

Notice of Endangered Status for Southern Connecticut I.B.E.W. Pension Plan

This Notice is to inform you that on March 30, 2020 the Plan's actuary certified to the U.S. Department of the Treasury, and also to the Plan's Trustees, that the Plan is in "Endangered Status" for the Plan Year beginning January 1, 2020. Federal law requires that you receive this Notice.

Endangered Status

The Plan continues to be in "Endangered Status" for the 2020 Plan Year because the Plan's estimated Funded Percentage is less than 80%. In addition, the Plan is not projected to have an accumulated Funding Deficiency for the 2020 Plan Year or any of the 9 succeeding Plan Years, without regard to the Shortfall Funding Method, but taking into account the IRS approved 5-year extension of amortization periods, and the Plan is not projected to become insolvent within the next 30 Plan Years.

Funding Improvement Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in "Endangered Status" to adopt a Funding Improvement Plan aimed at restoring the financial health of the plan. More specifically, a Funding Improvement Plan must include actions that are reasonably likely to achieve a 1/3 reduction in the plan's unfunded liability over a period of ten years. The Trustees adopted a Funding Improvement Plan on October 5, 2018. The law permits pension plans to reduce benefits earned in future years as part of a Funding Improvement Plan as well as increase contributions. If the Trustees of the Plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions.

The current Funding Improvement Plan requires an annual increase to the contribution rate of at least 25¢ per hour by contributing Employers. There are no benefit reductions required at this time to achieve the goals of the current Funding Improvement Plan.

Looking Ahead

The Plan's funding status must be reviewed and certified annually. Notices like this one will be sent each year until our Plan is no longer in Endangered or Critical Status. The Funding Improvement Plan will also be updated each year, if changes are needed to stay on track with its goal.

Where to Get More Information

For more information about this Notice, you may contact the Board of Trustees of the Southern Connecticut I.B.E.W. Pension Plan / c/o Richard Poulaino / Zenith American Solutions / 10 Technology Drive / Wallingford, CT 06492-7617, or call (203) 269-7741. You have a right to receive a copy of the Funding Improvement Plan from the Plan.

April 29, 2020