Industry And Local 338
Pension Fund

911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

AGENDA

January 5, 2021

I. CALL MEETING TO ORDER – 10:00 A.M.

II. SEI REPORT

III. ACTUARY REPORT

IV. APPROVAL OF MINUTES

a. September 22, 2020
b. November 20, 2020

V. FUND MANAGER'S ADMINISTRATIVE REPORT

a. Interim Pension Applications
b. Fund Financial Matters
c. Changes in Employer Contribution Rates
d. Delinquent Employer Report
e. Participant Report
f. Other Fund matters

VI. COUNSEL REPORT

VII. NEXT MEETING DATE

VIII. ADJOURNMENT

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Minutes of the Meeting of the Board of Trustees

Held on September 22, 2020
via
WebEx

The following Trustees were present:

UNION TRUSTEES	**EMPLOYER TRUSTEES**
Roberta Dunker	Theresa Bresten
Barry Russell	Chris Palmer
Mickey Smith	

Also present were:

Kristen Barshinger – Associated Administrators, LLC
Pat Blizzard – SEI Institutional Group
Alicia Cochran – Associated Administrators, LLC
Mary Ann Dunleavy – Horizon Actuarial Services, LLC
Dylan Nitta – Horizon Actuarial Services, LLC
Elizabeth O'Leary, Esq. – Kauff McGuire & Margolis LLP

I. CALL TO ORDER

The meeting was called to order at 1:05 p.m.

II. ACTUARY REPORT

Ms. Mary Ann Dunleavy and Mr. Dylan Nitta of Horizon Actuarial Services, LLC reviewed Horizon's report.

Ms. Dunleavy reviewed information on the PPA zone certification that will be submitted to the Internal Revenue Service by September 28, 2020. In reviewing the projection of the Plan's funding that is required for the certification, she discussed the assumptions used for projecting liabilities and assets, and reviewed the contribution rates and projected work levels included in the funding forecast. She stated that, based on the baseline assumptions, the Plan will be certified in the "green zone" for the July 1, 2020 – June 30, 2021 plan year.

Ms. Dunleavy reviewed projections that include contribution increases anticipated by the Funding Policy, noting that the PPA credit balance remains low in future years. Ms. Dunleavy noted that the Funding Policy aids in boosting the credit balance to provide some cushion for future adverse experience.

Ms. Dunleavy then presented the projection sensitivities. She explained that the first sensitivity illustrates that a -4% investment return in the plan year beginning July 1,2020 would result in an endangered status certification for the plan year beginning July 1, 2021 with critical status projected in subsequent years. Trustee Bresten asked a question regarding the investment sensitivities and Ms. Dunleavy explained how gains and losses are amortized and reflected in the assets and the credit balance. Ms. Dunleavy noted that the credit balance is the primary driver of status for scenarios that project endangered or critical status.

III. INVESTMENT CONSULTANT REPORT

Mr. Patrick Blizzard of SEI reviewed SEI's report. He led a discussion on current market conditions, noting the ongoing impact of COVID-19 and the upcoming presidential election on the S&P 500.

Mr. Blizzard reported that the Fund's ending market value as of August 31, 2020 was $94,308,641, that its fiscal year-to-date total rate of return is 6.76% compared to 6.62% for the index, and that, since inception with SEI (01/31/2011), the rate of return is 7.83%, compared to the 7.33% index return. Mr. Blizzard reviewed the Fund's portfolio allocation as of August 31, 2020: 11.20% Large Cap Index Fund, 3.00% Small Cap Fund, 21.70% World Equity - US, 14.00% US Equity Factor Allocation Fund, 2.90% Emerging Markets Equity Fund, 3.10% Dynamic Asset Allocation Fund, 13.60% Core Fixed Income Fund, 4.70% Limited Duration Fund, 3.90% High Yield Bond Fund, 1.90% Opportunistic Income Fund, 3.80% Emerging Markets Debt Fund, 3.30% Special Situations Fund CIT, 1.30% Structured Credit Collective Fund, 11.60% Core Property Collective Invest TR, and 0.00% cash and equivalents. He then reviewed the performance of each asset class. He stated that SEI does not recommend any changes to the portfolio at this time. He added, however, that individual managers are making changes to take advantage of opportunities in the market.

The Trustees thanked Mr. Blizzard for his report.

IV. APPROVAL OF MINUTES

The minutes of the meeting held via conference call on June 30, 2020, which were previously distributed, were reviewed.

MOTION was made, seconded and unanimously adopted to approve the minutes of the meeting held via conference call on June 30, 2020.

V. ASSOCIATED ADMINISTRATORS, LLC REPORT

A. Pension Applications – INTERIM ACTION

Ms. Cochran reported that the Trustees, via electronic poll on August 27, 2020, approved one (1) pension application per the report of August 27, 2020, annexed hereto as Exhibit "A." Ms. Cochran referred to additional discussion regarding this pension application, noting that the retiree received a lump sum payment since his pension began after normal retirement age (65). She noted that any lump sum payment will be added as a separate line, in addition to the monthly amount, to the pension application lists going forward. The Trustees discussed updating the pension application to include specific categories for marital status: Married, Never Been Married, Married previously divorced, Divorced, and Separated.

MOTION was made, seconded and unanimously adopted to ratify the interim action of the Trustees to approve the one (1) pension application listed on Exhibit "A."

Ms. Cochran reported that the Trustees, via electronic poll on July 28, 2020, approved one (1) pension application per the report of July 28, 2020, annexed hereto as Exhibit "B."

MOTION was made, seconded and unanimously adopted to ratify the interim action of the Trustees to approve the one (1) pension application listed on Exhibit "B."

B. Cash Operating Statement

Ms. Cochran submitted the Cash Operating Statement from July 1, 2019 through June 30, 2020. The report is attached hereto as Exhibit "C."

C. Disbursement Report

Ms. Cochran referred to the Authorization for Disbursements reports for the months of April, May, and June 2020. The reports are attached hereto as Exhibit "D."

> **MOTION was made, seconded and unanimously adopted authorizing the disbursements listed in Exhibit "D."**

D. Delinquency Report

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "E."

E. Withdrawal Liability

Ms. Cochran reviewed the report in detail. The report is included at the bottom of Exhibit "E."

F. Employer Contribution Rate Report

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "F."

G. Active Members & Retirees Receiving Benefits

Ms. Cochran referred to the report for the period from January 2020 through December 2020. The report is attached hereto as Exhibit "G."

H. Administrative Manager's Report

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "H."

I. Pension Benefit Calculation Appeal (P20/103-4598)

Ms. Cochran presented an appeal regarding a pension benefit calculation. She explained that the pensioner contends that he was unaware that his pension benefit would be reduced because of his age as a result of the changes to the 35-year Service Pension which became effective on January 1, 2018. She noted that the pensioner is seeking an unreduced benefit which had been available to participants with 35 or more Pension Credits before the Plan was amended. .

Ms. Cochran stated that Fund records indicate the pensioner submitted a pension application on December 13, 2019, noting that he intended to retire on or about April 5, 2020 (at age 62), and that his benefit was based on the Actuarial Equivalent of the Normal Pension as required by the Plan amendment made in accordance with the Rehabilitation Plan. Ms. Cochran stated that payment of his pension benefit commenced on August 1, 2020, retroactive to May 1, 2020. She noted that Associated's records reflect that the pensioner has been timely notified of the Plan changes and had also been sent an updated SPD reflecting these changes.

The Trustees discussed the appeal, and the Fund's rules regarding the 35-Year Service Pension based on the provisions of the Rehabilitation Plan. Fund Counsel advised that the Trustees are required to apply the Plan's rules and that, without a further Amendment to the Plan, there is no discretion for the Trustees to approve the appeal.

MOTION was made, seconded and unanimously adopted to deny the appeal based on the rules of the Plan.

J. Withdrawal Liability Estimate Request

Ms. Cochran reported receipt of a request for a withdrawal liability estimate from LP Transportation, LLC. She noted that the fee for the actuarial calculation was paid and the estimate was provided to the employer on September 9, 2020.

K. International Foundation of Employee Benefit Plans – Annual Membership

Ms. Cochran reported receipt of the Fund's 2021 membership renewal invoice for the International Foundation of Employee Benefit Plans. The renewal fee is $1,065.00.

> **MOTION was made, seconded and unanimously adopted to approve the Fund's 2021 renewal with the International Foundation of Employee Benefit Plans at a fee of $1,065.00.**

L. Retiree Affidavit Forms

Ms. Cochran reported that the first request for information was mailed to retirees on August 7, 2020.

M. Cyber Liability Insurance Renewal

Ms. Cochran noted that the policy will expire on October 4, 2020, and that she is awaiting a renewal proposal. She said that she will poll the Trustees via email once she received the proposal.

N. Pension Forms Posted on Website

Ms. Cochran reported that, per the Trustees' direction at the last meeting, the pension forms have been added to Associated's website under the Fund's link. The Trustees requested that Associated publicize the availability of the website.

O. Disqualifying Employment

Ms. Cochran advised that a disqualifying employment inquiry was received from a pensioner regarding a potential new job at LaFargeville Central School as a full-time cleaner. She stated that the pensioner previously worked for College of New Rochelle. She reviewed the Plan's provisions stating that disqualifying employment before normal retirement age is *" work in the states of New York or Connecticut; Bergen County, New Jersey; or Susquehanna County, Pennsylvania in an industry covered by this Plan at the time your benefit payments began (or would have begun if you had not remained in or returned to Covered Employment)."*

The Trustees discussed the job classification and the difference in types of schools and determined that this would not be considered disqualifying employment under the Plan.

MOTION was made, seconded and unanimously adopted to approve the participant to work at the LaFargeville Central School while collecting a pension from the Fund.

VI. <u>COUNSEL REPORT</u>

A. <u>College of New Rochelle</u>

Ms. O'Leary stated that, at the last meeting, Trustee Bresten noted that the Fund and other creditors could have obtained a better result if the City of New Rochelle had agreed to rezoning, and that Trustee Bresten had asked whether creditors would have recourse if the City subsequently agreed to rezoning and, as a result, the value of the College of New Rochelle's (CNR's) former property increases substantially. Ms. O'Leary noted that she had responded at that time that she did not believe that there would be any recourse to creditors in that circumstance, noting the absence of fraud in that scenario and that it would simply be the buyer's good fortune. Ms. O'Leary stated that she further discussed this issue with Marc Tenenbaum of Virginia & Ambinder, LLP, and that Mr. Tenenbaum shared her opinion. Ms. O'Leary stated that she does not expect there to be additional reporting items on CNR in the near future, noting that, at this point, the only open item is awaiting the determination by the Creditors Committee whether to bring a claim under CNR's Directors and Officers insurance policy.

B. PGBC

Ms. O'Leary noted that the PBGC recently issued its FY 2019 Projections Report which stated that the PBGC's current projections show a very high likelihood of insolvency of its Multiemployer Program during FY 2026 and that insolvency is a near certainty by the end of FY 2027. She noted that the PBGC's projections last year projected PBGC's Multiemployer Program would become insolvent during FY 2025, and that the PBGC attributed the one-year delay in insolvency to the enactment of the Bipartisan American Miners Act of 2019, which provided federal funding for the United Mine Workers of America 1974 Pension Plan.

C. DOL Regulations

Ms. O'Leary stated that the U.S. Department of Labor ("DOL") has issued several new regulations, some of which have been finalized and some of which are still in proposed format. She noted, for example, that the DOL issued proposed rules on environmental, social and governance ("ESG") investing and proxy voting duties and an information letter on individual account plans and private equity. She noted that the outcome of the presidential election will likely affect implementation of these various initiatives.

VII. NEXT MEETING DATE/ADJOURNMENT

The next meeting of the Board of Trustees is scheduled for Tuesday, January 5, 2021, at 10:00 a.m. via Webex. With no further business to come before the Board, the meeting was adjourned at 2:21 p.m.

__________________________ Union Trustee	__________________________ Employer Trustee
__________________________ Union Trustee	__________________________ Employer Trustee
__________________________ Union Trustee	

Exhibits:

A – Interim Pension Applications

B – Interim Pension Applications

C – Cash Operating Statement

D – Authorization for Disbursements

E – Delinquency and Withdrawal Liability Report

F – Employer Contribution Report

G– Active Members & Retirees Receiving Benefits Report

H – Administrative Manager's Report

INDUSTRY AND LOCAL 338
Pension Fund

PENSION APPLICATIONS SUBMITTED FOR APPROVAL
August 27, 2020

NAME	AGE	TYPE OF PENSION	EFFECTIVE DATE	YEARS OF SERVICE	BENEFIT AMOUNT	J&S OPT	LAST EMPLOYER	LAST DAY WORKED
Richard B Bassani	72	Statutory (DV)	04-01-2014	15.00	$537.51	10 Year Certain	Dellwood Foods	06-30-1985

APPROVED BY THE BOARD OF TRUSTEES

BARRY RUSSELL

THERESA BRESTEN

ROBERTA DUNKER

CHRIS PALMER

MICKEY SMITH

ALICIA COCHRAN
ACCOUNT EXECUTIVE

INDUSTRY AND LOCAL 338
Pension Fund

PENSION APPLICATIONS SUBMITTED FOR APPROVAL
July 28, 2020

NAME	AGE	TYPE OF PENSION	EFFECTIVE DATE	YEARS OF SERVICE	BENEFIT AMOUNT	J&S OPT	LAST EMPLOYER	LAST DAY WORKED
Robert Rall	62	Service 35	05-01-2020	35.00	$1,528.46	75%	Friesland Campina	04-04-2020

APPROVED BY THE BOARD OF TRUSTEES

BARRY RUSSELL

THERESA BRESTEN

ROBERTA DUNKER

CHRIS PALMER

MICKEY SMITH

ALICIA COCHRAN
ACCOUNT EXECUTIVE

INDUSTRY & LOCAL 338 PENSION FUND
JULY 1, 2019 THROUGH JUNE 30, 2020
CASH OPERATING STATEMENT

	APRIL	MAY	JUNE	APRIL - JUNE	YEAR TO DATE
Remittances					
Employer Contributions *	292,846.23	246,862.11	256,936.33	796,644.67	3,152,415.05
Withdrawal Liability Principal	5,169.91	1,896.33	10,118.56	17,184.80	92,274.64
Withdrawal Liability Interest	8,627.40	3,194.57	16,823.90	28,645.87	200,878.04
Withdrawal Liability Fee	0.00	0.00	0.00	0.00	1,500.00
Withdrawal Liability - Culinart	0.00	0.00	0.00	0.00	2,390,170.00
Payroll Audit	0.00	0.00	0.00	0.00	725.58
Payroll Audit Interest	0.00	0.00	0.00	0.00	30.65
Interest- Delinquent Employer	0.00	348.50	76.08	424.58	885.18
Interest Income- BNY Mellon	0.00	0.00	0.00	0.00	0.00
Dividend Income	200,324.48	52,810.23	101,536.72	354,671.43	1,990,406.13
SEI Fund Rebate	0.00	30,935.64	0.00	30,935.64	120,772.60
Net Adjustment Per Custodian	0.00	0.00	0.00	0.00	0.00
Total Income **	**506,968.02**	**336,047.38**	**385,491.59**	**1,228,506.99**	**7,950,057.87**
Benefit Expenses					
Pension Benefits	678,434.04	677,654.39	689,088.76	2,045,177.19	8,094,268.96
Total Benefit Expenses	**678,434.04**	**677,654.39**	**689,088.76**	**2,045,177.19**	**8,094,268.96**
Administrative Expenses					
AA, LLC- Admin. Fees *	10,298.00	10,298.00	10,298.00	30,894.00	119,166.00
Legal Fees	7,500.00	4,450.00	7,900.00	19,850.00	64,659.86
Consulting Fees	0.00	0.00	0.00	0.00	0.00
SEI Invest./Custody Fees	0.00	136,127.14	0.00	136,127.14	544,894.75
Fiduciary Liability Insurance	0.00	0.00	0.00	0.00	30,866.29
Year End Audit	0.00	0.00	0.00	0.00	40,000.00
Payroll Audits	25.25	0.00	0.00	25.25	16,269.60
PBGC Insurance	34,336.00	0.00	0.00	34,336.00	34,336.00
Fidelity Bond Insurance	0.00	0.00	0.00	0.00	1,606.28
Convention & Seminars	0.00	0.00	0.00	0.00	3,083.48
Printing & Stationery	0.00	0.00	72.36	72.36	4,424.75
Postage	251.00	1.77	0.00	252.77	5,062.93
Office Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Bank Charges	194.25	194.25	209.75	598.25	2,852.87
Meeting Expenses	0.00	0.00	0.00	0.00	0.00
Dues & Membership	0.00	0.00	0.00	0.00	710.00
IFEBP Registration Fee	0.00	0.00	0.00	0.00	2,125.00
Actuarial Fees	14,935.84	6,189.17	7,905.42	29,030.43	84,663.79
Cyber Liability	0.00	0.00	0.00	0.00	1,775.70
TOTAL EXPENSES	**745,974.38**	**834,914.72**	**715,474.29**	**2,296,363.39**	**9,050,766.26**
INCREASE/(DECREASE)	**(239,006.36)**	**(498,867.34)**	**(329,982.70)**	**(1,067,856.40)**	**(1,100,708.39)**

FUND RESERVE AS OF 6/30/20: $89,232,371.98

* Cash to Accrual
** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for April are 7,547.36 & 4,337,336.58
** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for May are (8,095.64) & 2,742,161.41
** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for June are 12,143.25 & 2,140,707.22

INDUSTRY AND LOCAL 338 PENSION FUND
AUTHORIZATION FOR DISBURSEMENTS
APRIL 30, 2020

PENSION FUND CHECKING

CHECK	DESCRIPTION		AMOUNT
	FEDERAL WITHHOLDING TAX (MAY)		59,171.95
		TOTAL PAYMENTS	**59,171.95**

UNAUDITED STATEMENT

INDUSTRY AND LOCAL 338 PENSION FUND
AUTHORIZATION FOR DISBURSEMENTS
MAY 31, 2020

PENSION FUND CHECKING

CHECK	DESCRIPTION		AMOUNT
	FEDERAL WITHHOLDING TAX (JUNE)		60,956.95
		TOTAL PAYMENTS	**60,956.95**

INDUSTRY AND LOCAL 338 PENSION FUND
AUTHORIZATION FOR DISBURSEMENTS
JUNE 30, 2020

PENSION FUND CHECKING			
CHECK	DESCRIPTION		AMOUNT
	FEDERAL WITHHOLDING TAX (JULY)		61,516.95
		TOTAL PAYMENTS	**61,516.95**

Local 338 Delinquency Log

Delinquencies as of 6/30/20

Employer	Month(s) Delinquent
Paraco Gas Corp.	5/20 *

Late Fees

Employer	Pension	Total Balance Owed	Month(s) Owed
College of New Rochelle **	$588.84	$588.84	6/16-9/16, 11/16, 2/19, 4/19
Friesland Campina	$372.13	$372.13	6/20

Status of Withdrawal Liability Payments as of 6/30/20

Employer	Start Date	Amount of W/L Pymt Mthly	Total # of Pymts Required	Pymts Made to Date	Past Due?	Employer ID#	Date of withdrawal
Sodexo	6/1/2013	$11,251.86	240	86	No	56	8/31/2012
Suburban Propane	8/1/2013	$2,545.45	240	83	No	7	5/22/2013
Local 338 Welfare Fund	3/1/2014	$1,479.58	240	76	No	36	6/30/2013

* Paraco Gas Paid May Contributions on 7/6/20
** Proof of Bankruptcy claim has been filed

Local 338 Pension Fund Employer Contribution Rates

Employer	Employer #	Member Count**	Contract Effective Date	Contract Expiration Date	Funding Plan	Contract Rate*	Current CBA on file	Union
HP Hood, LLC	**13**	**87**	11/1/2017	10/31/2020		303.98	Yes	687
			11/1/2018			322.67		
			11/1/2019			**342.58**		
FrieslandCampina Ingredients	**25**	**64**	1/1/2019	12/31/2021			Yes	317
NA Inc.			1/1/2019			205.09		
			1/1/2020			**261.33**		
			1/1/2021			281.24		
L.P. Transportation, Inc.	**43**	**23**	8/16/2019	8/15/2022			Yes	445
			8/16/2019		**8.76**	**331.51**		
			8/16/2020		9.02	340.53		
			8/16/2021		9.29	349.82		
Montefiore New Rochelle	**50**	**15**	7/12/2018	11/5/2020			Yes	445
			7/12/2018			251.61		
			11/6/2018			270.30		
			11/6/2019			**290.21**		
Paraco Gas Corporation	**54**	**7**	2/1/2018	1/31/2021			Yes	445
			2/1/2018			245.15		
			2/1/2019			263.84		
			2/1/2020			**283.75**		
Westchester Local 860	**21**	**1**	10/1/2009	*9/30/2013*			No	445
			10/1/2009			154.17		
Currently in negotiations			10/1/2010			169.59		
			10/1/2011			186.55		
			10/1/2012			205.21		
			11/1/2017			215.47		
			4/1/2018			233.02		
			7/1/2018			**243.28**		

*Includes Rehab & Surcharge rates until Funding Policy is adopted in CBA

** Participant Count as of 8/28/20

INDUSTRY AND LOCAL 338 PENSION FUND NUMBER OF ACTIVE MEMBERS & RETIREES RECEIVING BENEFITS JANUARY 2020 - DECEMBER 2020		
	ACTIVES	
MONTH	**PENSION**	**PENSION PAID**
January-20	211	662
February-20	207	656
March-20	203	657
April-20	199	656
May-20	196	656
June-20	196	658
July-20		
August-20		
September-20		
October-20		
November-20		
December-20		

INDUSTRY AND LOCAL 338

PENSION FUND

FOURTH QUARTER 2019-20

ADMINISTRATIVE MANAGER'S REPORT

UNAUDITED STATEMENT

INDUSTRY & LOCAL 338 PENSION FUND
APRIL 2020
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
WESTCHESTER LOCAL 860	$ 243.28	1	$ 973
LP TRANSPORTATION	$ 331.51	23	$ 36,798
HP HOOD, LLC	$ 342.58	89	$ 150,735
MONTEFIORE NEW ROCHELLE	$ 290.21	16	$ 18,573
PARACO GAS	$ 283.75	8	$ 8,413
FRIESLAND CAMPINA USA	$ 261.33	62	$ 77,354
SUB TOTAL		**199**	**$ 292,846**

TOTAL CONTRIBUTIONS	**$ 292,846**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
MAY 2020
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
WESTCHESTER LOCAL 860	$ 243.28	1	$ 1,460
LP TRANSPORTATION	$ 331.51	22	$ 35,140
HP HOOD, LLC	$ 342.58	87	$ 119,218
MONTEFIORE NEW ROCHELLE	$ 290.21	16	$ 18,573
PARACO GAS	$ 283.75	8	$ 7,661
FRIESLAND CAMPINA USA	$ 261.33	62	$ 64,810
SUB TOTAL		**196**	**$ 246,862**

TOTAL CONTRIBUTIONS	**$ 246,862**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
JUNE 2020
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
WESTCHESTER LOCAL 860	$ 243.28	1	$ 973
LP TRANSPORTATION	$ 331.51	21	$ 27,515
HP HOOD, LLC	$ 342.58	88	$ 120,588
MONTEFIORE NEW ROCHELLE	$ 290.21	16	$ 17,993
PARACO GAS	$ 283.75	7	$ 7,548
FRIESLAND CAMPINA USA	$ 261.33	63	$ 82,319
SUB TOTAL		**196**	**$ 256,936**

TOTAL CONTRIBUTIONS	**$ 256,936**

* Cash to Accrual

UNAUDITED STATEMENT

INDUSTRY & LOCAL 338 PENSION FUND
APRIL 2020
EXPENSES

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	COMMENT
PENSION BENEFITS		$ 678,434	
SUB TOTAL		**$ 678,434**	

ADMINISTRATIVE EXPENSES

AA, LLC ADMIN FEES *		$ 10,298	
LEGAL FEES		$ 7,500	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR-END AUDIT		$ -	
PAYROLL AUDITS		$ 25	
PBGC INSURANCE		$ 34,336	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ -	
POSTAGE		$ 251	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 194	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
IFEBP REGISTRATION FEES		$ -	
ACTUARIAL FEES		$ 14,936	
CYBER LIABILITY		$ -	
SUB TOTAL		**$ 67,540**	

TOTAL EXPENSES	**$ 745,974**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
MAY 2020
EXPENSES

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	COMMENT
PENSION BENEFITS		$ 677,654	
SUB TOTAL		**$ 677,654**	

ADMINISTRATIVE EXPENSES

AA, LLC ADMIN FEES *		$ 10,298	
LEGAL FEES		$ 4,450	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ 136,127	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR-END AUDIT		$ -	
PAYROLL AUDITS		$ -	
PBGC INSURANCE		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ -	
POSTAGE		$ 2	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 194	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
IFEBP REGISTRATION FEES		$ -	
ACTUARIAL FEES		$ 6,189	
CYBER LIABILITY		$ -	
SUB TOTAL		**$ 157,260**	

TOTAL EXPENSES	**$ 834,914**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
JUNE 2020
EXPENSES

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	COMMENT
PENSION BENEFITS		$ 689,089	
SUB TOTAL		**$ 689,089**	

ADMINISTRATIVE EXPENSES

AA, LLC ADMIN FEES *		$ 10,298	
LEGAL FEES		$ 7,900	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR-END AUDIT		$ -	
PAYROLL AUDITS		$ -	
PBGC INSURANCE		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ 72	
POSTAGE		$ -	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 210	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
IFEBP REGISTRATION FEES		$ -	
ACTUARIAL FEES		$ 7,905	
CYBER LIABILITY		$ -	
SUB TOTAL		**$ 26,385**	

TOTAL EXPENSES	**$ 715,474**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
2019-20
QUARTERLY RECAP

INCOME	FIRST 2019	SECOND 2019	THIRD 2020	FOURTH 2020	TOTAL
EMPLOYER CONTRIBUTIONS *	$ 790,468	$ 767,087	$ 798,216	$ 796,644	$ 3,152,415
SUPPLEMENTAL CONTRIBUTIONS *	$ -	$ -	$ -	$ -	$ -
W/L PRINCIPAL & INTEREST	$ 108,591	$ 92,900	$ 45,830	$ 45,831	$ 293,152
W/L FEE	$ -	$ 1,500	$ -	$ -	$ 1,500
W/L - CULINART	$ -	$ -	$ 2,390,170	$ -	$ 2,390,170
INTEREST INCOME- BNY	$ -	$ -	$ -	$ -	$ -
PAYROLL AUDIT & INTEREST	$ 756	$ -	$ -	$ -	$ 756
INTEREST & DIVIDENDS	$ 324,497	$ 1,134,687	$ 177,012	$ 355,095	$ 1,991,291
SEI FUND REBATE	$ 29,210	$ 29,618	$ 31,009	$ 30,936	$ 120,773
NET ADJUSTMENT PER CUSTODIAN	$ -	$ -	$ -	$ -	$ -
TOTAL INCOME **	**$ 1,253,522**	**$ 2,025,792**	**$ 3,442,237**	**$ 1,228,506**	**$ 7,950,057**

EXPENSES	FIRST 2019	SECOND 2019	THIRD 2020	FOURTH 2020	TOTAL
PENSION BENEFITS	$ 2,010,527	$ 2,026,429	$ 2,012,136	$ 2,045,177	$ 8,094,269
AA, LLC ADMIN FEES *	$ 29,424	$ 29,424	$ 29,424	$ 30,894	$ 119,166
LEGAL FEES	$ 15,060	$ 19,400	$ 10,350	$ 19,850	$ 64,660
CONSULTING FEES	$ -	$ -	$ -	$ -	$ -
SEI INVESTMENT FEES	$ 134,895	$ 136,114	$ 137,759	$ 136,127	$ 544,895
FIDUCIARY LIABILITY INSURANCE	$ 30,866	$ -	$ -	$ -	$ 30,866
YEAR-END AUDIT	$ -	$ 40,000	$ -	$ -	$ 40,000
PAYROLL AUDITS	$ 4,695	$ 5,145	$ 6,403	$ 25	$ 16,268
PBGC INSURANCE	$ -	$ -	$ -	$ 34,336	$ 34,336
FIDELITY BOND INSURANCE	$ -	$ -	$ 1,606	$ -	$ 1,606
CONVENTION & SEMINARS	$ 829	$ 2,254	$ -	$ -	$ 3,083
PRINTING & STATIONERY	$ 81	$ 4,095	$ 176	$ 72	$ 4,424
POSTAGE	$ 793	$ 3,634	$ 385	$ 253	$ 5,065
OFFICE EXPENSES	$ -	$ -	$ -	$ -	$ -
BANK CHARGES	$ 798	$ 745	$ 711	$ 598	$ 2,852
TRAVEL EXPENSES	$ -	$ -	$ -	$ -	$ -
MEETING EXPENSES	$ -	$ -	$ -	$ -	$ -
DUES & MEMBERSHIP	$ 710	$ -	$ -	$ -	$ 710
IFEBP REGISTRATION FEES	$ -	$ 2,125	$ -	$ -	$ 2,125
ACTUARIAL FEES	$ 14,967	$ 30,333	$ 10,334	$ 29,030	$ 84,664
CYBER LIABILITY	$ -	$ 1,776	$ -	$ -	$ 1,776
TOTAL EXPENSE	**$ 2,243,645**	**$ 2,301,474**	**$ 2,209,284**	**$ 2,296,362**	**$ 9,050,765**
SURPLUS (DEFICIT)	**$ (990,123)**	**$ (275,682)**	**$ 1,232,953**	**$ (1,067,856)**	**$ (1,100,708)**

	FIRST 2019	SECOND 2019	THIRD 2020	FOURTH 2020	AVG. TOTAL
TOTAL ACTIVE PARTICIPANTS	640	608	621	591	615

FUND RESERVE AS OF 6/30/20: $89,232,371.98

* Cash to Accrual

** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for April are 7,547.36 & 4,337,336.58

** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for May are (8,095.64) & 2,742,161.41

** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for June are 12,143.25 & 2,140,707.22

UNAUDITED SATEMENT

Industry And Local 338
Pension Fund
911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

Minutes of the Special Meeting of the Board of Trustees

Held on November 20, 2020
Via
Conference Call

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
Barry Russell	Theresa Bresten
Mickey Smith	Chris Palmer

Also present were:

Kristen Barshinger – Associated Administrators, LLC
Peter Bernstein – Horizon Actuarial Services, LLC
Alicia Cochran – Associated Administrators, LLC
Mary Ann Dunleavy – Horizon Actuarial Services, LLC
Dylan Nitta – Horizon Actuarial Services, LLC
Elizabeth O'Leary, Esq. – Kauff McGuire & Margolis LLP

I. CALL TO ORDER

The meeting was called to order at 10:12 a.m.

II. TRUSTEE DISCUSSION

Ms. Cochran said that Trustee Smith requested a special meeting to discuss the 35-year Service pension. Trustee Smith reported that during recent negotiations with HP Hood, the employees expressed their dissatisfaction with not receiving any additional credit for service worked after 35 years, along with their inability to collect an unreduced pension until age 65. He requested that the Trustees review these provisions of the Plan and authorize the actuary to analyze the impact of making changes to one or more of these provisions.

Ms. Dunleavy and Messrs. Nitta and Bernstein of Horizon Actuarial Services referred the Trustees to two presentations: (1) Industry & Local 338 Pension Plan Funding Improvement Plan/Rehabilitation Plan Design March 30, 2017, and (2) Industry & Local 338 Pension Plan November 20, 2020. The presentations are attached hereto as Exhibits "A and B."

Ms. Dunleavy referred the Trustees to the presentation dated March 30, 2017, noting the savings associated with the elimination of subsidized early retirements and subsidized service pensions. The elimination of these subsidies is included in the Rehabilitation Plan ("RP") adopted by the Trustees on September 18, 2017. She said the RP enabled the Plan to emerge from Critical Status. Ms. O'Leary noted that the 35-year cap pre-dated both the RP and the Plan's entry into Endangered and then Critical Status. It was noted that, prior to January 1, 2018, a participant was eligible to collect an unreduced pension with 35 years of service at any age. As a result of the RP, effective January 1, 2018, the amount payable prior to age 65 is the actuarial equivalent of the Regular Pension to which the participant would otherwise be entitled to at age 65.

Ms. Dunleavy noted that the pension benefit is calculated using the participant's most recent service. This means that, although a participant's benefit calculation is capped at 35 Pension Credits, a participant's monthly benefit generally increases for each additional year that he/she works since the monthly benefit attributable to later years is generally higher than the monthly attributable to earlier years.

Trustee Smith proposed having an analysis done of the impact of changing the multiplier in order to add a benefit that includes service after 35 years..

Discussion ensued regarding the sensitivity of the Plan's projected funding to various risk factors. Ms. Dunleavy noted that although the Fund is currently in the green zone, one year with a poor investment return or a drop in hours worked by active participants would significantly affect the Plan's future funded status.

Trustee Smith emphasized that he is not seeking to take any actions that would endanger the Plan and that he is only requesting at this time that Horizon analyze the cost impact of potential modest benefit increases. Trustee Bresten responded that she does not think it is prudent to expend time or Plan assets on an actuarial analysis of potential benefit improvements because she does not believe it would be prudent to add any additional liability to the Plan given that the Plan could very easily return to Critical Status. She noted that the Plan has been injured by the failure of Sound Shore Medical Center and the College of New Rochelle to pay their significant withdrawal liability to the Fund, and she stated that, while she understands the participant disappointment in the 2018 benefit changes, the Trustees have a duty to protect the Fund for all participants and that the cost of an improvement for only those participants with more than 35 years of credit could negatively impact all participants.

In response to a question regarding her opinion, Ms. O'Leary responded that the Fund's return to green zone status has understandably prompted participant requests for a restoration of some prior benefits. She referred to FrieslandCampina Ingredients NA, Inc.'s various actions which have indicated that the Company is concerned about continued participation in the Fund and is interested in potentially withdrawing from the Fund. She expressed her concern that the addition of liability to the Plan due to a voluntary benefit improvement at this time might be viewed unfavorably given that the Fund only recently exited Critical Status, the general economic uncertainty, the dwindling number of participants, and the fact that so many variables affecting the Fund are outside of the control of the Trustees. She stated that fluctuations between zone status would undermine confidence in the Plan and lead to administrative costs in connection with implementing the actions required if the Plan re-entered Endangered or Critical Status. She stated that, in her view, the Fund is extremely fragile because of its very small number of participants and contributing employers.

Trustee Smith repeated that he is not seeking to do anything to hurt the Fund and that he is only requesting a cost analysis of eliminating the 35-year cap. He made a motion to have Horizon analyze the cost impact of such a change.

Trustee Russell stated that he understands the concerns expressed by both Trustee Smith and Trustee Bresten, and that he respects the positions articulated by each of them. He stated that, after consideration of all the factors, he is not in favor of making any benefit changes. Trustee Palmer agreed with Trustee Russell and stated that perhaps the Trustees could review this matter in the future.

MOTION was made to engage Horizon to review the financial impact of removing the 35-year service cap, MOTION not seconded; MOTION failed.

Trustee Smith requested that, when the pandemic is behind us, Associated make an on-site visit to Hood's facility to meet with participants and explain to them how the Plan works. Ms. Cochran stated that, in the interim, participants are welcome to schedule an individual appointment with an Associated staff member to review their benefits.

III. <u>ADJOURNMENT</u>

With no further business to come before the Board, the meeting was adjourned at 10:54 a.m.

Exhibits:

A – Horizon Report March 30, 2017

B – Horizon Report November 20, 2020

Industry & Local 338 Pension Plan Funding Improvement Plan / Rehabilitation Plan Design

March 30, 2017

Mary Ann Dunleavy, ASA
Stan Goldfarb, FSA
Tony Ghabour, EA

Today's Discussion

- **Remediation Plan: Requirements & Design Consideration**
- **Funding Improvement Plan**
- **Rehabilitation Plan**
- **Appendix**
  - Contribution Rate Summaries
  - Benefit Examples
  - Supplemental Endangered and Critical Status Information
  - Projection Assumptions and Methods

Remediation Plan
Requirements & Design Considerations

7/1/2016 Valuation Projection

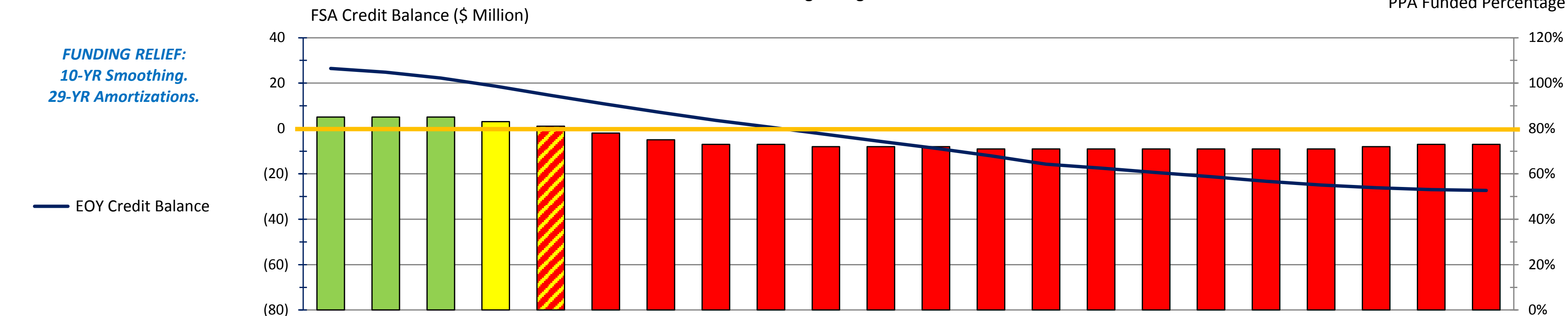
0.9% of Contributions Formula

-1.58% Asset Return in PYB 2015 | 7.50% Return PYB 2016+ | 10.0 Thousand Weeks Worked beginning PYB 2017 | Current CBA Contribution Increases PLUS Perpetual 5.0% Annual Contribution Rate Increases[1]

Contribution Rate Increases in Current CBAs PLUS:
5.0% per year indefintely beginning PYB 2017 (63% of contracts)
5.0% per year indefintely beginning PYB 2019 (37% of contracts)

Industry and Local 338 Pension Plan
Funding Standard Account Credit Balance ($Million) = Left Axis
Funded Percentage = Right Axis

Preliminary Market Value of Assets as of 6/30/2016: $84,060,000



(1)	Plan Year beginning 7/1	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
(2)	Asset Return during Year (%)	15.86	3.10	(1.58)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
(3)	Weekly Contribution Rate	203	223	236	250	262	280	295	309	325	341	358	376	395	414	435	457	480	504	529	555	583	612
(4)	Weeks Worked (Thousands)	15.7	13.9	12.6	11.5	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(5)	Contributions in Plan Year ($M)	3.37	3.28	3.15	2.88	2.62	2.81	2.95	3.10	3.25	3.42	3.59	3.77	3.96	4.15	4.36	4.58	4.81	5.05	5.30	5.57	5.84	6.14
(6)	PYE Credit Balance ($M)	26	25	22	19	15	11	7	4	1	(3)	(6)	(9)	(12)	(16)	(17)	(19)	(21)	(23)	(25)	(26)	(27)	(27)
(7)	Actuarial Value of Assets ($M)	87	91	94	93	91	88	86	84	84	84	84	84	84	84	84	85	85	86	87	88	90	91
(8)	Unit Credit Accd. Liability ($M)	102	107	110	111	112	112	113	114	115	115	116	116	117	118	118	119	119	120	121	122	123	124
(9)	PPA Funded Percentage at 7/1	85%	85%	85%	83%	81%	78%	75%	73%	73%	72%	72%	72%	71%	71%	71%	71%	71%	71%	71%	72%	73%	73%

Notes

1) Effective July 1, 2016, all contributions (and future rate increases, if any) are benefit-bearing.

Endangered Status: Funding Improvement Plan (FIP)

- **Funding Improvement Plan**
  - Must be adopted by Trustees within 240 days after due date of certification of Endangered Status
  - Trustees present the bargaining parties with one or more schedules of contribution increases and cuts in future benefit accruals, as needed to achieve the FIP goals
    - FIP Goal:
      - The Plan's underfunding improves by one-third by the end of the 10-year Funding Improvement Period
        - ***Roughly 83% + (100% - 83%) / 3 = 89% by June 30, 2029***
      - Credit Balance may not be negative in the last year of the Funding Improvement Period
        - Excise taxes may be imposed if there is a negative credit balance during the Funding Improvement Period
    - Schedules include:
      - One schedule with reductions in the amount of future benefit accruals before contribution increases are required ("Default Schedule")
      - One schedule with contribution increases without reduction in future benefit accruals ("Preferred Schedule")
      - Alternative schedule with other benefit and contribution changes
      - Changes to future benefits requires 204(h) Notice 15 days prior to the effective date of the change

Critical Status: Rehabilitation Plan (RP)

- **Rehabilitation Plan**
  - Must be adopted by Trustees within 240 days after due date of certification of Critical Status
  - Trustees present the bargaining parties with one or more schedules of contribution increases and cuts in future benefit accruals, as needed to achieve the RP goals
    - RP Goals:
      - Benefit changes and contribution increases such that the Plan is expected to emerge from Critical Status by the end of the 10-year Rehabilitation Period
      - <u>***Positive Credit Balance projected for current and 9 additional years***</u>
        - Credit Balance may be negative during the Rehabilitation Period
        - Protection from excise tax as long as the Plan is making progress under the terms of the RP
      - Alternatively, declare "All Reasonable Measures"
    - Schedules include:
      - One schedule with reductions in the adjustable benefits before contribution increases are required. Future benefit accruals can be reduced to the lower of 1% of contributions or the current accrual rate (Default Schedule)
      - Alternative schedules with other benefit and contribution changes

Parameters Used in Developing a Remediation Plan

- **Timing**
  - 2016/2017: Funding Improvement Plan
    - Adopt by 5/25/2017; Provide to bargaining parties by 6/24/2017
  - 2017/2018: Rehabilitation Plan
    - Adopt early in the plan year, 10/2017; Provide to bargaining parties 11/2017
- **Future Investment Earnings**
  - 7.50% per year, net of investment-related expenses
- **Future Work Levels**
  - 11,500 weeks in 2016/2017; 10,000 weeks each plan year thereafter
- **Possible Benefit Cuts**
  - Funding Improvement Plan: None
  - Rehabilitation Plan: Adjustable benefits – Subsidies on accrued benefits
    - Terminated vested participants
    - Active participants
- **Contribution Increases**
  - Maximum 10% per year, compounded
  - Flat dollar amount applied to all contracts, by year

Including the FIP / RP in Contracts:

Projection Assumptions

Contributing Employer	7/1/2016 Active Count	7/1/2016 TV Count	Next Contract Start Date	Estimated RP Schedule Adoption	Assumed Adj. Benefit Changes	Surcharges Assumed in 2017-2018 Plan Year
College New Rochelle	13	8	9/1/2013	12/2017	7/2018	None
Crowley LaFargeville	100	52	11/1/2017	12/2017	7/2018	None
Culinart	19	1	1/1/2017	12/2017	7/2018	None
Freisland	63	23	1/1/2019	12/2018	7/2019	7 months
LP Transport	27	13	8/16/2019	8/2019	7/2020	7 months
Montefiore New Rochelle	12	6	2/26/2017	12/2017	7/2018	None
Paraco Gas	8	3	2/1/2018	1/2018	7/2018	2 months
Westchester L860	1	1	10/1/2013	12/2017	7/2018	None
All Other	N/A	140	N/A			
	243	247				

Assumption: Elect Early Critical Status at July 1, 2017

7/1/2016 - 6/30/2017 Plan Year	
Endangered Status Certification	9/28/2016
Notice of Endangered Status	10/28/2016
Adopt FIP	5/25/2017
FIP to Bargaining Parties	6/24/2017
Funding Improvement Period Begins	7/1/2019
Effective Date of Benefit Changes	*TBD*

7/1/2017 - 6/30/2018 Plan Year	
Endangered/Critical Status Certification	9/28/2017
Election of Critical Status	*10/28/2017*
Notice of Critical Status	*10/28/2017*
Imposition of Surcharges	*11/28/2017*
Adopt RP	*10/28/2017*
RP to Bargaining Parties	*11/28/2017*
Rehabilitation Period Begins	*7/1/2020*
Effective Date of Benefit Changes	*TBD*

Summary of Plan Provisions & Participant Eligibility

Plan Provision	Description			7/1/2016 Actives	7/1/2016 Inactives
Valuation Population				243	247
Accrual Rate	0.9% of Contributions (Effective 7/1/2016)			243	N/A
Vesting Service	4 months worked during a Plan year	Non-vested		55	N/A
		Vested, less than 15 Credits		112	201
		Vested, at least 15 Credits		76	46
Early Retirement	Age 55 with 15 Pension Credits:		Subsidies	41	34
	2% per year, prior to age 65 (accrued prior to July 1, 2010)				
	6% per year, prior to age 65 (accrued on and after July 1, 2010)				
Service Pension	20 Pension Credits: benefit reduced by 50%			13	9
	25 Pension Credits: benefit reduced by 10%			12	5
	30 Pension Credits: benefit reduced by 5%			6	3
	35 Pension Credits: unreduced benefit			8	0
Disability Retirement	10 Pension Credits & Totally and Permanently Disabled:		Ancillary Benefits	133	N/A
	Actuarially reduced benefit, not less than $400				
Death Benefit for Unmarried Participants	A 120-Month Certain Benefit	Married		141	141
		Single / Unknown		102	102
Normal Form	For unmarried participants, a Life Annuity with 120-month certain period.		Subsidy	102	102
	For married participants, a 75% J&S Annuity with 120-month certain period.			141	141

Projection Assumptions

- **All scenarios assume:**
  - Contribution rate increases begin following CBA expiration dates.
    - 37% of hours worked under 3-year contracts beginning in 2017 (Paraco & LaFargeville)
    - 63% of hours worked under 3-year contracts beginning in 2016 (All Other Employers)
  - All contribution rate increases are benefit-bearing.
  - All contribution rate increases are compounded.
  - Improvement Periods:
    - Funding Improvement Period: 7/1/2019 – 6/30/2029
    - Rehabilitation Period: 7/1/2020 – 6/30/2030
  - No assumption changes to account for possible changes to participant behavior due to proposed benefit changes.
  - No changes to valuation methods / no amortization extensions.

Funding Improvement Plan

FIP Design

- **Preferred Schedule**
  - Contribution Rate Increases Only
- **Default Schedule**
  - Contribution Rate Increases plus Maximum Benefit Changes
    - Eliminate Subsidies: Future Benefit Accruals Only
      - Ancillary Benefits
        - Death Benefit for Single Participants
        - Disability
      - Normal Form of Payment
        - Single Participants: 120 Payments Guaranteed
        - Married Participants: 75% Joint and Survivor (with 120 Payments Guaranteed)
      - Early Retirement Subsidies
        - Age 55 and 15 Years of Service
        - Service Pension - 20, 25, 30, 35 Years
    - Decrease Benefit Accrual Rate
    - 15-Day Notice Required

Projection Roadmap: FIP Design

Scenario	Contribution Requirement	Benefit Change[1]	Investment Return[2] PYE 2017	Valid FIP Requires 89% % Funded at 7/1/2029	RP Requires Emergence 7/1/2030 Emerge	EOY FSA Balance	% Funded 7/1/2030	Wkly Contrib Rate 7/1/2030
Baseline	5.0% per year	No Change	7.50%	71%	No	($23M)	71%	$504
Valid Funding Improvement Plan								
1	12.5% per year	No Change	7.50%	89%	2028	$10M	94%	$1,241
2	5.0% per year for 3 years, 18.0% per year thereafter	No Change	7.50%	89%	2028	$15M	95%	$1,673
3	11.0% per year	No Subsidies on Future Accruals	7.50%	90%	2028	$11M	94%	$1,041

Notes

1) Benefit changes assumed effective July 1, 2017.
2) All Scenarios assume investment return of 7.50% for plan years beginning on and after 7/1/2017.
3) All Scenarios assume 11,500 weeks worked in plan year ending 6/30/2017 and 10,000 weeks worked for plan years beginning on and after 7/1/2017.
4) Average weekly contribution rate effective 7/1/2016 is $250.

FIP Contribution Increase Illustration

- **Preliminary Design**
  - All contributions (including increases) continue to be benefit-bearing (beginning July 1, 2016)
  - Flat dollar amount across employers for a given year
  - Compound rate increases, determined as percentage of prior year average

Year-by-Year, Compound Contribution Rate Increases (Flat Dollar Amounts by Contract, Vary by Year)

Plan Year Beginning		7/1/2017	7/1/2018	7/1/2019	...	7/1/2024	...	7/1/2029	7/1/2030	Total Increase 7/1/2030	Average Rate 7/1/2030
Baseline	*5.0%*	$ 12.50	$ 13.13	$ 13.78	...	$ 17.59	...	$ 22.45	$ 23.57	$ 244.98	$ 494.98
Scenario 1	*12.5%*	31.25	35.16	39.55	...	71.27	...	128.43	144.49	1,050.40	1,300.40
Scenario 2	*5.0% / 18.0%*	12.50	13.13	13.78	...	101.00	...	231.06	272.65	1,537.35	1,787.35
Scenario 3	*11.0%*	27.50	30.53	33.88	...	57.09	...	96.21	106.79	827.61	1,077.61

Notes

1) Based on Plan average contribution rate of $250.00 as of July 1, 2016.
2) Contribution rate increases illustrated without regard to existing contract terms or resulting changes in average contribution rate.
   Final (aggregate) average contribution rates as of July 1, 2030 illustrated above differ from roadmap on previous slide.
3) Increases shown above assumed to take effect July 1 of each year.
   Actual contribution rate increase amounts and effective dates may vary.

FIP Contribution Increase Example (by Contract)

Scenario 2 - Compound Contribution Rate Increases (Flat Dollar Amounts by Contract, Vary by Year)

Plan Year Beginning	7/1/2016	7/1/2017	7/1/2018	7/1/2019	...	7/1/2024	...	7/1/2029	7/1/2030
Average Rate	$ 250.00	$ 262.50	$ 275.63	$ 289.41	...	$ 662.09	...	$ 1,514.70	$ 1,787.35
Increase (%)		*5.0%*	*5.0%*	*5.0%*	...	*18.0%*	...	*18.0%*	*18.0%*
Annual Increase		*12.50*	*13.13*	*13.78*	...	*101.00*	...	*231.06*	*272.65*
Accumulated Increase		*12.50*	*25.63*	*39.41*	...	*412.09*	...	*1,264.70*	*1,537.35*
College of New Rochelle	$ 174.00	$ 186.50	$ 199.63	$ 213.41	...	$ 586.09	...	$ 1,438.70	$ 1,711.35
Increase (%)		*7.2%*	*7.0%*	*6.9%*	...	*20.8%*	...	*19.1%*	*19.0%*
Crowley LaFargeville	$ 272.79	$ 285.29	$ 298.42	$ 312.20	...	$ 684.88	...	$ 1,537.49	$ 1,810.14
Increase (%)		*4.6%*	*4.6%*	*4.6%*	...	*17.3%*	...	*17.7%*	*17.7%*
Culinart	$ 226.91	$ 239.41	$ 252.54	$ 266.32	...	$ 639.00	...	$ 1,491.61	$ 1,764.26
Increase (%)		*5.5%*	*5.5%*	*5.5%*	...	*18.8%*	...	*18.3%*	*18.3%*
Freisland Campina	$ 205.09	$ 217.59	$ 230.72	$ 244.50	...	$ 617.18	...	$ 1,469.79	$ 1,742.44
Increase (%)		*6.1%*	*6.0%*	*6.0%*	...	*19.6%*	...	*18.7%*	*18.5%*
LP Transport	$ 276.80	$ 289.30	$ 302.43	$ 316.21	...	$ 688.89	...	$ 1,541.50	$ 1,814.15
Increase (%)		*4.5%*	*4.5%*	*4.6%*	...	*17.2%*	...	*17.6%*	*17.7%*
Montefiore New Rochelle	$ 234.06	$ 246.56	$ 259.69	$ 273.47	...	$ 646.15	...	$ 1,498.76	$ 1,771.41
Increase (%)		*5.3%*	*5.3%*	*5.3%*	...	*18.5%*	...	*18.2%*	*18.2%*
Paraco Gas	$ 227.60	$ 240.10	$ 253.23	$ 267.01	...	$ 639.69	...	$ 1,492.30	$ 1,764.95
Increase (%)		*5.5%*	*5.5%*	*5.4%*	...	*18.7%*	...	*18.3%*	*18.3%*
Westchester L 860	$ 205.21	$ 217.71	$ 230.84	$ 244.62	...	$ 617.30	...	$ 1,469.91	$ 1,742.56
Increase (%)		*6.1%*	*6.0%*	*6.0%*	...	*19.6%*	...	*18.7%*	*18.5%*

Scenario 2: Contribution Only FIP

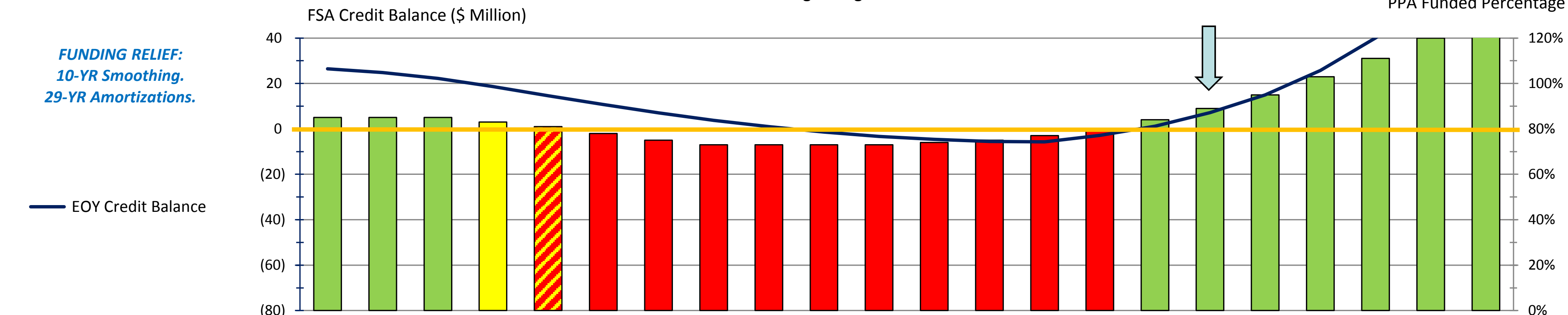
0.9% of Contributions Formula

7.50% Return PYB 2016 and thereafter | 10.0 Thousand Weeks Worked beginning PYB 2017 | Current CBA Contribution Increases PLUS 5% for 3 years + Perpetual 18.0% Annual Contribution Rate Increases[1]

Contribution Rate Increases in Current CBAs PLUS:
5.0% per year for 3 years beginning PYB 2017 (63% of contracts)
5.0% per year for 3 years beginning PYB 2019 (37% of contracts)

Industry and Local 338 Pension Plan
Funding Standard Account Credit Balance ($Million) = Left Axis
Funded Percentage = Right Axis

Preliminary Market Value of Assets
as of 6/30/2016: $84,060,000



(1) Plan Year beginning 7/1	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
(2) Asset Return during Year (%)	15.86	3.10	(1.58)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
(3) Weekly Contribution Rate	203	223	236	250	262	280	295	333	377	445	525	620	731	863	1,018	1,201	1,418	1,673	1,974	2,329	2,748	3,243
(4) Weeks Worked (Thousands)	15.7	13.9	12.6	11.5	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(5) Contributions in Plan Year ($M)	3.37	3.28	3.15	2.88	2.62	2.81	2.95	3.34	3.78	4.46	5.26	6.21	7.33	8.65	10.20	12.04	14.21	16.77	19.78	23.34	27.55	32.51
(6) PYE Credit Balance ($M)	26	25	22	19	15	11	7	4	1	(1)	(3)	(5)	(6)	(6)	(3)	1	7	15	26	40	58	82
(7) Actuarial Value of Assets ($M)	87	91	94	93	91	88	86	84	84	85	86	88	91	95	100	108	118	131	147	168	194	227
(8) Unit Credit Accd. Liability ($M)	102	107	110	111	112	112	113	114	115	116	117	118	119	122	124	127	132	137	143	151	161	173
(9) PPA Funded Percentage at 7/1	85%	85%	85%	83%	81%	78%	75%	73%	73%	73%	73%	74%	75%	77%	80%	84%	89%	95%	103%	111%	120%	130%

Notes

1) Effective July 1, 2016, all contributions (and future rate increases, if any) are benefit-bearing.
See graph for detail regarding assumed rate increases.

Rehabilitation Plan

RP: Alternatives Modeled

- **Contribution Rate Increases Only**
- **Contribution Rate Increases plus Benefit Changes**
  - Terminated Vested Participants: Eliminate Adjustable Benefits
  - Active Participants: Eliminate Adjustable Benefits (Multiple Scenarios)
    - Accrued (and Future) Benefits
      - Ancillary Benefits
        - Death Benefit for Single Participants
        - Disability
      - Normal Form of Payment
        - Single Participants: 120 Payments Guaranteed
        - Married Participants: 75% Joint and Survivor (with 120 Payments Guaranteed)
      - Early Retirement Subsidies
        - Age 55 and 15 Years of Service
        - Service Pension: 20, 25, 30, 35 Years
  - 30-Day Notice Required

Projection Roadmap: RP Design

Scenario	Contribution Requirement	Benefit Change[1]	Investment Return[2] PYE 2017	Valid FIP Requires 89% % Funded at 7/1/2029	RP Requires Emergence 7/1/2030 Emerge	EOY FSA Balance	% Funded 7/1/2030	Wkly Contrib Rate 7/1/2030
Baseline	5.0% per year	No Change	7.50%	71%	**No**	($23M)	71%	$504
Valid Rehabilitation Plan								
4	11.0% per year	No Change	7.50%	85%	**2030**	$2M	89%	$1,041
5	9.5% per year	Eliminate Adjustable Benefits: TVs Only	7.50%	86%	**2030**	$2M	89%	$871
6	9.5% per year	Scenario 5 *PLUS* Minimum Death & Disability Benefits for Actives	7.50%	86%	**2029**	$3M	90%	$871
7	9.0% per year	Scenario 6 *PLUS* Change Normal Form to SLA for Actives	7.50%	86%	**2030**	$1M	89%	$821
8	8.0% per year	Scenario 7 *PLUS* Unsubsidized Early Retirement for Actives	7.50%	86%	**2030**	$2M	89%	$728
9	6.5% per year	Scenario 8 *PLUS* Eliminate Service Pensions for Actives	7.50%	87%	**2029**	$2M	89%	$606

Notes

1) Actual benefit change effective dates may vary by contract, but generally assumed to be effective July 1, 2018.
2) All Scenarios assume investment return of 7.50% for plan years beginning on and after 7/1/2017.
3) All Scenarios assume 11,500 weeks worked in plan year ending 6/30/2017 and 10,000 weeks worked for plan years beginning on and after 7/1/2017.
4) Average weekly contribution rate effective 7/1/2016 is $250.

RP Contribution Increase Illustration

- **Preliminary Design**
  - All contributions (including increases) continue to be benefit-bearing (beginning July 1, 2016)
  - Flat dollar amount across employers for a given year
  - Compound rate increases, determined as percentage of prior year average

Year-by-Year, Compound Contribution Rate Increases (Flat Dollar Amounts by Contract, Vary by Year)

Plan Year Beginning		7/1/2017	7/1/2018	7/1/2019	...	7/1/2024	...	7/1/2029	7/1/2030	Total Increase 7/1/2030	Average Rate 7/1/2030
Baseline	*5.0%*	$ 12.50	$ 13.13	$ 13.78	...	$ 17.59	...	$ 22.45	$ 23.57	$ 244.98	$ 494.98
Scenario 4	*11.0%*	27.50	30.53	33.88	...	57.09	...	96.21	106.79	827.61	1,077.61
Scenario 5	*9.5%*	23.75	26.01	28.48	...	44.83	...	70.57	77.28	640.71	890.71
Scenario 6	*9.5%*	23.75	26.01	28.48	...	44.83	...	70.57	77.28	640.71	890.71
Scenario 7	*9.0%*	22.50	24.53	26.73	...	41.13	...	63.28	68.98	585.43	835.43
Scenario 8	*8.0%*	20.00	21.60	23.33	...	34.28	...	50.36	54.39	484.30	734.30
Scenario 9	*6.5%*	16.25	17.31	18.43	...	25.25	...	34.60	36.85	353.72	603.72

Notes

1) Based on Plan average contribution rate of $250.00 as of July 1, 2016.
2) Contribution rate increases illustrated without regard to existing contract terms or resulting changes in average contribution rate.
   Final (aggregate) average contribution rates as of July 1, 2030 illustrated above differ from roadmap on previous slide.
3) Increases shown above assumed to take effect July 1 of each year.
   Actual contribution rate increase amounts and effective dates may vary.

RP Contribution Increase Example (by Contract)

Scenario 8 - Compound Contribution Rate Increases (Flat Dollar Amounts by Contract, Vary by Year)

Plan Year Beginning	7/1/2016	7/1/2017	7/1/2018	7/1/2019	...	7/1/2024	...	7/1/2029	7/1/2030
Average Rate	$ 250.00	$ 270.00	$ 291.60	$ 314.93	...	$ 462.73	...	$ 679.91	$ 734.30
Increase (%)		8.0%	8.0%	8.0%	...	8.0%	...	8.0%	8.0%
Annual Increase		20.00	21.60	23.33	...	34.28	...	50.36	54.39
Accumulated Increase		20.00	41.60	64.93	...	212.73	...	429.91	484.30
College of New Rochelle	$ 174.00	$ 194.00	$ 215.60	$ 238.93	...	$ 386.73	...	$ 603.91	$ 658.30
Increase (%)		11.5%	11.1%	10.8%	...	9.7%	...	9.1%	9.0%
Crowley LaFargeville	$ 272.79	$ 292.79	$ 314.39	$ 337.72	...	$ 485.52	...	$ 702.70	$ 757.09
Increase (%)		7.3%	7.4%	7.4%	...	7.6%	...	7.7%	7.7%
Culinart	$ 226.91	$ 246.91	$ 268.51	$ 291.84	...	$ 439.64	...	$ 656.82	$ 711.21
Increase (%)		8.8%	8.7%	8.7%	...	8.5%	...	8.3%	8.3%
Freisland Campina	$ 205.09	$ 225.09	$ 246.69	$ 270.02	...	$ 417.82	...	$ 635.00	$ 689.39
Increase (%)		9.8%	9.6%	9.5%	...	8.9%	...	8.6%	8.6%
LP Transport	$ 276.80	$ 296.80	$ 318.40	$ 341.73	...	$ 489.53	...	$ 706.71	$ 761.10
Increase (%)		7.2%	7.3%	7.3%	...	7.5%	...	7.7%	7.7%
Montefiore New Rochelle	$ 234.06	$ 254.06	$ 275.66	$ 298.99	...	$ 446.79	...	$ 663.97	$ 718.36
Increase (%)		8.5%	8.5%	8.5%	...	8.3%	...	8.2%	8.2%
Paraco Gas	$ 227.60	$ 247.60	$ 269.20	$ 292.53	...	$ 440.33	...	$ 657.51	$ 711.90
Increase (%)		8.8%	8.7%	8.7%	...	8.4%	...	8.3%	8.3%
Westchester L 860	$ 205.21	$ 225.21	$ 246.81	$ 270.14	...	$ 417.94	...	$ 635.12	$ 689.51
Increase (%)		9.7%	9.6%	9.5%	...	8.9%	...	8.6%	8.6%

Scenario 5: RP Eliminates All Adj. Benefits (TVs Only)

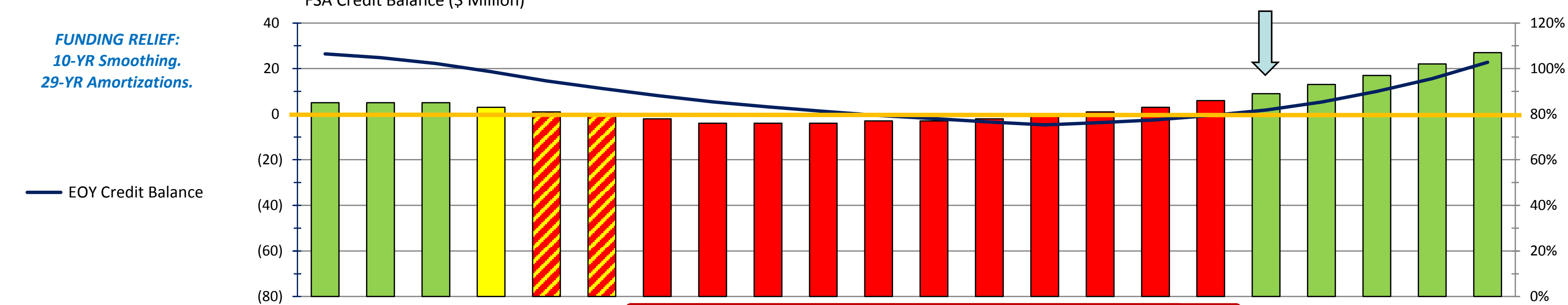
0.9% of Contributions Formula

7.50% Return in PYB 2016 and thereafter | 10.0 Thousand Weeks Worked beginning PYB 2017 | Current CBA Contribution Increases PLUS Perpetual 9.5% Annual Contribution Rate Increases[1]

Contribution Rate Increases in Current CBAs PLUS:
9.5% per year indefinitely beginning PYB 2017 (63% of contracts)
9.5% per year indefinitely beginning PYB 2019 (37% of contracts)

Industry and Local 338 Pension Plan
Funding Standard Account Credit Balance ($Million) = Left Axis
Funded Percentage = Right Axis

Preliminary Market Value of Assets as of 6/30/2016: $84,060,000



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
(1) Plan Year beginning 7/1	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
(2) Asset Return during Year (%)	15.86	3.10	(1.58)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
(3) Weekly Contribution Rate	203	223	236	250	267	293	321	352	385	422	462	505	553	606	664	727	796	871	954	1,045	1,144	1,253
(4) Weeks Worked (Thousands)	15.7	13.9	12.6	11.5	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(5) Contributions in Plan Year ($M)	3.37	3.28	3.15	2.88	2.68	2.94	3.22	3.52	3.86	4.22	4.63	5.07	5.55	6.07	6.65	7.28	7.97	8.73	9.56	10.47	11.46	12.55
(6) PYE Credit Balance ($M)	26	25	22	19	15	11	8	5	3	1	(1)	(2)	(3)	(5)	(4)	(3)	(1)	2	5	10	16	23
(7) Actuarial Value of Assets ($M)	87	91	94	93	91	88	86	84	85	86	86	88	89	92	94	98	102	107	114	122	131	142
(8) Unit Credit Accd. Liability ($M)	102	107	110	111	112	109	110	110	111	112	112	113	114	115	116	117	118	120	122	125	128	131
(9) PPA Funded Percentage at 7/1	85%	85%	85%	83%	81%	80%	78%	76%	76%	76%	77%	77%	78%	79%	81%	83%	86%	89%	93%	97%	102%	107%

Notes

1) Effective July 1, 2016, all contributions (and future rate increases, if any) are benefit-bearing. See graph for detail regarding assumed rate increases.

Scenario 9: RP Eliminates All Adjustable Benefits

0.9% of Contributions Formula

7.50% Return in PYB 2016 and thereafter | 10.0 Thousand Weeks Worked beginning PYB 2017 | Current CBA Contribution Increases PLUS Perpetual 6.5% Annual Contribution Rate Increases[1]

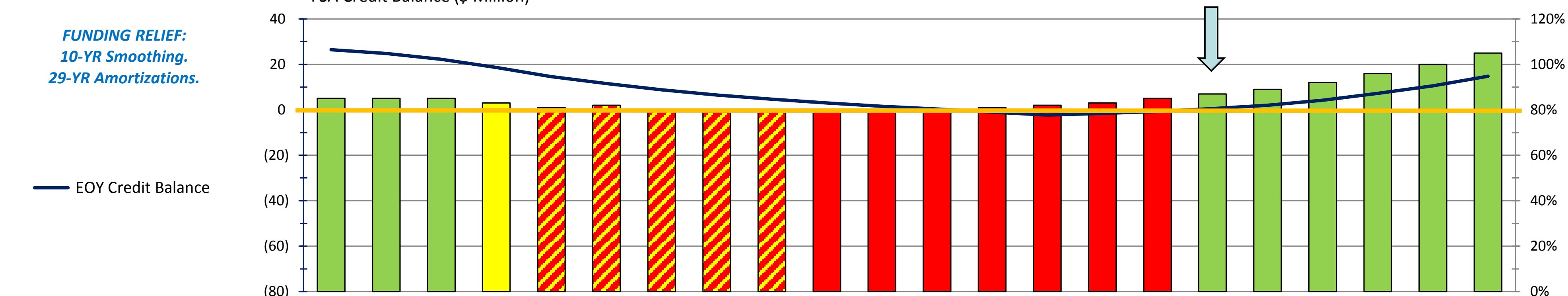
Contribution Rate Increases in Current CBAs PLUS:
6.5% per year indefinitely beginning PYB 2017 (63% of contracts)
6.5% per year indefinitely beginning PYB 2019 (37% of contracts)

Industry and Local 338 Pension Plan
Funding Standard Account Credit Balance ($Million) = Left Axis
Funded Percentage = Right Axis

Preliminary Market Value of Assets
as of 6/30/2016: $84,060,000

FSA Credit Balance ($ Million)

PPA Funded Percentage



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
(1) Plan Year beginning 7/1	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
(2) Asset Return during Year (%)	15.86	3.10	(1.58)	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
(3) Weekly Contribution Rate	203	223	236	250	263	285	303	323	344	366	390	415	442	471	502	534	569	606	646	687	732	780
(4) Weeks Worked (Thousands)	15.7	13.9	12.6	11.5	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(5) Contributions in Plan Year ($M)	3.37	3.28	3.15	2.88	2.64	2.85	3.04	3.24	3.45	3.67	3.91	4.16	4.43	4.72	5.03	5.36	5.70	6.07	6.47	6.89	7.34	7.82
(6) PYE Credit Balance ($M)	26	25	22	19	15	12	9	7	5	3	2	0	(1)	(2)	(2)	(1)	1	2	4	7	11	15
(7) Actuarial Value of Assets ($M)	87	91	94	93	91	88	86	84	84	84	85	85	86	86	87	89	90	92	95	98	102	106
(8) Unit Credit Accd. Liability ($M)	102	107	110	111	112	107	107	106	106	106	106	106	105	105	104	104	103	103	102	101	101	101
(9) PPA Funded Percentage at 7/1	85%	85%	85%	83%	81%	82%	80%	79%	79%	79%	79%	80%	81%	82%	83%	85%	87%	89%	92%	96%	100%	105%

Notes

1) Effective July 1, 2016, all contributions (and future rate increases, if any) are benefit-bearing.
See graph for detail regarding assumed rate increases.

Next Steps

- **Funding Improvement Plan**
  - Adopt Final Design **(No later than May 25, 2017)**
    - Benefit changes - None
    - Future contribution rate increases
  - Draft Plan Amendment
  - Prepare and Distribute Notice to Relevant Parties **(No later than June 24, 2017)**
- **Rehabilitation Plan: Preliminary**
  - Finalize Design
    - Benefit changes
    - Future contribution rate increases

2016 – 2017 Plan Year Timeline

Requirement	Description	Deadline
2016 PPA Certification	90 days into plan year (Endangered); Critical Status projected within 5 years	9/28/2016
2016 Notice of Endangered Status	30 days after actuarial certification of zone status	10/28/2016
Imposition of Surcharges (Critical Status only)	30 days after notice of surcharge is sent to employers (may be later than certification notice)	N/A
Adoption of Funding Improvement Plan	240 days after due date for actuarial certification	5/25/2017
Send FIP Schedules to Bargaining Parties	30 days after adoption of FIP	6/24/2017
Funding Improvement Period Begins	After expiration of contracts covering at least 75% of active participants, not later than first of plan year following second anniversary of adoption of FIP	7/1/2019
Effective Date of Benefit Changes	Only non-411(d)(6) protected benefit changes can be made: Future benefit accruals and ancillary benefits	TBD

2017 – 2018 Plan Year Timeline

Requirement	Description	Target	Deadline
2017 PPA Certification	Certification 90 days into plan year; Projected to be certified as Endangered; with Critical Status projected within 5 years	9/28/2017	9/28/2017
Election to be in Critical Status (Early)	If projected Critical within 5 years: Election to be made no later than 30 days after the Certification Date	10/28/2017 Critical	10/28/2017 (Optional)
Notice of Critical Status Election or Projection	30 days after actuarial certification of zone status	10/28/2017	10/28/2017
2017 Notice of Endangered/ Critical Status	30 days after actuarial certification of zone status	10/28/2017	10/28/2017
Imposition of Surcharges (Critical Status only)	30 days after notice of surcharge is sent to employers (may be later than certification notice)	11/28/2017	TBD
Adoption of Funding Improvement Plan or Rehabilitation Plan	240 days after due date for actuarial certification	10/28/2017	Early as 5/25/2018
Send FIP/RP Schedules to Bargaining Parties	30 days after adoption of FIP/RP	11/28/2017	6/24/2018
Funding Improvement or Rehabilitation Period Begins	After expiration of contracts covering at least 75% of active participants, not later than first of plan year following second anniversary of adoption of FIP/RP	RP 7/1/2020	7/1/2019 (if FIP) 7/1/2020 (if RP)
Effective Date of Benefit Changes	Adjustable benefits may be eliminated for eligible participants	TV: 7/1/2017 Active: CBA Renewal	TBD

Appendix

Historical Contribution Rates by Contract

Employer	Base Rate	2009	2010	2011	2012	2013	2014	2015	2016	2016 ÷ Base
		As of Plan Year Ending								
College of New Rochelle	$ 110.44	$ 118.44	$ 130.40	$ 143.60	$ 158.00	$ 174.00	$ 174.00	$ 174.00	$ 174.00	158%
Crowley LaFargeville	130.00	140.00	154.00	169.00	186.34	204.97	225.47	248.00	272.79	210%
Culinart	108.44	116.44	128.08	141.08	154.98	170.48	187.53	206.28	226.91	209%
Freisland Campina	100.12	110.12	121.13	133.25	146.57	161.23	177.35	195.09	205.09	205%
LP Transport	160.00	160.00	160.00	176.00	192.00	208.00	228.80	251.60	276.80	173%
Montefiore New Rochelle	120.12	132.12	145.33	159.86	175.85	193.44	212.78	234.06	234.06	195%
Paraco Gas	124.00	132.00	140.00	148.00	156.00	172.00	188.00	206.80	227.60	184%
Westchester L860	130.15	140.15	154.17	169.59	186.55	205.21	205.21	205.21	205.21	158%

Notes

1. Effective July 1, 2016, all contributions (and future rate increases, if any) are benefit-bearing.

Benefit Example – 30 Year Service

Early Retirement and Form of Payment Subsidy

		Partic Age	Spouse Age
DOB	10/22/1955		
Last Day Wkd	8/23/2016	60.83	58.92
Annuity Start Date	11/1/2016	61.00	59.08
Spouse DOB	9/2/1957		

Accrued Benefit	Pre 7/1/1997	338.110		
	Post 6/30/1997	2,361.57	1,656.98	to 7/1/2010
			704.59	after 7/1/2010
	Total	**2,699.68**		

30 year Service Pension

4 Years Early

		Current Plan			Full Actuarial Equivalent			Change	
		Table Factor				Actuarial Equivalent		Increase / (Decrease)	% Increase / (Decrease)
Early Retirement Factor		0.95				0.647			
Pre 7/1/2010		N/A				N/A			
Post 6/30/2010		N/A				N/A			
Early Retirement Benefit		**2,564.70**	**120 mo guar**			**1,746.69**	**Single life**	N/A	N/A

Form of Payment:	Factor	Member Benefit	Spouse Benefit	Factor	Member Benefit	Spouse Benefit	$ Increase (Decrease)	% Increase (Decrease)
120 Months Guaranteed	**1.000**	**2,564.70**	**N/A**	**0.943**	**1,647.53**	**N/A**	**(917.17)**	**36%**
50% J&S	0.930	2,385.17	1,192.59	0.918	1,602.91	801.46	(782.26)	33%
75% J&S	1.000	2,564.70	1,923.53	0.901	1,573.09	1,179.82	(991.61)	39%
100% J&S	0.934	2,395.43	2,395.43	0.884	1,544.36	1,544.36	(851.07)	36%
Single Life Annuity	N/A	N/A	N/A	1.000	1,746.69	N/A	N/A	N/A

Benefit Example – Age 55 & 15 Pension Credits

Early Retirement and Form of Payment Subsidy

		Partic Age	Spouse Age	
DOB	10/22/1955			
Last Day Wkd	8/23/2016	60.83	58.92	
Annuity Start Date	11/1/2016	61.00	59.08	
Spouse DOB	9/2/1957			
Accrued Benefit	Pre 7/1/1997	338.110		
	Post 6/30/1997	2,361.57	1,656.98	to 7/1/2010
			704.59	after 7/1/2010
	Total	**2,699.68**		

Early Retirement Pension (Age 55 & 15 Pension Credits)

4 Years Early

	Current Plan			Full Actuarial Equivalent			Change	
		Table Factor			Actuarial Equivalent		Increase / (Decrease)	% Increase / (Decrease)
Early Retirement Factor		N/A			0.647			
	Pre 7/1/2010	0.920			N/A			
	Post 6/30/2010	0.760			N/A			
Early Retirement Benefit		**2,370.97**	**120 mo guar**		**1,746.69**	**Single life**	N/A	N/A

Form of Payment:	Factor	Member Benefit	Spouse Benefit	Factor	Member Benefit	Spouse Benefit	$ Increase (Decrease)	% Increase (Decrease)
120 Months Guaranteed	**1.000**	**2,370.97**	**N/A**	**0.943**	**1,647.53**	**N/A**	**(723.44)**	**31%**
50% J&S	0.930	2,205.00	1,102.50	0.918	1,602.91	801.46	(602.09)	27%
75% J&S	1.000	2,370.97	1,778.23	0.901	1,573.09	1,179.82	(797.88)	34%
100% J&S	0.934	2,214.49	2,214.49	0.884	1,544.36	1,544.36	(670.13)	30%
Single Life Annuity	N/A	N/A	N/A	1.000	1,746.69	N/A	N/A	N/A

Endangered Status: Funding Improvement Plan (FIP)

- **Funding Improvement Plan**
  - Must be adopted by Trustees within 240 days after due date of certification of Endangered Status
  - Trustees present the bargaining parties with one or more schedules of contribution increases and cuts in future benefit accruals, as needed to achieve the FIP goals
    - FIP Goal:
      - The Plan's underfunding improves by one-third by the end of the 10-year Funding Improvement Period
        - ***Roughly 83% + (100% - 83%) / 3 = 89% by June 30, 2029***
      - Credit Balance may not be negative in the last year of the Funding Improvement Period
        - Excise taxes may be imposed if there is a negative credit balance during the Funding Improvement Period
    - Schedules include:
      - One schedule with reductions in the amount of future benefit accruals before contribution increases are required (Default Schedule)
      - One schedule with contribution increases without reduction in future benefit accruals
      - Alternative schedule with other benefit and contribution changes
      - Changes to future benefits requires 204(h) Notice 15 days prior to the effective date of the change

Endangered Status: Funding Improvement Plan

- **Funding Improvement Plan**
  - Imposition of Default Schedule
    - For a contract in effect with the plan entered endangered status, Trustees can impose the Default Schedule if a FIP schedule is not adopted within 180 days of the expiration of the contract.
  - Other Restrictions:
    - During the Funding Plan adoption period, the Trustees cannot:
      - Accept a contract that calls for a reduction in the level of contributions for any participants, suspension of contributions for any period of service, or a new exclusion of a group of participants. or
      - Amend the Plan to increase benefits or change the rate at which benefits vest unless required by law.
    - Contribution increases required by a FIP that are effective for plan years beginning after December 31, 2014 are not included for purposes of determining withdrawal liability or withdrawal liability payment amounts.

Critical Status: Requirements

- **Benefit Restrictions**
  - The Plan may not pay lump sums or other accelerated payment forms
- **Surcharges**
  - Automatic Employer Contribution Surcharges are effective 30 days after Notice of Surcharges sent to bargaining parties
  - Surcharges equal 5% for the initial plan year of Critical Status, and 10% for the second and later plan years
  - Surcharges are NOT benefit bearing
  - Surcharges cease to apply upon adoption of RP schedule

Critical Status: Rehabilitation Plan (RP)

- **Rehabilitation Plan**
  - Must be adopted by Trustees within 240 days after due date of certification of Critical Status
  - Trustees present the bargaining parties with one or more schedules of contribution increases and cuts in future benefit accruals, as needed to achieve the RP goals
    - RP Goals:
      - Benefit changes and contribution increases such that the Plan is expected to emerge from Critical Status by the end of the 10-year Rehabilitation Period
      - ***Positive Credit Balance projected for current and 9 additional years***
        - Credit Balance may be negative during the Rehabilitation Period
        - Protection from excise tax as long as the Plan is making progress under the terms of the RP
      - Alternatively, declare "All Reasonable Measures"
    - Schedules include:
      - One schedule with reductions in the adjustable benefits before contribution increases are required. Future benefit accruals can be reduced to the lower of 1% of contributions or the current accrual rate (Default Schedule)
      - Alternative schedules with other benefit and contribution changes

Critical Status: Rehabilitation Plan

- **Rehabilitation Plan**
  - Imposition of Default Schedule
    - For a contract in effect with the plan entered Critical Status, Trustees can impose the Default Schedule if a RP schedule is not adopted within 180 days of the expiration of the contract.
  - Other Restrictions:
    - During the Rehabilitation Plan adoption period, the Trustees cannot:
      - Accept a contract that calls for a reduction in the level of contributions for any participants, suspension of contributions for any period of service, or a new exclusion of a group of participants. or
      - Amend the Plan to increase benefits or change the rate at which benefits vest unless required by law.
    - Contribution increases required by a RP that are effective for plan years beginning after December 31, 2014 are not included for purposes of determining withdrawal liability or withdrawal liability payment amounts.

Critical and Endangered Status: RP and FIP

- **Annual Updates**
  - Each year, the Trustees must review (and may need to update) the Funding Improvement or Rehabilitation Plan
  - Once the Funding Improvement or Rehabilitation Period begins, the actuary must certify whether the Plan is making "scheduled progress"
    - Form 5500: Progress as of the end of the plan year is reported
    - Annual Certification: the actuary certifies progress as of the beginning of the plan year
    - Consequences of no progress: Excise tax on accumulated funding deficiency if certified as not making progress for three years in a row

Projection Assumptions and Methods

- **Unless otherwise stated, the projection assumptions, methods, data and plan provisions used are the same as those used for the July 1, 2016 actuarial valuation and assume no future liability gains or losses.**
- **PPA continues in its current form, as amended by MPRA**
- **Investment Returns**
  - 7.50% per year beginning 7/1/2017, net of investment-related expenses, unless otherwise noted
- **Level Covered Employment in All Future Years**
  - 243 active participants (1,900 hours or 47.5 weeks per active participant), unless otherwise noted
- **Operating Expenses**
  - $375,000 for the plan year beginning July 1, 2016, increasing 3.0% per year
- **Contribution Rate Increases**
  - As required by current Collective Bargaining Agreements, unless otherwise noted:
    - 37% of hours worked under 3-year contracts beginning in 2017 (Paraco & LaFargeville)
    - 63% of hours worked under 3-year contracts beginning in 2016 (All Other Employers)
- **Plan changes**
  - None, unless otherwise noted
- **Other assumptions could produce different results.**

Data, Assumptions, Methods and Provisions

Please refer to the Appendix of Horizon Actuarial Services February 16, 2017 Valuation Presentation for more detail.

Actuarial Certification

We have prepared this actuarial report for use by the **Industry & Local 338 Pension Plan** (the "Plan"). This report has been prepared solely for the benefit of the Plan, and it is not complete without the accompanying discussion with a representative of Horizon Actuarial Services, LLC. This report should not be distributed to others not affiliated with the Plan or relied upon by any other person without prior written consent from Horizon Actuarial Services, LLC.

In preparing this report, we have relied on all the information and data provided by the Plan, including plan provisions and asset information, as being complete and accurate. We have not independently verified the accuracy or completeness of the data or information provided, but we have reviewed the data for reasonableness to the extent that we believe appropriate based on the purpose for which it has been used.

The analysis contained in this report may involve actuarial calculations. Actuarial calculations require that we make assumptions about future events. We have used assumptions that we believe are reasonable and appropriate for the purpose for which they have been used. Other assumptions may also be reasonable and could result in substantially different results. Because it is not possible or practical to model all aspects of a situation, we may use summary information, estimates, or simplifications of calculations to facilitate the modeling of future events. We may also exclude factors or data that are immaterial in our judgment.

Future events and actual experience will vary from any assumptions we have used, and calculations prepared with actual data will vary from estimates or summaries used for modeling purposes. Actual future results will differ from our projections. As these differences arise, contributions and/or benefits may need to be adjusted to take these changes into account.

In our opinion, any methods, assumptions, and calculations are in accordance with the applicable provisions of the Internal Revenue Code and ERISA, and the procedures followed and presentation of results conform with generally accepted actuarial principles and practices. The undersigned consultants of Horizon Actuarial Services, LLC with actuarial credentials meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. There is no relationship between the Plan and Horizon Actuarial Services, LLC that affects our objectivity.

Stanley I. Goldfarb, FSA, EA, MAAA
Actuary and Managing Consultant

Mary Ann Dunleavy, ASA, EA, MAAA
Consulting Actuary

Anthony M. Ghabour, EA, MAAA
Consulting Actuary

Horizon Actuarial Services, LLC

Industry & Local 338 Pension Plan

November 20, 2020

Atlanta ■ Cleveland ■ Denver ■ Irvine ■ Los Angeles
Miami ■ San Diego ■ San Francisco ■ Washington, D.C.

Discussion

- **Benefit Accrual Description**
- **July 1, 2019 Distribution of Active Participants**
- **July 1, 2019 Contribution Margin**
- **Select Projection Graphs reviewed at September 22, 2019 Board Meeting**

Benefit Accrual

The monthly amount of the Regular Pension is equal to:

Pension Credits earned (To a Maximum of 35)	Benefit Accrual per Pension Credit
After 6/30/2016	0.9% of total contributions
7/1/2010 – 6/30/2016	$37.00 per $1 of hourly contribution rate
7/1/1997 – 6/30/2010	$49.00 per $1 of hourly contribution rate
prior to 7/1/1997	Accrued Benefit based on prior plan formula • increased by 20.75% if active at 7/1/1997 • increased by 15.0% if inactive vested at 7/1/1997

For Pension Credits earned between September 28, 2006 and June 30, 2016, special supplemental contributions are not be included in the calculation of benefits.

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Appendix A: Additional Exhibits

Exhibit A.2 - Distribution of Active Participants

Measurement Date: July 1, 2019 [Form 5500 Sch. MB, Line 8b(2)]

Years of Credited Service

Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	Total
Under 25	-	13	-	-	-	-	-	-	-	-	13
25 - 29	-	18	2	-	-	-	-	-	-	-	20
30 - 34	-	8	5	7	1	-	-	-	-	-	21
35 - 39	-	4	5	10	6	-	-	-	-	-	25
40 - 44	-	8	5	3	6	1	-	-	-	-	23
45 - 49	-	4	3	10	4	6	-	-	-	-	27
50 - 54	-	7	6	5	6	5	1	2	-	-	32
55 - 59	-	5	6	6	2	6	-	3	-	-	28
60 - 64	-	5	3	7	2	4	3	4	2	3	33
65 - 69	-	1	-	-	1	1	-	-	-	-	3
70 +	-	-	1	-	-	-	-	-	-	-	1
Total	-	73	36	48	28	23	4	9	2	3	226

Males	201
Females	25
Unknown	0
Total	226

Average Age	45.8
Average Credited Service	11.4
Number Fully Vested	157
Number Partially Vested	0

7/1/2019
Eligible for Svc 35 = 5
Possible grow-in = 110

Notes

- As of July 1, 2019, there were no active participants with unknown dates of birth in the data.
- As of July 1, 2019, there were no active participants with unknown gender.
- Active participants who have not accumulated at least one pension credit as of the valuation date have been excluded from the valuation.

Contribution Margin[1]

Preliminary Valuation Results as of July 1, 2019

Measurement Date	July 1, 2019		July 1, 2018		July 1, 2017	
Interest Rate	7.25%		7.50%		7.50%	
A. Unfunded Actuarial Accrued Liability						
1. Actuarial Accrued Liability	$ 105,859,803		$ 102,392,918		$ 113,387,634	
2. Actuarial Value of Assets	92,690,250		92,666,162		93,057,325	
3. Unfunded Liability	$ 13,169,553		$ 9,726,756		$ 20,330,309	
B. Actuarial Cost						
1. Normal Cost		Per Week		Per Week		Per Week
a. Cost of Benefit Accruals	$ 1,016,240	$ 91.55	$ 971,467	$ 83.03	$ 1,312,921	$ 112.22
b. Assumed Operating Expenses	375,000	33.78	375,000	32.05	375,000	32.05
c. Total	$ 1,391,240	125.34	$ 1,346,467	115.08	$ 1,687,921	144.27
2. Unfunded Liability Amortization Payment	1,832,665	165.10	1,370,554	117.14	2,864,653	244.84
3. Total Actuarial Cost for Plan Year	$ 3,223,905	290.44	$ 2,717,020	232.22	$ 4,552,574	389.11
Amortization Period	10		10		10	
C. Expected Employer Contributions						
1. Expected Weeks	11,100		11,700		11,700	
2. Average Contribution Rate per Week	$ 302.62		$ 274.36		$ 261.13	
3. Expected Contributions	$ 3,359,082		$ 3,210,012		$ 3,055,221	
Unfunded Amortization Contribution		$ 1,967,842		$ 1,863,545		$ 1,367,300
Unfunded Amortization Period (years)		8.70		6.26		Perpetuity
D. Contribution Margin						
1. Contribution Margin for Plan Year	$ 135,177		$ 492,992		$ (1,497,353)	
2. Contribution Margin per Week	$ 12.18		$ 42.14		$ (127.98)	

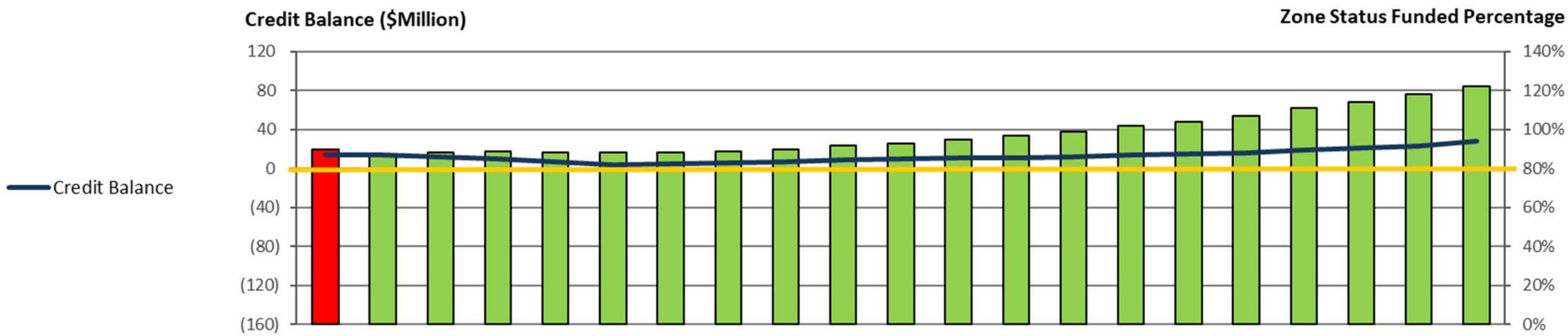
1) The actuarial costs in B. above include an include interest adjustments to reflect payments throughout the year.
2) The July 1, 2019 information reflects the new interest rate assumption of 7.25% whereas prior information is based on the old 7.50% assumption.

Notes

Funding Policy Reflected

1.82% Return PYB 2019; 7.25% Return PYB 2020+ | 10,000 Weeks Worked beginning PYB 2020 | Contribution Increases required by the Funding Policy7

Industry And Local 338 Pension Plan



Plan Year Beginning 7/1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
(1) Investment Return (%)	4.81	1.82	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	11.9	10.3	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
(3) Weekly Contribution Rate ($)	274	303	317	328	337	346	356	366	376	387	397	409	420	432	444	457	470	483	497	511	526
(4) Contributions+EWL Payments($M)	3.4	5.6	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9	4.0	4.1	4.2	4.3	4.4	4.6	4.7	4.8	5.0	5.1	5.3
(5) Actuarial Value of Assets ($M)	93	93	94	94	94	93	92	93	94	95	97	98	100	102	104	107	110	113	117	121	126
(6) Zone Status Liability ($M)	102	106	106	106	106	105	105	104	104	104	103	103	103	102	102	102	102	102	102	102	103
(7) Credit Balance ($M)	14	14	12	10	7	4	5	6	7	9	10	11	11	12	14	15	16	19	21	24	28
(8) Zone Status Funded Percentage	90%	87%	88%	89%	88%	88%	88%	89%	90%	92%	93%	95%	97%	99%	102%	104%	107%	111%	114%	118%	122%

1) Effective July 1, 2016, all contributions (and future rate increases, if any) are benefit-bearing. See graph for detail regarding assumed rate increases.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Projection Roadmap 7.25% Discount Rate[8]

Scenario	Investment Return PYB 2019 / PYB 2020 / PYB 2021+	Weeks Worked PYE 2019 / PYE 2020+	Projected 6/30/2021 Market Value of Assets	Projected Zone Status 2021-2022	Projected Status Reflecting the Funding Policy
Certification Basis: Contribution Rates Included in Current Collective Bargaining Agreements					
Baseline July 1, 2020 PPA Certification	1.82% / 7.25% / 7.25%	10,300 / 10,000	$90.5M	Green	Funding Policy (3%/year) provides increasing F%, F% = 122% 7/1/2038
2021 Basis: Anticipated Contribution Rates Negotiated in Upcoming Collective Bargaining Agreements 7/2020-6/2021					
A Low ROA That Results in Non-Green 2021	1.82% / -4.00% / 7.25%	10,300 / 10,000	$80.8M	Yellow	Funding Policy (3%/year) provides increasing F%, 7/1/2038 **Red** F% = 90%
B High ROA For 2020-2021	1.82% / 14.50% 7.25%	10,300 / 10,000	$96.9M	Green	Funding Policy (3%/year) provides increasing F%, 7/1/2038 **Green** F% = 142%

Other assumptions may be reasonable and could produce different results. Other risks can negatively impact the funded status of the plan such as participants living longer than assumed. Additional scenarios available upon request.

Data, Assumptions, Methods and Provisions

- **Please refer to**
  - Plan Document Restated 7-1-2014
  - Amendment 1 (Benefit Accrual Change, effective 7/1/2016)
  - Amendment 2 (Rehabilitation Plan, benefit changes effective 1/1/2018)
  - Horizon Actuarial Services July 1, 2019 Actuarial Valuation Report
  - September 22, 2020 Presentation to the Board3

INDUSTRY AND LOCAL 338
Pension Fund

PENSION APPLICATIONS SUBMITTED FOR APPROVAL
December 17, 2020

NAME	AGE	TYPE OF PENSION	EFFECTIVE DATE	YEARS OF SERVICE	BENEFIT AMOUNT	LUMPSUM AMOUNT	J&S OPT	LAST EMPLOYER	LAST DAY WORKED
Theresa M Esterly	60	Surviving Spouse	11-01-2020	31.50	$945.48	$1,890.96	N/A	Suburban Propane	05-30-2013
Leon H Jones	65	Statutory	02-01-2020	13.00	$44.86	$493.46	N/A	HP Hood	01-31-1994

APPROVED BY THE BOARD OF TRUSTEES

BARRY RUSSELL

THERESA BRESTEN

ROBERTA DUNKER

CHRIS PALMER

MICKEY SMITH

ALICIA COCHRAN
ACCOUNT EXECUTIVE

INDUSTRY AND LOCAL 338
Pension Fund

PENSION APPLICATIONS SUBMITTED FOR APPROVAL
November 20, 2020

NAME	AGE	TYPE OF PENSION	EFFECTIVE DATE	YEARS OF SERVICE	BENEFIT AMOUNT	LUMPSUM AMOUNT	J&S OPT	LAST EMPLOYER	LAST DAY WORKED
Anthony Buglione	65	Normal	09-01-2020	6.25	$499.24	$998.48	75%	College of New Rochelle	08-09-2019

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ACCOUNT EXECUTIVE

INDUSTRY AND LOCAL 338
Pension Fund

PENSION APPLICATIONS SUBMITTED FOR APPROVAL
October 16, 2020

NAME	AGE	TYPE OF PENSION	EFFECTIVE DATE	YEARS OF SERVICE	BENEFIT AMOUNT	LUMPSUM AMOUNT	J&S OPT	LAST EMPLOYER	LAST DAY WORKED
Francis Moon	65	Normal	03-01-2020	35.00	$2,539.25	$17,774.75	75%	LP Transportation	05-12-2020

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CHRIS PALMER

MICKEY SMITH

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ACCOUNT EXECUTIVE

INDUSTRY AND LOCAL 338
Pension Fund

PENSION APPLICATIONS SUBMITTED FOR APPROVAL
September 28, 2020

NAME	AGE	TYPE OF PENSION	EFFECTIVE DATE	YEARS OF SERVICE	BENEFIT AMOUNT	J&S OPT	LAST EMPLOYER	LAST DAY WORKED
Linda Minard (Surviving Spouse of Donald Minard)	77	Surviving Spouse	08-01-2020	11.50	$180.50	N/A	Dairylea	12-27-1983
Pamela Boyce (Surviving Spouse of Todd Boyce)	53	Surviving Spouse	05-01-2020	26.00	$2,014.49	N/A	HP Hood	03-31-2011
Allen Lawson	65	Statutory (DV)	10-01-2020	5.75	$925.07	N/A	HP Hood	04-13-2004

APPROVED BY THE BOARD OF TRUSTEES

BARRY RUSSELL

THERESA BRESTEN

ROBERTA DUNKER

CHRIS PALMER

MICKEY SMITH

ALICIA COCHRAN
ACCOUNT EXECUTIVE

INDUSTRY & LOCAL 338 PENSION FUND
JULY 1, 2020 THROUGH JUNE 30, 2021
CASH OPERATING STATEMENT

	JULY	AUGUST	SEPTEMBER	JULY - SEPTEMBER	YEAR TO DATE
Remittances					
Employer Contributions *	281,495.80	237,762.35	260,757.47	780,015.62	780,015.62
Withdrawal Liability Principal	1,489.62	10,146.65	5,872.74	17,509.01	17,509.01
Withdrawal Liability Interest	2,535.41	16,382.10	9,404.15	28,321.66	28,321.66
Withdrawal Liability Fee	0.00	1,500.00	1,500.00	3,000.00	3,000.00
Payroll Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audit Interest	0.00	0.00	0.00	0.00	0.00
Interest- Delinquent Employer	158.75	0.00	372.13	530.88	530.88
Interest Income- BNY Mellon	0.00	0.00	0.00	0.00	0.00
Dividend Income	107,022.90	50,206.44	49,961.54	207,190.88	207,190.88
SEI Fund Rebate	0.00	29,599.73	0.00	29,599.73	29,599.73
Net Adjustment Per Custodian	0.00	0.00	0.00	0.00	0.00
Total Income **	**392,702.48**	**345,597.27**	**327,868.03**	**1,066,167.78**	**1,066,167.78**
Benefit Expenses					
Pension Benefits	718,566.77	669,941.46	715,075.67	2,103,583.90	2,103,583.90
Total Benefit Expenses	**718,566.77**	**669,941.46**	**715,075.67**	**2,103,583.90**	**2,103,583.90**
Administrative Expenses					
AA, LLC- Admin. Fees *	10,298.00	10,298.00	10,298.00	30,894.00	30,894.00
Legal Fees	0.00	7,500.00	0.00	7,500.00	7,500.00
Consulting Fees	0.00	0.00	0.00	0.00	0.00
SEI Invest./Custody Fees	0.00	132,003.56	0.00	132,003.56	132,003.56
Fiduciary Liability Insurance	30,990.05	0.00	0.00	30,990.05	30,990.05
Year End Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audits	0.00	0.00	0.00	0.00	0.00
PBGC Insurance	0.00	0.00	0.00	0.00	0.00
Fidelity Bond Insurance	0.00	0.00	0.00	0.00	0.00
Convention & Seminars	0.00	0.00	0.00	0.00	0.00
Printing & Stationery	121.11	0.00	177.00	298.11	298.11
Postage	652.00	0.00	15.38	667.38	667.38
Office Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Bank Charges	233.75	218.50	170.00	622.25	622.25
Meeting Expenses	0.00	0.00	0.00	0.00	0.00
Dues & Membership	0.00	0.00	0.00	0.00	0.00
IFEBP Registration Fee	0.00	0.00	0.00	0.00	0.00
Actuarial Fees	7,051.67	6,045.42	0.00	13,097.09	13,097.09
Cyber Liability	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENSES	**767,913.35**	**826,006.94**	**725,736.05**	**2,319,656.34**	**2,319,656.34**
INCREASE/(DECREASE)	**(375,210.87)**	**(480,409.67)**	**(397,868.02)**	**(1,253,488.56)**	**(1,253,488.56)**

FUND RESERVE AS OF 9/30/20: $92,243,678.76

* Cash to Accrual
** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for July are 53,119.85 & 3,092,595.64
** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for August are 86,746.33 & 2,557,197.42
** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for September are 56,896.40 & (1,625,422.19)

INDUSTRY AND LOCAL 338 PENSION FUND
AUTHORIZATION FOR DISBURSEMENTS
JULY 31, 2020

PENSION FUND CHECKING

CHECK	DESCRIPTION		AMOUNT
	FEDERAL WITHHOLDING TAX (AUGUST)		59,791.95
		TOTAL PAYMENTS	**59,791.95**

INDUSTRY AND LOCAL 338 PENSION FUND
AUTHORIZATION FOR DISBURSEMENTS
AUGUST 31, 2020

PENSION FUND CHECKING

CHECK	DESCRIPTION		AMOUNT
	FEDERAL WITHHOLDING TAX (SEPTEMBER)		62,174.95
		TOTAL PAYMENTS	**62,174.95**

INDUSTRY AND LOCAL 338 PENSION FUND
AUTHORIZATION FOR DISBURSEMENTS
SEPTEMBER 30, 2020

PENSION FUND CHECKING			
CHECK	DESCRIPTION		AMOUNT
	FEDERAL WITHHOLDING TAX (OCTOBER)		59,583.95
		TOTAL PAYMENTS	**59,583.95**

Local 338 Delinquency Log

Delinquencies as of 9/30/20

Employer	Month(s) Delinquent
Friesland Campina	8/20 *

Late Fees

Employer	Pension	Total Balance Owed	Month(s) Owed
College of New Rochelle **	$588.84	$588.84	6/16-9/16, 11/16, 2/19, 4/19
Friesland Campina	$340.23	$340.23	9/20

Status of Withdrawal Liability Payments as of 9/30/20

Employer	Start Date	Amount of W/L Pymt Mthly	Total # of Pymts Required	Pymts Made to Date	Past Due?	Employer ID#	Date of withdrawal
Sodexo	6/1/2013	$11,251.86	240	89	No	56	8/31/2012
Suburban Propane	8/1/2013	$2,545.45	240	86	No	7	5/22/2013
Local 338 Welfare Fund	3/1/2014	$1,479.58	240	79	No	36	6/30/2013

* Friesland Campina Paid August Contributions on 10/15/20
** Proof of Bankruptcy claim has been filed

Local 338 Pension Fund Employer Contribution Rates

Employer	Employer #	Member Count**	Contract Effective Date	Contract Expiration Date	Funding Plan	Contract Rate*	Current CBA on file	Union
HP Hood, LLC	**13**	**92**	11/1/2017	10/31/2020		303.98	Yes	687
			11/1/2018			322.67		
			11/1/2019			**342.58**		
FrieslandCampina Ingredients NA Inc.	**25**	**64**	1/1/2019	12/31/2021			Yes	317
			1/1/2019			205.09		
			1/1/2020			**261.33**		
			1/1/2021			281.24		
L.P. Transportation, Inc.	**43**	**23**	8/16/2019	8/15/2022			Yes	445
			8/16/2019		8.76	331.51		
			8/16/2020		**9.02**	**340.53**		
			8/16/2021		9.29	349.82		
Montefiore New Rochelle	**50**	**16**	7/12/2018	11/5/2020			Yes	445
			7/12/2018			251.61		
			11/6/2018			270.30		
			11/6/2019			**290.21**		
Paraco Gas Corporation	**54**	**8**	2/1/2018	1/31/2021			Yes	445
			2/1/2018			245.15		
			2/1/2019			263.84		
			2/1/2020			**283.75**		
Westchester Local 860	**21**	**1**	10/1/2009	*9/30/2013*			No	445
			10/1/2009			154.17		
Currently in negotiations			10/1/2010			169.59		
			10/1/2011			186.55		
			10/1/2012			205.21		
			11/1/2017			215.47		
			4/1/2018			233.02		
			7/1/2018			**243.28**		

*Includes Rehab & Surcharge rates until Funding Policy is adopted in CBA
** Participant Count as of 11/11/20

INDUSTRY AND LOCAL 338 PENSION FUND
NUMBER OF ACTIVE MEMBERS & RETIREES
RECEIVING BENEFITS
JANUARY 2020 - DECEMBER 2020

MONTH	ACTIVES PENSION	PENSION PAID
January-20	211	662
February-20	207	656
March-20	203	657
April-20	199	656
May-20	196	656
June-20	196	658
July-20	197	659
August-20	197	656
September-20	203	655
October-20		
November-20		
December-20		

INDUSTRY AND LOCAL 338

PENSION FUND

FIRST QUARTER 2020-21

ADMINISTRATIVE MANAGER'S REPORT

UNAUDITED STATEMENT

INDUSTRY & LOCAL 338 PENSION FUND
JULY 2020
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
WESTCHESTER LOCAL 860	$ 243.28	1	$ 973
LP TRANSPORTATION	$ 331.51	23	$ 36,466
HP HOOD, LLC	$ 342.58	87	$ 145,939
MONTEFIORE NEW ROCHELLE	$ 290.21	15	$ 24,958
PARACO GAS	$ 283.75	7	$ 6,782
FRIESLAND CAMPINA USA	$ 261.33	64	$ 66,378
SUB TOTAL		**197**	**$ 281,496**

TOTAL CONTRIBUTIONS	**$ 281,496**

* Cash to Accrual

UNAUDITED STATEMENT

INDUSTRY & LOCAL 338 PENSION FUND
AUGUST 2020
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
WESTCHESTER LOCAL 860	$ 243.28	1	$ 973
LP TRANSPORTATION **	$ 340.53	23	$ 30,573
HP HOOD, LLC	$ 342.58	86	$ 116,135
MONTEFIORE NEW ROCHELLE	$ 290.21	15	$ 16,832
PARACO GAS	$ 283.75	8	$ 7,917
FRIESLAND CAMPINA USA	$ 261.33	64	$ 65,332
SUB TOTAL		**197**	**$ 237,762**

TOTAL CONTRIBUTIONS	**$ 237,762**

* Cash to Accrual
** Rate Switch 8/16/20

INDUSTRY & LOCAL 338 PENSION FUND
SEPTEMBER 2020
CONTRIBUTIONS

EMPLOYER CONTRIBUTIONS *

	RATE	PARTICIPANTS	CONTRIBUTIONS
WESTCHESTER LOCAL 860	$ 243.28	1	$ 973
LP TRANSPORTATION	$ 340.53	23	$ 29,626
HP HOOD, LLC	$ 342.58	91	$ 120,588
MONTEFIORE NEW ROCHELLE	$ 290.21	16	$ 18,283
PARACO GAS	$ 283.75	8	$ 7,661
FRIESLAND CAMPINA USA	$ 261.33	64	$ 83,626
SUB TOTAL		**203**	**$ 260,757**

TOTAL CONTRIBUTIONS	**$ 260,757**

* Cash to Accrual

UNAUDITED STATEMENT

INDUSTRY & LOCAL 338 PENSION FUND
JULY 2020
EXPENSES

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	COMMENT
PENSION BENEFITS		$ 718,567	
SUB TOTAL		**$ 718,567**	

ADMINISTRATIVE EXPENSES

AA, LLC ADMIN FEES *		$ 10,298	
LEGAL FEES		$ -	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ 30,990	
YEAR-END AUDIT		$ -	
PAYROLL AUDITS		$ -	
PBGC INSURANCE		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ 121	
POSTAGE		$ 652	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 234	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
IFEBP REGISTRATION FEES		$ -	
ACTUARIAL FEES		$ 7,052	
CYBER LIABILITY		$ -	
SUB TOTAL		**$ 49,347**	

TOTAL EXPENSES	**$ 767,914**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
AUGUST 2020
EXPENSES

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	COMMENT
PENSION BENEFITS		$ 669,941	
SUB TOTAL		**$ 669,941**	

ADMINISTRATIVE EXPENSES

AA, LLC ADMIN FEES *		$ 10,298	
LEGAL FEES		$ 7,500	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ 132,004	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR-END AUDIT		$ -	
PAYROLL AUDITS		$ -	
PBGC INSURANCE		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ -	
POSTAGE		$ -	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 219	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
IFEBP REGISTRATION FEES		$ -	
ACTUARIAL FEES		$ 6,045	
CYBER LIABILITY		$ -	
SUB TOTAL		**$ 156,066**	

TOTAL EXPENSES	**$ 826,007**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
SEPTEMBER 2020
EXPENSES

BENEFIT EXPENSES

BENEFIT	RATE	EXPENSE	COMMENT
PENSION BENEFITS		$ 715,076	
SUB TOTAL		**$ 715,076**	

ADMINISTRATIVE EXPENSES

AA, LLC ADMIN FEES *		$ 10,298	
LEGAL FEES		$ -	
CONSULTING FEES		$ -	
SEI INVESTMENT FEES		$ -	
FIDUCIARY LIAB. INSURANCE		$ -	
YEAR-END AUDIT		$ -	
PAYROLL AUDITS		$ -	
PBGC INSURANCE		$ -	
FIDELITY BOND INSURANCE		$ -	
CONVENTION & SEMINARS		$ -	
PRINTING & STATIONERY		$ 177	
POSTAGE		$ 15	
OFFICE EXPENSES		$ -	
BANK CHARGES		$ 170	
TRAVEL EXPENSES		$ -	
MEETING EXPENSES		$ -	
DUES & MEMBERSHIP		$ -	
IFEBP REGISTRATION FEES		$ -	
ACTUARIAL FEES		$ -	
CYBER LIABILITY		$ -	
SUB TOTAL		**$ 10,660**	

TOTAL EXPENSES	**$ 725,736**

* Cash to Accrual

INDUSTRY & LOCAL 338 PENSION FUND
2020-21
QUARTERLY RECAP

INCOME	FIRST 2020	SECOND 2020	THIRD 2021	FOURTH 2021	TOTAL
EMPLOYER CONTRIBUTIONS *	$ 780,015	$ -	$ -	$ -	$ 780,015
SUPPLEMENTAL CONTRIBUTIONS *	$ -	$ -	$ -	$ -	$ -
W/L PRINCIPAL & INTEREST	$ 45,831	$ -	$ -	$ -	$ 45,831
W/L FEE	$ 3,000	$ -	$ -	$ -	$ 3,000
W/L - CULINART	$ -	$ -	$ -	$ -	$ -
INTEREST INCOME- BNY	$ -	$ -	$ -	$ -	$ -
PAYROLL AUDIT & INTEREST	$ -	$ -	$ -	$ -	$ -
INTEREST & DIVIDENDS	$ 207,722	$ -	$ -	$ -	$ 207,722
SEI FUND REBATE	$ 29,600	$ -	$ -	$ -	$ 29,600
NET ADJUSTMENT PER CUSTODIAN	$ -	$ -	$ -	$ -	$ -
TOTAL INCOME **	**$ 1,066,168**	**$ -**	**$ -**	**$ -**	**$ 1,066,168**

EXPENSES	FIRST 2020	SECOND 2020	THIRD 2021	FOURTH 2021	TOTAL
PENSION BENEFITS	$ 2,103,584	$ -	$ -	$ -	$ 2,103,584
AA, LLC ADMIN FEES *	$ 30,894	$ -	$ -	$ -	$ 30,894
LEGAL FEES	$ 7,500	$ -	$ -	$ -	$ 7,500
CONSULTING FEES	$ -	$ -	$ -	$ -	$ -
SEI INVESTMENT FEES	$ 132,004	$ -	$ -	$ -	$ 132,004
FIDUCIARY LIABILITY INSURANCE	$ 30,990	$ -	$ -	$ -	$ 30,990
YEAR-END AUDIT	$ -	$ -	$ -	$ -	$ -
PAYROLL AUDITS	$ -	$ -	$ -	$ -	$ -
PBGC INSURANCE	$ -	$ -	$ -	$ -	$ -
FIDELITY BOND INSURANCE	$ -	$ -	$ -	$ -	$ -
CONVENTION & SEMINARS	$ -	$ -	$ -	$ -	$ -
PRINTING & STATIONERY	$ 298	$ -	$ -	$ -	$ 298
POSTAGE	$ 667	$ -	$ -	$ -	$ 667
OFFICE EXPENSES	$ -	$ -	$ -	$ -	$ -
BANK CHARGES	$ 623	$ -	$ -	$ -	$ 623
TRAVEL EXPENSES	$ -	$ -	$ -	$ -	$ -
MEETING EXPENSES	$ -	$ -	$ -	$ -	$ -
DUES & MEMBERSHIP	$ -	$ -	$ -	$ -	$ -
IFEBP REGISTRATION FEES	$ -	$ -	$ -	$ -	$ -
ACTUARIAL FEES	$ 13,097	$ -	$ -	$ -	$ 13,097
CYBER LIABILITY	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSE	**$ 2,319,657**	**$ -**	**$ -**	**$ -**	**$ 2,319,657**
SURPLUS (DEFICIT)	**$ (1,253,489)**	**$ -**	**$ -**	**$ -**	**$ (1,253,489)**

	FIRST 2020	SECOND 2020	THIRD 2021	FOURTH 2021	AVG. TOTAL
TOTAL ACTIVE PARTICIPANTS	597				597

FUND RESERVE AS OF 9/30/20: $92,243,678.76

* Cash to Accrual

** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for July are 53,119.85 & 3,092,595.64

** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for August are 86,746.33 & 2,557,197.42

** Total income does not include realized & unrealized gains/losses on investments. The realized & unrealized gains/losses on investments for September are 56,896.40 & (1,625,422.19)

Industry And Local 338 Pension Fund

911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

October 2020

To: **All Participants, Beneficiaries, Participating Unions, and Contributing Employers**

From: **Board of Trustees of the Industry and Local 338 Pension Fund**

Subject: **Annual Funding Notice for the Fiscal Year ending June 30, 2020**

Attached to this letter is the "Annual Funding Notice" for the Industry and Local 338 Pension Fund (the "Plan") for the prior fiscal year, which began July 1, 2019 and ended June 30, 2020. This notice provides basic information on the Plan's funded status for the prior fiscal year. Federal law requires the Plan to send you this notice, which includes mostly historical information.

Background

The Plan remains in the "Green Zone" as of July 1, 2020.

As you will recall, the Plan was certified in "Critical Status" (the "Red Zone") for two fiscal years before emerging to the Green Zone as of July 1, 2019. Because the Plan was first certified in Endangered Status for the fiscal year beginning July 1, 2016, the Trustees were required to adopt a "Funding Improvement Plan" to enable the Plan to meet certain funding benchmarks over a ten-year period. The Trustees were required to adopt a Rehabilitation Plan for the fiscal year beginning July 1, 2017 when the Plan was first certified in Critical Status. This Rehabilitation Plan replaced the Funding Improvement Plan. While the Plan remained in Critical Status, the Rehabilitation Plan also remained in effect.

Now that the Plan is in the "Green Zone," the Rehabilitation Plan no longer applies. The Trustees have adopted a Funding Policy to help protect and improve the Plan's funding.

Plan Remains Underfunded

The primary reason for the Plan emerging from Critical Status is the adherence to the Rehabilitation Plan adopted by the Trustees. As a result, the Plan was able to emerge from Critical Status into the Green Zone as of July 1, 2019.

Nevertheless, the Plan remains underfunded. The Plan's estimated funded percentage as of July 1, 2020 is 88%, on the basis of the actuarial value of assets. As described in the attached Annual Funding Notice, the "actuarial value" of assets smooths out fluctuations in market returns. The "market value" of assets, however, does not smooth out these fluctuations. While federal law requires the use of the actuarial value of assets to determine whether the Plan is in Endangered Status or Critical Status, the market value of assets tends to show a clearer picture of the Plan's funded status at a given point in time.

On the basis of the market value of assets, the Plan is about 84% funded as of July 1, 2020. In other words, the fair market value of the Plan's assets covers only 84% of the value of its promised benefits. The funded percentage is very sensitive to the current dynamic economic environment.

Where to Get More Information

For more information or to request a copy of the Funding Policy, you may contact the Board of the Trustees of the Industry and Local 338 Pension Fund, c/o Associated Administrators, LLC 911 Ridgebrook Rd., Sparks, MD, 21152, Telephone: 855-412-3797. For identification purposes, the official plan name is "Industry and Local 338 Pension Fund," the official plan number ("PN") is 001, and the plan sponsor's employer identification number ("EIN") is 51-6126649.

Sincerely,

Board of Trustees

Industry And Local 338 Pension Fund

911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

ANNUAL FUNDING NOTICE
For
Industry and Local 338 Pension Fund

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by Federal law. This notice is for the plan year beginning July 1, 2019 and ending June 30, 2020 ("Plan Year").

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage			
	2019 Plan Year July 1, 2019–June 30, 2020	2018 Plan Year July 1, 2018–June 30, 2019	2017 Plan Year July 1, 2017–June 30, 2018
Valuation Date	July 1, 2019	July 1, 2018	July 1, 2017
Funded Percentage	87.6%	90.5%	82.0%
Value of Assets	$92,690,276	$92,666,162	$93,057,325
Value of Liabilities	$105,801,761	$102,392,918	$113,387,634

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years.

	June 30, 2020	June 30, 2019	June 30, 2018
Fair Market Value of Assets	$90,132,041*	$91,152,183	$91,628,548

*Note, the asset value as of June 30, 2020 is a preliminary number since the Plan does not have audited asset values as of that date.

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 not in endangered, critical, or critical and declining status in the Plan Year.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 1,150. Of this number, 226 were current employees, 659 were retired and receiving benefits, and 265 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is that the Plan is funded by contributions made by employers pursuant to collective bargaining agreements with Teamster Union Locals 445, 687 and 317, the local unions that represent the Plan's participants.

Pension plans also have investment policies. These are generally written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to maximize the total rate of return over the long term, subject to preservation of capital, by diversifying the allocation of capital among professional investment managers with complementary or diverse investment styles in domestic equity securities, domestic fixed income instruments and other asset classes as deemed prudent.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	**Percentage**
1. Cash (Interest bearing and non-interest bearing)	1%
2. U.S. Government securities	
3. Corporate debt instruments (other than employer securities):	
Preferred	
All other	
4. Corporate stocks (other than employer securities):	
Preferred	
Common	
5. Partnership/joint venture interests	
6. Real estate (other than employer real property)	
7. Loans (other than to participants)	
8. Participant loans	
9. Value of interest in common/collective trusts	17%
10. Value of interest in pooled separate accounts	
11. Value of interest in 103-12 investment entities	
12. Value of interest in registered investment companies (e.g., mutual funds)	81%
13. Value of funds held in insurance co. general account (unallocated contracts)	
14. Employer-related investments:	
Employer Securities	
Employer real property	
15. Buildings and other property used in plan operation	
16. Other	1%

For Information about the Plan's investment in common/collective trusts, contact the Fund Office, c/o Associated Administrators, LLC, 911 Ridgebrook Rd., Sparks, MD, 21152, Telephone: 855-412-3797.

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington DC 20210, or by calling (202) 693-8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where To Get More Information."

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and the PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($600/10), which equals $60. The guaranteed amount for a $60 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on the PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. The PBGC does not have that information. See "Where to Get More Information" about your plan, below.

Where to Get More Information

For more information about this notice, you may contact the Fund Office, c/o Associated Administrators, LLC 911 Ridgebrook Rd., Sparks, MD, 21152, Telephone: 855-412-3797. For identification purposes, the official Plan number is 001 and the Plan sponsor's employer identification number or "EIN" is 51-6126649. For more information about the PBGC and benefit guarantees, go to the PBGC's website, www.pbgc.gov.

Horizon Actuarial Services, LLC
8601 Georgia Avenue, Suite 700
Silver Spring, MD 20910
Phone/Fax: 240.247.4600
www.horizonactuarial.com

September 30, 2020

VIA ELECTRONIC MAIL

Alicia Cochran, Administrator
Industry & Local 338 Pension Plan
Associated Administrators, LLC
911 Ridgebrook Rd.
Sparks, MD 21152

Re: Industry & Local 338 Pension Plan: Employer Withdrawal Liability
FrieslandCampina Ingredients North America – Estimate for Withdrawal in 2019-2020 Plan Year

Dear Alicia:

As requested, we have determined the estimated Employer Withdrawal Liability from the Industry & Local 338 Pension Plan (the "Plan") for FrieslandCampina Ingredients North America for a withdrawal from the Plan during the July 1, 2019 through June 30, 2020 plan year. The withdrawal liability estimate is therefore based on the Unfunded Vested Benefits ("UVBs") of the Plan determined as of June 30, 2019. The Plan's contribution history was based on information in audits of the Plan included in Form 5500 filings.

As you are aware, the Plan first emerged from Critical status in the Plan year beginning July 1, 2019. Based on our understanding of the statute and proposed regulations, we have reflected the contribution increases required by the Rehabilitation Plan during the period while that Plan was in Critical status for purposes of allocating the Plan's UVBs. These increases would not be included for purposes of determining the highest contribution rate when determining the annual withdrawal liability payment. Since Horizon Actuarial does not engage in the practice of law, we of course defer to fund counsel regarding any interpretations of the statute and regulations.

The Plan Administrator, Associated Administrators, LLC, provided the contribution and hours-worked history for FrieslandCampina Ingredients North America. We have included contributions for all contracts and locations identified as FrieslandCampina Ingredients North America locations at which contributions were required to be made to the Plan in the past 10 years. If there are additional locations or if FrieslandCampina Ingredients North America is related to any other contributing employer, withdrawal liability could be materially different than what is shown on the enclosed exhibit. If there are additional contribution amounts which should be included or if there are any other omissions or errors, a revised calculation should be performed.

The net estimated withdrawal liability for a complete withdrawal of FrieslandCampina Ingredients North America during the July 1, 2019 to June 30, 2020 plan year is $12,299,700. This does not reflect any adjustment that may be applicable due to the application of the 20-year cap in accordance with ERISA 4219(c)(1)(B). We have enclosed an exhibit showing the details of our calculations and a summary of the assumptions used in the calculation.

Please let us know if you have any comments.

Sincerely,

Mary Ann Dunleavy

Mary Ann Dunleavy, ASA, MAAA
Consulting Actuary

Enclosures

cc: Elizabeth O'Leary (w/ attachments)

Industry & Local 338 Pension Plan
Estimate of Employer Withdrawal Liability for
FrieslandCampina
for a Complete Withdrawal in the 2019 - 2020 Plan Year

Exhibit I

		Contributions					
Year Ended 6/30 (1)	Unfunded Vested Benefits (UVBs) (2)	Total for Plan (3)	Previously Withdrawn Employers (4)	Merged Plan for 5 Full Preceding Plan Years (5)	Total, Adjusted for Withdrawn Employers and Mergers [(3) - (4) + (5)] (6)	Withdrawing Employer (7)	Withdrawing Employer's Share of UVBs [(2) ÷ (6) x (7)] (8)
2015		$ 3,098,753	$ 125,644	$ -		$ 553,162	
2016		2,969,275	134,094	-		625,716	
2017		3,276,496	201,950	-		659,259	
2018		3,238,894	194,916	-		665,172	
2019		3,538,306	-	-		747,322	
Totals	$ 45,911,804	$ 16,121,724	$ 656,604	$ -	$ 15,465,120	$ 3,250,631	

(8)	Allocation of Unfunded Vested Benefits = [(2) ÷ (6) x (7)]	$ 9,650,252
(9)	De Minimis Reduction	
	A. Excess liability (Over $100,000, but not less than zero)	$ 9,550,252
	B. Lesser of $50,000 and .75% of UVBs	50,000
	C. De Minimis Reduction (9)(B) - (9)(A), not less than zero	0
(10)	Allocation of Affected Benefits	
	A. Outstanding Balance of Affected Benefits Pool as of June 30, 2019	$ 12,604,948
	B. Allocation of Affected Benefits Pool to Withdrawing Employer = [(10)(A) ÷ (6	2,649,448
(11)	Net Withdrawal Liability = (8) - (9), but not less than zero, + (10)	$ 12,299,700

Industry and Local 338 Pension Plan
Summary of Key Actuarial Assumptions & Methods
Withdrawal Liability During the July 1, 2019 – June 30, 2020 Plan Year

a) Interest Rate

For liabilities up to the market value of assets, valued using PBGC interest rates as of June, 2019 of 3.07% and 3.05% (for 20 years and thereafter, respectively).

For liabilities in excess of the market value of assets, valued using 7.25% for all years.

b) Non-Disabled Mortality

Non-annuitant: 125% of the sex-distinct RP-2014 Blue Collar Employee Mortality Table.

Annuitant: 125% of the sex-distinct RP-2014 Blue Collar Annuitant Mortality Table

Adjusted to future years using generational projection under Scale MP-2014 to anticipate future mortality improvement.

c) Disabled Mortality

125% of the sex-distinct RP-2014 Disabled Mortality Tables.

Adjusted to future years using generational projection under Scale MP-2014 to anticipate future mortality improvement.

d) Termination

Sample Rates as follows:

Age	Probability
20	6.58%
25	5.27%
30	4.83%
35	4.47%
40	3.84%
45	3.21%
50	1.52%
55	0.33%
60	0.00%

e) Form of Payment

All unmarried participants are assumed to elect a Life Annuity.

All married participants are assumed to elect an actuarially reduced 75% Joint and Survivor Annuity.

f) Marriage / Spouse Ages

75% of non-retired participants are assumed to be married.

Male spouses are assumed to be three years older than female spouses if age is unknown.

g) Retirement Age

Sample Rates as follows:

Age	Probability
55-59	10%
60-61	20%
62	75%
63-65	50%
66-69	25%
70	100%

h) Disability

Sample Rates as follows:

Age	Probability
20	0.05%
25	0.05%
30	0.05%
35	0.06%
40	0.09%
45	0.18%
50	0.40%
55	0.85%
60	1.74%

Vested benefit valued at decrement

i) Operating Expenses — As prescribed by PBGC formula (29 CFR Part 4044, Appendix C); applied only to liabilities valued with PBGC interest rates.

j) Value of Assets — Market Value

k) Allocation Method — Rolling-Five, with application of de minimis

Additional detail on assumptions used in the development of liabilities for withdrawal liability purposes is disclosed in the July 1, 2019 actuarial valuation report for the Plan.

Horizon Actuarial Services, LLC
8601 Georgia Avenue, Suite 700
Silver Spring, MD 20910
Phone/Fax: 240.247.4600
www.horizonactuarial.com

September 30, 2020

VIA ELECTRONIC MAIL

Alicia Cochran, Administrator
Industry & Local 338 Pension Plan
Associated Administrators, LLC
911 Ridgebrook Rd.
Sparks, MD 21152

Re: Industry & Local 338 Pension Plan: Employer Withdrawal Liability
HP Hood – Estimate for Withdrawal in 2019-2020 Plan Year

Dear Alicia:

As requested, we have determined the estimated Employer Withdrawal Liability from the Industry & Local 338 Pension Plan (the "Plan") for HP Hood for a withdrawal from the Plan during the July 1, 2019 through June 30, 2020 plan year. The withdrawal liability estimate is therefore based on the Unfunded Vested Benefits ("UVBs") of the Plan determined as of June 30, 2019. The Plan's contribution history was based on information in audits of the Plan included in Form 5500 filings.

As you are aware, the Plan first emerged from Critical status in the Plan year beginning July 1, 2019. Based on our understanding of the statute and proposed regulations, we have reflected the contribution increases required by the Rehabilitation Plan during the period while that Plan was in Critical status for purposes of allocating the Plan's UVBs. These increases would not be included for purposes of determining the highest contribution rate when determining the annual withdrawal liability payment. Since Horizon Actuarial does not engage in the practice of law, we of course defer to fund counsel regarding any interpretations of the statute and regulations.

The Plan Administrator, Associated Administrators, LLC, provided the contribution and hours-worked history for HP Hood. We have included contributions for all contracts and locations identified as HP Hood locations at which contributions were required to be made to the Plan in the past 10 years. The locations reported are (1) Crowley Newburgh (338-14), last contributing in the 2010-2011 plan year, (2) Crowley Binghamton (338-12), last contributing in the 2014-2015 plan year and (3) Crowley Lafargeville (338-13), still contributing in the 2019-2020 plan year. If there are additional locations or if HP Hood is related to any other contributing employer, withdrawal liability could be materially different than what is shown on the enclosed exhibit. If there are additional contribution amounts which should be included or if there are any other omissions or errors, a revised calculation should be performed.

The net estimated withdrawal liability for a complete withdrawal of HP Hood during the July 1, 2019 to June 30, 2020 plan year is $27,120,973. This does not reflect any adjustment that may be applicable due to the application of the 20-year cap in accordance with ERISA 4219(c)(1)(B). We have enclosed an exhibit showing the details of our calculations and a summary of the assumptions used in the calculation.

Please let us know if you have any comments.

Sincerely,

Mary Ann Dunleavy

Mary Ann Dunleavy, ASA, MAAA
Consulting Actuary

Enclosures

cc: Elizabeth O'Leary (w/ attachments)

Industry & Local 338 Pension Plan
Estimate of Employer Withdrawal Liability for
HP Hood
for a Complete Withdrawal in the 2019 - 2020 Plan Year

Exhibit I

Year Ended 6/30 (1)	Unfunded Vested Benefits (UVBs) (2)	Contributions: Total for Plan (3)	Contributions: Previously Withdrawn Employers (4)	Contributions: Merged Plan for 5 Full Preceding Plan Years (5)	Contributions: Total, Adjusted for Withdrawn Employers and Mergers [(3) - (4) + (5)] (6)	Contributions: Withdrawing Employer (7)	Withdrawing Employer's Share of UVBs [(2) ÷ (6) x (7)] (8)
2015		$ 3,098,753	$ 125,644	$ -		$ 1,556,110	
2016		2,969,275	134,094	-		1,360,074	
2017		3,276,496	201,950	-		1,422,712	
2018		3,238,894	194,916	-		1,408,939	
2019		3,538,306	-	-		1,419,841	
Totals	$ 45,911,804	$ 16,121,724	$ 656,604	$ -	$ 15,465,120	$ 7,167,676	

(8)	Allocation of Unfunded Vested Benefits = [(2) ÷ (6) x (7)]	$ 21,278,912
(9)	De Minimis Reduction	
	A. Excess liability (Over $100,000, but not less than zero)	$ 21,178,912
	B. Lesser of $50,000 and .75% of UVBs	50,000
	C. De Minimis Reduction (9)(B) - (9)(A), not less than zero	0
(10)	Allocation of Affected Benefits	
	A. Outstanding Balance of Affected Benefits Pool as of June 30, 2019	$ 12,604,948
	B. Allocation of Affected Benefits Pool to Withdrawing Employer = [(10)(A) ÷ (6	5,842,061
(11)	Net Withdrawal Liability = (8) - (9), but not less than zero, + (10)	$ 27,120,973

Industry and Local 338 Pension Plan
Summary of Key Actuarial Assumptions & Methods
Withdrawal Liability During the July 1, 2019 – June 30, 2020 Plan Year

a) Interest Rate

For liabilities up to the market value of assets, valued using PBGC interest rates as of June, 2019 of 3.07% and 3.05% (for 20 years and thereafter, respectively).

For liabilities in excess of the market value of assets, valued using 7.25% for all years.

b) Non-Disabled Mortality

Non-annuitant: 125% of the sex-distinct RP-2014 Blue Collar Employee Mortality Table.

Annuitant: 125% of the sex-distinct RP-2014 Blue Collar Annuitant Mortality Table

Adjusted to future years using generational projection under Scale MP-2014 to anticipate future mortality improvement.

c) Disabled Mortality

125% of the sex-distinct RP-2014 Disabled Mortality Tables.

Adjusted to future years using generational projection under Scale MP-2014 to anticipate future mortality improvement.

d) Termination

Sample Rates as follows:

Age	Probability
20	6.58%
25	5.27%
30	4.83%
35	4.47%
40	3.84%
45	3.21%
50	1.52%
55	0.33%
60	0.00%

e) Form of Payment

All unmarried participants are assumed to elect a Life Annuity.

All married participants are assumed to elect an actuarially reduced 75% Joint and Survivor Annuity.

f) Marriage / Spouse Ages

75% of non-retired participants are assumed to be married.

Male spouses are assumed to be three years older than female spouses if age is unknown.

g) Retirement Age

Sample Rates as follows:

Age	Probability
55-59	10%
60-61	20%
62	75%
63-65	50%
66-69	25%
70	100%

h) Disability

Sample Rates as follows:

Age	Probability
20	0.05%
25	0.05%
30	0.05%
35	0.06%
40	0.09%
45	0.18%
50	0.40%
55	0.85%
60	1.74%

Vested benefit valued at decrement

i) Operating Expenses — As prescribed by PBGC formula (29 CFR Part 4044, Appendix C); applied only to liabilities valued with PBGC interest rates.

j) Value of Assets — Market Value

k) Allocation Method — Rolling-Five, with application of de minimis

Additional detail on assumptions used in the development of liabilities for withdrawal liability purposes is disclosed in the July 1, 2019 actuarial valuation report for the Plan.

Industry and Local 338 Pension Fund

35-year Service Pension Example

If you were actively employed in Covered Employment on or after July 1, 1997, a maximum of 35 Pension Credits is used to calculate your pension, including years used to calculate your pre-1997 benefit. Your benefit is calculated using your most recent service. This means that, although your benefit calculation does not take into account more than 35 Pension Credits, your monthly benefit generally increases for each additional year that you work since the monthly benefit attributable to later years is generally higher than the monthly attributable to earlier years. (Please note that there may be certain cases where, depending on the contributions required to be made on your behalf, this is not the case.)

In the **example** below, you will see the monthly benefit increase for each additional year accrued.

Participant Birth Date 6/30/1957
Participant Hire Date 7/1/1977

Years of Service	Plan Year Ending	Monthly Benefit Payment	Monthly Benefit Increase
35	6/30/2012	$2,765.14	
36	6/30/2013	$2,852.39	$87.25
37	6/30/2014	$2,939.64	$87.25
38	6/30/2015	$3,026.89	$87.25
39	6/30/2016	$3,114.14	$87.25
40	6/30/2017	$3,214.52	$100.38
41	6/30/2018	$3,323.79	$109.27
42	6/30/2019	$3,441.95	$118.16
43	6/30/2020	$3,566.45	$124.50

For more information, please contact the Fund Office at (855)-412-3797.