

UNITED FURNITURE WORKERS Pension Fund A

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June 18, 2020

Department of Labor
Employee Benefits Security Administrations
Public Disclosure Room, N-1513
200 Constitution Avenue, NW
Washington, DC 20210

US DEPARTMENT OF
LABOR
2020 JUN 25 PM 1:24
EBSA
PUBLIC DISCLOSURE


RE: United Furniture Workers Pension Fund A
Annual Funding Notice and Notice of Zone Status

To Whom It May Concern:

Enclosed herewith please find the Annual Funding Notice for the United Furniture Workers Pension Fund A for the fiscal year ended February 29, 2020 and the Notice of Zone Status for 2020.

The enclosed Notice has been mailed to the Fund's covered participants, beneficiaries receiving benefits, local unions representing the participants of the Plan, each contributing employer, and the Pension Benefit Guaranty Corporation.

Sincerely yours,


Dee Anne Walker
Director

Enclosure

DAW/lf

CC: Mr. Harry Boot
Kyle Flaherty, Esquire

VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was in "critical" status in the Plan Year ending February 28, 2019 because the Fund currently has an accumulated funding deficiency for the current plan year. In an effort to improve the Plan's funding situation, the trustees adopted a rehabilitation plan ("Rehabilitation Plan") in December 2008. The Rehabilitation Plan removed some adjustable benefits (pre-retirement lump sum death benefit, withdrawal benefit, 36 month guarantee option and subsidized early retirement for terminated vested members) effective March 1, 2009. While the rehabilitation period for rehabilitation plans is generally the 10 year period beginning on the first day of the plan year following the second anniversary of a pension fund's rehabilitation plan, the Rehabilitation Plan utilizes the so-called exhaustion option under the Pension Protection Act. In another effort to improve the Plan's funding situation, the Plan received approval for benefit suspension and partition under the Multiemployer Pension Reform Act of 2014. The benefit suspension and partition were effective September 1, 2017. The Rehabilitation Plan was amended in 2017 to require annual contribution increases of 1.5% beginning March 1, 2019.

You may get a copy of the Rehabilitation Plan and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement. You may get this information by contacting the plan administrator.

If the Plan is in endangered, critical, or critical and declining status for the plan year ending February 29, 2020, separate notification of that status has or will be provided.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 3,091. Of this number, 736 were current employees, 2,204 were retired and receiving benefits, and 151 were retired or no longer working for the employer and have a right to future benefits.

Participants in the United Furniture Workers Successor Pension Fund (newly created plan as a result of the Partition) receive benefits up to the maximum PBGC guarantee. Pension Fund A pays any additional benefits over the guarantee in accordance with the Benefit Suspension. As of March 1, 2019, there are 5,980 total participants in the United Furniture Workers Successor Pension Fund. At this time Pension Fund A was paying benefits to 1,019 participants whose benefit is over the PBGC guarantee with another 1,687 owed benefits when they retire.

Where to Get More Information

For more information about this notice, you may contact the Fund Office by telephone 1-615-889-8860 or by letter at 1910 Air Lane Drive, Nashville, TN 37210. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 13-5511877.