Horizon Actuarial Services, LLC®

Industry & Local 338 Pension Plan Preliminary July 1, 2022 Actuarial Valuation & Projections

January 27, 2023

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Today's Discussion

- **Secure 2.0 Act of 2022**
- **Preliminary July 1, 2022 Actuarial Valuation**
- **Funding Projections**
- **Benefit Study**
- **Appendix**
  - Contribution Rate Summaries
  - Survey of Capital Market Assumptions
  - Summary of Assumptions and Methods
  - Summary of Plan Provisions

Secure 2.0 Act of 2022

Summary of Provisions Impacting Multiemployer Pension Plans

Secure 2.0 Act of 2022: Overview

- **On December 29, 2022, President Biden signed the Consolidated Appropriations Act, 2023 into law**
- **This legislation contains the SECURE 2.0 Act of 2022 (the "Act"), which includes numerous provisions related to retirement plans**
- **The following slides summarize the provisions of the Act that impact multiemployer pension plans**

Disclaimer

This presentation includes a summary of provisions in the Act that are expected to impact multiemployer pension plans. There are a significant number of provisions of the Act that impact other types of retirement plans that have not been summarized herein. In addition, this presentation is provided for informational purposes only: it does not represent legal, tax, or other professional advice.

Secure 2.0 Act of 2022: Summary of Provisions

- **Increase in Required Minimum Distribution (“RMD”) Age**
  - RMD age is increased from age 72 to age 73 effective January 1, 2023
    - For individuals turning age 72 after 2022 and age 73 prior to 2033
  - RMD age is further increased to age 75 effective January 1, 2033
    - For individuals turning age 74 after 2032
  - Actuarial increases continue to be required for retirements after age 70½
  - Plans may adopt an earlier required distribution date

- **Decrease in Excise Tax on Missed RMDs**
  - The excise tax on missed RMDs is reduced from 50% to 25% beginning in 2023
  - May be further reduced to 10% in certain situations

- **Increase in Dollar Limit for Mandatory Lump Sum Distributions**
  - The dollar limit for mandatory lump sum payments will increase from $5,000 to $7,000 starting January 1, 2024
  - Plans may adopt a lower threshold for mandatory lump sum payments

Secure 2.0 Act of 2022: Summary of Provisions (Cont'd)

- **Changes to the Annual Funding Notice**
  - A table of participant counts for the notice year and the preceding two years
  - Average return on assets for the plan year to be disclosed
  - Changes required for notices related to plan years beginning after December 31, 2023

- **Requirement to Provide Paper Statements in Certain Cases**
  - Effective for plan years beginning after December 31, 2025, defined benefit plans are required to provide participants with at least one *paper* benefit statement every three years unless a participant affirmatively requests electronic delivery
  - Requirement does not apply to plans that furnish statements through electronic media in accordance with applicable DOL regulations [29 CFR 2520.104b-1(c)]
    - However, individuals who first become eligible for benefits after 2025 must receive a one-time initial paper notice informing them of their right to receive notices on paper
  - Requirement to provide pension benefit statements may continue to be satisfied by alternative notice under ERISA section 105(a)(3)
    - Provide annual notice to participants indicating that pension benefit statements are available and the ways to obtain such statement

Secure 2.0 Act of 2022: Summary of Provisions (Cont'd)

- **Recovery of Overpayments**
  - Trustees provided latitude to not recoup overpayments that were mistakenly made
    - Trustees are not considered to have violated their fiduciary duty under ERISA, and
    - Plan will not fail to meet the qualification requirements of the Internal Revenue Code
  - If Trustees choose to recoup overpayments, the following restrictions/limitations apply except in the case of a participant or beneficiary who is culpable:
    - No interest, collection costs, or fees may be charged
    - Efforts to recoup overpayments may not be accompanied by threats of litigation or made through a collection agency (exceptions apply)
    - Overpayments to a participant cannot be recouped from a surviving spouse or any other beneficiary of a participant
    - Plan cannot recoup if the first overpayment occurred more than 3 years ago
    - Additionally, if the recoupment is made via a reduction of future payments:
      - No more than 10% of the amount owed may be recouped in a single calendar year, and
      - Payments may not be decreased to less than 90% of the amount otherwise payable
  - Inadvertent overpayments that are rolled over are no longer considered ineligible rollovers

Secure 2.0 Act of 2022: Summary of Provisions (Cont'd)

- **Lost Participant Database**
  - Within two years, DOL is required to create an online searchable database that would enable individuals to see if they have money owed under a retirement plan
  - Plan sponsors will be required to provide information needed to populate the database
- **Expansion of Correction of Plan Errors**
  - Within two years, the IRS is directed to revamp the Employee Plans Compliance Resolution System ("EPCRS"), which is a program permitting the correction of certain retirement plan operational and document errors
  - The EPCRS will be expanded to allow more types of errors to be corrected internally through self-correction and exempt certain failures to make required minimum distributions from the otherwise applicable excise tax
- **Review of Reporting and Disclosure Requirements**
  - The Treasury Department, DOL, and PBGC are directed to review reporting and disclosure requirements for pension plans
  - Within 3 years, the agencies are required to make recommendations to Congress to consolidate, simplify, standardize, and improve such requirements

Preliminary July 1, 2022 Actuarial Valuation

Information presented in this report for plan years prior to July 1, 2015 is based on the prior actuary's reports.

Purpose of the Valuation

- **Determine**
  - Whether negotiated contributions adequately fund benefits
  - The minimum required and maximum deductible contributions for the plan year
  - The unfunded vested liability for computation of withdrawal liability
  - The contribution margin for the plan year
  - The benefit liabilities for the next status certification under PPA
  - The benefit liabilities and assets are the basis of any benefit or contribution study

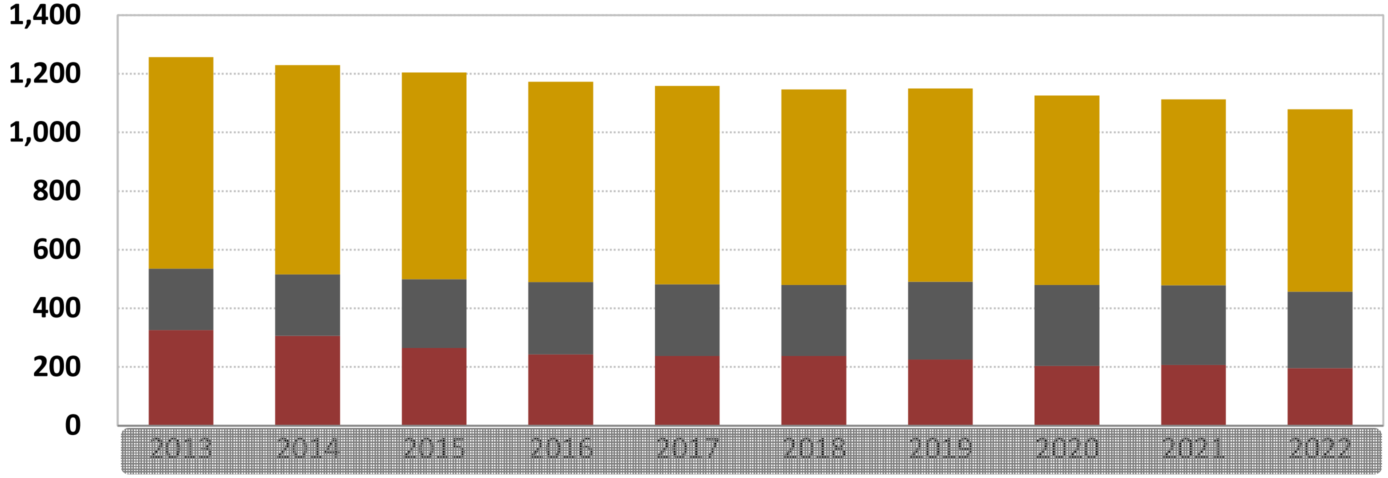
- **Review & Establish**
  - Actuarial assumptions in view of recent experience

Participation

Preliminary Valuation Results as of July 1, 2022

Industry & Local 338 Pension Plan

Participation as of the Valuation Date



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Retirees & Beneficiaries	722	714	706	683	677	667	659	646	634	622
Inactive Vested Participants	209	210	234	247	244	242	265	276	272	261
Active Participants	326	306	265	243	238	238	226	204	207	196
Total Participants	1,257	1,230	1,205	1,173	1,159	1,147	1,150	1,126	1,113	1,079
Ratio of Inactives to Actives	2.86	3.02	3.55	3.83	3.87	3.82	4.09	4.52	4.38	4.51

Notes

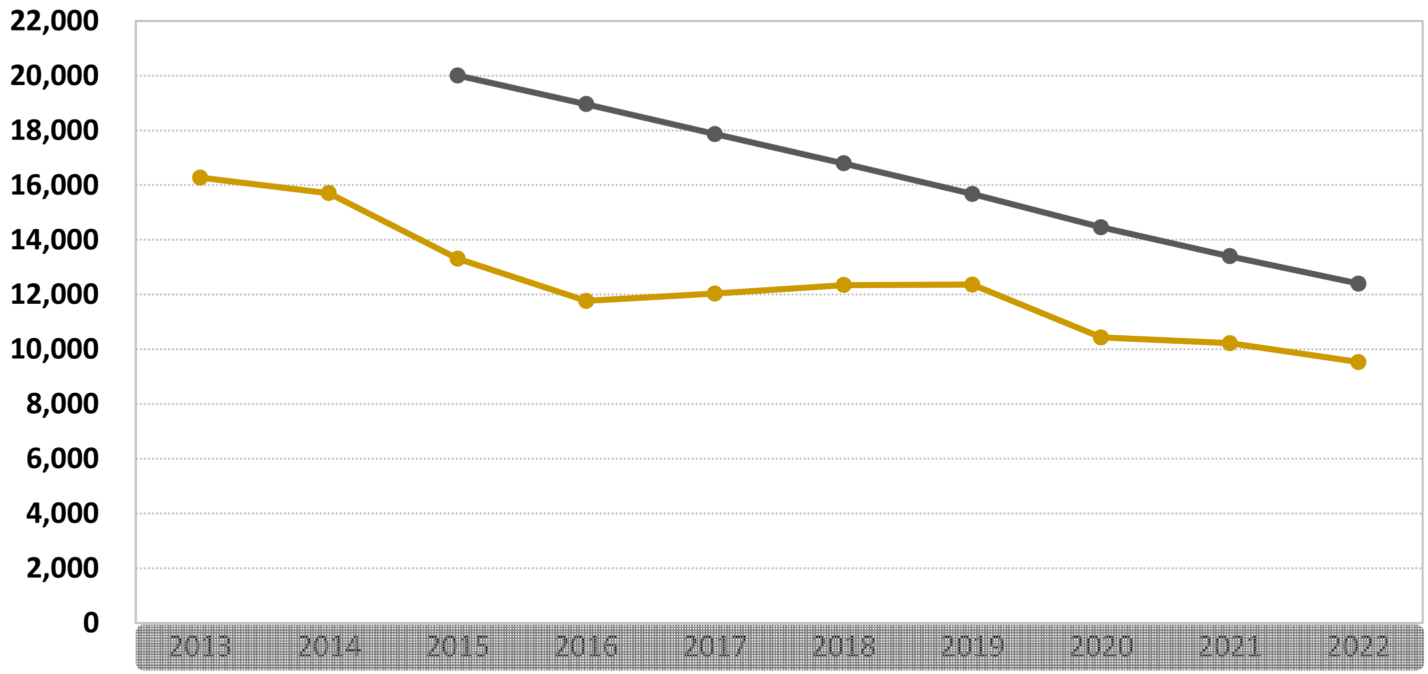
1) All participants of Crowley Foods (Binghamton) were considered Inactive as of July 1, 2015.
2) All participants of Culinart are considered Inactive as of July 1, 2019
3) All participants of College of New Rochelle are considered Inactive as of July 1, 2020 (withdrawn August 9, 2019).
4) Retiree and Beneficiary counts above exclude Alternate Payees awarded plan benefits under a QDRO.

Weeks Worked

Preliminary Valuation Results as of July 1, 2022

Industry & Local 338 Pension Plan

Weeks Worked for Plan Year Ending 6/30



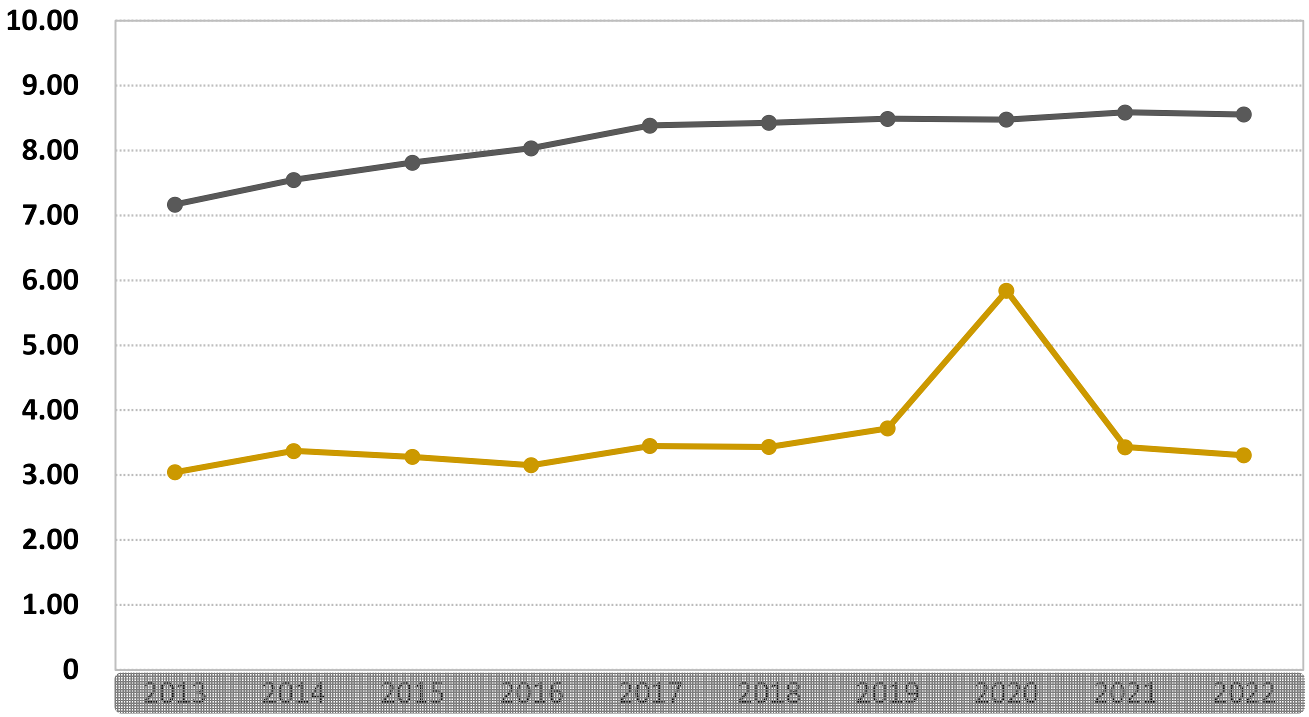
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Weeks Worked	16,274	15,708	13,316	11,775	12,039	12,351	12,366	10,436	10,228	9,540
10-Year Rolling Average			20,007	18,963	17,869	16,796	15,681	14,464	13,403	12,403

Notes

1) The Rolling 10-Year Average shown represents the annual average weeks worked for the 10 plan years ending on each respective valuation date.

Cash Flows

Preliminary Valuation Results as of July 1, 2022



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Contributions	3.04	3.37	3.28	3.15	3.45	3.44	3.72	5.84	3.43	3.31
Benefits + Expenses	7.17	7.55	7.82	8.04	8.39	8.43	8.49	8.48	8.59	8.56
Net Cash Flow (% of Assets)	-5.5%	-5.1%	-5.1%	-5.6%	-6.1%	-5.7%	-5.3%	-2.9%	-5.9%	-5.0%

Notes

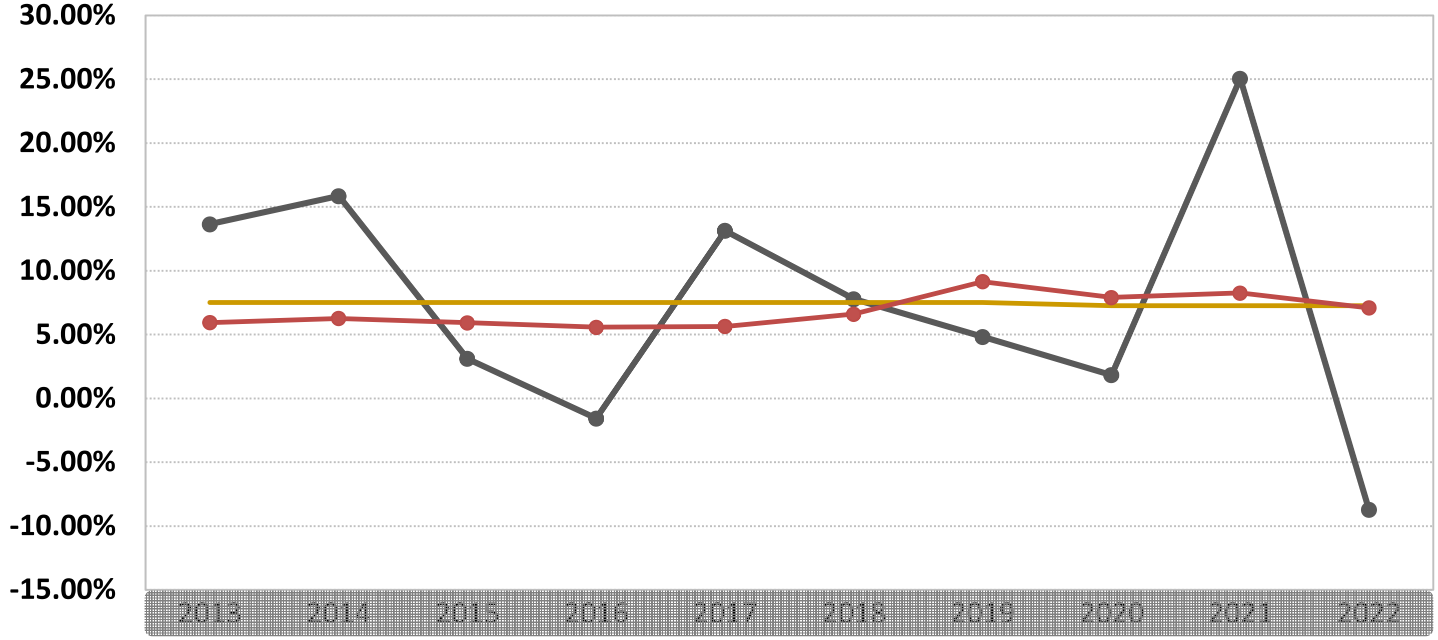
1) Contributions include withdrawal liability payments.

Investment Returns

Preliminary Valuation Results as of July 1, 2022

Industry & Local 338 Pension Plan

Market Value Investment Return for Plan Year Ending 6/30



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actual MVA Return	13.64%	15.84%	3.10%	-1.58%	13.13%	7.77%	4.81%	1.82%	25.04%	-8.72%
Assumed Return	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%	7.25%	7.25%	7.25%
Rolling 10-year Average	5.93%	6.26%	5.92%	5.57%	5.63%	6.59%	9.14%	7.90%	8.24%	7.09%

Notes

1) The Rolling 10-year Average shown represents the annual average geometric return for the 10 plan years ending on each respective valuation date.

Summary of Preliminary Valuation Results

- **Active Experience**
  - Number of actives decreased from 207 as of July 1, 2021 to 196 as of July 1, 2022.
  - Participants classified as active for the July 1, 2022 valuation worked 9,050 total weeks in the plan year ending June 30, 2022.
- **Market Value of Assets**
  - At negative $9.1 million, the net investment return for the plan year ending June 30, 2022 was negative 8.72% (15.97% less than the 7.25% assumed return).
  - This resulted in a market value loss from investments of approximately $16.7 million, relative to the 7.25% assumption.
- **Liability Loss**
  - Approximately $265,000 or about 0.25% of total plan liabilities.
  - We will continue to monitor the assumptions to make sure they are reasonable both in the aggregate and on an individual basis.

Items Impacting Current Valuation Results

- **Plan Changes**
  - None
- **Assumption Changes**
  - None
- **Method Change**
  - Confirm reset of Actuarial Value of Assets to Market Value as of July 1, 2021

Actuarial Value of Assets

- **The Trustees have approved an actuarial asset valuation method that gradually adjusts to market value, as follows:**
  - The actuarial value of assets (AVA) is equal to the market value of assets (MVA) less unrecognized returns in each of the last five years. The unrecognized return for a year is equal to the difference between the actual market return and the expected return on the market value of assets, phased in at the rate of 20% per year.
  - To comply with IRS regulations, the actuarial value of assets is not less than 80%, nor more than 120%, of the market value of assets.

B. Development of Actuarial Value of Assets

1. Market Value of Assets as of June 30, 2021 — $ 106,926,830
2. Prior Year Deferred Gains/(Losses)

Plan Year Ending	Net Investment Gain/(Loss)	Percent Recognized to Date	Percent Recognized Future Years	Amount Recognized in Prior Plan Year	Amt. to be Recognized in Future Years
6/30/2021	$ 15,583,191	20%	80%	$ 3,116,638	$ 12,466,553
6/30/2020	(4,848,552)	40%	60%	(969,710)	(2,909,131)
6/30/2019	(2,399,892)	60%	40%	(479,978)	(959,957)
6/30/2018	236,616	80%	20%	47,323	47,323
6/30/2017	4,590,699	100%	0%	918,140	0
Total				$ 2,632,413	$ 8,644,788

3. Adjusted Value of Assets as of July 1, 2021 (1. - 2. Total) — $ 98,282,042

Actuarial Value of Assets

- **When the MVA exceeds the AVA, it is prudent to consider taking advantage of an IRS rule that grants automatic approval for certain asset method changes.**
  - At July 1, 2021, we have deferred recognition of more gains than losses.
  - The Trustees may elect to reset the AVA to equal the MVA and restart the phase in of future gains and losses
  - Resetting the AVA to the MVA, we capture the value of those prior gains all at once, which temporarily increases the funded percentage and the credit balance, both of which are used in determining the Plan’s zone status under PPA.
  - The credit balance is the primary driver of the Plan’s zone status and resetting the AVA to equal the MVA provides a cushion to the credit balance.
- **The AVA method may be changed every 5 years without requesting formal approval from the IRS**
  - The method change may be elected by the Trustees prior to the extended Form 5500 filing deadline of March 15, 2023 (9-1/2 months after the end of the Plan Year)

Items Impacting Current Valuation Results

- **Contribution Income**
  - Expected $3.1 million in contributions, financial statements show $3.1 million received (excluding withdrawal liability payments)
  - Total weeks worked equaled 9,540 during the plan year ending June 30, 2022 (compared to 10,000 assumed)
    - 9,050 weeks for participants classified as active for the July 1, 2022 valuation
    - 490 weeks for other participants
  - The average contribution rate for the Plan increased to roughly $321/week for the plan year ending June 30, 2022. The average contribution rate was roughly $316/week for the plan year ending June 30, 2021.
    - The plan remains sensitive to population changes amongst employers
    - 85% of hours worked under contracts that are expected to renew in PYB 2023
      - HP Hood, expiration September 30, 2023
      - FrieslandCampina, expiration December 31, 2023
      - Montefiore New Rochelle, expiration November 5, 2023
      - Paraco, renewed with expiration January 31, 2024
    - 15% of hours worked under contracts that are expected to renew in PYB 2025
      - Westchester Local 860, expires September 30, 2025
      - LP Transport, expires August 15, 2025

Participant Reconciliation

Preliminary Valuation Results as of July 1, 2022

Reconciliation of Participants by Status	Active	Inactive Vested	Non-Disabled Retirees	Disabled Retirees	Beneficiaries	Total
A. Count as of July 1, 2021	**207**	**272**	**491**	**20**	**123**	**1,113**
B. Status Changes During Plan Year						
1. Nonvested Terminations	(17)					(17)
2. Vested Terminations	(8)	8				0
3. Retirement	(5)	(13)	18			0
4. Disabled						0
5. Deceased		(3)	(28)	(2)	(8)	(41)
6. Certain Period Ended						0
7. Lump Sum						0
8. Rehires	4	(1)				3
9. New Entrants	15					15
10. New Beneficiaries					8	8
11. Net Adjustments		(2)				(2)
Net Increase (Decrease)	(11)	(11)	(10)	(2)	0	(34)
C. Count as of July 1, 2022	**196**	**261**	**481**	**18**	**123**	**1,079**

Notes

1) Counts exclude 11 Alternate Payees as July 1, 2022 and 10 Alternate Payees as of July 1, 2021.

Participant Demographic Summary

Preliminary Valuation Results as of July 1, 2022

Measurement Date	July 1, 2022	July 1, 2021
A. Active Participants		
1. Count	196	207
2. Average Age	46.0	45.7
3. Average Credited Service	11.6	11.4
4. Average Prior Year Weeks	46.2	47.7
5. Average Monthly Accrued Benefit	$ 1,462	$ 1,401
B. Inactive Vested Participants		
1. Count	261	272
2. Average Age	53.1	52.8
5. Average Monthly Accrued Benefit	$ 1,148	$ 1,117
C. Retired Participants and Beneficiaries		
1. Count	622	634
2. Average Age	74.9	74.8
3. Average Monthly Benefit	$ 1,081	$ 1,051

Notes

1) Retiree and Beneficiary counts above exclude Alternate Payees awarded plan benefits under a QDRO.

Summary of Key Results

Preliminary Valuation Results as of July 1, 2022

	With AVA Reset 7/1/2021		No AVA Reset 7/1/2021	
Measurement Date	**July 1, 2022**	**July 1, 2021**	**July 1, 2022**	**July 1, 2021**
Interest Rate	**7.25%**	**7.25%**	**7.25%**	**7.25%**
A. Normal Cost				
1. Cost of Benefit Accruals	$ 925,736	$ 961,434	$ 925,736	$ 961,434
2. Assumed Operating Expenses	361,882	361,882	361,882	361,882
3. Total	$ 1,287,618	$ 1,323,316	$ 1,287,618	$ 1,323,316
B. Actuarial Accrued Liability				
1. Active Participants	$ 14,283,112	$ 14,585,173	$ 14,283,112	$ 14,585,173
2. Inactive Vested Participants	16,436,865	16,143,838	16,436,865	16,143,838
3. Retired Participants and Beneficiaries	76,523,824	75,962,758	76,523,824	75,962,758
4. Total	$ 107,243,801	$ 106,691,769	$ 107,243,801	$ 106,691,769
C. Assets				
1. Market Value of Assets	$ 92,586,065	$ 106,926,830	$ 92,586,065	$ 106,926,830
Prior Year Net Investment Return	-8.7%	25.0%	-8.7%	25.0%
2. Actuarial Value of Assets	$ 105,907,524	$ 106,926,830	$ 98,977,010	$ 98,282,042
Prior Year Net Investment Return	4.1%		6.2%	9.8%
D. Funded Percentages				
1. Market Value Funded Percentage (C.1. / B.4.)	86.3%	100.2%	86.3%	100.2%
2. Actuarial Value Funded Percentage (C.2. / B.4.)	98.7%	100.2%	92.2%	92.1%

Contribution Margin

Preliminary Valuation Results as of July 1, 2022

Measurement Date		July 1, 2022		July 1, 2021
A. Unfunded Actuarial Accrued Liability				
1. Actuarial Accrued Liability	$	107,243,801	$	106,691,769
2. Market Value of Assets		92,586,065		106,926,830
3. Unfunded Liability	$	14,657,736	$	(235,061)
B. Actuarial Cost				
1. Normal Cost				
a. Cost of Benefit Accruals	$	959,294	$	996,286
b. Assumed Operating Expenses		375,000		375,000
c. Total	$	1,334,294	$	1,371,286
2. Unfunded Liability Amortization Payment		2,039,760		0
3. Total Actuarial Cost for Plan Year	$	3,374,054	$	1,371,286
C. Expected Employer Contributions				
1. Expected Weeks		9,600		10,100
2. Average Contribution Rate per Week	$	325.35	$	319.32
3. Expected Contributions	$	3,123,375	$	3,225,149
D. Contribution Margin				
1. Contribution Margin for Plan Year	$	(250,679)	$	1,853,863
2. Contribution Margin per Week	$	(26.11)	$	183.55

Notes

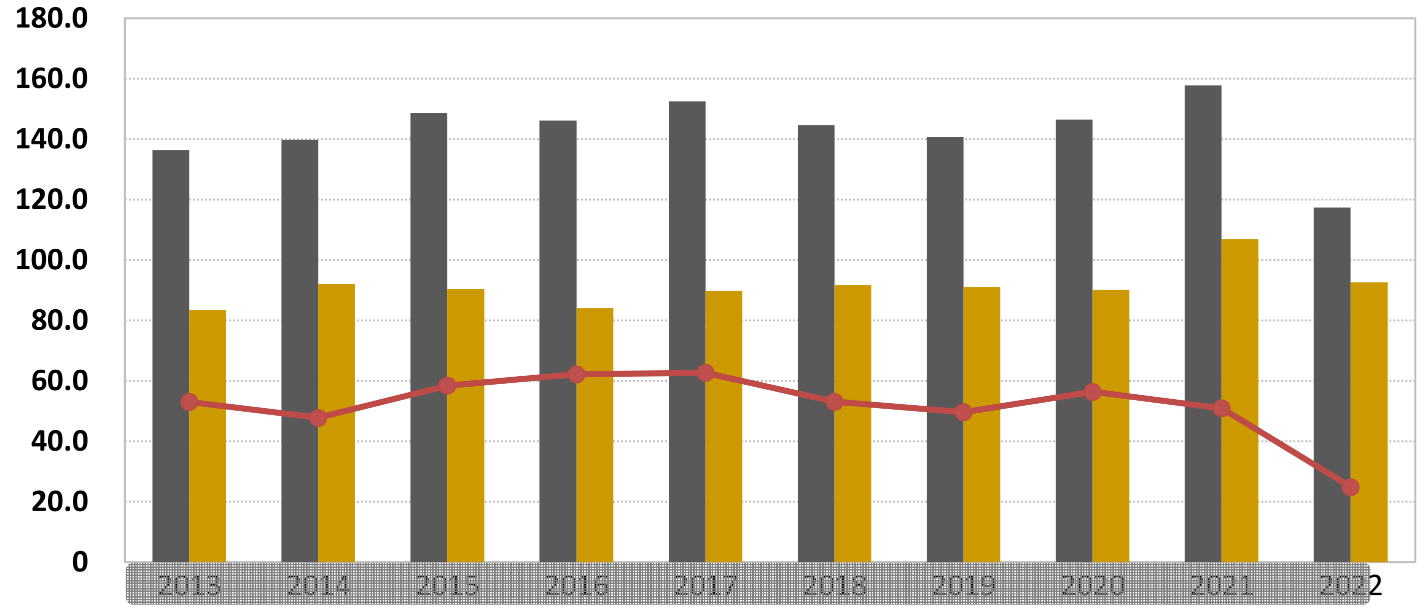
1) The actuarial costs in B. above include an include interest adjustments to reflect payments throughout the year.
2) The Unfunded Liability Amortization Period is 10 years.

Withdrawal Liability

Preliminary Valuation Results as of July 1, 2022

Industry & Local 338 Pension Plan

Withdrawal Liability at Plan Year Ending 6/30 ($ Millions)



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Vested Benefits	136.4	139.8	148.7	146.2	152.5	144.7	140.7	146.5	157.8	117.3
Market Value of Assets	83.4	92.1	90.3	84.1	89.8	91.6	91.2	90.1	106.9	92.6
Unfunded Vested Benefits	53.0	47.7	58.4	62.1	62.6	53.0	49.6	56.3	50.9	24.7

Notes

1) The value of vested benefits is determined using a blend of the valuation interest rate and PBGC termination rates
2) Vested Benefits as of 6/30/2018 reflects reductions in adjustable benefits required by the Rehabilitation Plan that must be disregarded for withdrawal liability purposes. The value of adjustable benefits is $10.9 million as of 6/30/2022.

Funding Projections

Projection Assumptions and Methods

- **Unless otherwise stated, the projection assumptions, methods, data and plan provisions used are the same as those used for the Preliminary July 1, 2022 actuarial valuation.**
  - No future expected gains or losses other than those attributable to investment returns, as applicable.
- **Investment Earnings**
  - Negative 8.72% return on assets for the plan year ending June 30, 2022
  - 7.25% per year, net of investment-related expenses, thereafter unless otherwise noted
- **Operating Expenses**
  - $375,000 for the plan year beginning July 1, 2022, increasing 2.5% per year
- **Work Levels**
  - Plan years beginning on and after July 1, 2022 = 9,600 total weeks
- **Contribution Rates**
  - Included in Collective Bargaining Agreements as bargained
  - All contributions are benefit-bearing

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.

Projection Roadmap

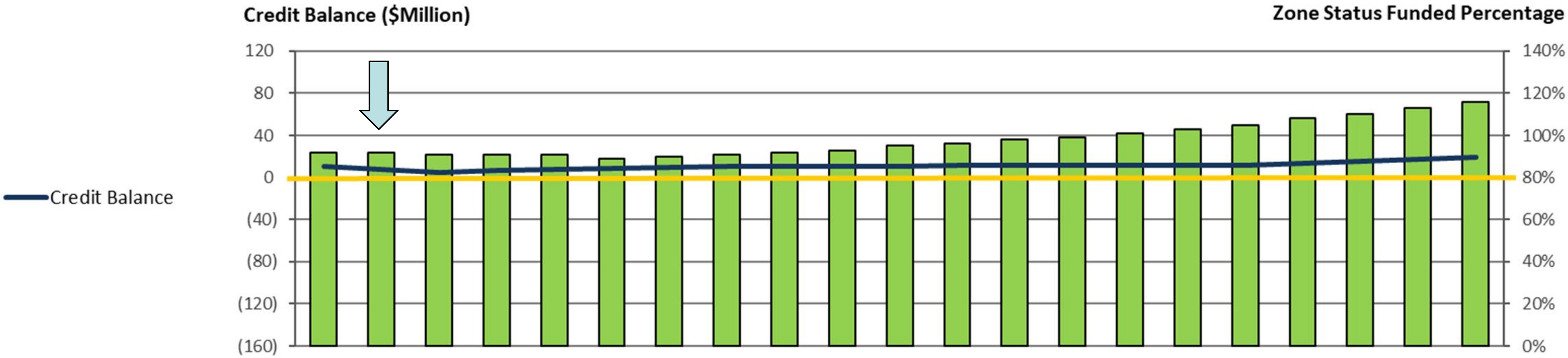
Scenario	Investment Return PYB 2022	Funded % / Credit Bal ($M) PYB 2022	Funded % / Credit Bal ($M) PYB 2023	Future Zone Status Changes	100% Funded PYB	% Funded 7/1/2041	Credit Balance ($M) 6/30/2041
1 2022 Valuation Projection	7.25%	92% / $8	91% / $5	**Green** Throughout	2035	116%	$20
2 Low ROA PYB 2022	0.00%	92% / $8	90% / $5	**Yellow** 2028	N/A	90%	($5)
3 Low ROA That Results in Non-Green 2023	-9.00%	92% / $8	86% / $4	**Yellow** 2023 / **Red** 2026	N/A	58%	($36)
AVA Reset to MVA 7/1/2021							
4 2022 Valuation with AVA Reset	7.25%	98% / $10	96% / $8	**Green** Throughout	2035	116%	$20
5 Low ROA with AVA Reset	0.00%	98% / $10	95% / $8	**Yellow** 2030	N/A	90%	($5)
6 Low ROA That Results in Non-Green 2023 with AVA Reset	-9.00%	98% / $10	86% / $7	**Yellow** 2025 / **Red** 2027	N/A	58%	($36)

All scenarios reflect:
- Weeks worked assumed to be 9,600 each plan year beginning 7/1/2022
- -8.72% Investment return for 7/1/2021 – 6/30/2022 plan year
- 7.25% Investment return for each plan year beginning 7/1/2023 and later

Scenario 1: 2022 Valuation

7.25% Return PYB 2022+ | 9.6 Thousand Weeks Worked beginning PYB 2022

Industry And Local 338 Pension Plan

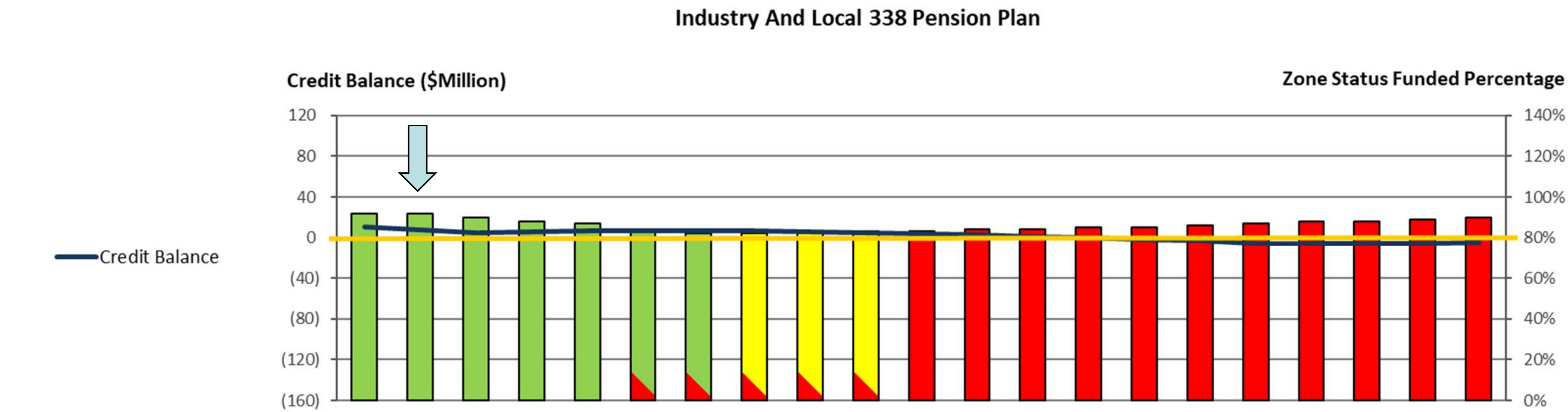


Plan Year Beginning 7/1	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
(1) Investment Return (%)	(8.72)	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.1	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6
(3) Weekly Contribution Rate ($)	322	325	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328
(4) Contributions+EWL Payments($M)	3.3	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
(5) Actuarial Value of Assets ($M)	98	99	98	97	97	94	94	94	95	95	95	96	96	97	97	98	99	100	101	102	104
(6) Zone Status Liability ($M)	107	107	107	106	106	105	104	103	102	101	100	99	98	97	96	95	94	92	91	90	89
(7) Credit Balance ($M)	10	8	5	7	8	9	10	10	11	11	11	12	11	12	12	12	12	13	15	17	20
(8) Zone Status Funded Percentage	92%	92%	91%	91%	91%	89%	90%	91%	92%	93%	95%	96%	98%	99%	101%	103%	105%	108%	110%	113%	116%

Horizon

Scenario 2: Lower 2022 Return

0.00% Return PYB 2022; 7.25% Return PYB 2023+ | 9.6 Thousand Weeks Worked beginning PYB 2022

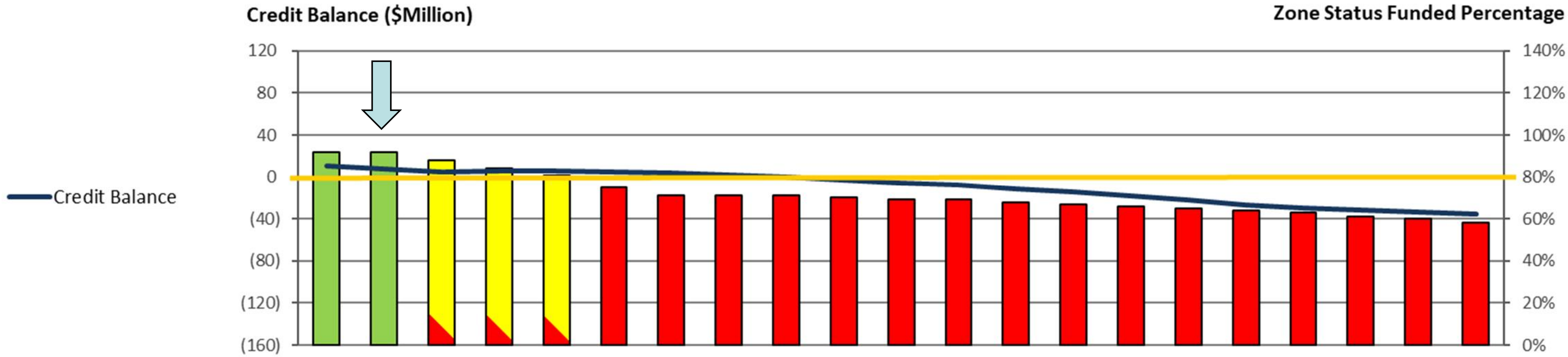


Plan Year Beginning 7/1	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
(1) Investment Return (%)	(8.72)	0.00	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.1	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6
(3) Weekly Contribution Rate ($)	322	325	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328
(4) Contributions+EWL Payments($M)	3.3	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
(5) Actuarial Value of Assets ($M)	98	99	96	94	92	87	86	85	85	84	84	84	83	83	82	82	82	81	81	81	81
(6) Zone Status Liability ($M)	107	107	107	106	106	105	104	103	102	101	100	99	98	97	96	95	94	92	91	90	89
(7) Credit Balance ($M)	10	8	5	6	7	7	7	7	6	5	4	3	1	(0)	(1)	(3)	(5)	(6)	(6)	(6)	(5)
(8) Zone Status Funded Percentage	92%	92%	90%	88%	87%	83%	82%	82%	83%	83%	83%	84%	84%	85%	85%	86%	87%	88%	88%	89%	90%

Scenario 3: Low ROA That Results in Non-Green 2023

-9.00% Return PYB 2022; 7.25% Return PYB 2023+ | 9.6 Thousand Weeks Worked beginning PYB 2022

Industry And Local 338 Pension Plan

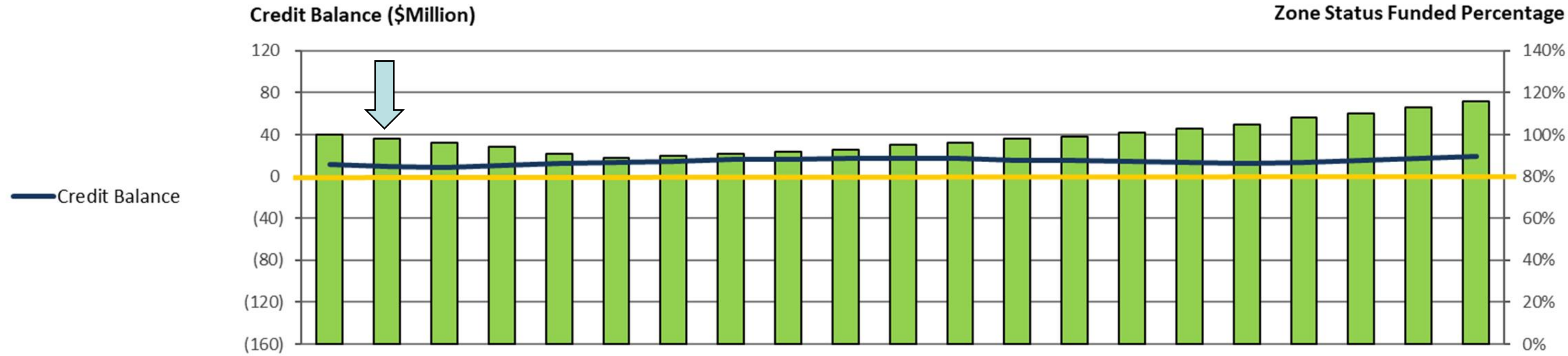


Plan Year Beginning 7/1	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
(1) Investment Return (%)	(8.72)	$\boxed{(9.00)}$	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.1	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6
(3) Weekly Contribution Rate ($)	322	325	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328
(4) Contributions+EWL Payments($M)	3.3	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
(5) Actuarial Value of Assets ($M)	98	99	94	90	86	79	75	74	73	71	70	68	67	65	64	62	60	58	56	54	52
(6) Zone Status Liability ($M)	107	107	107	106	106	105	104	103	102	101	100	99	98	97	96	95	94	92	91	90	89
(7) Credit Balance ($M)	10	8	5	5	6	5	4	2	(0)	(3)	(5)	(8)	(11)	(15)	(18)	(22)	(27)	(29)	(32)	(34)	(36)
(8) Zone Status Funded Percentage	92%	92%	88%	84%	81%	75%	71%	71%	71%	70%	69%	69%	68%	67%	66%	65%	64%	63%	61%	60%	58%

Scenario 4: 2022 Valuation with AVA Reset

7.25% Return PYB 2022+ | 9.6 Thousand Weeks Worked beginning PYB 2022

Industry And Local 338 Pension Plan

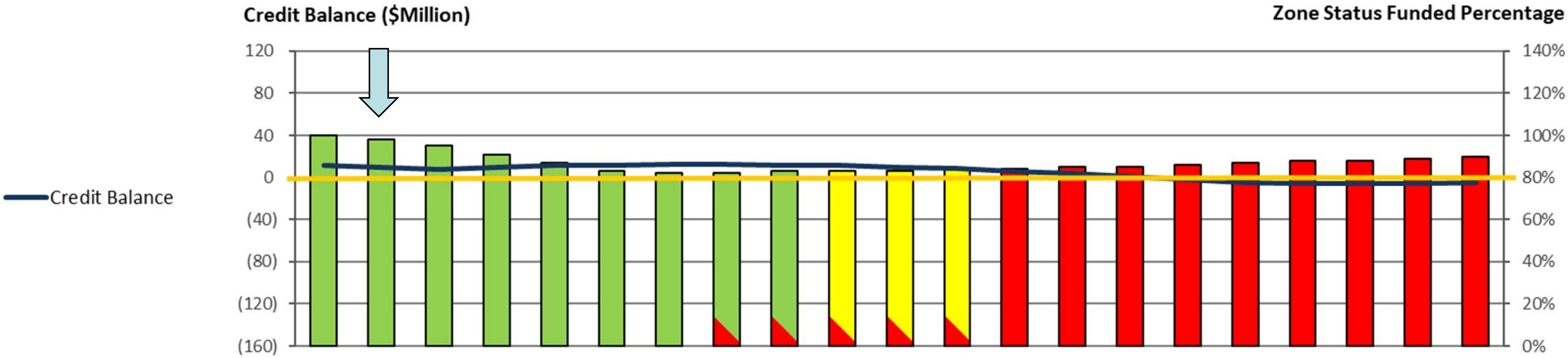


Plan Year Beginning 7/1	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
(1) Investment Return (%)	(8.72)	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.1	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6
(3) Weekly Contribution Rate ($)	322	325	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328
(4) Contributions+EWL Payments($M)	3.3	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
(5) Actuarial Value of Assets ($M)	107	106	103	100	97	94	94	94	95	95	95	96	96	97	97	98	99	100	101	102	104
(6) Zone Status Liability ($M)	107	107	107	106	106	105	104	103	102	101	100	99	98	97	96	95	94	92	91	90	89
(7) Credit Balance ($M)	11	10	8	11	12	14	15	16	17	17	17	17	16	15	15	14	13	14	15	17	20
(8) Zone Status Funded Percentage	100%	98%	96%	94%	91%	89%	90%	91%	92%	93%	95%	96%	98%	99%	101%	103%	105%	108%	110%	113%	116%

Scenario 5: Lower 2022 Return with AVA Reset

0.00% Return PYB 2022; 7.25% Return PYB 2023+ | 9.6 Thousand Weeks Worked beginning PYB 2022

Industry And Local 338 Pension Plan

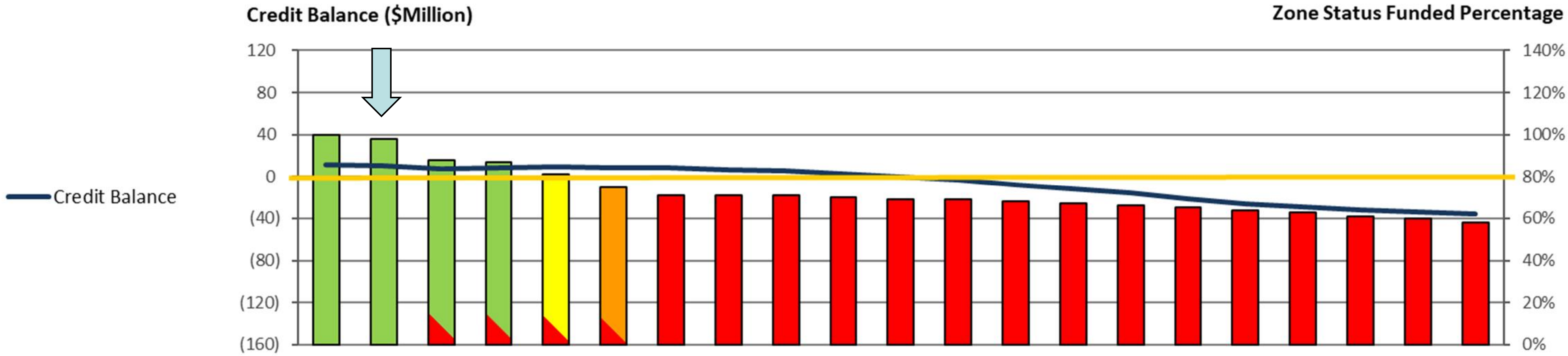


Plan Year Beginning 7/1	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
(1) Investment Return (%)	(8.72)	0.00	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.1	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6
(3) Weekly Contribution Rate ($)	322	325	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328
(4) Contributions+EWL Payments($M)	3.3	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
(5) Actuarial Value of Assets ($M)	107	106	102	97	92	87	86	85	85	84	84	84	83	83	82	82	82	81	81	81	81
(6) Zone Status Liability ($M)	107	107	107	106	106	105	104	103	102	101	100	99	98	97	96	95	94	92	91	90	89
(7) Credit Balance ($M)	11	10	8	10	11	12	12	12	12	11	10	8	6	4	1	(1)	(4)	(5)	(6)	(6)	(5)
(8) Zone Status Funded Percentage	100%	98%	95%	91%	87%	83%	82%	82%	83%	83%	83%	84%	84%	85%	85%	86%	87%	88%	88%	89%	90%

Scenario 6: Low ROA Resulting Non-Green 2023 w/ AVA Reset

-9.00% Return PYB 2022; 7.25% Return PYB 2023+ | 9.6 Thousand Weeks Worked beginning PYB 2022

Industry And Local 338 Pension Plan



Plan Year Beginning 7/1	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
(1) Investment Return (%)	(8.72)	$\boxed{(9.00)}$	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)	10.1	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6	9.6
(3) Weekly Contribution Rate ($)	322	325	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328
(4) Contributions+EWL Payments($M)	3.3	3.1	3.1	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
(5) Actuarial Value of Assets ($M)	107	106	94	93	86	79	75	74	73	71	70	68	67	65	64	62	60	58	56	54	52
(6) Zone Status Liability ($M)	107	107	107	106	106	105	104	103	102	101	100	99	98	97	96	95	94	92	91	90	89
(7) Credit Balance ($M)	11	10	7	9	9	9	8	7	5	3	(0)	(3)	(8)	(12)	(16)	(21)	(26)	(29)	(32)	(34)	(36)
(8) Zone Status Funded Percentage	100%	98%	88%	87%	81%	75%	71%	71%	71%	70%	69%	69%	68%	67%	66%	65%	64%	63%	61%	60%	58%

Forecast Observations

- **The Plan remains sensitive to both investment return and contributions**
  - The investment return for plan year ended June 30, 2022 eliminated much of the funding cushion.
  - As shown, the current economic volatility can lead to very different outcomes for the plan.
    - Resetting the AVA to MVA as of July 1, 2021 can provide more time for markets to recover before corrective action is needed.
  - Future investment returns and contribution levels (hours worked) will impact the projected funding of the Plan.
- **Long term funding improvement is compromised if investment returns are less than assumed or contribution levels fall**
  - Investment returns for the current plan year are falling short of the assumed return
  - We continue to monitor movements in the outlook for future investment returns reported by investment professionals
- **Managing the Credit Balance**
  - The plan currently has a credit balance which is more sensitive in the short term to experience gains and losses than in the long term

Benefit Study

Benefit Formula

- **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

- **The monthly benefit generally increases for each additional year since the monthly benefit attributable to later years is generally higher than the monthly attributable to earlier years.**

- **The Trustees requested a study on the impact of removing the 35-year Pension Credit maximum.**

Benefit Example

- **The following provides an example based on a sample participant.**

Years of Service	Plan Year Ending	Unlimited Accrual	Limited Service Monthly Benefit	Benefit Increase	Unlimited Service Monthly Benefit	Benefit Increase
35	6/30/2013		$ 2,852.39		$ 2,852.39	
36	6/30/2014	$ 120.25	2,939.64	$ 87.25	2,972.64	$ 120.25
37	6/30/2015	$ 120.25	3,026.89	87.25	3,092.89	120.25
38	6/30/2016	$ 120.25	3,114.14	87.25	3,213.14	120.25
39	6/30/2017	$ 133.38	3,214.52	100.38	3,346.52	133.38
40	6/30/2018	$ 142.27	3,323.79	109.27	3,488.79	142.27
41	6/30/2019	$ 151.16	3,441.95	118.16	3,639.95	151.16
42	6/30/2020	$ 160.06	3,569.01	127.06	3,800.01	160.06
43	6/30/2021	$ 160.99	3,697.00	127.99	3,961.00	160.99
44	6/30/2022	$ 161.46	3,825.46	128.46	4,122.46	161.46

- **Note that historical service is generally worth less than current year accruals.**
  - Removing the cap would allow a participant to get a current year of full accruals while keeping their past benefit.
  - Currently the participant accrues their current accruals minus their lowest year of accruals

Age & Service Distribution

Preliminary Valuation Results as of July 1, 2022

Age & Service Distribution for Active Participants

	Years of Service										
Age	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 +	**Total**
Under 25	-	6	1	-	-	-	-	-	-	-	**7**
25 - 29	-	13	2	-	-	-	-	-	-	-	**15**
30 - 34	-	12	6	2	-	-	-	-	-	-	**20**
35 - 39	-	7	6	6	7	1	-	-	-	-	**27**
40 - 44	-	7	6	-	7	3	-	-	-	-	**23**
45 - 49	-	8	4	4	5	5	1	-	-	-	**27**
50 - 54	-	1	5	4	3	6	1	-	-	-	**20**
55 - 59	-	7	1	4	7	4	2	2	-	-	**27**
60 - 64	-	2	6	1	3	2	4	2	1	-	**21**
65 - 69	-	-	1	1	3	1	-	-	-	1	**7**
70 +	-	-	-	1	-	-	1	-	-	-	**2**
Total	**-**	**63**	**38**	**23**	**35**	**22**	**9**	**4**	**1**	**1**	**196**

Already impacted

Potentially Impacted

Contribution Margin – With Prospective Removal of Cap

Measurement Date	July 1, 2022		July 1, 2022	
A. Unfunded Actuarial Accrued Liability	**Without Service Cap**		**With Service Cap**	
1. Actuarial Accrued Liability	$	107,243,801	$	107,243,801
2. Market Value of Assets		92,586,065		92,586,065
3. Unfunded Liability	$	14,657,736	$	14,657,736
B. Actuarial Cost				
1. Normal Cost				
a. Cost of Benefit Accruals	**$**	**963,883**	**$**	**959,294**
b. Assumed Operating Expenses		375,000		375,000
c. Total	$	1,338,883	$	1,334,294
2. Unfunded Liability Amortization Payment		2,039,760		2,039,760
3. Total Actuarial Cost for Plan Year	$	3,378,643	$	3,374,054
C. Expected Employer Contributions				
1. Expected Weeks		9,600		9,600
2. Average Contribution Rate per Week	$	325.35	$	325.35
3. Expected Contributions	$	3,123,375	$	3,123,375
D. Contribution Margin				
1. Contribution Margin for Plan Year	$	(255,267)	$	(250,679)
2. Contribution Margin per Week	**$**	**(26.59)**	**$**	**(26.11)**

Notes

1) The actuarial costs in B. above include an include interest adjustments to reflect payments throughout the year.
2) The immediate impact of the removal of the service cap prospectively an increase in the cost of Benefit Accruals of $4,428 which reduces the contribution margin by $0.48 per week.

Impacts of Removing the Service Cap on Projections

7.25% Return PYB 2022+ | 9.6 Thousand Weeks Worked beginning PYB 2022

Scenario	Investment Return PYB 2022	Funded % / Credit Bal ($M) PYB 2022	Funded % / Credit Bal ($M) PYB 2023	Future Zone Status Changes	100% Funded PYB	% Funded 7/1/2041	Credit Balance ($M) 6/30/2042
1 2022 Prelim Valuation	7.25%	98% / $10	96% / $8	**Green** Throughout	2035	116%	$20
2 Prospectively Remove Service Cap	7.25%	98% / $10	96% / $8	**Green** Throughout	2035	116%	**$19**
3 Retrospectively & Prospectively Remove Service Cap	7.25%	98% / $10	96% / $8	**Green** Throughout	N/A	115%	**$19**

Notes

1) The immediate impact of the removal of the service cap prospectively is an increase in the cost of Benefit Accruals of $4,428.
2) The immediate impact of the removal of the service cap prospectively and retrospectively is an increase in the cost of Benefit Accruals of $4,428 and in increase in the actuarial accrued liability of $57,016.

Appendix

Contribution Rate Summary

Employer	Contract Expiration Date	As of 7/1/2020 Active Count (Valn Data)	As of 7/1/2020 Total Wkly Contrib Rate	As of 7/1/2021 Active Count (Valn Data)	As of 7/1/2021 Total Wkly Contrib Rate	As of 7/1/2022 Active Count (Valn Data)	As of 7/1/2022 Total Wkly Contrib Rate
HP Hood / Crowley	10/31/2020	91	342.58	94	342.58	89	344.65
Freisland Campina	12/31/2021	62	261.33	65	281.24	58	290.00
LP Transport	8/15/2019	29	331.51	27	340.53	28	349.82
Montefiore New Rochelle	11/5/2020	13	290.21	13	290.21	14	290.21
Paraco Gas	1/31/2021	8	283.75	7	292.51	6	305.40
Westchester L860	9/30/2013	1	243.28	1	243.28	1	305.14
Total		204		207		196	

Notes

1) All contributions are benefit-bearing, effective beginning July 1, 2016.
2) Contribution rates shown above are as reported by Plan Administrator.

Historical Contribution Rates by Contract

Employer	Base Rate	As of Plan Year Ending 2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
HP Hood / Crowley	130.00	204.97	225.47	248.00	272.79	286.43	303.98	322.67	342.58	342.58	345.38
Friesland Campina	100.12	161.23	177.35	195.09	205.09	215.09	247.60	242.64	261.33	281.24	290.00
LP Transport	160.00	208.00	228.80	251.60	276.80	290.80	322.75	322.75	331.51	340.53	349.82
Montefiore New Rochelle	120.12	193.44	212.78	234.06	234.06	234.06	251.61	270.30	290.21	290.21	333.99
Paraco Gas	124.00	172.00	188.00	206.80	227.60	227.60	245.15	263.84	283.75	292.51	301.53
Westchester L860	130.15	205.21	205.21	205.21	205.21	205.21	243.28	243.28	243.28	243.28	243.28

Notes

1) Effective July 1, 2016, all contributions (and future rate increases, if any) are benefit-bearing.
2) Contribution rates for 2018 include surcharges for Friesland Campina, Westchester L 860

2022 Survey of Capital Market Assumptions: Overview

- **Capital market assumptions:**
  - Expected returns by asset class
  - Standard deviations by asset class
  - Correlation coefficient matrix
- **40 survey participants in 2022**
  - There were 39 advisors in the 2021 survey
  - One 2021 advisor merged into another firm
  - Two new advisors for 2022
- **Short-term vs. long-term:**
  - “Short-term” considered to be 10 years or less
  - “Long-term” considered to be 20 years or more
  - All 40 respondents provided short-term assumptions
  - 24 respondents also provided long-term assumptions

2022 Survey Participants	
AJ Gallagher	*Mercer*
Alan Biller	*Merrill*
AndCo Consulting	*Milliman*
Aon	*Morgan Stanley*
The Atlanta Consulting Group	*NEPC*
*Bank of New York Mellon**	*PFM Asset Management, LLC*
*BlackRock**	*Principal*
Callan Associates	*Research Affiliates, LLC**
Cambridge Associates	*Royal Bank of Canada*
CapTrust	*RVK*
Envestnet	*Segal Marco Advisors*
Goldman Sachs Asset Management	*SEI*
Graystone Consulting	*Sellwood Consulting*
*Invesco**	*Truist Investment Advisory*
Investment Performance Services, LLC (IPS)	*UBS*
Janney Montgomery Scott, LLC	*The Vanguard Group*
*J.P. Morgan Asset Management**	*Verus*
Marquette Associates	*Voya Investment Management**
Meketa Investment Group	*Wells Fargo**
	Willis Towers Watson
	Wilshire

**Assumptions obtained from published white paper.*

The full report can be found at www.horizonactuarial.com.

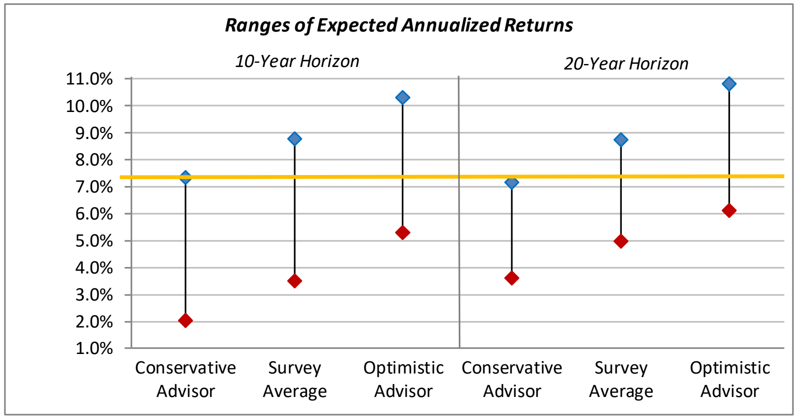
2022 Survey: Evaluating the Return Assumption

Industry & Local 338

2022 Survey of Capital Market Assumptions

Asset Class	Portfolio Weight	10-Year Horizon (Average Survey Assumptions)	20-Year Horizon (Average Survey Assumptions)	Standard Deviation (Average Survey Assumptions)
US Equity - Large Cap	26.0%	5.91%	6.54%	16.33%
US Equity - Small/Mid Cap	3.0%	6.58%	6.99%	20.34%
Non-US Equity - Developed	20.0%	6.54%	7.08%	18.09%
Non-US Equity - Emerging	3.0%	7.30%	7.89%	23.92%
US Corporate Bonds - Core	14.5%	2.63%	3.49%	5.36%
US Corporate Bonds - Long Duration	7.0%	2.62%	3.45%	10.48%
US Corporate Bonds - High Yield	4.0%	3.99%	4.95%	9.90%
Non-US Debt - Developed		1.84%	2.47%	7.51%
Non-US Debt - Emerging	4.0%	4.65%	5.26%	10.92%
US Treasuries (Cash Equivalents)		1.48%	1.99%	1.12%
TIPS (Inflation-Protected)		2.00%	2.64%	5.79%
Real Estate	7.0%	5.37%	5.98%	17.00%
Hedge Funds		4.81%	5.48%	7.99%
Commodities		3.74%	4.23%	17.78%
Infrastructure		6.39%	6.90%	16.63%
Private Equity	11.5%	9.22%	9.84%	22.13%
Private Debt		6.89%	7.12%	11.49%
Inflation	N/A	2.46%	2.44%	2.07%
TOTAL PORTFOLIO	**100.0%**	*Expected returns are geometric.*		

	10-Year Horizon: Conservative Advisor	10-Year Horizon: Survey Average	10-Year Horizon: Optimistic Advisor	20-Year Horizon: Conservative Advisor	20-Year Horizon: Survey Average	20-Year Horizon: Optimistic Advisor
Expected Returns						
Average Annual Return (Arithmetic)	5.42%	6.85%	8.43%	6.02%	7.57%	9.56%
Annualized Return (Geometric)	4.69%	6.13%	7.79%	5.37%	6.84%	8.46%
Annual Volatility (Standard Deviation)	12.42%	12.39%	11.70%	11.69%	12.49%	15.52%
Range of Expected Annualized Returns						
◆ 75th Percentile	7.33%	8.77%	10.29%	7.13%	8.73%	10.80%
◆ 25th Percentile	2.04%	3.49%	5.30%	3.60%	4.96%	6.12%
Probabilities of Exceeding Certain Returns						
7.50% per Year, Annualized	23.7%	36.3%	53.2%	20.7%	40.7%	60.9%
7.25% per Year, Annualized	25.7%	38.8%	55.8%	23.6%	44.2%	63.6%
7.00% per Year, Annualized	27.8%	41.2%	58.5%	26.6%	47.8%	66.3%



Considerations and Limitations

- Allocations may be approximated if certain asset classes are not included in the survey.
- Many investment advisors provided only shorter-term assumptions (10 years or less).
- Assumptions are generally based on indexed returns and do not reflect anticipated alpha.
- Assumptions do not reflect investment opportunities or fee considerations available to larger funds.

SOURCE: Horizon Actuarial 2022 Survey of Capital Market Assumptions

Expected returns over a 10-year horizon include all 40 survey participants.

Expected returns over a 20-year horizon are based a subset of 24 survey participants who provided long-term assumptions.

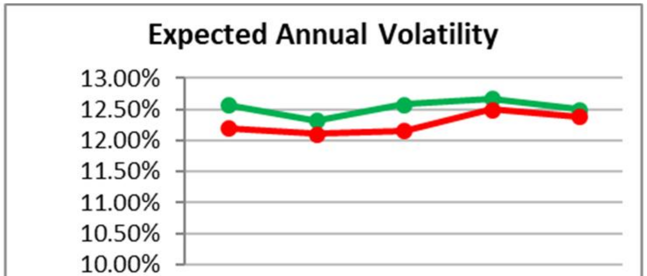
The exhibit above evaluates the investment return assumption for the portfolio shown above (highlighted in yellow). Note that the most conservative and optimistic advisors for the 10-year horizon are not necessarily the same as the most conservative and optimistic advisors for the 20-year horizon.

The Plan's asset allocation was determined based on information provided by SEI

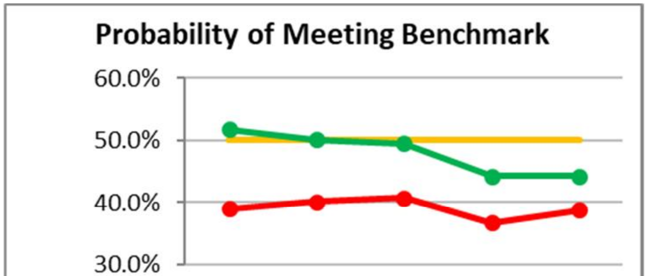
Changes in Expected Returns

- **Average assumptions change each year**
  - Mostly driven by changing return expectations
  - Changes in survey participants is also a factor
- **Focus on sustained trends**
  - It is generally not appropriate to change the investment return assumption each year
  - More appropriate to consider sustained trends when evaluating and updating assumption
- **The following graphs show the survey average results for the past five years**
  - Changes in individual plan results shown below may also be driven by changes in asset allocation

Survey Year	2018	2019	2020	2021	2022
20-Yr	7.63%	7.51%	7.21%	6.84%	6.84%
10-Yr	6.43%	6.54%	6.35%	5.91%	6.13%



Survey Year	2018	2019	2020	2021	2022
20-Yr	12.6%	12.3%	12.6%	12.7%	12.5%
10-Yr	12.2%	12.1%	12.2%	12.5%	12.4%



Survey Year	2018	2019	2020	2021	2022
20-Yr	51.8%	50.1%	49.5%	44.3%	44.2%
10-Yr	39.0%	40.1%	40.8%	36.7%	38.8%

Summary of Assumptions and Methods

Assumption or Method	Description of Assumption or Method
Interest Rate	7.25% per annum
Plan Year	The twelve-month period beginning July 1 and ending June 30.
Mortality	Non-Disabled: 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 Disabled: 125% of the sex-distinct RP-2014 Disabled Mortality Tables All mortality tables are adjusted to future years using generational projection under Scale MP-2014 to anticipate future mortality improvement.
Active Participant	Active participants are defined as those with at least two months of employment in the most recent plan year and who have accumulated at least one pension credit, excluding those who have retired as of the valuation date and those who work for an employer that has withdrawn from the Plan on or before the valuation date.
Exclusion of Inactive Vested Participants	Inactive participants over age 70 are excluded from the valuation.
Operating Expenses	Operating expenses were assumed to be $375,000 for the plan year beginning July 1, 2022 (equivalent to $361,882 payable at the beginning of the year).

Summary of Assumptions and Methods

Assumption or Method	Description of Assumption or Method	
Retirement Rates	**Age (if eligible for retirement)**	**Retirement Rate**
	55-59	10%
	60-61	20%
	62	75%
	63-65	50%
	66-69	25%
	70	100%
Inactive Vested Commencement	Retirement is assumed to occur at age 65 for participants with fewer than 15 pension credits, and at the later of current age or age 55 for participants with at least 15 pension credits.	

Assumption or Method	Age	Disability Rate (%)	Withdrawal Rate (%) (until earliest eligibility for a pension)
Sample Rates (before Retirement)	20	0.05	6.58
	25	0.05	5.27
	30	0.05	4.83
	35	0.06	4.47
	40	0.09	3.84
	45	0.18	3.21
	50	0.40	1.52
	55	0.85	0.33
	60	1.74	0.00

Summary of Assumptions and Methods

Assumption or Method	Description of Assumption or Method
Weeks (Hours) Worked	Average of weeks worked in the preceding plan year. For the plan year beginning July 1, 2022 each active participant is assumed to work 49 weeks (1,960 hours) per year. For the plan year beginning July 1, 2021 the assumption was 49 weeks (1,960 hours) per active participant per year.
Future Benefit Accruals	One pension credit per plan year.
Contribution Income	For the purpose of projecting future contribution income, it is assumed contributions are earned based on the assumed number of weeks worked for participants multiplied by the expected contribution rate. Participants are assumed to continue to work for the employer reported in the data and at the rate required by that employer's contract.
Asset Method	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
Actuarial Cost Method	Unit Credit Cost Method.

Summary of Assumptions and Methods

Assumption or Method	Description of Assumption or Method
Form of payment	Unmarried participants are assumed to elect a Life Annuity. Married participants are assumed to elect a reduced 75% Joint and Survivor Annuity.
Marriage	75% of participants are assumed married.
Spouse Age	Female spouses are assumed to be three years younger than their male spouses, if actual age is unknown.
Missing or Incomplete Participant Data	Assumed to be the same as those exhibited by participants with similar known characteristics. For those with unknown gender, gender was assumed to be male.
Unfunded Vested Benefits for Employer Withdrawals	Interest: • For liabilities up to the market value of assets, liabilities are valued using interest rates used by PBGC for plan terminations. For the July 1, 2022 valuation these are 2.40% and 2.12% (for 20 years and thereafter, respectively). Operating expenses as prescribed by PBGC formula (29CFR Part 4044, Appendix C) are included for liabilities determined using PBGC termination interest rates. • For liabilities in excess of the market value of assets, valued using 7.25% All other assumptions are the same as those used for the funding valuation.

Summary of Assumptions and Methods

Assumption or Method	Description of Assumption or Method
ARPA Election	The Trustees elected to apply the following special funding rules under the American Rescue Plan Act of 2021, effective with the plan year beginning July 1, 2020: • Special amortization rule: As permitted under Section 431(b)(8)(A) of the Internal Revenue Code, eligible net investment losses incurred in the plan year ending June 30, 2020 are amortized in the funding standard account over the 29 years beginning July 1, 2020. The special rules apply retroactively to the plan year beginning July 1, 2019. For purposes of determining the amounts of the eligible net investment losses to be recognized in the funding standard account under the special amortization rule, the “prospective” method described in IRS Notice 2010-83 was used.

Summary of Plan Provisions

Plan Provision	Description of Plan Provision
Plan Year	The twelve-month period beginning July 1 and ending June 30.
Participants	An Employee becomes a participant in the Plan on January 1 or July 1 after completing four months of covered employment in any consecutive 12-month period.
Normal Form of Payment	For unmarried participants, a Life Annuity. For married participants, actuarially reduced 75% Joint and Survivor Annuity.
Cost of Living Increases	None.
Benefit Service	¼ Pension Credit for each two months of covered employment, with a maximum of one pension credit after eight months. The maximum total pension credits for benefit purposes is 35.
Vesting Service	One year of vesting service for four months of covered employment.
Break-in-Service	A break in service occurs in any plan year in which the participant fails to complete at least two months of work. In determining whether a break in service has been incurred, work in non-covered employment that is credited as vesting service will be considered covered employment.

Summary of Plan Provisions

Plan Provision	Description of Plan Provision
Regular Pension	Eligibility: An Employee is eligible for a Regular Pension if the Employee has attained age 65 and has earned 15 pension credits. Amount of Benefit: Upon retirement on his Regular Retirement Date, a Participant will be entitled to receive a monthly benefit equal to: • For pension credits on or after July 1, 2016, monthly benefit accruals are equal to 0.9% of total contributions made for the participant's work. • For pension credit earned on or after July 1, 2010 and before July 1, 2016, $37.00 for each $1.00 of hourly (benefit-bearing) employer contribution rate. • For pension credits earned on or after July 1, 1997 and before July 1, 2010, the accrual rate is $49.00 for each $1.00 of hourly employer contribution rate. • For pension credits prior to July 1, 1997, the accrued benefit based on prior plan formula increased by 20.75%. • A maximum of 35 pension credits applies.
Vested Benefit	Eligibility: Five or more years of vesting service. Amount of Benefit: Regular Pension Payable at Normal Retirement Age.

Summary of Plan Provisions

Plan Provision	Description of Plan Provision
Contribution Rates	For the period beginning September 28, 2006 and ending June 30, 2016, in the event a contributing employer is obligated to make a special Supplemental Contribution to the Fund solely for the purpose of improving the funding status of the Plan, such Supplemental Contributions shall not be included in the calculation of a Participant's pension benefit. Effective July 1, 2016, all contributions are benefit-bearing under the newly adopted benefit formula (0.9% x Total Contributions). For the plan year ended June 30, 2022, total contribution rates range from $243.28 to $349.82 per week.
Service Pension	Eligibility: 20, 25, 30 or 35 pension credits Amount of Benefit: At the Service Pension Commencement Date, a Participant will be entitled to receive a monthly benefit equal to his Normal Retirement Benefit actuarially reduced for early commencement. If the participant retired before January 1, 2018, the Service Pension is determined under the Plan rules in effect at that time.

Summary of Plan Provisions

Plan Provision	Description of Plan Provision
Early Pension	Eligibility: An Employee is eligible for an Early Pension if the Employee has attained age 55 and has earned 15 pension credits. Amount of Benefit: Upon the Early Retirement Date, a Participant will be entitled to receive a monthly benefit equal to his Normal Retirement Benefit actuarially reduced for early commencement. If the participant retired before January 1, 2018, the Early Pension is determined under the Plan rules in effect at that time.
Disability Pension	Eligibility: Effective July 1, 2018 there is no disability benefit available to participants who were not already receiving benefits under disability.

Summary of Plan Provisions

Plan Provision	Description of Plan Provision
Death Benefits	Married: If a participant is married and dies after earning the right to a Statutory Pension (5 years of service), the spouse will be entitled to a survivor benefit, as long as they were married for at least one year at the time of death. The spouse's monthly benefit is 75% of the benefit earned as of the day before death, subject to any reduction that would have applied for form of payment and payments before age 65. If the participant had not yet reached age 55, the benefit will be calculated as if they had reached age 55 and applied for an Early Retirement Pension immediately before death, with adjustment for form of payment and payments before age 65. Unmarried: For participant deaths after December 31, 2017, no death benefit is payable. If the participant died before January 1, 2018, death benefits are determined under the Plan rules in effect at that time
Special Death Benefit	For participant deaths after December 31, 2017, no death benefit is payable. If the participant died before January 1, 2018, death benefits are determined under the Plan rules in effect at that time

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 valuation summarized in this report involves actuarial calculations that require assumptions about future events. These calculations are performed using actuarial models, the intended purpose of which is the estimation and projection of the Plan's liabilities and assets, zone status, and other related information summarized herein. We believe that the assumptions and methods used in this report are reasonable individually and in the aggregate, and are appropriate for the purposes for which they have been used. However, other assumptions and methods could also be reasonable and could generate materially different results. We have relied on the input of experts in developing certain assumptions, such as mortality and the valuation interest rate. 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.

We have not performed a detailed analysis of the potential effects of risk on the Plan's future financial condition, but have included a discussion of some risks that may significantly affect the Plan. A more detailed assessment of the risks could provide the Trustees with a better understanding of the risks inherent in the Plan and may include additional scenario testing, sensitivity testing, stress testing and stochastic modeling.

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.

Mary Ann Dunleavy

Mary Ann Dunleavy, ASA, EA, MAAA
Senior Consulting Actuary

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