137	
01/01/2036	12/31/2036	\$2,087,622	\$0	\$0	-\$5,396,248	-\$1,293,607	\$0	\$0	\$0	-\$6,689,854	\$1,572,054	\$26,110,959	
01/01/2037	12/31/2037	\$2,087,622	\$0	\$0	-\$5,226,579	-\$1,319,479	\$0	\$0	\$0	-\$6,546,057	\$1,398,935	\$23,051,459	
01/01/2038	12/31/2038	\$2,087,622	\$0	\$0	-\$5,012,209	-\$1,345,868	\$0	\$0	\$0	-\$6,358,078	\$1,225,375	\$20,006,378	
01/01/2039	12/31/2039	\$2,087,622	\$0	\$0	-\$4,803,005	-\$1,372,786	\$0	\$0	\$0	-\$6,175,790	\$1,052,494	\$16,970,704	
01/01/2040	12/31/2040	\$2,087,622	\$0	\$0	-\$4,561,648	-\$1,400,241	\$0	\$0	\$0	-\$5,961,889	\$881,074	\$13,977,511	
01/01/2041	12/31/2041	\$2,087,622	\$0	\$0	-\$4,324,282	-\$648,642	\$0	\$0	\$0	-\$4,972,924	\$734,489	\$11,826,698	
01/01/2042	12/31/2042	\$2,087,622	\$0	\$0	-\$4,079,074	-\$611,861	\$0	\$0	\$0	-\$4,690,935	\$616,797	\$9,840,182	
01/01/2043	12/31/2043	\$2,087,622	\$0	\$0	-\$3,843,246	-\$576,487	\$0	\$0	\$0	-\$4,419,733	\$508,406	\$8,016,477	
01/01/2044	12/31/2044	\$2,087,622	\$0	\$0	-\$3,607,696	-\$541,154	\$0	\$0	\$0	-\$4,148,851	\$409,530	\$6,364,778	
01/01/2045	12/31/2045	\$2,087,622	\$0	\$0	-\$3,367,407	-\$505,111	\$0	\$0	\$0	-\$3,872,518	\$320,873	\$4,900,755	
01/01/2046	12/31/2046	\$2,087,622	\$0	\$0	-\$3,164,483	-\$474,673	\$0	\$0	\$0	-\$3,639,156	\$241,957	\$3,591,178	
01/01/2047	12/31/2047	\$2,087,622	\$0	\$0	-\$2,931,002	-\$439,650	\$0	\$0	\$0	-\$3,370,653	\$173,089	\$2,481,236	
01/01/2048	12/31/2048	\$2,087,622	\$0	\$0	-\$2,703,678	-\$405,552	\$0	\$0	\$0	-\$3,109,230	\$115,695	\$1,575,323	
01/01/2049	12/31/2049	\$2,087,622	\$0	\$0	-\$2,498,401	-\$374,760	\$0	\$0	\$0	-\$2,873,162	\$69,506	\$859,289	
01/01/2050	12/31/2050	\$2,087,622	\$0	\$0	-\$2,298,372	-\$344,756	\$0	\$0	\$0	-\$2,643,128	\$34,251	\$338,034	
01/01/2051	12/31/2051	\$2,087,622	\$0	\$0	-\$2,117,742	-\$317,661	\$0	\$0	\$0	-\$2,435,403	\$9,747	\$0	

## 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**

**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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A

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	
1	Baseline	N/A	\$10,428,480	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. From Template 5A.
2	Removing Expense Cap	\$3,290,996	\$13,719,476	Show details supporting the SFA amount on Sheet 6A-2.
3	Adjusting Contributions	\$17,920,903	\$31,640,379	Show details supporting the SFA amount on Sheet 6A-3.
4	Adding Expected Additional Expenses	\$1,310,385	\$32,950,764	Show details supporting the SFA amount on Sheet 6A-4.
5	Liability Adjustment for In-Pay participants	\$2,186,373	\$35,137,137	Show details supporting the SFA amount on Sheet 6A-5.
6	New Entrant Assumption	\$400,843	\$35,537,980	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):

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$58,812,471
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$13,719,476
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)
		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))
SFA Measurement Date / Plan Year Start Date	Plan Year End Date												
01/01/2023	12/31/2023	\$2,039,178	\$0	\$0	-\$1,452,271	-\$1,000,000	-\$12,452,271	\$284,670	\$1,551,875	\$0	\$3,499,328	\$62,311,799	
01/01/2024	12/31/2024	\$2,046,857	\$0	\$0	-\$6,297,435	-\$1,020,000	-\$1,551,875	\$0	\$0	-\$5,765,560	\$3,538,014	\$62,131,110	
01/01/2025	12/31/2025	\$2,054,691	\$0	\$0	-\$6,432,740	-\$1,040,400	\$0	\$0	\$0	-\$7,473,140	\$3,478,433	\$60,191,094	
01/01/2026	12/31/2026	\$2,062,681	\$0	\$0	-\$6,550,001	-\$1,061,208	\$0	\$0	\$0	-\$7,611,209	\$3,361,191	\$58,003,757	
01/01/2027	12/31/2027	\$2,070,830	\$0	\$0	-\$6,286,286	-\$1,082,432	\$0	\$0	\$0	-\$7,368,718	\$3,240,459	\$55,946,328	
01/01/2028	12/31/2028	\$2,079,143	\$0	\$0	-\$6,264,387	-\$1,104,081	\$0	\$0	\$0	-\$7,368,467	\$3,120,346	\$53,777,350	
01/01/2029	12/31/2029	\$2,087,622	\$0	\$0	-\$6,345,001	-\$1,126,162	\$0	\$0	\$0	-\$7,471,164	\$2,990,744	\$51,384,552	
01/01/2030	12/31/2030	\$2,087,622	\$0	\$0	-\$6,263,549	-\$1,148,686	\$0	\$0	\$0	-\$7,412,235	\$2,852,465	\$48,912,404	
01/01/2031	12/31/2031	\$2,087,622	\$0	\$0	-\$6,228,115	-\$1,171,659	\$0	\$0	\$0	-\$7,399,774	\$2,708,204	\$46,308,456	
01/01/2032	12/31/2032	\$2,087,622	\$0	\$0	-\$6,124,788	-\$1,195,093	\$0	\$0	\$0	-\$7,319,880	\$2,558,176	\$43,634,374	
01/01/2033	12/31/2033	\$2,087,622	\$0	\$0	-\$5,920,003	-\$1,218,994	\$0	\$0	\$0	-\$7,138,998	\$2,406,958	\$40,989,956	
01/01/2034	12/31/2034	\$2,087,622	\$0	\$0	-\$5,736,209	-\$1,243,374	\$0	\$0	\$0	-\$6,979,584	\$2,256,856	\$38,354,850	
01/01/2035	12/31/2035	\$2,087,622	\$0	\$0	-\$5,573,129	-\$1,268,242	\$0	\$0	\$0	-\$6,841,371	\$2,106,688	\$35,707,789	
01/01/2036	12/31/2036	\$2,087,622	\$0	\$0	-\$5,396,248	-\$1,293,607	\$0	\$0	\$0	-\$6,689,854	\$1,956,204	\$33,061,760	
01/01/2037	12/31/2037	\$2,087,622	\$0	\$0	-\$5,226,579	-\$1,319,479	\$0	\$0	\$0	-\$6,546,057	\$1,805,557	\$30,408,882	
01/01/2038	12/31/2038	\$2,087,622	\$0	\$0	-\$5,012,209	-\$1,345,868	\$0	\$0	\$0	-\$6,358,078	\$1,655,784	\$27,794,211	
01/01/2039	12/31/2039	\$2,087,622	\$0	\$0	-\$4,803,005	-\$1,372,786	\$0	\$0	\$0	-\$6,175,790	\$1,508,082	\$25,214,124	
01/01/2040	12/31/2040	\$2,087,622	\$0	\$0	-\$4,561,648	-\$1,400,241	\$0	\$0	\$0	-\$5,961,889	\$1,363,315	\$22,703,171	
01/01/2041	12/31/2041	\$2,087,622	\$0	\$0	-\$4,324,282	-\$1,428,246	\$0	\$0	\$0	-\$5,752,528	\$1,222,461	\$20,260,726	
01/01/2042	12/31/2042	\$2,087,622	\$0	\$0	-\$4,079,074	-\$1,456,811	\$0	\$0	\$0	-\$5,535,885	\$1,085,824	\$17,898,287	
01/01/2043	12/31/2043	\$2,087,622	\$0	\$0	-\$3,843,246	-\$1,485,947	\$0	\$0	\$0	-\$5,329,194	\$953,581	\$15,610,297	
01/01/2044	12/31/2044	\$2,087,622	\$0	\$0	-\$3,607,696	-\$1,515,666	\$0	\$0	\$0	-\$5,123,362	\$825,669	\$13,400,225	
01/01/2045	12/31/2045	\$2,087,622	\$0	\$0	-\$3,367,407	-\$1,545,980	\$0	\$0	\$0	-\$4,913,387	\$702,434	\$11,276,895	
01/01/2046	12/31/2046	\$2,087,622	\$0	\$0	-\$3,164,483	-\$1,576,899	\$0	\$0	\$0	-\$4,741,383	\$583,179	\$9,206,313	
01/01/2047	12/31/2047	\$2,087,622	\$0	\$0	-\$2,931,002	-\$1,608,437	\$0	\$0	\$0	-\$4,539,440	\$467,873	\$7,222,368	
01/01/2048	12/31/2048	\$2,087,622	\$0	\$0	-\$2,703,678	-\$1,640,606	\$0	\$0	\$0	-\$4,344,284	\$357,439	\$5,323,146	
01/01/2049	12/31/2049	\$2,087,622	\$0	\$0	-\$2,498,401	-\$1,673,418	\$0	\$0	\$0	-\$4,171,820	\$251,308	\$3,490,256	
01/01/2050	12/31/2050	\$2,087,622	\$0	\$0	-\$2,298,372	-\$1,706,886	\$0	\$0	\$0	-\$4,005,258	\$148,886	\$1,721,506	
01/01/2051	12/31/2051	\$2,087,622	\$0	\$0	-\$2,117,742	-\$1,741,024	\$0	\$0	\$0	-\$3,858,766	\$49,638	\$0	

TEMPLATE 6A - Sheet 6A-3

Item Description (from 6A-1):

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$58,812,471
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$31,640,379
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.

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	(1) Contributions	(2) Withdrawal Liability Payments	(3) Other Payments to Plan (excluding financial assistance and SFA)	(4) Benefit Payments	(5) Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	(6) Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(7) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets	(8) SFA Investment Income Based on SFA Interest Rate	(9) Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8))	(10) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets	(11) Non-SFA Investment Income Based on Non-SFA Interest Rate	(12) Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11))
01/01/2023	12/31/2023	\$992,730	\$0	\$0	-\$11,452,271	-\$1,000,000	-\$12,452,271	\$960,289	\$20,148,397	\$0	\$3,469,154	\$62,281,625	
01/01/2024	12/31/2024	\$964,866	\$0	\$0	-\$6,297,435	-\$1,020,000	-\$7,317,435	\$622,937	\$13,453,899	\$0	\$3,671,296	\$66,917,788	
01/01/2025	12/31/2025	\$937,818	\$0	\$0	-\$6,432,740	-\$1,040,400	-\$7,473,140	\$367,647	\$6,348,405	\$0	\$3,941,732	\$71,797,337	
01/01/2026	12/31/2026	\$911,561	\$0	\$0	-\$6,550,001	-\$1,061,208	-\$6,348,405	\$0	\$0	-\$1,262,804	\$4,190,016	\$75,636,111	
01/01/2027	12/31/2027	\$886,072	\$0	\$0	-\$6,286,286	-\$1,082,432	\$0	\$0	\$0	-\$7,368,718	\$4,237,790	\$73,391,254	
01/01/2028	12/31/2028	\$861,328	\$0	\$0	-\$6,264,387	-\$1,104,081	\$0	\$0	\$0	-\$7,368,467	\$4,105,760	\$70,989,874	
01/01/2029	12/31/2029	\$837,306	\$0	\$0	-\$6,345,001	-\$1,126,162	\$0	\$0	\$0	-\$7,471,164	\$3,961,625	\$68,317,642	
01/01/2030	12/31/2030	\$813,986	\$0	\$0	-\$6,263,549	-\$1,148,686	\$0	\$0	\$0	-\$7,412,235	\$3,806,326	\$65,525,720	
01/01/2031	12/31/2031	\$791,347	\$0	\$0	-\$6,228,115	-\$1,171,659	\$0	\$0	\$0	-\$7,399,774	\$3,642,705	\$62,559,998	
01/01/2032	12/31/2032	\$769,368	\$0	\$0	-\$6,124,788	-\$1,195,093	\$0	\$0	\$0	-\$7,319,880	\$3,470,880	\$59,480,366	
01/01/2033	12/31/2033	\$763,453	\$0	\$0	-\$5,920,003	-\$1,218,994	\$0	\$0	\$0	-\$7,138,998	\$3,295,767	\$56,400,588	
01/01/2034	12/31/2034	\$757,614	\$0	\$0	-\$5,736,209	-\$1,243,374	\$0	\$0	\$0	-\$6,979,584	\$3,120,028	\$53,298,647	
01/01/2035	12/31/2035	\$751,852	\$0	\$0	-\$5,573,129	-\$1,268,242	\$0	\$0	\$0	-\$6,841,371	\$2,942,384	\$50,151,511	
01/01/2036	12/31/2036	\$746,165	\$0	\$0	-\$5,396,248	-\$1,293,607	\$0	\$0	\$0	-\$6,689,854	\$2,762,481	\$46,970,303	
01/01/2037	12/31/2037	\$740,552	\$0	\$0	-\$5,226,579	-\$1,319,479	\$0	\$0	\$0	-\$6,546,057	\$2,580,365	\$43,745,164	
01/01/2038	12/31/2038	\$735,014	\$0	\$0	-\$5,012,209	-\$1,345,868	\$0	\$0	\$0	-\$6,358,078	\$2,396,955	\$40,519,055	
01/01/2039	12/31/2039	\$729,550	\$0	\$0	-\$4,803,005	-\$1,372,786	\$0	\$0	\$0	-\$6,175,790	\$2,213,326	\$37,286,141	
01/01/2040	12/31/2040	\$724,159	\$0	\$0	-\$4,561,648	-\$1,400,241	\$0	\$0	\$0	-\$5,961,889	\$2,030,213	\$34,078,624	
01/01/2041	12/31/2041	\$718,840	\$0	\$0	-\$4,324,282	-\$1,428,246	\$0	\$0	\$0	-\$5,752,528	\$1,848,457	\$30,893,392	
01/01/2042	12/31/2042	\$713,593	\$0	\$0	-\$4,079,074	-\$1,456,811	\$0	\$0	\$0	-\$5,535,885	\$1,668,216	\$27,739,317	
01/01/2043	12/31/2043	\$708,418	\$0	\$0	-\$3,843,246	-\$1,485,947	\$0	\$0	\$0	-\$5,329,194	\$1,489,513	\$24,608,055	
01/01/2044	12/31/2044	\$703,314	\$0	\$0	-\$3,607,696	-\$1,515,666	\$0	\$0	\$0	-\$5,123,362	\$1,312,122	\$21,500,129	
01/01/2045	12/31/2045	\$698,280	\$0	\$0	-\$3,367,407	-\$1,545,980	\$0	\$0	\$0	-\$4,913,387	\$1,136,218	\$18,421,240	
01/01/2046	12/31/2046	\$693,316	\$0	\$0	-\$3,164,483	-\$1,576,899	\$0	\$0	\$0	-\$4,741,383	\$960,919	\$15,334,093	
01/01/2047	12/31/2047	\$688,422	\$0	\$0	-\$2,931,002	-\$1,608,437	\$0	\$0	\$0	-\$4,539,440	\$786,003	\$12,269,079	
01/01/2048	12/31/2048	\$683,597	\$0	\$0	-\$2,703,678	-\$1,640,606	\$0	\$0	\$0	-\$4,344,284	\$612,188	\$9,220,579	
01/01/2049	12/31/2049	\$678,840	\$0	\$0	-\$2,498,401	-\$1,673,418	\$0	\$0	\$0	-\$4,171,820	\$438,686	\$6,166,285	
01/01/2050	12/31/2050	\$674,151	\$0	\$0	-\$2,298,372	-\$1,706,886	\$0	\$0	\$0	-\$4,005,258	\$264,678	\$3,099,855	
01/01/2051	12/31/2051	\$669,529	\$0	\$0	-\$2,117,742	-\$1,741,024	\$0	\$0	\$0	-\$3,858,766	\$89,382	\$0	

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$58,812,471
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$32,950,764
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)
						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))
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								
01/01/2023	12/31/2023	\$992,730	\$0	\$0	-\$1,452,271	-\$1,108,280	-\$12,560,551	\$1,007,668	\$21,397,881	\$0	\$3,469,154	\$62,281,625	
01/01/2024	12/31/2024	\$964,866	\$0	\$0	-\$6,297,435	-\$1,056,097	-\$7,353,532	\$669,368	\$14,713,717	\$0	\$3,671,296	\$66,917,788	
01/01/2025	12/31/2025	\$937,818	\$0	\$0	-\$6,432,740	-\$1,181,879	-\$7,614,619	\$412,499	\$7,511,598	\$0	\$3,941,732	\$71,797,337	
01/01/2026	12/31/2026	\$911,561	\$0	\$0	-\$6,550,001	-\$1,773,309	-\$7,511,598	\$0	\$0	-\$811,712	\$4,203,023	\$76,100,209	
01/01/2027	12/31/2027	\$886,072	\$0	\$0	-\$6,286,286	-\$1,111,686	\$0	\$0	\$0	-\$7,397,972	\$4,264,096	\$73,852,405	
01/01/2028	12/31/2028	\$861,328	\$0	\$0	-\$6,264,387	-\$1,125,039	\$0	\$0	\$0	-\$7,389,426	\$4,132,133	\$71,456,440	
01/01/2029	12/31/2029	\$837,306	\$0	\$0	-\$6,345,001	-\$1,148,521	\$0	\$0	\$0	-\$7,493,522	\$3,988,274	\$68,788,499	
01/01/2030	12/31/2030	\$813,986	\$0	\$0	-\$6,263,549	-\$1,172,444	\$0	\$0	\$0	-\$7,435,993	\$3,833,186	\$65,999,678	
01/01/2031	12/31/2031	\$791,347	\$0	\$0	-\$6,228,115	-\$1,196,818	\$0	\$0	\$0	-\$7,424,933	\$3,669,706	\$63,035,799	
01/01/2032	12/31/2032	\$769,368	\$0	\$0	-\$6,124,788	-\$1,221,751	\$0	\$0	\$0	-\$7,346,539	\$3,497,946	\$59,956,575	
01/01/2033	12/31/2033	\$763,453	\$0	\$0	-\$5,920,003	-\$1,247,153	\$0	\$0	\$0	-\$7,167,156	\$3,322,813	\$56,875,684	
01/01/2034	12/31/2034	\$757,614	\$0	\$0	-\$5,736,209	-\$1,273,033	\$0	\$0	\$0	-\$7,009,242	\$3,146,966	\$53,771,023	
01/01/2035	12/31/2035	\$751,852	\$0	\$0	-\$5,573,129	-\$1,299,500	\$0	\$0	\$0	-\$6,872,630	\$2,969,117	\$50,619,362	
01/01/2036	12/31/2036	\$746,165	\$0	\$0	-\$5,396,248	-\$1,326,465	\$0	\$0	\$0	-\$6,722,713	\$2,788,903	\$47,431,717	
01/01/2037	12/31/2037	\$740,552	\$0	\$0	-\$5,226,579	-\$1,354,037	\$0	\$0	\$0	-\$6,580,616	\$2,606,361	\$44,198,015	
01/01/2038	12/31/2038	\$735,014	\$0	\$0	-\$5,012,209	-\$1,382,127	\$0	\$0	\$0	-\$6,394,336	\$2,422,401	\$40,961,095	
01/01/2039	12/31/2039	\$729,550	\$0	\$0	-\$4,803,005	-\$1,410,744	\$0	\$0	\$0	-\$6,213,749	\$2,238,091	\$37,714,988	
01/01/2040	12/31/2040	\$724,159	\$0	\$0	-\$4,561,648	-\$1,440,000	\$0	\$0	\$0	-\$6,001,648	\$2,054,154	\$34,491,653	
01/01/2041	12/31/2041	\$718,840	\$0	\$0	-\$4,324,282	-\$1,469,805	\$0	\$0	\$0	-\$5,794,086	\$1,871,421	\$31,287,827	
01/01/2042	12/31/2042	\$713,593	\$0	\$0	-\$4,079,074	-\$1,500,270	\$0	\$0	\$0	-\$5,579,343	\$1,690,037	\$28,112,114	
01/01/2043	12/31/2043	\$708,418	\$0	\$0	-\$3,843,246	-\$1,531,306	\$0	\$0	\$0	-\$5,374,552	\$1,510,014	\$24,955,995	
01/01/2044	12/31/2044	\$703,314	\$0	\$0	-\$3,607,696	-\$1,563,025	\$0	\$0	\$0	-\$5,170,721	\$1,331,111	\$21,819,699	
01/01/2045	12/31/2045	\$698,280	\$0	\$0	-\$3,367,407	-\$1,595,338	\$0	\$0	\$0	-\$4,962,745	\$1,153,490	\$18,708,724	
01/01/2046	12/31/2046	\$693,316	\$0	\$0	-\$3,164,483	-\$1,628,358	\$0	\$0	\$0	-\$4,792,841	\$976,253	\$15,585,453	
01/01/2047	12/31/2047	\$688,422	\$0	\$0	-\$2,931,002	-\$1,661,996	\$0	\$0	\$0	-\$4,592,998	\$799,163	\$12,480,040	
01/01/2048	12/31/2048	\$683,597	\$0	\$0	-\$2,703,678	-\$1,696,364	\$0	\$0	\$0	-\$4,400,042	\$622,921	\$9,386,515	
01/01/2049	12/31/2049	\$678,840	\$0	\$0	-\$2,498,401	-\$1,731,376	\$0	\$0	\$0	-\$4,229,778	\$446,722	\$6,282,300	
01/01/2050	12/31/2050	\$674,151	\$0	\$0	-\$2,298,372	-\$1,767,145	\$0	\$0	\$0	-\$4,065,517	\$269,727	\$3,160,660	
01/01/2051	12/31/2051	\$669,529	\$0	\$0	-\$2,117,742	-\$1,803,583	\$0	\$0	\$0	-\$3,921,325	\$91,135	\$0	

TEMPLATE 6A - Sheet 6A-5

Item Description (from 6A-1):	
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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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001
MPRA Plan?	No
If a MPRA Plan, which method yields the greatest amount of SFA?	N/A
SFA Measurement Date:	12/31/2022
Fair Market Value of Assets as of the SFA Measurement Date:	\$58,812,471
SFA Amount as of the SFA Measurement Date under the method calculated in this Sheet:	\$35,137,137
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.

SFA Measurement Date / Plan Year Start Date	Plan Year End Date	(1) Contributions	(2) Withdrawal Liability Payments	(3) Other Payments to Plan (excluding financial assistance and SFA)	(4) Benefit Payments	(5) Make-up Payments Attributable to Reinstatement of Benefits Suspended through the SFA Measurement Date	(6) Administrative Expenses (excluding amount owed PBGC under 4261 of ERISA)	(7) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from SFA Assets	(8) SFA Investment Income Based on SFA Interest Rate	(9) Projected SFA Assets at End of Plan Year (prior year assets + (7) + (8))	(10) Benefit Payments (from (4) and (5)) and Administrative Expenses (from (6)) Paid from Non-SFA Assets	(11) Non-SFA Investment Income Based on Non-SFA Interest Rate	(12) Projected Non-SFA Assets at End of Plan Year (prior year assets + (1) + (2) + (3) + (10) + (11))
01/01/2023	12/31/2023	\$992,730	\$0	\$0	-\$8,837,459	-\$1,108,280	-\$9,945,739	\$1,138,927	\$26,330,326	\$0	\$3,469,154	\$62,281,625	
01/01/2024	12/31/2024	\$964,866	\$0	\$0	-\$10,935,298	-\$1,056,097	-\$11,991,395	\$768,707	\$15,107,638	\$0	\$3,671,296	\$66,917,788	
01/01/2025	12/31/2025	\$937,818	\$0	\$0	-\$6,480,603	-\$1,181,879	-\$7,662,482	\$426,456	\$7,871,612	\$0	\$3,941,732	\$71,797,337	
01/01/2026	12/31/2026	\$911,561	\$0	\$0	-\$6,597,864	-\$1,773,309	-\$7,871,612	\$0	\$0	-\$499,560	\$4,212,024	\$76,421,362	
01/01/2027	12/31/2027	\$886,072	\$0	\$0	-\$6,334,149	-\$1,111,686	\$0	\$0	\$0	-\$7,445,835	\$4,281,504	\$74,143,102	
01/01/2028	12/31/2028	\$861,328	\$0	\$0	-\$6,312,249	-\$1,125,039	\$0	\$0	\$0	-\$7,437,288	\$4,147,758	\$71,714,900	
01/01/2029	12/31/2029	\$837,306	\$0	\$0	-\$6,392,864	-\$1,148,521	\$0	\$0	\$0	-\$7,541,385	\$4,002,014	\$69,012,836	
01/01/2030	12/31/2030	\$813,986	\$0	\$0	-\$6,311,412	-\$1,172,444	\$0	\$0	\$0	-\$7,483,856	\$3,844,930	\$66,187,896	
01/01/2031	12/31/2031	\$791,347	\$0	\$0	-\$6,275,978	-\$1,196,818	\$0	\$0	\$0	-\$7,472,795	\$3,679,337	\$63,185,785	
01/01/2032	12/31/2032	\$769,368	\$0	\$0	-\$6,172,650	-\$1,221,751	\$0	\$0	\$0	-\$7,394,401	\$3,505,340	\$60,066,092	
01/01/2033	12/31/2033	\$763,453	\$0	\$0	-\$6,032,679	-\$1,247,153	\$0	\$0	\$0	-\$7,279,832	\$3,325,971	\$56,875,684	
01/01/2034	12/31/2034	\$757,614	\$0	\$0	-\$5,736,209	-\$1,273,033	\$0	\$0	\$0	-\$7,009,242	\$3,146,966	\$53,771,023	
01/01/2035	12/31/2035	\$751,852	\$0	\$0	-\$5,573,129	-\$1,299,500	\$0	\$0	\$0	-\$6,872,630	\$2,969,117	\$50,619,362	
01/01/2036	12/31/2036	\$746,165	\$0	\$0	-\$5,396,248	-\$1,326,465	\$0	\$0	\$0	-\$6,722,713	\$2,788,903	\$47,431,717	
01/01/2037	12/31/2037	\$740,552	\$0	\$0	-\$5,226,579	-\$1,354,037	\$0	\$0	\$0	-\$6,580,616	\$2,606,361	\$44,198,015	
01/01/2038	12/31/2038	\$735,014	\$0	\$0	-\$5,012,209	-\$1,382,127	\$0	\$0	\$0	-\$6,394,336	\$2,422,401	\$40,961,095	
01/01/2039	12/31/2039	\$729,550	\$0	\$0	-\$4,803,005	-\$1,410,744	\$0	\$0	\$0	-\$6,213,749	\$2,238,091	\$37,714,988	
01/01/2040	12/31/2040	\$724,159	\$0	\$0	-\$4,561,648	-\$1,440,000	\$0	\$0	\$0	-\$6,001,648	\$2,054,154	\$34,491,653	
01/01/2041	12/31/2041	\$718,840	\$0	\$0	-\$4,324,282	-\$1,469,805	\$0	\$0	\$0	-\$5,794,086	\$1,871,421	\$31,287,827	
01/01/2042	12/31/2042	\$713,593	\$0	\$0	-\$4,079,074	-\$1,500,270	\$0	\$0	\$0	-\$5,579,343	\$1,690,037	\$28,112,114	
01/01/2043	12/31/2043	\$708,418	\$0	\$0	-\$3,843,246	-\$1,531,306	\$0	\$0	\$0	-\$5,374,552	\$1,510,014	\$24,955,995	
01/01/2044	12/31/2044	\$703,314	\$0	\$0	-\$3,607,696	-\$1,563,025	\$0	\$0	\$0	-\$5,170,721	\$1,331,111	\$21,819,699	
01/01/2045	12/31/2045	\$698,280	\$0	\$0	-\$3,367,407	-\$1,595,338	\$0	\$0	\$0	-\$4,962,745	\$1,153,490	\$18,708,724	
01/01/2046	12/31/2046	\$693,316	\$0	\$0	-\$3,164,483	-\$1,628,358	\$0	\$0	\$0	-\$4,792,841	\$976,253	\$15,585,453	
01/01/2047	12/31/2047	\$688,422	\$0	\$0	-\$2,931,002	-\$1,661,996	\$0	\$0	\$0	-\$4,592,998	\$799,163	\$12,480,040	
01/01/2048	12/31/2048	\$683,597	\$0	\$0	-\$2,703,678	-\$1,696,364	\$0	\$0	\$0	-\$4,400,042	\$622,921	\$9,386,515	
01/01/2049	12/31/2049	\$678,840	\$0	\$0	-\$2,498,401	-\$1,731,376	\$0	\$0	\$0	-\$4,229,778	\$446,722	\$6,282,300	
01/01/2050	12/31/2050	\$674,151	\$0	\$0	-\$2,298,372	-\$1,767,145	\$0	\$0	\$0	-\$4,065,517	\$269,727	\$3,160,660	
01/01/2051	12/31/2051	\$669,529	\$0	\$0	-\$2,117,742	-\$1,803,583	\$0	\$0	\$0	-\$3,921,325	\$91,135	\$0	

**Version Updates**

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:	DC 37 Local 389 Home Care Employees Pension Fund	
EIN:	13-3698650	
PN:	001	

Brief description of basis for qualifying for SFA (e.g., critical and declining status in 2020, insolvent plan, critical status and meet other criteria)	Critical and Declining Status in 2022
--	---------------------------------------

	(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
Mortality Improvement Scale	Scale AA	Scale MP-2021	This scale update was appropriate due to the alignment with future anticipated experience.
Missing DOB for Retiree Assumption	N/A	January 1, 1950 assumed DOB	The previously disclosed assumption of 1/1/1985 assumed DOB for actives should not be assumed for in-pay participants.
Liabilities for In Pay Participants	\$3M added to liabilities	\$5.2M added to liabilities	After extensive review of plan data, this additional liability for in pay particip

## 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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
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
Mortality	Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected to 2019 with scale AA	Pri-2012 amount-weighted, employee and non-disabled annuitant Blue Collar tables reflecting MP-2021 Projection Scale	This table update is included in the PBGC's list of acceptable assumption changes. Adopting the newer table more accurately reflects anticipated experience.
Expense Assumptions	\$1,000,000 in expenses reflecting 2% inflation for future years.	\$1,000,000 in expenses reflecting 2% inflation for future years, but including a series of fund related expenses for years 2025 and onward.	The previous expense assumption does not account for the series of expected fund payments from 2025 onward. These newer expenses are attributable to additional systems implemented for better fund administration moving forward.
New Entrant Profile	Contributions were adjusted to reflect a level population instead of running a valuation with a new entrant assumption.	A new entrant profile was added based on plan experience to reflect a level population.	The pre-2021 zone certification used a contribution simplification adjustment to reflect a level population. A new entrant profile was developed to formalize this assumption for Cash Flow development purposes.
Contribution Assumption	\$.46 per hour for Homecare Employees and 17.04% of total Professional Staff compensation. Professional staff compensation is assumed to increase 2% per year.	Reflecting an assuming 3% decrease in CBUs over the initial 10 year period and then 1% until 2051.	This change to the future CBUs more accurately reflects anticipated experience and follows the PBGC's SFA assumption guidance.

**Version Updates**

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:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001

Unit (e.g. hourly, weekly)	Hourly
----------------------------	--------

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
01/01/2023	12/31/2023	\$992,730	1,873,075	\$0.53				\$0	\$0	1,144
01/01/2024	12/31/2024	\$962,948	1,816,883	\$0.53				\$0	\$0	1,110
01/01/2025	12/31/2025	\$934,060	1,762,376	\$0.53				\$0	\$0	1,076
01/01/2026	12/31/2026	\$906,038	1,709,505	\$0.53				\$0	\$0	1,044
01/01/2027	12/31/2027	\$878,857	1,658,220	\$0.53				\$0	\$0	1,013
01/01/2028	12/31/2028	\$852,491	1,608,473	\$0.53				\$0	\$0	982
01/01/2029	12/31/2029	\$826,916	1,560,219	\$0.53				\$0	\$0	953
01/01/2030	12/31/2030	\$802,109	1,513,413	\$0.53				\$0	\$0	924
01/01/2031	12/31/2031	\$778,045	1,468,010	\$0.53				\$0	\$0	897
01/01/2032	12/31/2032	\$754,704	1,423,970	\$0.53				\$0	\$0	870
01/01/2033	12/31/2033	\$747,157	1,409,730	\$0.53				\$0	\$0	861
01/01/2034	12/31/2034	\$739,685	1,395,633	\$0.53				\$0	\$0	852
01/01/2035	12/31/2035	\$732,289	1,381,677	\$0.53				\$0	\$0	844
01/01/2036	12/31/2036	\$724,966	1,367,860	\$0.53				\$0	\$0	835
01/01/2037	12/31/2037	\$717,716	1,354,181	\$0.53				\$0	\$0	827
01/01/2038	12/31/2038	\$710,539	1,340,639	\$0.53				\$0	\$0	819
01/01/2039	12/31/2039	\$703,433	1,327,233	\$0.53				\$0	\$0	811
01/01/2040	12/31/2040	\$696,399	1,313,961	\$0.53				\$0	\$0	803
01/01/2041	12/31/2041	\$689,435	1,300,821	\$0.53				\$0	\$0	794
01/01/2042	12/31/2042	\$682,541	1,287,813	\$0.53				\$0	\$0	787
01/01/2043	12/31/2043	\$675,715	1,274,935	\$0.53				\$0	\$0	779
01/01/2044	12/31/2044	\$668,958	1,262,185	\$0.53				\$0	\$0	771
01/01/2045	12/31/2045	\$662,269	1,249,564	\$0.53				\$0	\$0	763
01/01/2046	12/31/2046	\$655,646	1,237,068	\$0.53				\$0	\$0	756
01/01/2047	12/31/2047	\$649,090	1,224,697	\$0.53				\$0	\$0	748
01/01/2048	12/31/2048	\$642,599	1,212,450	\$0.53				\$0	\$0	741
01/01/2049	12/31/2049	\$636,173	1,200,326	\$0.53				\$0	\$0	733
01/01/2050	12/31/2050	\$629,811	1,188,322	\$0.53				\$0	\$0	726
01/01/2051	12/31/2051	\$623,513	1,176,439	\$0.53				\$0	\$0	719
								\$0	\$0	711

\* 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."

**Version Updates**

Version

Date updated

v20230727

v20230727

07/27/2023



**TEMPLATE 10**

v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

File name: *Template 10 Plan Name*, where "Plan Name" is an abbreviated version of the plan name.

Provide a table identifying and summarizing which assumptions/methods were used in each of the pre-2021 certification of plan status, the Baseline details (Template 5A or Template 5B), and the final SFA calculation (Template 4A or Template 4B).

This table should identify all assumptions/methods used, including those that are reflected in the Baseline provided in Template 5A or Template 5B and any assumptions not explicitly listed. Please identify the source (file and page number) of the pre-2021 certification of plan status assumption. Additionally, please select the appropriate assumption change category per SFA assumption guidance\*. Please complete all rows of Template 10. If an assumption on Template 10 does not apply to the application, please enter "N/A" and explain as necessary in the "comments" column. If the application contains assumptions not listed on Template 10, create additional rows as needed.

See the table below for a brief example of how to fill out the requested information in summary form. In the example the first row demonstrates how one would fill out the information for a change in the mortality assumption used in the pre-2021 certification of plan status, where the RP-2000 mortality table was the original assumption, and the plan proposes to change to the Pri-2012(BC) table.

	(A)	(B)	(C)	(D)	(E)														
	Source of (B)	Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Baseline Assumption/Method Used	Final SFA Assumption/Method Used	Category of assumption change from (B) to (D) per SFA Assumption Guidance														
Base Mortality - Healthy	2019 Company XYZ AVR.pdf p. 55	RP-2000 mortality table	Pri-2012(BC) mortality table	Same as baseline	Acceptable Change														
Contribution Base Units	2020 Company XYZ ZC.pdf p. 19	125,000 hours projected to insolvency in 2024	125,000 hours projected through the SFA projection period in 2051	100,000 hours projected with 3.0% reductions annually for 10 years and 1.0% reductions annually thereafter	Generally Acceptable Change														
Assumed Withdrawal Payments -Future Withdrawals	2020 Company XYZ ZC.pdf p. 20	None assumed until insolvency in 2024	None assumed through the SFA projection period in 2051	Same as baseline	Other Change														
Retirement - Actives	2019 Company XYZ AVR.pdf p. 54	<table border="1" style="font-size: small;"> <thead> <tr> <th>Age</th> <th>Actives</th> </tr> </thead> <tbody> <tr><td>55</td><td>10%</td></tr> <tr><td>56</td><td>20%</td></tr> <tr><td>57</td><td>30%</td></tr> <tr><td>58</td><td>40%</td></tr> <tr><td>59</td><td>50%</td></tr> <tr><td>60+</td><td>100%</td></tr> </tbody> </table>	Age	Actives	55	10%	56	20%	57	30%	58	40%	59	50%	60+	100%	Same as Pre-2021 Zone Cert	Same as baseline	No Change
Age	Actives																		
55	10%																		
56	20%																		
57	30%																		
58	40%																		
59	50%																		
60+	100%																		

Add additional lines if needed.

\*<https://www.pbgc.gov/sites/default/files/sfa/sfa-assumptions-guidance.pdf>

**Template 10**

v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

Abbreviated Plan Name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001

	(A)	(B)	(C)	(D)	(E)	
	Source of (B)	Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Baseline Assumption/Method Used	Final SFA Assumption/Method Used	Category of assumption change from (B) to (D) per <a href="#">SFA Assumption Guidance</a>	Comments
SFA Measurement Date	N/A	N/A	12/31/2022	12/31/2022	N/A	
Census Data as of	Census Data	01/01/2022	01/01/2022	01/01/2022	N/A	

**DEMOGRAPHIC ASSUMPTIONS**

Base Mortality - Healthy	2020 Plan Zone Cert Page 9	Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table	Pri-2012 amount-weighted, employee and non-disabled annuitant Blue Collar tables	Pri-2012 amount-weighted, employee and non-disabled annuitant Blue Collar tables	Acceptable Change	
Mortality Improvement - Healthy	2020 Plan Zone Cert Page 9	Projected to 2019 with Scale AA	Projected with Scale MP-2021	Projected with Scale MP-2021	Generally Acceptable Change	
Base Mortality - Disabled	2020 Plan Zone Cert Page 9	Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table	Pri-2012 Private Retirement Plans Disabled Mortality Tables	Pri-2012 Private Retirement Plans Disabled Mortality Tables	Acceptable Change	
Mortality Improvement - Disabled	2020 Plan Zone Cert Page 9	no scale	Projected with Scale MP-2021	Projected with Scale MP-2021	Acceptable Change	
Retirement - Actives	2020 Plan Zone Cert Page 9	100% at age 67	100% at age 67	100% at age 67	No Change	
Retirement - TVs	2020 Plan Zone Cert Page 9	100% at age 65	100% at age 65	100% at age 65	No Change	

**Template 10**

v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

Abbreviated Plan Name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001

	(A)	(B)	(C)	(D)	(E)	
	Source of (B)	Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Baseline Assumption/Method Used	Final SFA Assumption/Method Used	Category of assumption change from (B) to (D) per <a href="#">SFA Assumption Guidance</a>	Comments
Turnover	2020 Plan Zone Cert Page 9	Sample rates shown below: Age 20-17.93% Age 25-17.22% Age 30-16.20% Age 35-14.85% Age 40-13.10% Age 45-10.83% Age 50- 7.91% Age 55- 4.40% Age 60- 1.20%	Sample rates shown below: Age 20-17.93% Age 25-17.22% Age 30-16.20% Age 35-14.85% Age 40-13.10% Age 45-10.83% Age 50- 7.91% Age 55- 4.40% Age 60- 1.20%	Sample rates shown below: Age 20-17.93% Age 25-17.22% Age 30-16.20% Age 35-14.85% Age 40-13.10% Age 45-10.83% Age 50- 7.91% Age 55- 4.40% Age 60- 1.20%	No Change	
Disability	2020 Plan Zone Cert Page 10	Sample rates shown below: Age 20-0.06% Age 25-0.07% Age 30-0.08% Age 35-0.10% Age 40-0.15% Age 45-0.25% Age 50- 0.47% Age 55- 0.92% Age 60- 1.86%	Sample rates shown below: Age 20-0.06% Age 25-0.07% Age 30-0.08% Age 35-0.10% Age 40-0.15% Age 45-0.25% Age 50- 0.47% Age 55- 0.92% Age 60- 1.86%	Sample rates shown below: Age 20-0.06% Age 25-0.07% Age 30-0.08% Age 35-0.10% Age 40-0.15% Age 45-0.25% Age 50- 0.47% Age 55- 0.92% Age 60- 1.86%	No Change	
Optional Form Elections - Actives	2020 Plan Zone Cert Page 9	Married-J&S 50%, Single-SL with 5 year certain for Home Care employees, and Single Life annuity for professional employees	Married-J&S 50%, Single-SL with 5 year certain for Home Care employees, and Single Life annuity for professional employees	Married-J&S 50%, Single-SL with 5 year certain for Home Care employees, and Single Life annuity for professional employees	No Change	
Optional Form Elections - TVs	2020 Plan Zone Cert Page 9	Married-J&S 50%, Single-SL with 5 year certain for Home Care employees, and Single Life annuity for professional employees	Married-J&S 50%, Single-SL with 5 year certain for Home Care employees, and Single Life annuity for professional employees	Married-J&S 50%, Single-SL with 5 year certain for Home Care employees, and Single Life annuity for professional employees	No Change	
Marital Status	2020 Plan Zone Cert Page 9	100% of participants are assumed to be married	100% of participants are assumed to be married	100% of participants are assumed to be married	No Change	

**Template 10**

v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

Abbreviated Plan Name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001

	(A)	(B)	(C)	(D)	(E)	
	Source of (B)	Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Baseline Assumption/Method Used	Final SFA Assumption/Method Used	Category of assumption change from (B) to (D) per <a href="#">SFA Assumption Guidance</a>	Comments
Spouse Age Difference	2020 Plan Zone Cert Page 9	Males 3 years older than females	Males 3 years older than females	Males 3 years older than females	No Change	
Active Participant Count						
New Entrant Profile	2020 Plan Zone Cert Page 4	Contributions were adjusted to reflect a level population instead of running a valuation with a new entrant assumption.	Contributions were adjusted to reflect a level population instead of running a valuation with a new entrant assumption.	A new entrant profile was added based on plan experience to reflect a level population.	Acceptable Change	
Missing or Incomplete Data	2020 Plan Zone Cert Page 10	DOB missing-assume 1/1/1985	DOB missing-assume 1/1/1985, unless retired, then assume 1/1/1950 DOB	DOB missing-assume 1/1/1985, unless retired, then assume 1/1/1950 DOB	No Change	
"Missing" Terminated Vested Participant Assumption	2020 Plan Zone Cert Page 9	All VTs over 80 are valued with 25% of liability	All VTs over 80 are valued with 25% of liability	All VTs over 85 are valued with 25% of liability. 80-84 are now valued at 100% of their liability	Other Change	
Treatment of Participants Working Past Retirement Date	N/A	N/A	N/A	N/A		
Assumptions Related to Reciprocity	N/A	N/A	N/A	N/A		
Other Demographic Assumption 1	N/A	N/A	N/A	N/A		
Other Demographic Assumption 2	N/A	N/A	N/A	N/A		
Other Demographic Assumption 3	N/A	N/A	N/A	N/A		

**NON-DEMOGRAPHIC ASSUMPTIONS**

**Template 10**

v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

Abbreviated Plan Name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001

	(A)	(B)	(C)	(D)	(E)	
	Source of (B)	Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Baseline Assumption/Method Used	Final SFA Assumption/Method Used	Category of assumption change from (B) to (D) per <a href="#">SFA Assumption Guidance</a>	Comments
Contribution Base Units	2020 Plan Zone Cert Page 3	Active population will stay stable.	Active population will stay stable.	Active population will stay stable. Reflecting IV.A of PBGC's guidance, the CBU's are lowered in future years based on the CBU decline from 2010-2019.	Generally Acceptable Change	
Contribution Rate	2020 Plan Zone Cert Page 3	\$0.46 per hour for Homecare Employees and 17.04% of total Professional Staff compensation. Professional Staff Employees assumed to increase at the rate of 2% per year.	\$0.46 per hour for Homecare Employees and 17.04% of total Professional Staff compensation. Professional Staff Employees assumed to increase at the rate of 2% per year.	\$0.46 per hour for Homecare Employees and 17.04% of total Professional Staff compensation. Professional Staff Employees assumed to increase at the rate of 2% per year.		
Administrative Expenses	2020 Plan Zone Cert Page 9	\$1,000,000 added to normal cost, assumed to increase by 2% per year	\$1,000,000 added to normal cost, assumed to increase by 2% per year, reflecting 15% cap for years after 2041.	Expenses follow delineated schedule provided in separate form. "Local 387 Expense Backup"	Other Change	
Assumed Withdrawal Payments - Currently Withdrawn Employers	2020 Plan Zone Cert Page 3	N/A	N/A	N/A		

**Template 10**

v20230727

**Pre-2021 Zone Certification, Baseline Details, and Final SFA Assumption Summaries**

**PLAN INFORMATION**

Abbreviated Plan Name:	DC 37 Local 389 Home Care Employees Pension Fund
EIN:	13-3698650
PN:	001

	(A)	(B)	(C)	(D)	(E)	
	Source of (B)	Assumption/Method Used in Most Recent Certification of Plan Status Completed Prior to 1/1/2021	Baseline Assumption/Method Used	Final SFA Assumption/Method Used	Category of assumption change from (B) to (D) per <a href="#">SFA Assumption Guidance</a>	Comments
Assumed Withdrawal Payments -Future Withdrawals	2020 Plan Zone Cert Page 3	Assumed withdrawals will occur in future plan years.	Assumed withdrawals will occur in future plan years.	No assumed withdrawals occur.	Other Change	
Other Assumption 1	N/A	N/A	N/A	N/A		
Other Assumption 2	N/A	N/A	N/A	N/A		
Other Assumption 3	N/A	N/A	N/A	N/A		

**CASH FLOW TIMING ASSUMPTIONS**

Benefit Payment Timing	look at FCM	mid-year	mid-year	mid-year		
Contribution Timing	look at FCM	mid-year	mid-year	mid-year		
Withdrawal Payment Timing	look at FCM	mid-year	mid-year	mid-year		
Administrative Expense Timing	look at FCM	mid-year	mid-year	mid-year		
Other Payment Timing	look at FCM	mid-year	mid-year	mid-year		

Create additional rows as needed.

AUG 12 2002

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **AUG 7 - 2002**

BOARD OF TRUSTEES OF THE DISTRICT  
COUNCIL 1707 LOCAL 389 HOME CARE  
C/O DANIEL T CAMPBELL  
217 BROADWAY STE 411  
NEW YORK, NY 10007-0000

Employer Identification Number:  
13-3698650

DLN:  
17007331040011

Person to Contact:  
CHERYL RICHARDSON

ID# [REDACTED]

Contact Telephone Number:  
(877) 829-5500

Plan Name:  
DISTRICT COUNCIL 1707 LOCAL 389

HOME CARE PENSION PLAN

Plan Number: 001

Dear Applicant:

We have made a favorable determination on the plan identified above based on the information you have supplied. Please keep this letter, the application forms submitted to request this letter and all correspondence with the Internal Revenue Service regarding your application for a determination letter in your permanent records. You must retain this information to preserve your reliance on this letter.

Continued qualification of the plan under its present form will depend on its effect in operation. See section 1.401-1(b)(3) of the Income Tax Regulations. We will review the status of the plan in operation periodically.

The enclosed Publication 794 explains the significance and the scope of this favorable determination letter based on the determination requests selected on your application forms. Publication 794 describes the information that must be retained to have reliance on this favorable determination letter. The publication also provides examples of the effect of a plan's operation on its qualified status and discusses the reporting requirements for qualified plans. Please read Publication 794.

This letter relates only to the status of your plan under the Internal Revenue Code. It is not a determination regarding the effect of other federal or local statutes.

This determination is subject to your adoption of the proposed amendments submitted in your letter dated June 13, 2002. The proposed amendments should be adopted on or before the date prescribed by the regulations under Code section 401(b).

This determination letter is applicable for the amendment(s) executed on October 24, 2001.

Issues arising from the amendment of a defined benefit plan's benefit formula to convert that formula into a cash balance type benefit formula are under study, and this determination letter does not express an opinion on any of these issues. A cash balance type formula generally defines a benefit for

Letter 835 (DO/CG)

BOARD OF TRUSTEES OF THE DISTRICT

each employee by reference to a single-sum amount, such as 10 percent of final average pay times years of service, or the amount of the employee's hypothetical account balance.

This letter considers the changes in qualification requirements made by the Uruguay Round Agreements Act, Pub. L. 103-465, the Small Business Job Protection Act of 1996, Pub. L. 104-188, the Uniformed Services Employment and Reemployment Rights Act of 1994, Pub. L. 103-353, the Taxpayer Relief Act of 1997, Pub. L. 105-34, the Internal Revenue Service Restructuring and Reform Act of 1998, Pub. L. 105-206, and the Community Renewal Tax Relief Act of 2000, Pub. L. 106-554.

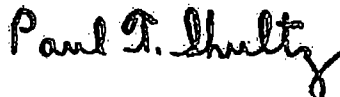
This letter may not be relied on with respect to whether the plan satisfies the requirements of section 401(a) of the Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, Pub L. 107-16.

The requirement for employee benefits plans to file summary plan descriptions (SPD) with the U.S. Department of Labor was eliminated effective August 5, 1997. For more details, call 1-800-998-7542 for a free copy of the SPD card.

We have sent a copy of this letter to your representative as indicated in the power of attorney.

If you have questions concerning this matter, please contact the person whose name and telephone number are shown above.

Sincerely yours,



Paul T. Shultz  
Director,  
Employee Plans Rulings & Agreements

Enclosures:  
Publication 794

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

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: [X] a multiemployer plan [ ] a multiple-employer plan... [ ] a single-employer plan [ ] a DFE... B This return/report is: [ ] the first return/report [ ] the final return/report... 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... 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 DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND
1b Three-digit plan number (PN) 001
1c Effective date of plan 01/01/1994
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) DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND
420 WEST 45TH STREET NEW YORK, NY 10036
420 WEST 45TH STREET 5TH FLOOR NEW YORK, NY 10036-3501
2b Employer Identification Number (EIN) 13-3698650
2c Plan Sponsor's telephone number 212-925-6033
2d Business code (see instructions) 623000

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2024) v. 240311

<b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor  DC 37 -LOCAL 389 HOME CARE EMPLOYEES PENSION FUND  420 WEST 45TH STREET 5TH FLOOR NEW YORK, NY 10036-3501	<b>3b</b> Administrator's EIN 13-3698650  <b>3c</b> Administrator's telephone number 212-925-6033
<b>4</b> 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: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN  <b>4d</b> PN
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b> 7882
<b>6</b> 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). <b>a(1)</b> Total number of active participants at the beginning of the plan year ..... <b>a(2)</b> Total number of active participants at the end of the plan year ..... <b>b</b> Retired or separated participants receiving benefits..... <b>c</b> Other retired or separated participants entitled to future benefits ..... <b>d</b> Subtotal. Add lines 6a(2), 6b, and 6c..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. .... <b>f</b> Total. Add lines 6d and 6e..... <b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) ..... <b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) ..... <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6a(1)</b> 1099 <b>6a(2)</b> 965 <b>6b</b> 2992 <b>6c</b> 3513 <b>6d</b> 7470 <b>6e</b> 224 <b>6f</b> 7694  <b>6g(1)</b> <b>6g(2)</b>  <b>6h</b> 81
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b> 5

**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:

<b>9a</b> Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	<b>9b</b> Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information) (2) <input checked="" type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary (4) <input type="checkbox"/> <b>DCG</b> (Individual Plan Information) – Number Attached _____ (5) <input type="checkbox"/> <b>MEP</b> (Multiple-Employer Retirement Plan Information)	<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input type="checkbox"/> <b>A</b> (Insurance Information) – Number Attached _____ (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)
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<b>Part III</b>	<b>Form M-1 Compliance Information (to be completed by welfare benefit plans)</b>
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**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.

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**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 2024 Form M-1 annual report. If the plan was not required to file the 2024 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 \_\_\_\_\_

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<b>SCHEDULE MB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information</b>  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).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **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.

<b>A</b> Name of plan <u>DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND</u>	<b>D</b> Employer Identification Number (EIN) <u>13-3698650</u>

**E** Type of plan: (1)  Multiemployer Defined Benefit (2)  Money Purchase (see instructions)

**1a** Enter the valuation date: Month 01 Day 01 Year 2024

<b>b</b> Assets	
(1) Current value of assets .....	<b>1b(1)</b> <u>59047394</u>
(2) Actuarial value of assets for funding standard account .....	<b>1b(2)</b> <u>65722613</u>
<b>c</b> (1) Accrued liability for plan using immediate gain methods .....	<b>1c(1)</b> <u>83937756</u>
(2) Information for plans using spread gain methods:	
(a) Unfunded liability for methods with bases .....	<b>1c(2)(a)</b>
(b) Accrued liability under entry age normal method .....	<b>1c(2)(b)</b>
(c) Normal cost under entry age normal method .....	<b>1c(2)(c)</b>
(3) Accrued liability under unit credit cost method .....	<b>1c(3)</b> <u>83837810</u>
<b>d</b> Information on current liabilities of the plan:	
(1) Amount excluded from current liability attributable to pre-participation service (see instructions) .....	<b>1d(1)</b>
(2) "RPA '94" information:	
(a) Current liability .....	<b>1d(2)(a)</b> <u>113949834</u>
(b) Expected increase in current liability due to benefits accruing during the plan year .....	<b>1d(2)(b)</b> <u>659454</u>
(c) Expected release from "RPA '94" current liability for the plan year .....	<b>1d(2)(c)</b> <u>6419290</u>
(3) Expected plan disbursements for the plan year .....	<b>1d(3)</b> <u>7488935</u>

**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.

<b>SIGN HERE</b>  Signature of actuary <u>AARON SHAPIRO, FSA, EA, MAAA</u> Type or print name of actuary <u>MILLIMAN, INC</u> Firm name <u>150 CLOVE ROAD</u> <u>LITTLE FALLS, NJ 07424</u> Address of the firm	<u>10/10/2025</u> Date <u>23-07290</u> Most recent enrollment number <u>973-278-8860</u> Telephone number (including area code)
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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



**6 Checklist of certain actuarial assumptions:**

<b>a</b> Interest rate for "RPA '94" current liability.....	<b>6a</b>	2.82 %
	Pre-retirement	Post-retirement
<b>b</b> Rates specified in insurance or annuity contracts.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
<b>c</b> Mortality table code for valuation purposes:		
<b>(1)</b> Males .....	<b>6c(1)</b>	9P 9P
<b>(2)</b> Females .....	<b>6c(2)</b>	9FP 9FP
<b>d</b> Valuation liability interest rate .....	<b>6d</b>	6.25 % 6.25 %
<b>e</b> Salary scale .....	<b>6e</b>	% <input checked="" type="checkbox"/> N/A
<b>f</b> Withdrawal liability interest rate:		
<b>(1)</b> Type of interest rate .....	<b>6f(1)</b>	<input type="checkbox"/> Single rate <input checked="" type="checkbox"/> ERISA 4044 <input type="checkbox"/> Other <input type="checkbox"/> N/A
<b>(2)</b> If "Single rate" is checked in (1), enter applicable single rate .....	<b>6f(2)</b>	%
<b>g</b> Estimated investment return on actuarial value of assets for year ending on the valuation date .....	<b>6g</b>	4.3 %
<b>h</b> Estimated investment return on current value of assets for year ending on the valuation date .....	<b>6h</b>	7.4 %
<b>i</b> Expense load included in normal cost reported in line 9b .....	<b>6i</b>	<input type="checkbox"/> N/A
<b>(1)</b> If expense load is described as a percentage of normal cost, enter the assumed percentage.....	<b>6i(1)</b>	%
<b>(2)</b> If expense load is a dollar amount that varies from year to year, enter the dollar amount included in line 9b.....	<b>6i(2)</b>	1100000
<b>(3)</b> If neither (1) nor (2) describes the expense load, check the box .....	<b>6i(3)</b>	<input type="checkbox"/>

**7 New amortization bases established in the current plan year:**

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	604606	59551
4	1457180	143525

**8 Miscellaneous information:**

<b>a</b> 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 .....	<b>8a</b>	
<b>b</b> Demographic, benefit, and contribution information		
<b>(1)</b> Is the plan required to provide a projection of expected benefit payments? (See instructions) If "Yes," see instructions for required attachment. ....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>(2)</b> Is the plan required to provide a Schedule of Active Participant Data? (See instructions). ....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>(3)</b> Is the plan required to provide a projection of employer contributions and withdrawal liability payments? (See instructions) If "Yes," attach a schedule. ....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>c</b> 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? .....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>d</b> If line c is "Yes," provide the following additional information:		
<b>(1)</b> Was an extension granted automatic approval under section 431(d)(1) of the Code? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>(2)</b> If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended ..	<b>8d(2)</b>	
<b>(3)</b> 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? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>(4)</b> 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)) .....	<b>8d(4)</b>	
<b>(5)</b> If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension .....	<b>8d(5)</b>	
<b>(6)</b> 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? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>e</b> If box 5h is checked or the plan received an amortization extension for this plan year under Code section 431(d), enter the difference between the amount necessary to satisfy the plan's minimum funding standard for this plan year and the amount that would have been necessary without using the shortfall method or extending the amortization period(s). ....	<b>8e</b>	

**9 Funding standard account statement for this plan year:**

**Charges to funding standard account:**

<b>a</b> Prior year funding deficiency, if any .....	<b>9a</b>	6618494
<b>b</b> Employer's normal cost for plan year as of valuation date.....	<b>9b</b>	1445451

<b>c</b> 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 .....	<b>9c(1)</b>	21470024	3457636
(2) Funding waivers .....	<b>9c(2)</b>	0	0
(3) Certain bases for which the amortization period has been extended.....	<b>9c(3)</b>	0	0
<b>d</b> Interest as applicable on lines 9a, 9b, and 9c.....	<b>9d</b>		720099
<b>e</b> Total charges. Add lines 9a through 9d.....	<b>9e</b>		12241680
<b>Credits to funding standard account:</b>			
<b>f</b> Prior year credit balance, if any.....	<b>9f</b>		0
<b>g</b> Employer contributions. Total from column (b) of line 3.....	<b>9g</b>		880995
		Outstanding balance	
<b>h</b> Amortization credits as of valuation date.....	<b>9h</b>	9873375	2148168
<b>i</b> Interest as applicable to end of plan year on lines 9f, 9g, and 9h .....	<b>9i</b>		161374
<b>j</b> Full funding limitation (FFL) and credits:			
(1) ERISA FFL (accrued liability FFL).....	<b>9j(1)</b>	27981802	
(2) "RPA '94" override (90% current liability FFL) .....	<b>9j(2)</b>	38154214	
(3) FFL credit .....	<b>9j(3)</b>		0
<b>k</b> (1) Waived funding deficiency .....	<b>9k(1)</b>		0
(2) Other credits .....	<b>9k(2)</b>		0
<b>l</b> Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) .....	<b>9l</b>		3190537
<b>m</b> Credit balance: If line 9l is greater than line 9e, enter the difference .....	<b>9m</b>		
<b>n</b> Funding deficiency: If line 9e is greater than line 9l, enter the difference .....	<b>9n</b>		9051143
<b>o</b> Current year's accumulated reconciliation account:			
(1) Due to waived funding deficiency accumulated prior to the current plan year.....	<b>9o(1)</b>		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 .....	<b>9o(2)(a)</b>		0
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)).....	<b>9o(2)(b)</b>		0
(3) Total as of valuation date .....	<b>9o(3)</b>		0
<b>10</b> Contribution necessary to avoid an accumulated funding deficiency. (see instructions.).....	<b>10</b>		9051143
<b>11</b> Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions .....			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>SCHEDULE C</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Service Provider Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning **01/01/2024** and ending **12/31/2024**

<b>A</b> Name of plan DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND	<b>D</b> Employer Identification Number (EIN) 13-3698650	

**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).....  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 GROUP

23-1945930

**(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

**(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

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**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)

DICTRICT COUNCIL 37 LOCAL 389 WF

420 WEST 45TH STREET  
NEW YORK, NY 10036

13-3505523

(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?
49 50	REIMBURSED EXPENSES	502257	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

MILLIMAN, INC.

150 CLOVE ROAD, 10TH FLR  
LITTLE FALLS, NJ 07427

91-0675641

(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 50	ACTUARY	79234	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

AMERICAN CORE REALTY FUND

515 S. FLOWER ST  
LOS ANGELES, CA 90071

95-4871432

(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	INFORMATION MANAGER	73786	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input type="checkbox"/>

**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)

SEGAL MARCO ADVISORS INC

333 WEST 34TH STREET  
NEW YORK, NY 10001

13-2646110

(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 50	INVESTMENT ADVISOR	48333	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

DANIEL H. COOK ASSOCIATES INC

253 WEST 35TH ST, 12TH FLOOR  
NEW YORK, NY 10001

11-2424843

(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?
12 50	CLAIMS PROCESSING	42012	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

ROGOFF & COMPANY PC

355 LEXINGTON AVE, 6TH FL  
NEW YORK, NY 10017

13-2688836

(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 50	AUDITOR	37000	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**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)

INVESCO TRUST COMPANY

11 GREENWAY PLAZA  
HOUSTON, TX 77046

46-3793325

(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 50	INVESTMENT ADVISOR	21095	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

COHEN WEISS & SIMON LLP

900 THIRD AVENUE SUITE 2100  
NEW YORK, NY 10022

(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 50	ATTORNEY	14494	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

FORD HARRISON LLP

100 PARK AVE  
NEW YORK, NY 10017

(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 50	ATTORNEY	7405	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**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.

<b>(a)</b> Enter service provider name as it appears on line 2	<b>(b)</b> Service Codes (see instructions)	<b>(c)</b> Enter amount of indirect compensation
<b>(d)</b> Enter name and EIN (address) of source of indirect compensation	<b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
<b>(a)</b> Enter service provider name as it appears on line 2	<b>(b)</b> Service Codes (see instructions)	<b>(c)</b> Enter amount of indirect compensation
<b>(d)</b> Enter name and EIN (address) of source of indirect compensation	<b>(e)</b> Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
<b>(a)</b> Enter service provider name as it appears on line 2	<b>(b)</b> Service Codes (see instructions)	<b>(c)</b> Enter amount of indirect compensation
<b>(d)</b> Enter name and EIN (address) of source of indirect compensation	<b>(e)</b> 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.

<b>(a)</b> Enter name and EIN or address of service provider (see instructions)	<b>(b)</b> Nature of Service Code(s)	<b>(c)</b> Describe the information that the service provider failed or refused to provide

<b>(a)</b> Enter name and EIN or address of service provider (see instructions)	<b>(b)</b> Nature of Service Code(s)	<b>(c)</b> Describe the information that the service provider failed or refused to provide

<b>(a)</b> Enter name and EIN or address of service provider (see instructions)	<b>(b)</b> Nature of Service Code(s)	<b>(c)</b> Describe the information that the service provider failed or refused to provide

<b>(a)</b> Enter name and EIN or address of service provider (see instructions)	<b>(b)</b> Nature of Service Code(s)	<b>(c)</b> Describe the information that the service provider failed or refused to provide

<b>(a)</b> Enter name and EIN or address of service provider (see instructions)	<b>(b)</b> Nature of Service Code(s)	<b>(c)</b> Describe the information that the service provider failed or refused to provide

<b>(a)</b> Enter name and EIN or address of service provider (see instructions)	<b>(b)</b> Nature of Service Code(s)	<b>(c)</b> 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)

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:



**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)



<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  ▶ <b>File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning <b>01/01/2024</b> and ending <b>12/31/2024</b>	
<b>A</b> Name of plan DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND	<b>B</b> Three-digit plan number (PN) ▶ <b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND	<b>D</b> Employer Identification Number (EIN) 13-3698650

<b>Part I</b>	<b>Asset and Liability Statement</b>
---------------	--------------------------------------

**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.

		(a) Beginning of Year	(b) End of Year
<b>Assets</b>			
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>	1036587	1142340
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	131271	114462
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>		
<b>(3)</b> Other .....	<b>1b(3)</b>		
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>		
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>		
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>		
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>		
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>	22245594	21154798
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>	26242463	24659263
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>		
<b>(15)</b> Other.....	<b>1c(15)</b>	9710217	9020501

<b>1d</b> Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	<b>1d(1)</b>		
(2) Employer real property.....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation.....	<b>1e</b>	39559	39817
<b>f</b> Total assets (add all amounts in lines 1a through 1e).....	<b>1f</b>	59405691	56131181
<b>Liabilities</b>			
<b>g</b> Benefit claims payable.....	<b>1g</b>		
<b>h</b> Operating payables.....	<b>1h</b>	82918	64633
<b>i</b> Acquisition indebtedness.....	<b>1i</b>		
<b>j</b> Other liabilities.....	<b>1j</b>	275379	199015
<b>k</b> Total liabilities (add all amounts in lines 1g through 1j).....	<b>1k</b>	358297	263648
<b>Net Assets</b>			
<b>l</b> Net assets (subtract line 1k from line 1f).....	<b>1l</b>	59047394	55867533

**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.

<b>Income</b>		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: <b>(A)</b> Employers.....	<b>2a(1)(A)</b>	880995	
<b>(B)</b> Participants.....	<b>2a(1)(B)</b>		
<b>(C)</b> Others (including rollovers).....	<b>2a(1)(C)</b>		
(2) Noncash contributions.....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		880995
<b>b Earnings on investments:</b>			
<b>(1) Interest:</b>			
<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit).....	<b>2b(1)(A)</b>		
<b>(B)</b> U.S. Government securities.....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments.....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants).....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans.....	<b>2b(1)(E)</b>		
<b>(F)</b> Other.....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		
<b>(2) Dividends:</b>			
<b>(A)</b> Preferred stock.....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock.....	<b>2b(2)(B)</b>	274269	
<b>(C)</b> Registered investment company shares (e.g. mutual funds).....	<b>2b(2)(C)</b>	800692	
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		1074961
(3) Rents.....	<b>2b(3)</b>		
<b>(4) Net gain (loss) on sale of assets:</b>			
<b>(A)</b> Aggregate proceeds.....	<b>2b(4)(A)</b>	681548	
<b>(B)</b> Aggregate carrying amount (see instructions).....	<b>2b(4)(B)</b>	702695	
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result.....	<b>2b(4)(C)</b>		-21147
<b>(5) Unrealized appreciation (depreciation) of assets:</b>			
<b>(A)</b> Real estate.....	<b>2b(5)(A)</b>		
<b>(B)</b> Other.....	<b>2b(5)(B)</b>	-187504	
<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		-187504

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		680305
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	<b>2b(10)</b>		1866108
<b>c</b> Other income .....	<b>2c</b>		114667
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total .....	<b>2d</b>		4408385

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	6388935	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		6388935
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions) .....	<b>2g</b>		
<b>h</b> Interest expense .....	<b>2h</b>		
<b>i</b> Administrative expenses:			
(1) Salaries and allowances .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Recordkeeping fees .....	<b>2i(3)</b>		
(4) IQPA audit fees .....	<b>2i(4)</b>	37000	
(5) Investment advisory and investment management fees .....	<b>2i(5)</b>	143214	
(6) Bank or trust company trustee/custodial fees .....	<b>2i(6)</b>		
(7) Actuarial fees .....	<b>2i(7)</b>	79234	
(8) Legal fees .....	<b>2i(8)</b>	21899	
(9) Valuation/appraisal fees .....	<b>2i(9)</b>		
(10) Other trustee fees and expenses .....	<b>2i(10)</b>		
(11) Other expenses .....	<b>2i(11)</b>	917964	
(12) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(11)</b> .....	<b>2i(12)</b>		1199311
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....	<b>2j</b>		7588246

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		-3179861
<b>l</b> Transfers of assets:			
(1) To this plan .....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**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)  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)  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: **ROGOFF & COMPANY PC**

(2) EIN: **13-2688836**

**d** The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1)  This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
<b>a</b> 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.)		X	
<b>b</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.)		X	
<b>c</b> 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.)		X	
<b>d</b> 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.)		X	
<b>e</b> Was this plan covered by a fidelity bond?	X		5000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
<b>g</b> 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?		X	
<b>h</b> 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?		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
<b>j</b> 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.)	X		
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
<b>n</b> 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.		X	

**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)

**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 561312.

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  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).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

<b>A</b> Name of plan <u>DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND</u>	<b>D</b> Employer Identification Number (EIN) <u>13-3698650</u>	

<b>Part I</b>	<b>Distributions</b>
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**All references to distributions relate only to payments of benefits during the plan year.**

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<b>1</b>	<u>0</u>
<b>2</b> 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): _____		
<b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>		
<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<b>3</b>	<u>0</u>

<b>Part II</b>	<b>Funding Information</b> (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.)
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**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.**

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>	
<b>c</b> 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).....	<b>6c</b>	

**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

<b>Part III</b>	<b>Amendments</b>
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**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

<b>Part IV</b>	<b>ESOPs</b> (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.
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**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 (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer JASA/SERVICES FOR THE AGED

**b** EIN 13-3200109

**c** Dollar amount contributed by employer

431929

**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): \_\_\_\_\_

**a** Name of contributing employer POMONOK HOME SERVICES

**b** EIN 11-2694987

**c** Dollar amount contributed by employer

312501

**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): \_\_\_\_\_

**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): \_\_\_\_\_

**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): \_\_\_\_\_

**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): \_\_\_\_\_

**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:

<b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14b</b>	
<b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	<b>14c</b>	

**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:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
<b>b</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 .....	<b>16b</b>	

**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) and (b):

**a** Enter the percentage of plan assets held as:

Public Equity: 30.0 % Private Equity: 0.0 % Investment-Grade Debt and Interest Rate Hedging Assets: 47.0 %  
 High-Yield Debt: 2.0 % Real Assets: 0.0 % Cash or Cash Equivalents: 0.0 % Other: 21.0 %

**b** Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

0-5 years  5-10 years  10-15 years  15 years or more

**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: \_\_\_\_\_

**Part VII IRS Compliance Questions**

**21a** Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?  Yes  No

**21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

Design-based safe harbor method

"Prior year" ADP test

"Current year" ADP test

N/A

**22** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter \_\_\_/\_\_\_/\_\_\_\_ (MM/DD/YYYY) and the Opinion Letter serial number \_\_\_\_\_.

**Independent Auditor's Report**

Board of Trustees  
District Council 37 Local 389 Home Care  
Employees Pension Fund  
New York, NY

***Opinion***

We have audited the financial statements of District Council 37 Local 389 Home Care Employees Pension Fund (the "Plan"), 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 December 31, 2024 and 2023 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 District Council 37 Local 389 Home Care Employees Pension Fund as of December 31, 2024 and 2023, 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 District Council 37 Local 389 Home Care Employees 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 District Council 37 Local 389 Home Care Employees Pension Fund's ability to continue as a going concern for one year after the date that the financial statements are 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.

### ***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 District Council 37 Local 389 Home Care Employees 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 District Council 37 Local 389 Home Care Employees 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.

### ***Supplemental Schedules Required by ERISA***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule assets (held at end of year) as of December 31, 2024 and schedule of reportable transactions for the year ended December 31, 2024 are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. 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 audits 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 GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements 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 ERISA.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of administrative expenses for the years ended December 31, 2024 and 2023 are presented for purposes of additional analysis and are not a required part of the financial statements. 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 audits 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Rogoff & Company PC*

Rogoff & Company, PC  
Certified Public Accountants  
New York, NY  
October 14, 2025

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

### **Basic Information**

**Plan Name:** District Council 37 Local 389 Home Care Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

### **Benefit Formulas and Eligibilities for Home Care Employees**

#### **Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to: \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

#### **Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

#### **Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

#### **Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Plan Provisions**

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

### **Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

### **Benefit Formulas and Eligibilities for Professional Employees**

#### **Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

#### **Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

#### **Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

#### **Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

#### **Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Plan Provisions**

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

**District Council 37 Local 389 Home Care**  
**Employees Pension Fund**  
EIN 13-3698650  
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)  
As of December 31, 2024

(a)	(b)	(c)	(d)	(e)
<i>Identity of Issue</i>	<i>Description of Investment including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value</i>		<i>Cost</i>	<i>Current Value</i>
	<b><i>Mutual Funds</i></b>			
Vanguard	Total Bond Mkt Index, 290,719.355 shares		\$ 3,010,595	\$ 2,756,019
Vanguard	Total World Stock Idx, 55,479.075 shares		7,247,266	13,302,218
Vanguard	Treasury Money Market, 8,601,025.770 shares		<u>8,601,026</u>	<u>8,601,026</u>
Total Mutual Fund			<u>18,858,887</u>	<u>24,659,263</u>
	<b><i>Common Collective Trusts</i></b>			
Invesco Trust Company	Balanced Risk Allocation Trust, 189,088.831 shares		3,338,988	5,485,467
Marco Consulting Group Trust	Fixed Income Participation, 1,078,279.638 units		<u>14,068,600</u>	<u>15,669,331</u>
Total Common Collective Trusts			<u>17,407,588</u>	<u>21,154,798</u>
	<b><i>Limited Liability Companies</i></b>			
RCTS Limited Liability Company	Emerging Mkts Equity, 160,772.104 shares		<u>1,757,142</u>	<u>2,976,343</u>
	<b><i>Limited Partnership</i></b>			
American Core Realty Fund	Real Estate Investment Trust Fund, 50.5381 shares		<u>6,187,903</u>	<u>6,044,158</u>
Total assets held for investment purposes			<u>\$ 44,211,520</u>	<u>\$ 54,834,562</u>

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 8b(2) – Schedule of Active Participant Data**

**Number of Participants by Age and Service Groups – Active Home Care Participants**

Age	Years of Credited Service									Total
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+	
<b>0–24</b>	4	-	-	-	-	-	-	-	-	4
<b>25–29</b>	8	-	-	-	-	-	-	-	-	8
<b>30–34</b>	12	7	-	-	-	-	-	-	-	19
<b>35–39</b>	24	12	-	-	-	-	-	-	-	36
<b>40–44</b>	29	15	3	1	-	-	-	-	-	48
<b>45–49</b>	33	25	9	13	6	-	-	-	-	86
<b>50–54</b>	50	53	23	23	10	1	1	-	-	161
<b>55–59</b>	54	37	27	25	13	8	7	2	-	173
<b>60–64</b>	49	61	33	30	25	20	13	9	1	241
<b>65–69</b>	36	43	27	33	16	15	16	9	3	198
<b>70+</b>	16	20	26	8	18	13	10	7	-	118
<b>Total</b>	315	273	148	133	88	57	47	27	4	1,092

**Average Accrued Monthly Benefits by Age and Service Groups – Active Home Care Participants**

Age	Years of Credited Service									Total
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+	
<b>0–24</b>	*	-	-	-	-	-	-	-	-	*
<b>25–29</b>	*	*	-	-	-	-	-	-	-	*
<b>30–34</b>	*	*	-	-	-	-	-	-	-	*
<b>35–39</b>	16	*	-	-	-	-	-	-	-	23
<b>40–44</b>	15	*	*	*	-	-	-	-	-	25
<b>45–49</b>	17	38	*	*	*	-	-	-	-	46
<b>50–54</b>	15	38	68	93	*	*	*	-	-	49
<b>55–59</b>	16	37	68	95	*	*	*	-	-	60
<b>60–64</b>	18	38	65	93	122	138	*	*	*	71
<b>65–69</b>	16	37	66	105	*	*	*	*	*	87
<b>70+</b>	*	37	65	*	*	*	*	*	-	107
<b>Total</b>	16	37	66	97	131	156	169	178	*	66

*\*Average accrued monthly benefits are not reported for cells with fewer than 20 participants.*

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2023 Schedule MB (Form 5500)**

**Schedule MB, Line 8b(2) – Schedule of Active Participant Data**

**Number of Participants by Age and Service Groups – Active Professional Participants**

Age	Years of Credited Service									Total	
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+		
<b>0–24</b>	-	-	-	-	-	-	-	-	-	-	-
<b>25–29</b>	-	-	-	-	-	-	-	-	-	-	-
<b>30–34</b>	-	-	-	-	-	-	-	-	-	-	-
<b>35–39</b>	-	1	-	-	-	-	-	-	-	-	1
<b>40–44</b>	-	-	-	-	-	-	-	-	-	-	-
<b>45–49</b>	-	1	-	-	-	-	-	-	-	-	1
<b>50–54</b>	-	-	-	-	1	-	-	-	-	-	1
<b>55–59</b>	-	1	-	-	-	-	-	-	-	-	1
<b>60–64</b>	-	-	-	1	-	1	-	1	-	-	3
<b>65–69</b>	-	-	-	-	-	-	-	-	-	-	-
<b>70+</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	3	-	1	1	1	-	1	-	-	7

*Average compensation and accrued monthly benefits are not reported, since all cells have fewer than 20 participants.*

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Funding Status Projection Results**

<b>Plan Year Beginning</b>	<b>Funded Percentage</b>	<b>Contributions</b>	<b>Credit Balance at End of Year</b>
1/1/2024	79.0%	962,000	(8,981,000)
1/1/2025	70.0%	964,000	(12,026,000)
1/1/2026	62.8%	966,000	(15,375,000)
1/1/2027	54.4%	968,000	(18,559,000)
1/1/2028	49.3%	970,000	(21,630,000)
1/1/2029	43.5%	972,000	(26,102,000)
1/1/2030	36.9%	975,000	(30,969,000)
1/1/2031	29.4%	977,000	(36,173,000)
1/1/2032	20.9%	979,000	(41,745,000)
1/1/2033	11.2%	981,000	(47,701,000)
1/1/2034	0.2%	984,000	(53,535,000)

The funded percentage as of January 1, 2024 is projected to be 79.0%.

<b>Plan Year Beginning</b>	<b>Critical Test 1</b>	<b>Critical Test 2</b>	<b>Critical Test 3</b>	<b>Critical Test 4</b>
1/1/2024	Pass	Fail	Fail	Pass
1/1/2025	Pass	Fail	Fail	Pass
1/1/2026	Pass	Fail	Fail	Pass
1/1/2027	Pass	Fail	Fail	Pass
1/1/2028	Fail	Fail	Fail	Pass
1/1/2029	Fail	Fail	Fail	Pass

The Plan does not pass each of the four tests under IRC Section 432(b)(2) (refer to the attached appendix) for the 2024 plan year. Furthermore, the Plan is projected to become insolvent during the 2034 plan year. Therefore, the Plan meets the criteria to be in Critical and Declining Status for the 2024 plan year.

**PPA Actuarial Certification**

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the Plan year ended December 31, 2023, I hereby certify that the District Council 37, Local 389 Home Care Employees Pension Plan is in “critical and declining” status for the plan year beginning January 1, 2024, as defined in the Pension Protection Act of 2006 as amended by the Multiemployer Pension Reform Act of 2014 (“MPRA”).

Further, I hereby certify that to the best of my knowledge and belief, the actuarial assumptions employed in preparing this certification are individually reasonable and represent my best estimate of future experience. Additionally, the “projected industry activity” assumption, as required under IRC Section 432(b)(3)(B)(iii), has been provided by the Board of Trustees.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Summary of Assumptions/Methods**

1. Our forecast of future minimum funding requirements is based on:
  - January 1, 2023 participant data and January 1, 2023 actuarial valuation results, as provided in our actuarial report dated March 29, 2024.
  - Estimated January 1, 2024 unaudited asset value of \$ 59,050,508 provided by the Fund's accountant. The results reflect an estimated rate of return on market assets of approximately 7.43% (net of investment-related administrative expenses) for the plan year ended December 31, 2023 and an assumed rate of return on market assets of 6.50% (net of investment-related administrative expenses) for every year after the plan year ending December 31, 2023. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
  - An assumption that the active population will remain stable for each plan year after December 31, 2023.
  - Estimated contributions assuming hourly contribution rates for Home Care Employees in accordance with the respective Collective Bargaining Agreements, and 17.04% of total Professional Staff compensation for each Plan Year after December 31, 2023. Salary of Professional Staff Employees is assumed to increase at the rate of 2% per year.
  - Administrative expenses assumed to increase by 2% for each plan year after December 31, 2023.
  - Plan provisions identical to those used in the January 1, 2023 actuarial valuation.
  - All other actuarial assumptions and methods being the same as those used to determine January 1, 2023 actuarial valuation results.
2. This actuarial certification is based on 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, and 3) action taken by the Board of Trustees on or before March 29, 2024.
3. This certification is based on our understanding of the Pension Relief Act of 2010, the Multiemployer Pension Reform Act of 2014 (MPRA) and regulations and other IRS guidance issued to date.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Summary of Zone Status Definitions under PPA as Amended by MPRA**

**Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)**

Any one of four tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)<sup>1</sup> or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years<sup>1</sup> or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

**Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)**

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
  - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
  - Less than 80% funded

**Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)**

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

**Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)**

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years<sup>2</sup>

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<sup>1</sup> Not taking into account an extension of amortization periods under IRC Section 431(d), if any

<sup>2</sup> Taking into account an extension of amortization periods under IRC Section 431(d), if any

**DC 37 Local 389 Home Care Employees Pension Fund  
EIN/PN: 13-3698650 / 001  
Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Summary of Zone Status Definitions under PPA as Amended by MPRA (continued)**

Safe ("Green Zone" Status)

Does not meet any of the tests described above or is safe due to special rule described under IRC Section 432(b)(5).

Penalty for Failure to Secure Timely Actuarial Certification

A failure of a plan's actuary to certify the plan's status by the date specified is a failure or refusal by the plan administrator to file the annual report required to be filed with the Secretary of Labor under Section 101(b)(4) of ERISA.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**District Council 37, Local 389 Home Care**  
**Employees Pension Plan**  
**PPA Actuarial Certification for Plan Year Beginning January 1, 2024**

**Summary of Actuarial Methods and Assumptions**

**Actuarial Cost Method**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.50% compounded annually.

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Disabled Participants:** Rates in accordance with the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Liabilities for Terminated Vested Participants:**

**Assumption:** All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

**Rationale:** A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. To reflect the possibility that some of these records may never materialize into payment status, we have reflected an assumption that a certain portion of these records, particularly those of advanced ages, represent unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

**Assumption:** \$5,400,000 added to liabilities.

**Rationale:** Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.4 million is held as of January 1, 2023 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**Missing Date of Birth:**

**Assumption:** Active participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1985. Retired participants whose date of birth is missing from the participant data are assumed to be born on January 1, 1950.

**Rationale:** We believe this assumption is reasonable for the contingency it is measuring, and is not anticipated to produce significant gains or losses over the measurement period.

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods. In some cases, prior reasoning was sparse and/or non-existent. Our assumptions and the measurements they generate may be amended or modified as issues continue to be explored with the assistance of the Trustees and advisors.

**DC 37 Local 389 Home Care Employees Pension Fund**

**EIN/PN: 13-3698650 / 001**

**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Summary of Principal Plan Provisions**

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

**Basic Information**

**Plan Name:** District Council 37 Local 389 Home Care and Professional Employees Pension Fund

**EIN/PN:** 13-3698650/001

**Plan Year:** January 1 – December 31.

**Eligibility:** An Employee who is engaged in Covered Employment during the period in which an Employer is a Contributing Employer, shall become a Participant in the Plan on the earliest January 1 or July 1 following (or in the case of a Professional Staff Employee, the day following) completion of a 12 consecutive month period from date of hire by an Employer during which they have completed at least 1,000 Hours of Service in Covered Employment. If 1,000 Hours of Service are not completed during said 12 month period, the Participant will join the Plan on the January 1st following the first Calendar Year in which they complete at least 1,000 Hours of Service, beginning with the Calendar Year that includes the first anniversary of their date of hire.

**Year of Service:** Employees who worked at least 1,000 hours will be credited with one year of service. If a participant works less than 1,000 hours, one quarter of year of service will be credited for each 250 hours worked.

**Vesting Service:** A participant shall be credited with one year of Vesting Service for each year in which they are credited with at least 1,000 Hours of Service. Participants cannot earn partial Years of Vesting Service.

**Benefit Formulas and Eligibilities for Home Care Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to \$5.50 times the total Years of Pension Service, up to 25 years, earned in Covered Employment.

**Early Retirement**

**Eligibility:** Age fifty-five (55) and ten (10) Years of Pension Service

**Benefit:** Accrued pension benefit reduced by 0.5 of 1% for each month by which the commencement of benefits precedes age 65.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

For Beneficiaries other than the surviving spouse, monthly benefit payments will be provided until the end of the 60th month, or the month in which the Beneficiary dies, whichever occurs first.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** 5 year certain and life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** Single Life Annuity; 75% Husband-and-Wife annuity.

**Benefit Formulas and Eligibilities for Professional Employees**

**Normal Retirement**

**Eligibility:** Normal Retirement Date – The later of age sixty-five (65) or the fifth anniversary of participation.

**Normal Retirement Benefit:** A monthly pension equal to the sum of the following, multiplied by the average of the highest 3 consecutive years of compensation:

- i) 1.3% times the total Years of Service earned in Covered Employment before January 1, 1993, plus
- ii) 1.5% times the total Years of Service earned in Covered Employment during January 1, 1993 to December 31, 1993, plus
- iii) 2.0% times the total Years of Service earned in Covered Employment during January 1, 1994 to December 31, 2006, plus
- iv) 1.7% times the total Years of Service earned in Covered Employment after January 1, 2007

In no event shall the total Years of Pension Service exceed 25 years.

**Early Retirement**

**Eligibility:** Age sixty (60) and ten (10) Years of Service

**Benefit:** Accrued pension benefit reduced by 0.4 of 1% for each month by which the commencement of benefits precedes age 65.

**Deferred Retirement after Normal Retirement Date**

**Benefit:** Greater of (1) benefit determined as of the participant's Normal Retirement Date with an Actuarial increase to the participant's benefit commencement date or (2) benefit accrued to the participant's benefit commencement date.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 4b – Illustration Supporting Actuarial Certification of Status**

**Disability Retirement**

**Disability Retirement Date:** Ten (10) Years of Service and eligible for Social Security disability benefits.

**Benefit:** Unreduced Normal Retirement benefit.

**Pre-Retirement Death Benefits**

For married participants, 50% Survivor death benefit provided for the spouse of vested member, payable on the date member would have been eligible for early or normal retirement.

If the present value of the death benefit is less than \$5,000, a single lump sum payment to the surviving spouse is made as soon as administratively possible following the death.

**Form of Benefit**

**Normal Form of Benefit:** Single Life annuity for unmarried participant. For married participants, a benefit in the form of a reduced 50% Husband-and-Wife benefit.

**Optional Forms of Benefits:** 10 year certain and life annuity; 75% Husband-and-Wife annuity, 100% Husband-and-Wife annuity.

**DC 37 Local 389 Home Care Employees Pension Fund**

**EIN/PN: 13-3698650 / 001**

**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Lines 9c & 9h – Schedule of Funding Standard Account Bases**

The amortization charges and credits for the Funding Standard Account for the plan year beginning January 1, 2024 are determined below.

1. Charges as of January 1, 2024

	<u>Date</u> <u>Established</u>	<u>Description</u>	<u>Amortization</u> <u>Amount</u>	<u>Years</u> <u>Remaining</u>	<u>Outstanding</u> <u>Balance</u>
a.	January 1, 1996	Plan Amendment	\$270,452	2	\$524,996
b.	January 1, 1997	Plan Amendment	284,868	3	805,318
c.	January 1, 1998	Plan Amendment	12,964	4	47,459
d.	January 1, 1999	Change in Assumptions	22,504	5	100,038
e.	January 1, 1999	Plan Amendment	48,259	5	214,530
f.	January 1, 2000	Plan Amendment	2,753	6	14,269
g.	January 1, 2004	Change in Assumptions	10,109	10	78,127
h.	January 1, 2005	Plan Amendment	15,713	11	130,006
i.	January 1, 2006	Change in Assumptions	219,654	12	1,930,103
j.	January 1, 2010	Plan Amendment	142,813	1	142,813
k.	January 1, 2012	Actuarial Loss	363,341	3	1,027,162
l.	January 1, 2013	Actuarial Loss	156,810	4	574,035
m.	January 1, 2013	Change in Assumptions	136,303	4	498,964
n.	January 1, 2019	Change in Assumptions	68,868	10	532,234
o.	January 1, 2019	Actuarial Loss	413,719	10	3,197,345
p.	January 1, 2020	Actuarial Loss	309,847	11	2,563,577
q.	January 1, 2020	Change in Assumptions	214,614	11	1,775,649
r.	January 1, 2021	Change in Assumptions	81	12	716
s.	January 1, 2022	Change in Assumptions	447,866	13	4,151,775
t.	January 1, 2023	Actuarial Loss	113,022	14	1,099,122
u.	January 1, 2024	Change in Assumptions	143,525	15	1,457,180
v.	January 1, 2024	Actuarial Loss*	<u>59,551</u>	15	<u>604,606</u>
w.	Total		3,457,636		21,470,024

**DC 37 Local 389 Home Care Employees Pension Fund**

**EIN/PN: 13-3698650 / 001**

**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Lines 9c & 9h – Schedule of Funding Standard Account Bases**

2. Credits as of January 1, 2024

	<u>Date</u> <u>Established</u>	<u>Description</u>	<u>Amortization</u> <u>Amount</u>	<u>Years</u> <u>Remaining</u>	<u>Outstanding</u> <u>Balance</u>
a.	January 1, 2002	Assumption change	\$8,458	8	\$55,254
b.	January 1, 2007	Assumption change	45,699	13	423,635
c.	January 1, 2010	Actuarial gain	404,623	1	404,623
d.	January 1, 2011	Actuarial gain	83,556	2	162,197
e.	January 1, 2014	Actuarial gain	978,702	5	4,350,684
f.	January 1, 2014	Assumption change	197,284	5	876,997
g.	January 1, 2015	Actuarial gain	82,300	6	426,633
h.	January 1, 2021	Actuarial gain	101,897	12	895,371
i.	January 1, 2022	Actuarial gain	243,910	13	2,261,071
j.	January 1, 2023	Assumption change	<u>1,739</u>	14	<u>16,910</u>
k.	Total		2,148,168		9,873,375
3.	Net outstanding balance [(1w) - (2k)]				11,596,649
4.	Credit Balance / (Funding Deficiency) as of January 1, 2024				(6,618,494)
5.	Waived funding deficiency				0
6.	Balance test result [(3) - (4) - (5)]				18,215,143
7.	Unfunded Actuarial Accrued Liability as of January 1, 2024, minimum \$0				18,215,143

**DC 37 Local 389 Home Care Employees Pension Fund**

**EIN/PN: 13-3698650 / 001**

**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 11 – Justification for Change in Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.25% compounded annually (previously, 6.50% was used).

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**Change in assumption:** The interest rate was changed from 6.50% to 6.25% to better reflect future market expectations.

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021.

**Disabled Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

**Change in Assumption:** In order to better reflect anticipated experience, Mortality tables for Healthy Participants were changed from the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021. Mortality tables for Disabled Participants were changed from the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**DC 37 Local 389 Home Care Employees Pension Fund**

**EIN/PN: 13-3698650 / 001**

**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 11 – Justification for Change in Actuarial Assumptions**

**Interest Rate for Unfunded Vested Benefit Liability for Withdrawal Liability Calculations:**

**Assumption:** PBGC settlement rates effective December 2023 – 5.06% for 20 years, 4.37% thereafter (previously, 3.90% for 20 years, 3.65% thereafter).

**Rationale:** The withdrawal liability interest rates are based on market settlement rates which represent our best estimate assumption for withdrawal liability purposes.

**Current Liability Interest Rate:**

**Assumption:** 2.82% assumed annual rate of return. This rate was 2.19% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses a rate permitted by law.

**Mortality for Current Liability:**

**Healthy and Disabled participants:** 2024 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females (previously, 2023 Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females).

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Actuarial Methods and Assumptions**

### **Summary of Actuarial Methods**

**Actuarial Cost Method:** Projected Unit Credit

The actuarial cost method determines what portion of the ultimate cost of a pension plan should be allocated to the current plan year. The cost method is a budgeting tool, which helps to ensure that the pension plan will be adequately and systematically funded.

The valuation of retirement benefits is determined under the “Projected Unit Credit Actuarial Cost Method”, one of the methods approved by the Internal Revenue Service and ERISA. In this method, the regular Plan cost arises from two sources: A Normal Cost and an Amortization Payment for the Unfunded Actuarial Accrued Liability.

The Actuarial Accrued Liability is determined as the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date. The Actuarial Accrued Liability is measured using assumptions as to future compensation levels if the pension benefit formula is based on those future compensation levels. The Unfunded Actuarial Accrued Liability is equal to the Actuarial Accrued Liability less the Actuarial Value of Assets.

The Normal Cost for each active participant is the Actuarial Present Value of the benefit he or she is expected to accrue during the current year. The Plan’s total normal cost is the sum of the individual normal costs.

**Actuarial Asset Valuation Method:** Smoothed Market Value

The asset valuation technique determines valuation assets as the market value of assets less an adjustment calculated to spread asset gains and losses (expected market value versus actual market value) at a rate of 20% per year, over the year in which it occurs and the four subsequent years. In no event shall the actuarial value of assets be less than 80% nor greater than 120% of the market value of assets.

**Amortization Method**

The amortization method for determining the current annual cost is the method used to determine the amount, timing, and pattern of recognizing changes in the unfunded actuarial accrued liability. We apply the amortization schedule defined in Section 431 of the Internal Revenue Code.

- Experience gains and losses. After the enactment of the Pension Protection Act of 2006 (PPA), changes in the unfunded actuarial accrued liability related to changes in plan amendments, actuarial assumptions, and experience gains and losses are amortized over 15 years. Prior to PPA, these changes were amortized over 30 years. Certain exceptions apply as noted below.
- Method changes. Changes related to the actuarial cost method or asset valuation method are amortized over 10 years.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Actuarial Methods and Assumptions**

**Summary of Actuarial Assumptions**

**Interest (Discount) Rate:**

**Assumption:** The assumed annual rate of investment return net of investment expenses is 6.25% compounded annually (previously, 6.50% was used).

**Rationale:** In developing support for the investment return assumption as a reasonable best estimate, we monitor and consider relevant historical, current, and expected market data. In setting this assumption, we have considered many sources, including (but not limited to) a review of the Plan's historical investment performance, the prior Actuary's assumption, and forward-looking data such as projections of inflation and total return growth. Projected growth is determined based on mean returns, standard deviations and correlations between asset classes, and in developing these expectations, we rely in part on outside investment experts and publicly available surveys of capital market expectations.

**Change in assumption:** The interest rate was changed from 6.50% to 6.25% to better reflect future market expectations.

**Current Liability Interest Rate:**

**Assumption:** 2.82% assumed annual rate of return. This rate was 2.19% for the prior year.

**Rationale:** This rate is determined based on regulations prescribed by the Internal Revenue Code. The assumption uses a rate permitted by law.

**Interest Rate for Unfunded Vested Benefit Liability for Withdrawal Liability Calculations:**

**Assumption:** PBGC settlement rates effective December 2023 – 5.06% for 20 years, 4.37% thereafter (previously, 3.90% for 20 years, 3.65% thereafter).

**Rationale:** The withdrawal liability interest rates are based on market settlement rates which represent our best estimate assumption for withdrawal liability purposes.

**Retirement:**

**Assumption:**

100% of Eligible Active Participants are assumed to retire at age 67.

100% of Terminated vested participants are assumed to retire at age 65.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Actuarial Methods and Assumptions**

**Mortality for Funding:**

**Healthy Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021.

**Disabled Participants:** Rates in accordance with Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

**Rationale:** We believe the mortality assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**Change in Assumption:** In order to better reflect anticipated experience, Mortality tables for Healthy Participants were changed from the Sex Distinct RP-2000 Combined Healthy Blue Collar Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021. Mortality tables for Disabled Participants were changed from the Sex Distinct RP-2000 Disabled Retiree Mortality Table projected with Scale MP-2021 with 75% adjustment to the ultimate rate to the Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021.

**Mortality for Current Liability:**

**Healthy and Disabled participants:** 2024 prescribed generational Current Liability Annuitant/Non-Annuitant Mortality Tables for males and females.

**Rationale:** These are prescribed mortality tables allowed under the IRS Regulations.

**Withdrawal (termination of employment) rates:**

**Assumption:** Assumed rates at every five years are shown below:

Age	Rate
20	17.93%
25	17.22
30	16.20
35	14.85
40	13.10
45	10.83
50	7.91
55	4.40
60	1.20

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Actuarial Methods and Assumptions**

**Administrative Expenses:**

**Assumption:** Prior year's actual administrative expenses rounded to the nearest \$100,000 added to the Normal Cost.

**Rationale:** The assumption is our best estimate of future administrative expenses payable from plan assets.

**Percentage Married:**

**Assumption:** 100% of active participants are assumed to be married, with males three years older than their female spouse.

**Disability:**

**Assumption:** The assumed rate of incidence of disability for males and females are based upon the following table:

Age	Rate
20	0.06%
25	0.07
30	0.08
35	0.10
40	0.15
45	0.25
50	0.47
55	0.92
60	1.86

**Form of Payment:**

**Assumption:** Married active and terminated vested participants are assumed to elect a Joint and 50% Survivor Annuity. Single active and terminated vested participants are assumed to elect a Single Life Annuity option with a 5 year certain period for Home Care employees and a Single Life Annuity option for Professional employees.

**Future Hours Worked for Active Participants:**

**Assumption:** 1,500 hours per year for active participants, 125 hours per year for suspended active participants.

**Rationale:** Based on historical hours worked, we believe this assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

**DC 37 Local 389 Home Care Employees Pension Fund**  
**EIN/PN: 13-3698650 / 001**  
**Attachment to 2024 Schedule MB (Form 5500)**

**Schedule MB, Line 6 – Summary of Actuarial Methods and Assumptions**

**Rationale for assumptions not otherwise noted:**

Where applicable, our assumptions have relied on the prior actuary's assumptions, as well as input and/or feedback from the Trustees and/or plan administrator. While we will continue to review and monitor all assumptions moving forward, we believe reliance on the assumptions noted above is reasonable for the purposes of this valuation, and not expected to produce significant cumulative gains or losses in the relevant measurement periods.

**Actuarial Procedures Regarding Certain Liabilities:**

**Liabilities for Terminated Vested Participants:**

All terminated vested participants aged 71 or older are valued with actuarial increases to age 71, and liability thereafter equivalent to the value of retroactive payments calculated with interest as specified in the Plan's actuarial equivalence definition. In addition, all terminated vested participants that are aged 80 or older as of the valuation date are valued with 25% of their liability.

A significant number of terminated vested records do not enter payment status despite efforts to locate and/or verify the records. This reflects the possibility that some of these records may never materialize into payment status, particularly those of advanced ages, representing unknown, unverifiable data, and/or deceased members not entitled to benefits.

**Liabilities for In Pay Participants:**

\$5,700,000 added to liabilities.

Based on an ongoing review of the application of benefits accrued beyond normal retirement ages and required beginning dates, combined with the coordination of suspension of benefit notices, a liability of \$5.7 million is held as of January 1, 2024 representing liability attributable to retroactive payments expected to be paid to retired participants as well as the value of increased future benefit payments.

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Financial Statements

With Supplementary Information

December 31, 2024 and 2023

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

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**Independent Auditor's Report**

Board of Trustees  
District Council 37 Local 389 Home Care  
Employees Pension Fund  
New York, NY

***Opinion***

We have audited the financial statements of District Council 37 Local 389 Home Care Employees Pension Fund (the "Plan"), 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 December 31, 2024 and 2023 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 District Council 37 Local 389 Home Care Employees Pension Fund as of December 31, 2024 and 2023, 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 District Council 37 Local 389 Home Care Employees 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 District Council 37 Local 389 Home Care Employees Pension Fund's ability to continue as a going concern for one year after the date that the financial statements are 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.

### ***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 District Council 37 Local 389 Home Care Employees 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 District Council 37 Local 389 Home Care Employees 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.

### ***Supplemental Schedules Required by ERISA***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule assets (held at end of year) as of December 31, 2024 and schedule of reportable transactions for the year ended December 31, 2024 are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. 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 audits 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 GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements 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 ERISA.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of administrative expenses for the years ended December 31, 2024 and 2023 are presented for purposes of additional analysis and are not a required part of the financial statements. 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 audits 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 our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Rogoff & Company PC*

Rogoff & Company, PC  
Certified Public Accountants  
New York, NY  
October 14, 2025

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Statements of Net Assets Available for Benefits

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<u>Assets</u>	As of December 31,	
	2024	2023
Investments, at fair value	\$ 54,834,562	\$ 58,198,274
Receivables:		
Employer contributions	114,462	131,271
Total receivables	114,462	131,271
Cash and cash equivalents	1,142,340	1,036,587
Security deposits	6,903	6,903
Prepaid expenses	32,914	32,656
Total assets	56,131,181	59,405,691
 <u>Liabilities</u>		
Accounts payable and accrued expenses	64,633	82,918
Due to related entity	199,015	275,379
Total liabilities	263,648	358,297
Net assets available for benefits	\$ 55,867,533	\$ 59,047,394

The accompanying notes are an integral part of these financial statements

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Statements of Changes in Net Assets Available for Benefits

	For the Years Ended December 31,	
	2024	2023
<u>Additions</u>		
Investment income:		
Net appreciation in fair value of investments	\$ 2,337,755	\$ 3,494,197
Dividends and interest	1,074,968	886,246
	3,412,723	4,380,443
Less: Custodian and investment expenses	143,214	153,574
Net investment income	3,269,509	4,226,869
Employer contributions	880,995	934,839
Other income	114,667	2,567
Total additions	4,265,171	5,164,275
<u>Deductions</u>		
Benefits paid directly to participants	6,388,935	3,821,072
Administrative expenses	1,056,097	1,108,280
Total deductions	7,445,032	4,929,352
Net increase (decrease) in net assets available for benefits	(3,179,861)	234,923
Net assets available for benefits:		
Beginning of year	59,047,394	58,812,471
End of year	\$ 55,867,533	\$ 59,047,394

The accompanying notes are an integral part of these financial statements

## District Council 37 Local 389 Home Care

### Employees Pension Fund

Notes to Financial Statements

December 31, 2024 and 2023

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#### Note 1. Description of Plan

The following description of the District Council 37 Local 389 Home Care Employees Pension Fund (the Fund or Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

**General** - The Plan is a multiemployer defined benefit pension fund established as part of a collective bargaining agreements (CBAs) between Local 389, District Council 37, Community and Social Agency Employees Union, AFSCME, AFL-CIO (the Union) and a group of contributing home care agencies. The Plan was established for the purpose of providing pension and retirement benefits to eligible participants. The Plan covers substantially all of the members of District Council 37, Local 389 Home Care Employees Union and also the professional employees of the Union and its affiliated benefit funds. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Administration of the Plan is the responsibility of the Board of Trustees (the Trustees) and is governed by a joint board from the participating employers and the Union.

**Funding Policy** - The participating employers make monthly contributions to the Plan on behalf of covered employees in amounts determined by the CBA and subject to minimum funding requirements of ERISA and maximum deductibility of contributions by participating employers under the Internal Revenue Code (IRC). Hourly contribution rates vary by collective bargaining agreements. Contributions by participants are not permitted under the Plan. The Plan Trustees design the benefit structure based on information from the actuarial consultants. The Plan's actuary has certified that the minimum funding requirements of ERISA have been met as of January 1, 2024. In addition, an affiliated benefit fund also makes contributions on behalf of the professional staff employees.

**Pension Protection Act Funding Status** - As required by ERISA under the Pension Protection Act of 2006 (PPA), the Plan's actuary has completed the Plan's actuarial funding status certification as of January 1, 2024, in accordance with generally accepted actuarial principles and practices. The certification was based on projections using the actuarial present value of accumulated benefit obligations as of January 1, 2024 and audited financial information as of December 31, 2023, as well as other financial information, including estimated cash flows for the year ended December 31, 2023 and the rate of market value return as reported by the investment consultant. The funded (zone) status provides an indication of the financial health of the Plan.

Beginning January 1, 2024, based on actuarial assumptions, participant and financial data, and plan provisions, the Plan's actuary certified that the Plan was in critical and declining status (deep red zone) as defined in the Pension Protection Act of 2006.

**Pension Benefits** - The Plan provides normal retirement, early retirement, and vested pension benefits to employees who have satisfied specific eligibility requirements relating to age and years of service. The amount of benefit is generally based on participant's pension credits and the formula in effect when the participant leaves the covered employment or the work for a contributing employer that has signed a collective bargaining agreement (CBA) or any other written agreement with the union calling for plan contributions on participant's behalf. Plan participants are eligible for their plan benefit after terminating covered employment with vested rights. Generally, participants become vested in the Plan upon completion of 5 or more years of vesting service. If a participant terminates before rendering 5 years of

**District Council 37 Local 389 Home Care**

**Employees Pension Fund**

Notes to Financial Statements

December 31, 2024 and 2023

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**Note 1. Description of Plan (continued)**

**Pension Benefits (continued)**

service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to the contributing employer's contributions. Participants are eligible for regular or normal pension once they have reached age 65 and earned at least 10 pension credits. Participants are eligible for an early retirement pension once they have reached age 55 and earned at least 10 pension credits. Generally, if the lump sum value of a participant's monthly pension is \$5,000 or less, the participant will be given a choice (with spousal consent) of either taking one immediate lump-sum payment or a lifetime pension.

**Death and Disability Benefits** – If the participant dies while working in covered employment and after qualifying for a vested benefit, the plan will pay lifetime benefit to his or her spouse (if married) or 60 payments to beneficiary if the participant was not married.

If a Professional Staff Employee, who is a Participant, has been awarded a Social Security disability award, and has at least 10 years of Pension Credit at the time such award is made, such Participant shall be entitled to receive a Disability Pension. The monthly amount of such pension shall be equal to the monthly amount of the Participant's Regular Pension, with no adjustment for age. If the Participant ceases to be eligible for Social Security disability benefits at any time prior to age 65, her Disability Pension shall end on the last day of the last month in which the Social Security benefit is received. If such Participant thereafter becomes an Employee and subsequently Retires under the Plan at age 65 or later, she shall receive the same amount as she received as a Disability Pension plus any additional pension based on Credited Service earned from the date of re-employment to her Retirement date.

**Note 2. Summary of Accounting Policies**

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

**Basis of Accounting** - The accompanying financial statements are prepared on the accrual basis of accounting.

**Use of Estimates** - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein; disclosure of contingent assets and liabilities; and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

**Investment Valuation and Income Recognition** - Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan determines its valuation policies utilizing information provided by its investment advisers and custodians. See Note 5 for a discussion of fair value measurements.

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. Net appreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
Notes to Financial Statements  
December 31, 2024 and 2023

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**Note 2. Summary of Accounting Policies (continued)**

**Payment of Benefits** - Benefit payments to participants are recorded upon distribution.

**Administrative Expenses** - The Plan's administrative expenses are paid by the Plan, as provided by the plan document. Expenses incurred in connection with the general administration of the Plan are recorded as deductions in the accompanying statements of changes in net assets available for benefits. The administrative expenses are initially paid by District Council 37 Local 389 Home Care Employees Health and Welfare Fund (or "Health & Welfare Fund") and the Plan subsequently reimburses the Health & Welfare Fund for the Plan's shared expenses i.e., facilities, equipment and personnel as well as other administrative costs which are shown in the attached Schedules of Administrative Expenses as Allocated Expenses. In addition, certain investment-related expenses are included in net appreciation of fair value of investments presented in the accompanying statements of changes in net assets available for benefits. See also Note 10 – Related Party Transactions.

**Employer Contributions Receivables and Revenue** – The Plan's policy is to recognize contributions based on the latest executed collective bargaining agreement on an individual employer basis. Payroll contributions were determined from reports submitted by contributing employers on a self-reporting basis based on contribution rates stipulated in each respective collectively bargained agreement. The amount of employer contributions receivable represents the estimated contributions due from these contributing employers.

**Assessed Withdrawal Liability Receivable** – The Plan's policy is to recognize a receivable at its present value, net of any allowance for collectability once a withdrawal liability has been actuarially determined and formally assessed by the Plan.

**Property and Equipment** - Office equipment, furniture and software are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which ranges from 3 to 5 years. Expenditures for maintenance and repairs are expensed as incurred while additions and improvements that extend the life of the asset are capitalized.

**Credit Risk Concentration** - The Plan maintains its cash accounts at a commercial bank. Cash accounts at the bank are insured by Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. From time to time, the Plan may have amounts on deposit in excess of FDIC limits. Management believes the Plan is not exposed to any significant credit risk on cash.

**Subsequent Events** - The Plan has evaluated subsequent events through October 14, 2025, the date the financial statements were available to be issued.

**District Council 37 Local 389 Home Care**

**Employees Pension Fund**

Notes to Financial Statements

December 31, 2024 and 2023

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**Note 3. Actuarial Present Value of Accumulated Plan Benefits**

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service the employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are accumulated based on eligible employees' years of credited service and age.

The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances - retirement, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The significant actuarial assumptions used in the valuation as of January 1, 2024 and 2023 were (A) For healthy participants the Pri-2012 Private Retirement Plans Mortality Tables with Blue Collar Adjustment projected with Scale MP-2021. For disabled participants Pri-2012 Private Retirement Plans Disabled Mortality Tables projected with Scale MP-2021. (B) Assumed that each separated vested participant will elect pension at age 65, and age 67 if eligible active participant. (C) Assumed annual rate of net investment return of 6.25% for January 1, 2024 and 6.5% for January 1, 2023.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2024. Had the valuations been performed as of December 31, 2023, there would be no material differences.

The Plan's actuary has determined the actuarial present value of accumulated plan benefits attributed to participants as of January 1, 2024 is as follows

	January 1, 2024
Actuarial present value of accumulated plan benefits:	
Vested benefits	
Participants currently receiving payments	\$ 36,928,543
Beneficiaries in pay	467,909
Separated vested	36,904,870
Active	9,151,423
	<u>83,452,745</u>
Non-vested benefits	<u>385,065</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 83,837,810</u>

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
Notes to Financial Statements  
December 31, 2024 and 2023

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**Note 3. Actuarial Present Value of Accumulated Plan Benefits (continued)**

Changes in the actuarial present value of accumulated plan benefits are as follows:

	<u>Year Ended December 31, 2023</u>
Actuarial present value of accumulated plan benefits as of beginning of year	\$ 81,425,820
Increase (decrease) during the year attributable to:	
Reduction in discount period	5,170,448
Benefits accumulated	367,905
Actuarial (loss)	(756,248)
Benefits paid	(3,821,072)
Change in assumptions	1,450,957
Net change	2,411,990
Actuarial present value of accumulated plan benefits as of end of year	\$ 83,837,810

**Note 4. Plan Termination**

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
2. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations.
3. All other vested benefits (that is, vested benefits not insured by the PBGC).
4. All nonvested benefits.

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 pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
Notes to Financial Statements  
December 31, 2024 and 2023

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**Note 5. Fair Value Measurements**

The framework for measuring fair values 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 and liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

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 maximize the use of relevant 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 as of December 31, 2024 and 2023.

*Mutual funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded, and are considered a level 1.

*Common collective trust:* Valued at the net asset value (NAV) of units of the bank collective trust. NAV is a readily determinable fair value and is the basis for current transactions. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the collective trust, the issuer reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
Notes to Financial Statements  
December 31, 2024 and 2023

**Note 5. Fair Value Measurements (continued)**

*Net Asset Values (NAV):* As a practical expedient, fair value of certain investments may be estimated using their NAV if such investments are redeemable at NAV. In the fair value hierarchy, such investments that are redeemable at NAV are reported separately instead of the levels within the fair value hierarchy. The fair values are intended to permit reconciliation to the fair value hierarchy to the amounts presented on the statements of net assets available for benefits. Reported as NAV are the following investments:

*RCTS Limited Liability Companies:* Valued on a net asset value of shares held by the Plan at year end reflecting the market value of the underlying securities held by the private funds.

*Real Estate Investment Trust Fund:* Valued on a "per investment unit" reflecting the market value of real estate properties held by an investment corporation. The market value of real estate is subject to assumptions and limitations by third party appraisers.

The following table sets forth by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2024 and 2023.

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 24,659,263	\$ -	\$ -	\$ 24,659,263
Common collective trust	-	21,154,798	-	21,154,798
Total investments in the fair value hierarchy	\$ 24,659,263	\$ 21,154,798	\$ -	45,814,061
Investments measured at NAV				9,020,501
Total assets at fair value				\$ 54,834,562
	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 26,242,463	\$ -	\$ -	\$ 26,242,463
Common collective trust	-	22,245,594	-	22,245,594
Total investments in the fair value hierarchy	\$ 26,242,463	\$ 22,245,594	\$ -	48,488,057
Investments measured at NAV				9,710,217
Total assets at fair value				\$ 58,198,274

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
Notes to Financial Statements  
December 31, 2024 and 2023

**Note 5. Fair Value Measurements (continued)**

**Fair Value of Investments that Calculates Net Asset Value**

The following table summarizes investments measured at fair value based on net asset value (NAVs) per share as of December 31, 2024 in 2023, respectively.

Name of the Fund	2024 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<i>RCTS Limited Liability Company</i>				
RCTS - Emerging Mkts Equity	\$ 2,976,343	N/A	Monthly	30 Days
<i>Real Estate Investment Trust Fund</i>				
American Core Realty Fund	<u>6,044,158</u>	N/A	Quarterly	30 Days
	<u>\$ 9,020,501</u>			

Name of the Fund	2023 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<i>RCTS Limited Liability Company</i>				
RCTS - Emerging Mkts Equity	\$ 2,825,230	N/A	Monthly	30 Days
<i>Real Estate Investment Trust Fund</i>				
American Core Realty Fund	<u>6,884,987</u>	N/A	Quarterly	30 Days
	<u>\$ 9,710,217</u>			

**Note 6. Property and Equipment**

As of December 31, 2024 and 2023, equipment, furniture and software consisted of the following:

	<u>2023</u>
Office equipment and furniture	\$ 9,611
Computer Equipment	25,880
Software	<u>7,060</u>
Total	42,551
Less: accumulated depreciation	<u>(42,551)</u>
	<u>\$ -</u>

Depreciation expense for the years ended December 31, 2024 and 2023 were \$- and \$304, respectively.

**District Council 37 Local 389 Home Care**

**Employees Pension Fund**

Notes to Financial Statements

December 31, 2024 and 2023

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**Note 7. Tax Status**

The Plan obtained its latest determination letter on September 16, 2015, in which the Internal Revenue Service states that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the appropriate taxing authority. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**Note 8. Related Party and Party in Interest Transactions**

The Plan's members of the Board of Trustees and its officers also serve as members of the District Council 37 Local 389 Home Care Health and Welfare Fund or the "Health and Welfare Fund's Board of Trustees and officers making the Health and Welfare Fund a related party. Pursuant to an allocation study, based on actual utilization of time spent by employees and office space measurement, the Plan shares facilities, equipment and personnel with the Health and Welfare Fund in an effort to reduce operating costs. The Health and Welfare Fund pays most administrative expenses and allocates a portion of these expenses to the Plan. Specifically identified expenses incurred are charged directly to the Plan.

Amounts charged and allocated to the Plan from the Health and Welfare Fund as of December 31, 2024 and 2023 were \$502,257 and \$519,673, respectively. As of December 31, 2024 and 2023, the Plan's liability to the Health & Welfare Fund was \$199,015 and \$275,379, respectively.

**Note 9. 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 that such 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, inflation 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.

**Note 10. Significant Participating Employers** - The Plan received approximately 84% and 83% of its employer contributions from two employers in 2024 and 2023, respectively.

**Note 11. Plan Amendments**

There were no plan amendments in plan year 2024 and 2023.

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
Notes to Financial Statements  
December 31, 2024 and 2023

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**Note 12. Reconciliation of Financial Statement to Form 5500**

The following is a reconciliation of total additions and total deductions per financial statements to Form 5500 as at December 31, 2023:

	December 31, 2024
Total additions per the financial statements	\$ 4,265,171
Add: Investment expenses	143,214
Total additions per form 5500	<u>\$ 4,408,385</u>
Total deductions per the financial statements	\$ 7,445,032
Add: Investment expenses	143,214
Total deductions per form 5500	<u>\$ 7,588,246</u>
Total administrative expenses per financial statements	\$ 1,056,097
Add: Investment expenses	143,214
Total administrative expenses per form 5500	<u>\$ 1,199,311</u>

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

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**SUPPLEMENTAL SCHEDULES**

**District Council 37 Local 389 Home Care  
Employees Pension Fund**

Schedules of Administrative Expenses

	For the Years ended December 31,	
	2024	2023
Legal fees	\$ 21,899	\$ 51,057
Accounting and audit fees	37,000	36,000
Actuarial fees	79,234	134,522
Pension benefit processing fees	42,012	33,351
Postage and delivery	25,501	9,971
Stationery and printing	13,677	1,509
Pension Benefit Guaranty Corporation	290,413	274,015
Office expenses and supplies	1,805	7,171
Insurance	42,299	40,707
Allocated expenses	502,257	519,673
Depreciation	-	304
	<u>\$ 1,056,097</u>	<u>\$ 1,108,280</u>

**District Council 37 Local 389 Home Care  
Employees Pension Fund**  
EIN 13-3698650  
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)  
As of December 31, 2024

(a)	(b)	(c)	(d)	(e)
<i>Identity of Issue</i>	<i>Description of Investment including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value</i>		<i>Cost</i>	<i>Current Value</i>
	<b><i>Mutual Funds</i></b>			
Vanguard	Total Bond Mkt Index, 290,719.355 shares		\$ 3,010,595	\$ 2,756,019
Vanguard	Total World Stock Idx, 55,479.075 shares		7,247,266	13,302,218
Vanguard	Treasury Money Market, 8,601,025.770 shares		<u>8,601,026</u>	<u>8,601,026</u>
Total Mutual Fund			<u>18,858,887</u>	<u>24,659,263</u>
	<b><i>Common Collective Trusts</i></b>			
Invesco Trust Company	Balanced Risk Allocation Trust, 189,088.831 shares		3,338,988	5,485,467
Marco Consulting Group Trust	Fixed Income Participation, 1,078,279.638 units		<u>14,068,600</u>	<u>15,669,331</u>
Total Common Collective Trusts			<u>17,407,588</u>	<u>21,154,798</u>
	<b><i>Limited Liability Companies</i></b>			
RCTS Limited Liability Company	Emerging Mkts Equity, 160,772.104 shares		<u>1,757,142</u>	<u>2,976,343</u>
	<b><i>Limited Partnership</i></b>			
American Core Realty Fund	Real Estate Investment Trust Fund, 50.5381 shares		<u>6,187,903</u>	<u>6,044,158</u>
Total assets held for investment purposes			<u>\$ 44,211,520</u>	<u>\$ 54,834,562</u>

**District Council 37 Local 389 Home Care**

**Employees Pension Fund**

EIN 13-3698650

Schedule H, Part IV, Line 4j - Schedule of Assets Reportable Transactions

For the Year ended December 31, 2024

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of transaction	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset	Net Gain or (Loss)
	<u>Series of Transactions</u>							
	<u>Sales</u>							
	Vanguard Total World Stock Index	\$	213			\$ 592,300	\$ 1,000,000	\$ 407,700
	Vanguard Total World Stock Index		221			857,580	1,500,000	642,420
	Vanguard Total World Stock Index		235			542,520	1,000,000	457,480
	Vanguard Total World Stock Index		246			518,969	1,000,000	481,031

<p><b>Form 5500</b></p> <p>Department of the Treasury Internal Revenue Service</p> <hr/> <p>Department of Labor Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p>	<p><b>Annual Return/Report of Employee Benefit Plan</b></p> <p>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).</p> <p>▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p>	<p>OMB Nos. 1210 - 0110 1210 - 0089</p> <hr/> <p style="font-size: 24pt; font-weight: bold; text-align: center;">2024</p> <hr/> <p style="text-align: center;"><b>This Form is Open to Public Inspection</b></p>
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**Part I Annual Report Identification Information**

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

**A** This return/report is for:  a multiemployer plan  a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

**B** This return/report is:  a single-employer plan  a DFE (specify) \_\_\_\_\_  
 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 ..... ▶

**D** Check box if filing under:  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

<p><b>1a</b> Name of plan DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND</p>	<p><b>1b</b> Three-digit plan number (PN) ▶</p>	<p>001</p>
<p><b>2a</b> 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) DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND  420 WEST 45TH STREET  NEW YORK NY 10036</p>	<p><b>1c</b> Effective date of plan 01/01/1994</p> <p><b>2b</b> Employer Identification Number (EIN) 13-3698650</p> <p><b>2c</b> Plan Sponsor's telephone number 212-925-6033</p> <p><b>2d</b> Business code (see instructions) 623000</p>	

**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.

<b>SIGN HERE</b>	<u>Jahmila K Edwards</u> <small>Jahmila K Edwards (Oct 14, 2025 15:08:44 EDT)</small>	Oct 14, 2025	JAHMILA EDWARDS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>			
	Signature of DFE	Date	Enter name of individual signing as DFE

**District Council 37 Local 389 Home Care**

**Employees Pension Fund**

EIN 13-3698650

Schedule H, Part IV, Line 4j - Schedule of Assets Reportable Transactions

For the Year ended December 31, 2024

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of transaction	Purchase Price	Selling Price	Lease Rental	Expense Incurred with Transaction	Cost of Asset	Current Value of Asset	Net Gain or (Loss)
	<u>Series of Transactions</u>							
	<u>Sales</u>							
	Vanguard Total World Stock Index	\$	213			\$ 592,300	\$ 1,000,000	\$ 407,700
	Vanguard Total World Stock Index		221			857,580	1,500,000	642,420
	Vanguard Total World Stock Index		235			542,520	1,000,000	457,480
	Vanguard Total World Stock Index		246			518,969	1,000,000	481,031

<b>SCHEDULE MB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information</b>  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).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- ▶ **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.

<b>A</b> Name of plan DC 37 Local 389 Home Care Employees Pension Fund	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF DC 37 Local 389 Home Care Employees Pension Fund	<b>D</b> Employer Identification Number (EIN)  13-3698650	

**E** Type of plan:                    (1)  Multiemployer Defined Benefit                    (2)  Money Purchase (see instructions)

**1a** Enter the valuation date:                    Month   1   Day   1   Year  2024 

**b** Assets

(1) Current value of assets.....	<b>1b(1)</b>	59,047,394
(2) Actuarial value of assets for funding standard account.....	<b>1b(2)</b>	65,722,613
<b>c</b> (1) Accrued liability for plan using immediate gain methods.....	<b>1c(1)</b>	83,937,756
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases.....	<b>1c(2)(a)</b>	
(b) Accrued liability under entry age normal method.....	<b>1c(2)(b)</b>	
(c) Normal cost under entry age normal method.....	<b>1c(2)(c)</b>	
(3) Accrued liability under unit credit cost method.....	<b>1c(3)</b>	83,837,810
<b>d</b> Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions).....	<b>1d(1)</b>	
(2) "RPA '94" information:		
(a) Current liability.....	<b>1d(2)(a)</b>	113,949,834
(b) Expected increase in current liability due to benefits accruing during the plan year.....	<b>1d(2)(b)</b>	659,454
(c) Expected release from "RPA '94" current liability for the plan year.....	<b>1d(2)(c)</b>	6,419,290
(3) Expected plan disbursements for the plan year.....	<b>1d(3)</b>	7,488,935

**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.

<b>SIGN HERE</b>		<u>10/10/2025</u>
	Signature of actuary	Date
	Aaron Shapiro, FSA, EA, MAAA	23-07290
	Type or print name of actuary	Most recent enrollment number
	Milliman, Inc.	(973) 278-8860
	Firm name	Telephone number (including area code)
	150 Clove Road 8th Floor Little Falls NJ 07424	
	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:

<b>a</b> Current value of assets (see instructions) .....	<b>2a</b>	59,047,394
<b>b</b> "RPA '94" current liability/participant count breakdown:	<b>(1) Number of participants</b>	<b>(2) Current liability</b>
<b>(1)</b> For retired participants and beneficiaries receiving payment .....	3,047	46,658,932
<b>(2)</b> For terminated vested participants .....	3,736	52,241,204
<b>(3)</b> For active participants:		
<b>(a)</b> Non-vested benefits .....		681,747
<b>(b)</b> Vested benefits .....		14,367,951
<b>(c)</b> Total active .....	1,099	15,049,698
<b>(4)</b> Total .....	7,882	113,949,834
<b>c</b> If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage .....	<b>2c</b>	51.82%

**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
07/01/2024	880,995				
<b>Totals ▶</b>			<b>3(b)</b>	880,995	<b>3(c)</b>

**(d)** Total withdrawal liability amounts included in line 3(b) total ..... **3(d)**

**4** Information on plan status:

<b>a</b> Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) .....	<b>4a</b>	78.4%
<b>b</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 .....	<b>4b</b>	D
<b>c</b> Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? .....		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>d</b> If the plan is in critical status or critical and declining status, does line 1(c) reflect any benefit reductions for the first time (see instructions)? .....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>e</b> If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date .....	<b>4e</b>	
<b>f</b> If the plan is in critical status or critical and declining status, and is: • Projected to emerge from critical status within 30 years, enter the plan year in which it is projected to emerge; • Projected to become insolvent within 30 years, enter the plan year in which insolvency is expected and check here ..... <input checked="" type="checkbox"/> • Neither projected to emerge from critical status nor become insolvent within 30 years, enter "9999."	<b>4f</b>	2034

**5** Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

- |  |  |  |   |
|--|--|--|---|
| <b>a</b> <input type="checkbox"/> Attained age normal      | <b>b</b> <input type="checkbox"/> Entry age normal         | <b>c</b> <input checked="" type="checkbox"/> Accrued benefit (unit credit) | <b>d</b> <input type="checkbox"/> Aggregate |
| <b>e</b> <input type="checkbox"/> Frozen initial liability | <b>f</b> <input type="checkbox"/> Individual level premium | <b>g</b> <input type="checkbox"/> Individual aggregate                     | <b>h</b> <input type="checkbox"/> Shortfall |
| <b>i</b> <input type="checkbox"/> Other (specify):         |  |  |   |

<b>j</b> If box h is checked, enter period of use of shortfall method .....	<b>5j</b>	
<b>k</b> Has a change been made in funding method for this plan year? .....		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>l</b> If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
<b>m</b> 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 .....	<b>5m</b>	

**6 Checklist of certain actuarial assumptions:**

<b>a</b> Interest rate for "RPA '94" current liability.....	<b>6a</b>	2.82 %
<b>b</b> Rates specified in insurance or annuity contracts.....	Pre-retirement	Post-retirement
	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
<b>c</b> Mortality table code for valuation purposes:		
<b>(1)</b> Males .....	<b>6c(1)</b>	9P
<b>(2)</b> Females .....	<b>6c(2)</b>	9FP
<b>d</b> Valuation liability interest rate .....	<b>6d</b>	6.25 %
<b>e</b> Salary scale .....	<b>6e</b>	% <input checked="" type="checkbox"/> N/A
<b>f</b> Withdrawal liability interest rate:		
<b>(1)</b> Type of interest rate .....	<b>6f(1)</b>	<input type="checkbox"/> Single rate <input checked="" type="checkbox"/> ERISA 4044 <input type="checkbox"/> Other <input type="checkbox"/> N/A
<b>(2)</b> If "Single rate" is checked in (1), enter applicable single rate .....	<b>6f(2)</b>	%
<b>g</b> Estimated investment return on actuarial value of assets for year ending on the valuation date .....	<b>6g</b>	4.3 %
<b>h</b> Estimated investment return on current value of assets for year ending on the valuation date .....	<b>6h</b>	7.4 %
<b>i</b> Expense load included in normal cost reported in line 9b .....	<b>6i</b>	<input type="checkbox"/> N/A
<b>(1)</b> If expense load is described as a percentage of normal cost, enter the assumed percentage.....	<b>6i(1)</b>	%
<b>(2)</b> If expense load is a dollar amount that varies from year to year, enter the dollar amount included in line 9b.....	<b>6i(2)</b>	1,100,000
<b>(3)</b> If neither (1) nor (2) describes the expense load, check the box .....	<b>6i(3)</b>	<input type="checkbox"/>

**7 New amortization bases established in the current plan year:**

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	604,606	59,551
4	1,457,180	143,525

**8 Miscellaneous information:**

<b>a</b> 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 .....	<b>8a</b>	
<b>b</b> Demographic, benefit, and contribution information		
<b>(1)</b> Is the plan required to provide a projection of expected benefit payments? (See instructions) If "Yes," see instructions for required attachment. ....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>(2)</b> Is the plan required to provide a Schedule of Active Participant Data? (See instructions). ....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>(3)</b> Is the plan required to provide a projection of employer contributions and withdrawal liability payments? (See instructions) If "Yes," attach a schedule. ....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>c</b> 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? .....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>d</b> If line c is "Yes," provide the following additional information:		
<b>(1)</b> Was an extension granted automatic approval under section 431(d)(1) of the Code?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>(2)</b> If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended ..	<b>8d(2)</b>	
<b>(3)</b> 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? .....	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>(4)</b> 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)).....	<b>8d(4)</b>	
<b>(5)</b> If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension .....	<b>8d(5)</b>	
<b>(6)</b> 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?.....	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>e</b> If box 5h is checked or the plan received an amortization extension for this plan year under Code section 431(d), enter the difference between the amount necessary to satisfy the plan's minimum funding standard for this plan year and the amount that would have been necessary without using the shortfall method or extending the amortization period(s). ....	<b>8e</b>	

**9 Funding standard account statement for this plan year:**

<b>Charges to funding standard account:</b>		
<b>a</b> Prior year funding deficiency, if any .....	<b>9a</b>	6,618,494
<b>b</b> Employer's normal cost for plan year as of valuation date.....	<b>9b</b>	1,445,451

<b>c</b> 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 .....	<b>9c(1)</b>	21,470,024	3,457,636
(2) Funding waivers .....	<b>9c(2)</b>	0	0
(3) Certain bases for which the amortization period has been extended.....	<b>9c(3)</b>	0	0
<b>d</b> Interest as applicable on lines 9a, 9b, and 9c.....	<b>9d</b>		720,099
<b>e</b> Total charges. Add lines 9a through 9d.....	<b>9e</b>		12,241,680
<b>Credits to funding standard account:</b>			
<b>f</b> Prior year credit balance, if any.....	<b>9f</b>		0
<b>g</b> Employer contributions. Total from column (b) of line 3.....	<b>9g</b>		880,995
		Outstanding balance	
<b>h</b> Amortization credits as of valuation date.....	<b>9h</b>	9,873,375	2,148,168
<b>i</b> Interest as applicable to end of plan year on lines 9f, 9g, and 9h .....	<b>9i</b>		161,374
<b>j</b> Full funding limitation (FFL) and credits:			
(1) ERISA FFL (accrued liability FFL).....	<b>9j(1)</b>	27,981,802	
(2) "RPA '94" override (90% current liability FFL) .....	<b>9j(2)</b>	38,154,214	
(3) FFL credit .....	<b>9j(3)</b>		0
<b>k</b> (1) Waived funding deficiency .....	<b>9k(1)</b>		0
(2) Other credits .....	<b>9k(2)</b>		0
<b>l</b> Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) .....	<b>9l</b>		3,190,537
<b>m</b> Credit balance: If line 9l is greater than line 9e, enter the difference .....	<b>9m</b>		
<b>n</b> Funding deficiency: If line 9e is greater than line 9l, enter the difference .....	<b>9n</b>		9,051,143
<b>o</b> Current year's accumulated reconciliation account:			
(1) Due to waived funding deficiency accumulated prior to the current plan year .....	<b>9o(1)</b>		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 .....	<b>9o(2)(a)</b>		0
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)).....	<b>9o(2)(b)</b>		0
(3) Total as of valuation date .....	<b>9o(3)</b>		0
<b>10</b> Contribution necessary to avoid an accumulated funding deficiency. (see instructions.).....	<b>10</b>		9,051,143
<b>11</b> Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions .....			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

**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: <input type="checkbox"/> CCD+ <input type="checkbox"/> CTX
ADDRESS:		
CONTACT PERSON NAME:	TELEPHONE NUMBER: (       )	
ADDITIONAL INFORMATION:		

**PAYEE/COMPANY INFORMATION**

NAME District Council 37 Local 389 Home Care Employees Pension Fund	SSN NO. OR TAXPAYER ID NO. 13-3698650
ADDRESS 420 West 45th Street, 5th Floor,  New York, NY 10036	
CONTACT PERSON NAME: Achraf Kamel	TELEPHONE NUMBER: ( 646 ) 237-2680

**FINANCIAL INSTITUTION INFORMATION**

NAME: Amalgamated Bank	
ADDRESS: 275 7th Avenue  New York, N.Y. 10001	
ACH COORDINATOR NAME: Danielle Covington	TELEPHONE NUMBER: ( 212 ) 895 4947
NINE-DIGIT ROUTING TRANSIT NUMBER: <u>  0  </u> <u>  2  </u> <u>  6  </u> <u>  0  </u> <u>  0  </u> <u>  3  </u> <u>  3  </u> <u>  7  </u> <u>  9  </u>	
DEPOSITOR ACCOUNT TITLE: DC 37 LOCAL 389 HOME CARE EMPLOYEES PENSION FUND	
DEPOSITOR ACCOUNT NUMBER: [REDACTED]	LOCKBOX NUMBER:
TYPE OF ACCOUNT: <input checked="" type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS <input type="checkbox"/> LOCKBOX	
SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL: (Could be the same as ACH Coordinator) Danielle Covington	TELEPHONE NUMBER: ( 212 ) 895 4947

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.



12/12/25

## Bank Account Funding Instructions

### Domestic U.S. Wires and ACH Transactions

Receiving Bank: Amalgamated Bank  
275 Seventh Ave.  
New York, NY 10001  
212-620-8836

Account Title: **DC 37 LOCAL 389 HOME CARE EMPLOYEES  
PENSION FUND**

ABA/Routing: **026003379**

Beneficiary Account: XXXXXXXXXX

Best regards,

  
Danielle Covington, CTP

Vice President  
Account Executive  
Commercial Client Services

  
ROSEMARIE GENTILIACO

NOTARY PUBLIC, State of New York

no.01GE6073997

Qualified in Kings County

Commission Expires February 3, 2027

Amalgamated Bank  
275 Seventh Avenue 14<sup>th</sup> floor  
New York, NY 10001  
Direct: (212)895-4947  
[Daniellecovington@amalgamatedbank.com](mailto:Daniellecovington@amalgamatedbank.com)