Actuarial Zone Certification Report

Waterfront Warehouses Local No. 1429 Pension Fund

For the Plan Year January 1, 2026 through December 31, 2026

Bolton

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Summary of Findings

Determination

We have determined that the Waterfront Warehouses Local No. 1429 Pension Fund is in neither Critical nor Endangered Status for the plan year beginning January 1, 2026 based on the following findings:

(A) The Plan is not in Critical Status.

(B) The funded percentage is in excess of 80 percent.

(C) The Plan is not projected to have a Funding Standard Account (FSA) accumulated funding deficiency for the current year or any of the six (6) succeeding plan years taking into account any extension of amortization periods.

Additionally, we have determined that the plan is not projected to be in Critical Status in any of the five (5) succeeding plan years.

We made this determination using both proprietary and third-party models (including software and tools). We have tested these models to ensure they are used for their intended purposes, within their know limitations, and without any known material inconsistencies unless otherwise stated.

Sincerely,

Timothy D. Boles

Timothy D. Boles, ASA, EA

February 5, 2026

Background

For plan years beginning after December 31, 2007, multiemployer defined benefit pension plans must certify their funding status pursuant to the Pension Protection Act of 2006 (PPA). The Multiemployer Pension Reform Act of 2014 (MPRA) modified the funding status criteria for plan years beginning after December 31, 2014 as described below:

Critical Status

A multiemployer plan is in Critical Status for a plan year if, as determined by the plan actuary, the plan is described in one or more of the following subparagraphs as of the beginning of the plan year:

(A) The funded percentage of the plan is less than 65 percent, and the plan is projected to be unable to pay benefits within seven years. The funded percentage is the ratio of the actuarial value of assets to the present value of accumulated plan benefits.

(B) The plan has a FSA accumulated funding deficiency for the current plan year, not taking into account any extension of amortization periods, or the plan is projected to have an FSA accumulated funding deficiency for any of the 3 succeeding plan years (4 succeeding plan years if the funded percentage of the plan is 65 percent or less), not taking into account any extension of amortization periods.

(C) (i) The plan's normal cost for the current plan year, plus interest for the current plan year on the amount of unfunded benefit liabilities under the plan as of the last day of the preceding plan year, exceeds the present value of the reasonably anticipated employer and employee contributions for the current plan year;

(ii) The present value, as of the beginning of the current plan year, of nonforfeitable benefits of inactive participants is greater than the present value of nonforfeitable benefits of active participants, and

(iii) The plan has an FSA accumulated funding deficiency for the current plan year, or is projected to have such a deficiency for any of the 4 succeeding plan years, not taking into account any extension of amortization periods.

(D) The plan is projected to be unable to pay benefits within five years.

Beginning with the first plan year commencing in 2015, a multiemployer plan may elect to be in Critical Status if the plan is projected to be in Critical Status in any of the 5 succeeding plan years. If the plan does not elect to be in Critical Status certification of the projection to be in Critical Status within 5 succeeding plan years is still required.

Background

Critical and Declining Status

A multiemployer plan is in Critical and Declining Status if the plan meets the criteria for Critical Status and is projected to be unable to pay benefits during the current plan year or any of the 14 succeeding plan years. The 14 year period is extended to 19 if either:

(A) The ratio of Inactive to Active participants exceeds 2 to 1, or

(B) The plan's funding percentage is less than 80%.

Endangered Status

A multiemployer plan is in Endangered Status for a plan year if, as determined by the plan

(A) The plan's funding percentage for such plan year is less than 80%, or

(B) The plan has an FSA accumulated funding deficiency for such plan year, or is projected to have such an accumulated funding deficiency for any of the 6 succeeding plan years, taking into account any extension of amortization periods.

A plan is in Seriously Endangered Status for a plan year if the plan is described in both subparagraphs (A) and (B).

A multiemployer plan is not required to enter into Endangered Status if:

(A) The plan is not projected to be in Endangered Status as of the end of the tenth plan year following the plan year of certification, and

(B) The plan was in neither Critical nor Endangered Status for the plan year immediately preceding the year of certification.

Neither Critical Nor Endangered Status

A multiemployer plan is neither Critical nor Endangered Status if it does not fall into any of the categories described above.

Estimated Change in Net Assets Available

Income Statement for the Plan Year Ending December 31, 2025

Beginning of the Year		
Net Assets Available for Benefits as of December 31, 2024	$	11,444,406
Plus: Prior Year's Adjustments	$	-
Net Assets Reflecting Adjustments	**$**	**11,444,406**
Receipts		
Contributions	$	371,884
Investment Yield	$	1,568,172
Investment Expenses	$	(39,114)
Net Investment Yield	$	1,529,058
Total Estimated Receipts	**$**	**1,900,942**
Disbursements		
Benefits	$	372,715
Administrative Expenses	$	114,380
Total Estimated Disbursements	**$**	**487,095**
End of the Year		
Net Change in Assets	$	1,413,847
Assets Reported by Fund Administrator as of December 31, 2025	**$**	**12,858,253**
Adjustment to Reflect Difference Between Audited and Unaudited Values	$	-
Estimated Net Assets Available for Benefits as of December 31, 2025	**$**	**12,858,253**

Estimated Investment Return (Market Value)

The table below shows the investment yield results at market value for the year ended December 31, 2025. The method used in determining this figure is to divide the investment yield by the investment base. The investment base is the beginning-of-the-year balance plus ½ of the net capital additions (consisting of employer contributions less benefit payments, and administrative expenses).

Development of Investment Return		
[1] Opening Balance	$	11,444,406
[2] Estimated Closing Balance	$	12,858,253
[3] Estimated Net Capital Additions	$	(115,211)
[4] Calculation Base ([1] + 1/2 x [3])	$	11,386,800
[5] Estimated Investment Yield ($)	$	1,529,058
[6] Estimated Investment Yield (%)		13.4%

Asset Valuation Method

The actuarial value of assets is determined using the smoothed market value in accordance with 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. If the expected value is greater than the market value, a loss is determined.

(C) The preliminary 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

(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.

Development of Estimated Actuarial Value of Assets

The Smoothed Market Value Method of Asset Valuation is determined as follows as of January 1, 2026.

Development of Actuarial Value of Assets		
[1] Market Value of Assets as of January 1, 2025	$	11,444,406
[2] Estimated Contributions during the year	$	371,884
[3] Estimated Disbursements during the year	$	487,095
[4] Interest to January 1, 2026	$	797,076
[5] Expected Value as of January 1, 2026 ([1] + [2] - [3] + [4])	$	12,126,271
[6] Estimated Market Value of Assets as of December, 31, 2025	$	12,858,253
[7] 2025 Gain/(Loss) ([6] - [5])	$	731,982
[8] January 1, 2026 Write-Downs:		
4/5 of 2025 Gain/(Loss)	$	585,586
3/5 of 2024 Gain/(Loss)	$	424,659
2/5 of 2023 Gain/(Loss)	$	281,688
1/5 of 2022 Gain/(Loss)	$	(455,111)
Total	**$**	**836,822**
[9] Estimated Actuarial Value of Assets as of January 1, 2026 ([6] - [8])	$	12,021,431
[10] Minimum Estimated Actuarial Value of Assets (0.8 x [6])	$	10,286,602
[11] Maximum Estimated Actuarial Value of Assets (1.2 x [6])	$	15,429,903
[12] Final Estimated Actuarial Value of Assets	**$**	**12,021,431**

Actuarial Funding Method

The unit credit cost method is used in establishing the unit credit normal cost and present value of accumulated plan benefits.

The unit credit method assigns the normal costs of the plan to the years in which the benefits accrue.

Unit Credit Normal Cost

In this method an active participant's cost for pension benefits as well as auxiliary benefits earned during the year are calculated. This annual cost is called the unit credit normal cost.

Present Value of Accumulated Plan Benefits (PVAB)

The following table shows a development of the estimated present value of accumulated plan benefits as of January 1, 2026. In general, this term means the present worth, expressed in a single sum, of the benefits yet to be paid, for each of the three major classes of plan participants:

(1) Those already receiving pension benefits;

(2) Those who have been separated from active service, are vested in their accrued benefits, are still living, and are not yet receiving pension benefits; and

(3) Those who are in active service in employment covered by the plan.

Funded Percentage

Also shown in the following table is the estimated funded percentage as of January 1, 2026. The funded percentage is the ratio of the actuarial value of assets to the present value of accumulated plan benefits.

Development of Funded Percentage		
[1] PVAB as of January 1, 2025	$	9,535,939
[2] Estimated Unit Credit Normal Cost	$	247,471
[3] Estimated Benefits Paid	$	372,715
[4] Interest to January 1, 2026	$	671,794
[5] Changes in Liability due to Assumption Change	$	-
[6] Changes in Liability due to Plan Amendment	$	-
[7] Estimated PVAB as of January 1, 2026 ([1] + [2] - [3] + [4] + [5] + [6])	$	10,082,489
[8] Estimated Actuarial Value of Assets	$	12,021,431
[9] Estimated Funded Percentage as of January 1, 2026 ([8] / [7])[1]		119.2%

[1] Estimated market value of assets as of January 1, 2026 is $12,858,253. Market value estimated funded percentage is 127.5%.

Funding Standard Account

The Funding Standard Account (FSA) compares:

- The sum of ERISA's minimum requirements since the effective date of ERISA, against,
- The sum of all plan contributions since the effective date of ERISA,

both adjusted for interest.

The minimum required contribution under ERISA consists primarily of two major components. These are:

- The Normal Cost, which is the addition to the plan's assets to cover the growth in plan liabilities due to additional benefits accrued by active participants during the year based on the plan's valuation cost method, and
- Amortization Payments, which are annual payments to cover the difference between existing liabilities and the existing assets.

Each year the actuary measures changes in liabilities from plan amendments, investment and other gains and losses, and other sources, and sets up new schedules with annual amortization payments.

The FSA Credit Balance is used to determine if the plan is meeting the minimum funding requirements of ERISA.

- If accumulated contributions have been higher than the accumulated minimum, the plan has a Credit Balance, and if current contributions are higher than the current minimum requirements, the Credit Balance is growing. If current contributions are less than the current minimum requirements, the Credit Balance will decline.
- If accumulated contributions have been lower than the accumulated minimum, the plan has a Funding Deficiency, and if current contributions are lower than the current minimum requirements, the Funding Deficiency is growing. If current contributions are greater than the current minimum requirements, the Funding Deficiency will decline.

As of December 31, 2025, the estimated Credit Balance is $1,029,896.

The following is a projection of the FSA through the plan year ending December 31, 2034.

Funding Standard Account Projection

Plan Year Beginning 1/1	Beginning Funded Percentage[2]	Beginning Credit Balance	Normal Cost	Net Amortization Charge/(Credit)	Anticipated Contribution	Interest	Ending Credit Balance
2026	119.2%	1,029,896	257,555	146,401	441,672	59,275	1,126,887
2027	120.7%	1,126,887	259,812	96,931	441,672	69,368	1,281,184
2028	126.5%	1,281,184	262,114	70,735	441,672	81,842	1,471,849
2029	130.9%	1,471,849	264,462	98,031	441,672	93,114	1,644,142
2030	134.1%	1,644,142	266,857	90,567	441,672	105,529	1,833,919
2031	136.0%	1,833,919	269,300	75,512	441,672	119,696	2,050,475
2032	138.0%	2,050,475	271,792	82,457	441,672	134,194	2,272,092
2033	140.1%	2,272,092	274,334	90,305	441,672	148,980	2,498,105
2034	142.4%	2,498,105	276,927	104,014	441,672	163,660	2,722,496

[2] This plan typically uses the Entry-Age-Normal funding method, but this funded percentage projection uses the Unit Credit funding method, per PPA rules.

Data, Assumptions, and Plan Provisions

These projections have been prepared using the census data along with the plan provisions, actuarial methods, and assumptions described in the January 1, 2025, actuarial valuation report except as specifically described below. We also assumed that experience would emerge as projected, except as described below:

- The financial information as of December 31, 2025, as well as contributions, benefit payments, and administrative expenses for the most recent plan year, were based on an unaudited financial statement provided by the Fund Office;
- Future contributions are assumed to remain the same as those received in the prior plan year, adjusted for changes in the contribution rate; and
- There were no other changes in plan provisions or actuarial assumptions (except for as described above).

Actuarial Certification of Funding Status

The Pension Protection Act of 2006 (PPA), as amended by the Multiemployer Pension Reform Act of 2014 (MPRA), requires an actuarial certification of whether or not a multiemployer Plan is in Endangered Status, and whether or not a multiemployer Plan is or will be in Critical Status or Critical and Declining Status, for each plan year. This certification must be completed by the 90th day of the plan year and must be provided to the Secretary of the Treasury and to the Plan sponsor. If the certification is with respect to a plan year that is within the Plan's funding improvement period or rehabilitation period arising from a prior certification of Endangered, Critical or Critical and Declining Status, the actuary must also certify whether or not the Plan is making scheduled progress in meeting the requirements of its funding improvement or rehabilitation Plan. Failure of the Plan's actuary to certify the status of the Plan is treated as a failure to file the annual report under section 502(c)(2) of the Employee Retirement Income Security Act of 1974 (ERISA). Thus, a penalty of up to $1,100 per day may apply.

IRS Form 15315, certifying the Plan's status under IRC Section 432 for the plan year, will be submitted to the Secretary of the Treasury on or before the 90th day of the plan year.