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**Notice of Endangered Status  
For  
North Central State Regional Council of Carpenters Pension**

This is to inform you that on March 30, 2018 the Plan Actuary certified to the U.S. Department of the Treasury and to the Plan Sponsor that the Plan emerged from critical status and is in endangered status for the plan year beginning January 1, 2018. Federal law requires that you receive this notice. In the future you will receive an annual update of this status and the progress the Plan is making towards the goals described below.

**Endangered Status**

The Plan is considered to be in endangered status because it is projected to satisfy both of the following:

1. Funded percentage less than 80% - The Plan's actuary determined that the Plan's funded percentage is 75.0% on January 1, 2018. The "funded percentage" is the fraction of earned benefits that could be funded with existing Fund assets.
2. No projected accumulated funding deficiencies within the current or next 9 plan years – The Plan's actuary projects that, if no further action is taken, the Plan will not have an accumulated funding deficiency. Note, "accumulated funding deficiency" means that contributions would be insufficient to satisfy Federal requirements, it does not mean that the Fund would become bankrupt or run out of money.

As required by law, the Plan Actuary's certification includes only contribution rate increases that have been codified in collective bargaining or participation agreements.

**Funding Improvement Plan**

Federal law requires pension plans in endangered status to adopt a funding improvement plan aimed at restoring the financial health of the Plan. The funding improvement plan requires that the Plan's funded percentage improve at least 33% of the way to 100% over a 10-year period. The target for this Plan under the law is a funded percentage of 83.33% by 2029. The Plan must also meet the Federal minimum funding requirements during the final year of this 10-year period. Based on our most current actuarial projections, we are well on track to meet or exceed these benchmarks.

**Future Experience and Possible Adjustments**

The funding improvement plan is based on a number of assumptions about future experience and may need to be adjusted in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Fund were to suffer asset returns below the expected 7.35% (in the 2018 plan year or later), a drop in the hours worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

**Commitment to Continued Improvement**

Once the funding improvement plan is implemented, the Trustees anticipate that the Fund will eventually emerge from endangered status and continue to see improved funded percentages. The Trustees maintain their commitment to providing a retirement benefit on which you can rely to pay a lifetime benefit that will play a significant role in your overall retirement planning.

**Where to Get More Information**

You have a right to receive a copy of the funding improvement plan once it has been formally approved by the bargaining parties. It should be completed by November 26, 2018. To receive a copy, you may contact the Fund Office at P.O. Box 4002, Eau Claire, Wisconsin 54702 or by calling (715) 835-3174.