Horizon
Actuarial Services, LLC®

Industry & Local 338 Pension Plan

July 1, 2021 PPA Certification and Actuarial Update

July 22, 2021

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Today's Discussion

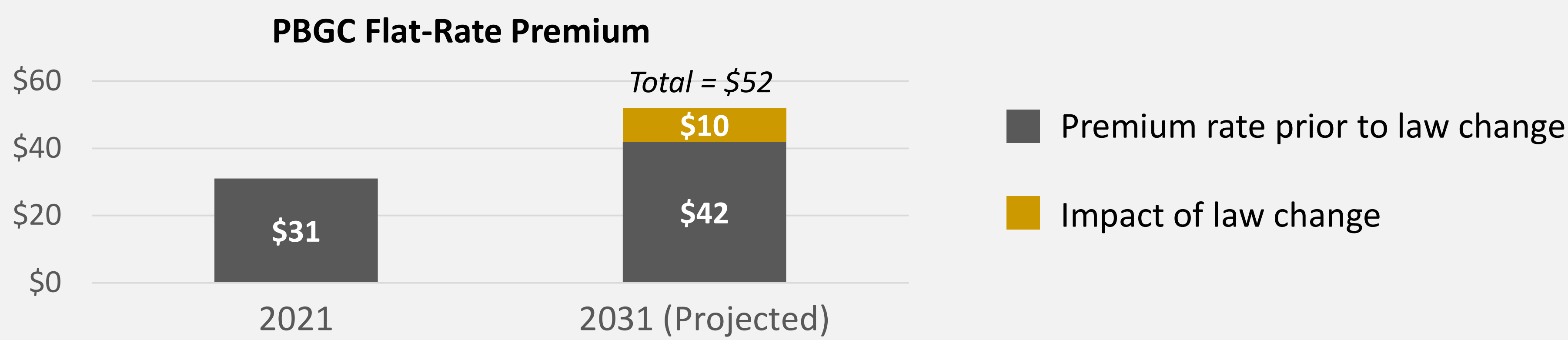
- **American Rescue Plan Act of 2021**
  - Funding Relief Provisions
- **Preliminary Discussion: July 1, 2021 – June 30, 2022 Certification**
- **Funding Projections**
- **Appendix**
  - Contribution Rate Summaries
  - Plan History Under PPA
  - Data, Assumptions, Methods, and Plan Provisions

American Rescue Plan Act of 2021

PBGC Premium Increase

PBGC Premium Rates Increasing to $52 Per-Participant in 2031

This change is projected to increase premium rates by roughly $10 in 2031

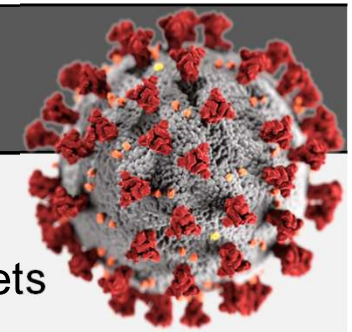


- **In 2031, the PBGC Premium increase is expected to increase the Plan's annual operating expenses by about $9,000 or 2% of total operating expenses.**
  - 90 cents per week, assuming 10,000 weeks worked

ARPA Funding Relief Provisions

Spread COVID-19 Losses Over Longer Time Period

Trustees may elect alternative funding standard account rules



- Eligible investment losses can be smoothed over a 10-year period
- Asset valuation corridor can be increased to 130% of market value of assets
- Eligible investment/other COVID-19 losses can be amortized for up to 29 years
- Applies to losses incurred during the first two plan years ending after February 29, 2020
- Conditions: Must meet solvency test; subject to a temporary benefit increase restriction

- **Investment Return on Market Value**
  - 7/1/2019 – 6/30/2020 = 1.82% (Audit)
  - 7/1/2020 – 6/30/2021 = 25.9% (SEI PYTD)

- **Other COVID-19 losses**
  - Hours 7/1/2019 – 6/30/2020 15.6% lower than prior plan year
    - A portion of the decline is due to the withdrawal of Culinart and the College of New Rochelle
  - Hours 7/1/2020 – 6/30/2021: not yet known

2021 PPA Zone Status Certification - Preliminary Discussion

2021 PPA Certification

- **Certification must be submitted by the 90th day of the Plan Year**
  - September 28, 2021
  - Expect to certify “Green” zone for the July 1, 2021 – June 30, 2022 Plan Year
- **Preliminary Assets**
  - 25.9% return on assets for the plan year ending June 30, 2021
    - Estimated year-to-date return on investments provided by SEI
- **Projected Liabilities**
  - Based on results of the July 1, 2020 actuarial valuation
  - Plan changes known at the time of certification should be reflected

2021 PPA Certification (continued)

- **Projected Contributions:**
  - Contribution Rates
    - Only rate increases already included in CBAs as of the certification date are recognized
  - Industry Activity Assumption
    - PPA requires that the actuary’s annual certification of the zone status of a multiemployer plan reflects industry activity assumptions that are based on input from the Trustees, provided in good faith
    - The industry activity assumption is very important, as it directly affects the level of the contributions expected in future years
    - Assumption is often based on prior year’s work levels or contributions

2021 PPA Certification: Industry Activity

Plan Year	Active Count	Average Weeks / Active		Total Weeks	Average Ultimate Contribution Rate
		Total Wks	Active Wks		
7/1/2021 – 6/30/2022+	?	?		?	?
7/1/2020 – 6/30/2021	11-month average= 205	?		10,045 for 205 actives working 49 weeks / yr	?
7/1/2019 – 6/30/2020	204	51.2	48.01	10,240	$302.62
7/1/2018 – 6/30/2019	226 CNR=17	54.7	48.4	12,366	274.36
7/1/2017 – 6/30/2018	238 CNR=20, Culinart=21	51.9	47.7	12,351	261.20
7/1/2016 – 6/30/2017	238 CNR=13, Culinart=19	50.6	49.3	11,740	249.60
7/1/2015 – 6/30/2016	243	48.5	47.5	11,775	232.00
7/1/2014 – 6/30/2015	265	50.2	47.5	13,303	215.20
7/1/2013 – 6/30/2014	306	51.3	N/A	15,698	223.20
7/1/2012 – 6/30/2013	326	49.9	N/A	16,267	206.80
7/1/2011 – 6/30/2012	382	51.2	N/A	19,558	177.60
7/1/2010 – 6/30/2011	412	50.6	N/A	20,847	?

Historical contribution information for plan years prior to 7/1/2015 – 6/30/2016 obtained from prior years' actuarial valuation reports.

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, 2020 actuarial valuation.**
  - No future expected gains or losses other than those attributable to investment returns, as applicable.
- **Investment Earnings**
  - 25.9% return on assets for the plan year ending June 30, 2021
    - Estimated year-to-date return on investments provided by SEI
  - 7.25% per year, net of investment-related expenses, thereafter unless otherwise noted
- **Operating Expenses**
  - $375,000 for the plan year beginning July 1, 2020, increasing 2.5% per year

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 Assumptions and Methods (cont.)

- **Work Levels**
  - Plan year beginning July 1, 2021 = 10,000 total weeks
- **Contribution Rates**
  - All contributions rate increases are benefit-bearing
  - Contracts adopted on or after October 15, 2019 must comply with the Plan's Funding Policy, requiring contribution rate increases as follows:

First 10 Years of Contribution Rate Increases

Year 1	$	8.76 per week	Year 6	$	10.16 per week
Year 2	$	9.02 per week	Year 7	$	10.46 per week
Year 3	$	9.29 per week	Year 8	$	10.77 per week
Year 4	$	9.57 per week	Year 9	$	11.10 per week
Year 5	$	9.86 per week	Year 10	$	11.43 per week

Contribution rate requirements for Year 11 and beyond will be provided by the Trustees.

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 Assumptions and Methods (cont.)

- **Contracts**
  - 55% of hours worked under contracts beginning that are expected to renew in PYB 2020
    - HP Hood, expired October 31, 2020
    - Montefiore New Rochelle, expired November 5, 2020
    - Paraco, expired January 31, 2021, renewed as of February 1, 2021
  - 31% of hours worked under contracts that are expected to renew in PYB 2021
    - FrieslandCampina, expires December 31, 2021
  - 14% of hours worked under contracts beginning that are expected to renew in PYB 2022
    - LP Transport, expires August 15, 2022
  - All assumed to timely renew with contribution increases required by the Funding Policy

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	Valuation Discount Rate 2021+	Investment Return PYB 2020 / PYB 2021+	Weeks Worked PYB 2020+	Zone Status 2038-2039	FSA Balance 6/30/2039	% Funded 7/1/2038	Weekly Contrib Rate 7/1/2038
Certification Basis: Contribution Rates Included in Current Collective Bargaining Agreements							
1 Baseline July 1, 2020 Valuation	7.25%	7.25% / 7.25%	10,000	**Green**	$10M	108%	$322
1A July 1, 2021 Preliminary Certification	7.25%	25.9% / 7.25%	10,000	**Green**	$67M	166%	$322
1B Low ROA PYE 2022	7.25%	25.9% 2021 -13.00% 2022 7.25% thereafter	10,000	**Red**	$(1)M	96%	$322
1C Alternative Discount Rate	7.00%	25.9% / 7.00%	10,000	**Green**	$55M	153%	$322
Funding Policy: All Collective Bargaining Agreements Contribution Rate Increases Required by the Funding Policy Adopted October, 2019							
2A July 1, 2021 Preliminary Certification Funding Policy	7.25%	25.9% / 7.25%	10,000	**Green**	$86M	178%	$524
2B Low ROA PYE 2022 Funding Policy	7.25%	25.9% 2021 -13.00% 2022 7.25% thereafter	10,000	**Green**	$18M	113%	$524
2C Alt. Discount Rate Funding Policy	7.00%	25.9% / 7.00%	10,000	**Green**	$73M	165%	$524

Scenario 1: 2020 Baseline – Certification Basis

7.25% Return PYB 2020+ | 10.0 Thousand Weeks Worked beginning PYB 2020

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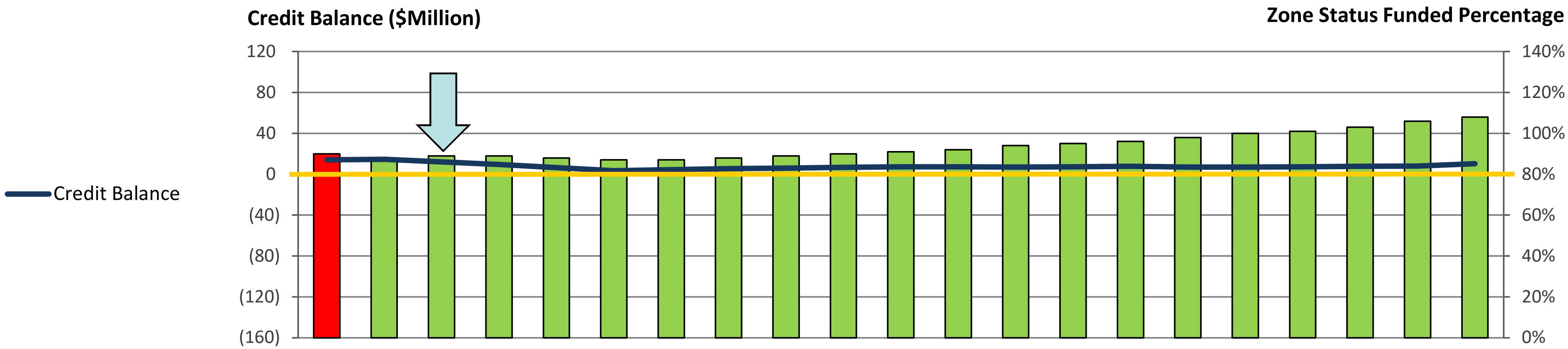

Plan Year Beginning 7/1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
(1) Investment Return (%)	4.81	1.83	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	11.9	10.4	10.0	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 ($)	274	303	313	317	320	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322
(4) Contributions+EWL Payments($M)	3.4	5.6	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 ($M)	93	93	94	94	93	92	92	92	93	93	93	94	94	95	95	96	97	97	98	99	100
(6) Zone Status Liability ($M)	102	106	106	106	105	105	105	104	103	103	102	101	100	99	99	98	97	96	94	93	92
(7) Credit Balance ($M)	14	14	12	9	6	3	4	5	6	7	7	7	7	7	8	7	7	7	8	8	10
(8) Zone Status Funded Percentage	90%	87%	89%	89%	88%	87%	87%	88%	89%	90%	91%	92%	94%	95%	96%	98%	100%	101%	103%	106%	108%

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.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Scenario 1A: Preliminary 2021 – Certification Basis

25.90% Return PYB 2020; 7.25% Return PYB 2021+ | 10.0 Thousand Weeks Worked beginning PYB 2020

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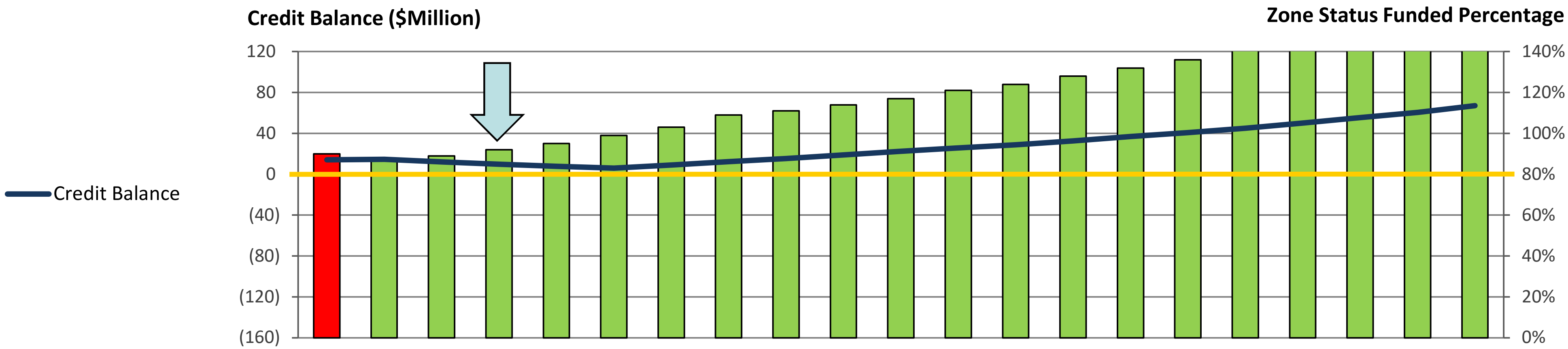

Plan Year Beginning 7/1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
(1) Investment Return (%)	4.81	1.83	25.90	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	11.9	10.4	10.0	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 ($)	274	303	313	317	320	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322
(4) Contributions+EWL Payments($M)	3.4	5.6	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 ($M)	93	93	94	98	101	105	109	114	116	118	120	122	125	128	130	134	137	141	145	149	153
(6) Zone Status Liability ($M)	102	106	106	106	105	105	105	104	103	103	102	101	100	99	99	98	97	96	94	93	92
(7) Credit Balance ($M)	14	14	12	10	8	6	9	12	15	19	22	26	29	32	37	40	45	50	55	60	67
(8) Zone Status Funded Percentage	90%	87%	89%	92%	95%	99%	103%	109%	111%	114%	117%	121%	124%	128%	132%	136%	141%	147%	153%	159%	166%

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.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Scenario 1B: One-Year Low Return – Certification Basis

25.90% Return PYB 2020; -13.00% Return PYB 2021; 7.25% Return PYB 2022+ | 10.0 Thousand Weeks Worked beginning PYB 2020

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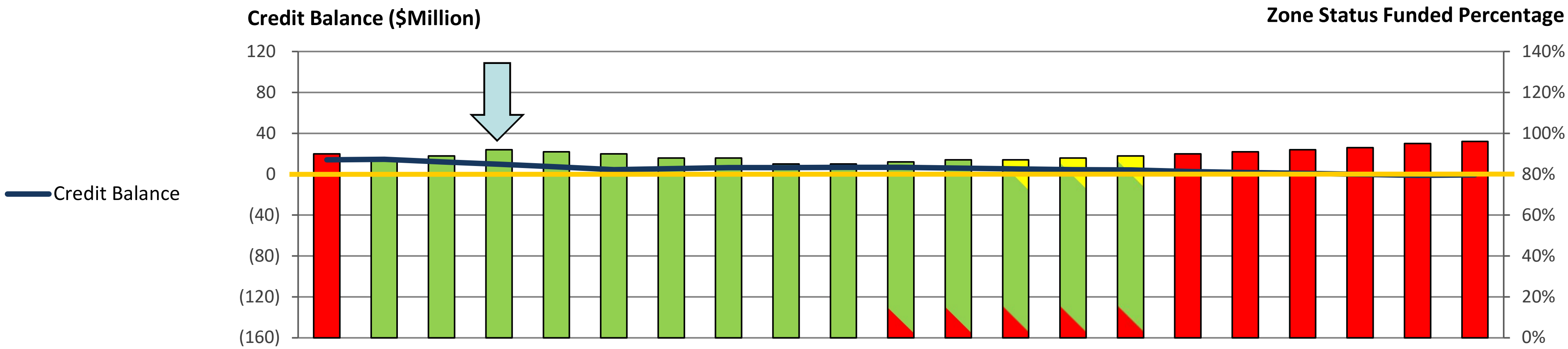


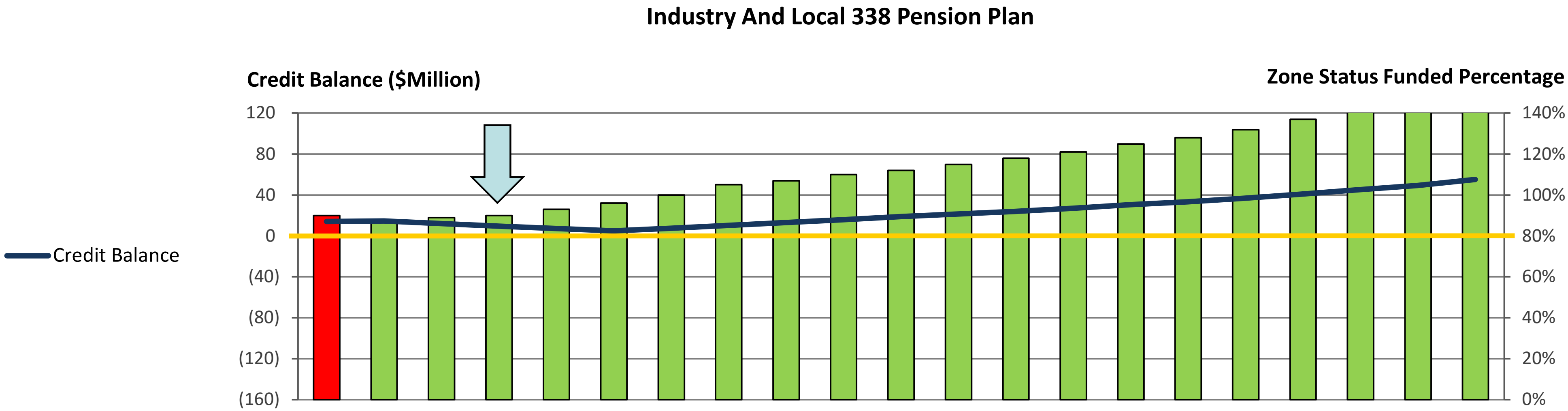
Plan Year Beginning 7/1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
(1) Investment Return (%)	4.81	1.83	25.90	$\boxed{(13.00)}$	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	11.9	10.4	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 ($)	274	303	313	317	320	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322
(4) Contributions+EWL Payments($M)	3.4	5.6	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 ($M)	93	93	94	98	97	95	93	92	88	88	88	88	88	88	88	88	88	88	89	89	89
(6) Zone Status Liability ($M)	102	106	106	106	105	105	105	104	103	103	102	101	100	99	99	98	97	96	94	93	92
(7) Credit Balance ($M)	14	14	12	10	7	4	5	6	6	7	7	6	5	4	4	3	2	1	(0)	(1)	(1)
(8) Zone Status Funded Percentage	90%	87%	89%	92%	91%	90%	88%	88%	85%	85%	86%	87%	87%	88%	89%	90%	91%	92%	93%	95%	96%

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.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Scenario 1C: Alternative Discount Rate – Certification Basis

7.00% Discount Rate | 25.90% Return PYB 2020; 7.00% Return PYB 2021+ |
10.0 Thousand Weeks Worked beginning PYB 2020 | Funding Policy Contribution Increases



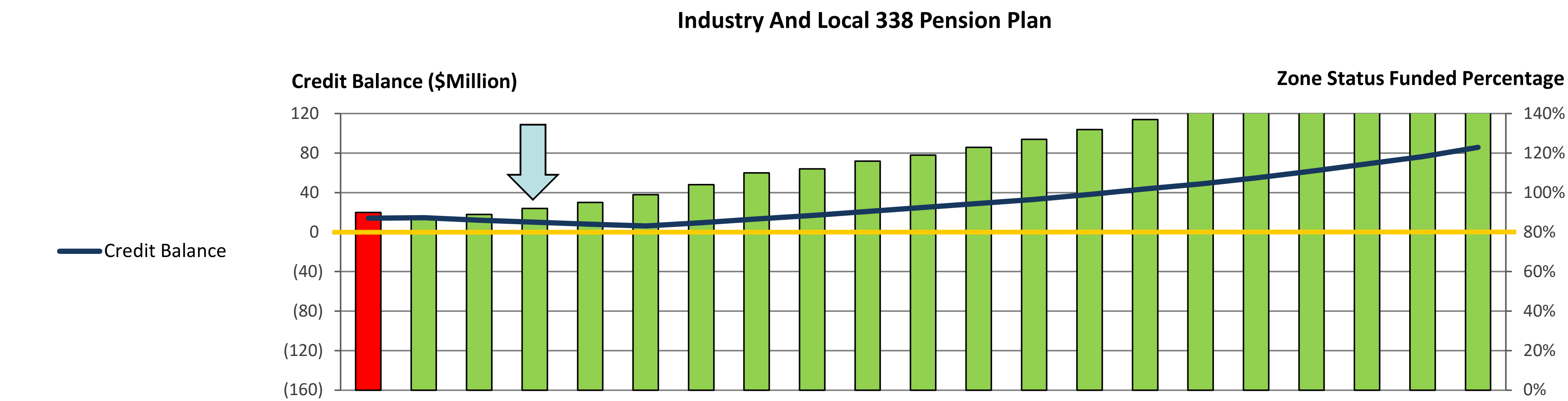
Plan Year Beginning 7/1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
(1) Investment Return (%)	4.81	1.83	25.90	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
(2) Weeks Worked(Thousands)	11.9	10.4	10.0	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 ($)	274	303	313	317	320	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322	322
(4) Contributions+EWL Payments($M)	3.4	5.6	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 ($M)	93	93	94	98	101	104	108	113	114	116	118	119	121	124	126	129	131	134	137	141	144
(6) Zone Status Liability ($M)	102	106	106	108	108	108	107	106	106	105	104	103	102	102	101	100	99	98	97	95	94
(7) Credit Balance ($M)	14	14	12	9	7	5	7	10	13	16	19	21	24	27	30	33	37	41	45	49	55
(8) Zone Status Funded Percentage	90%	87%	89%	90%	93%	96%	100%	105%	107%	110%	112%	115%	118%	121%	125%	128%	132%	137%	142%	147%	153%

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.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Scenario 2A: Preliminary 2021 – Funding Policy

25.90% Return PYB 2020; 7.25% Return PYB 2021+ | 10.0 Thousand Weeks Worked beginning PYB 2020 | Funding Policy Contribution Increases



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	1.83	25.90	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	10.4	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 ($)	274	303	316	324	334	343	353	363	373	384	395	406	418	430	442	455	468	481	495	510	524
(4) Contributions+EWL Payments($M)	3.4	5.6	3.2	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9	4.1	4.2	4.3	4.4	4.5	4.7	4.8	5.0	5.1	5.2
(5) Actuarial Value of Assets ($M)	93	93	94	98	101	105	109	115	117	120	123	126	130	134	138	143	149	154	161	168	176
(6) Zone Status Liability ($M)	102	106	106	106	105	105	105	104	104	103	102	102	101	101	101	100	100	99	99	99	98
(7) Credit Balance ($M)	14	14	12	10	8	6	9	13	17	21	25	29	33	38	44	49	55	62	69	76	86
(8) Zone Status Funded Percentage	90%	87%	89%	92%	95%	99%	104%	110%	112%	116%	119%	123%	127%	132%	137%	142%	148%	155%	162%	170%	178%

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.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Scenario 2B: One-Year Low Return – Funding Policy

7.25% Discount Rate | 25.90% Return PYB 2020; -13.00% Return PYB 2021; 7.25% Return PYB 2022+ | 10.0 Thousand Weeks Worked beginning PYB 2020 | Funding Policy Contribution Increases

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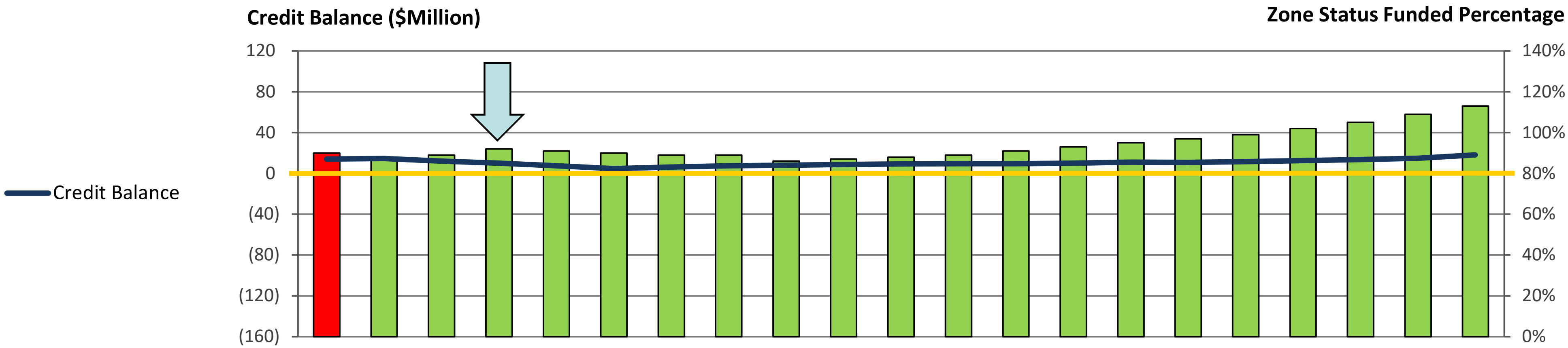

Plan Year Beginning 7/1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
(1) Investment Return (%)	4.81	1.83	25.90	(13.00)	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	11.9	10.4	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 ($)	274	303	316	324	334	343	353	363	373	384	395	406	418	430	442	455	468	481	495	510	524
(4) Contributions+EWL Payments($M)	3.4	5.6	3.2	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9	4.1	4.2	4.3	4.4	4.5	4.7	4.8	5.0	5.1	5.2
(5) Actuarial Value of Assets ($M)	93	93	94	98	97	95	93	93	89	90	91	92	93	94	96	98	100	102	105	108	111
(6) Zone Status Liability ($M)	102	106	106	106	105	105	105	104	104	103	102	102	101	101	101	100	100	99	99	99	98
(7) Credit Balance ($M)	14	14	12	10	7	5	6	7	8	9	9	9	9	10	11	11	11	13	14	15	18
(8) Zone Status Funded Percentage	90%	87%	89%	92%	91%	90%	89%	89%	86%	87%	88%	89%	91%	93%	95%	97%	99%	102%	105%	109%	113%

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.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Scenario 2C: Alternative Discount Rate – Funding Policy

7.00% Discount Rate | 25.90% Return PYB 2020; 7.00% Return PYB 2021+ | 10.0 Thousand Weeks Worked beginning PYB 2020 | Funding Policy Contribution Increases

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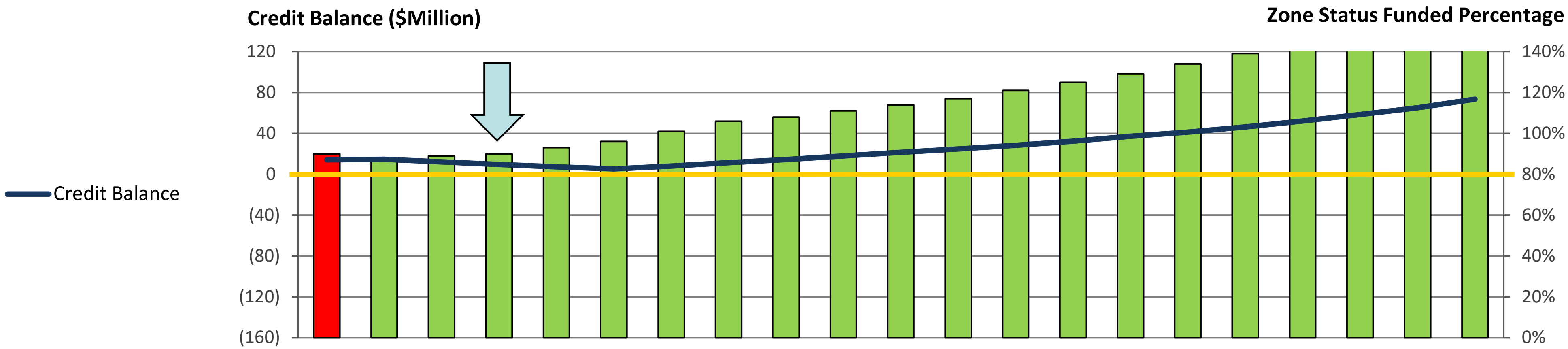

Plan Year Beginning 7/1	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
(1) Investment Return (%)	4.81	1.83	25.90	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
(2) Weeks Worked(Thousands)	11.9	10.4	10.0	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 ($)	274	303	316	324	334	343	353	363	373	384	395	406	418	430	442	455	468	481	495	510	524
(4) Contributions+EWL Payments($M)	3.4	5.6	3.2	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9	4.1	4.2	4.3	4.4	4.5	4.7	4.8	5.0	5.1	5.2
(5) Actuarial Value of Assets ($M)	93	93	94	98	101	104	108	113	115	118	120	123	126	130	134	138	143	148	153	160	166
(6) Zone Status Liability ($M)	102	106	106	108	108	108	107	107	106	105	105	104	104	103	103	103	102	102	101	101	101
(7) Credit Balance ($M)	14	14	12	10	7	5	8	11	14	18	21	25	28	32	37	41	46	52	58	65	73
(8) Zone Status Funded Percentage	90%	87%	89%	90%	93%	96%	101%	106%	108%	111%	114%	117%	121%	125%	129%	134%	139%	145%	151%	158%	165%

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.
2) Benefit changes made by the RP are reflected beginning in the July 1, 2018 plan year.

Horizon

Forecast Observations

- **The Plan remains sensitive to both investment return and contributions**
- **Long term funding improvement is compromised if investment returns are less than assumed or contribution levels fall**
  - Even with a better than expected return for the current year the plan remains sensitive to investment returns
  - Investment professionals are generally reporting lower expectations for investment returns, particularly in the short term
    - We continue to monitor movements in the outlook for future investment returns reported by investment professionals
  - The Funding Policy helps mitigate some of the risk
- **Impact of ARPA**
  - PBGC Premiums: projected to increase by roughly $9,000 per year starting in 2031
  - Funding Relief
    - Funding Relief may be adopted by the plan to temporarily increase the credit balance
    - Benefit restrictions apply to plans that adopt relief
  - Special Financial Assistance is unlikely. Any possible relief will be based on future PBGC guidance and plan experience

2021 – 2022 Plan Year Timeline – PPA

Event	Deadline / Information	Latest Date
Actuarial Certification	90 days into plan year	9/28/2021
Notice of Critical Status (if applicable)	30 days after actuarial certification	N/A
Develop Funding Improvement Plan (FIP) or Rehabilitation Plan (RP) (if applicable)	Due 240 days after certification of endangered (FIP) or critical status (RP)	N/A
Funding Improvement or Rehabilitation Period (if applicable)	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 or RP	N/A

2021 – 2022 Plan Year – Other Actuarial Information

Event	Deadline / Information	Latest Date
Annual Funding Notice	120 days after the end of the plan year	10/28/2021
Schedule MB (Form 5500)	Last day of the 7th month following the end of the Plan Year (2½ month extension available)	1/31/2022 (w/o ext) 4/15/2022 (with ext)
ERISA 104(d) Notice	30 days after due date Form 5500 filing	3/1/2022 (w/o ext) 5/15/2022 (with ext)
PBGC Premium Filing	15th day of the 10th full calendar month in the Plan Year	4/15/2022
Actuarial Valuation		N/A
Review of Actuarial Assumptions	In conjunction with the actuarial valuation	N/A

Appendix

Contribution Rate Summary

Employer	Contract Expiration Date	As of 7/1/2018 Active Count (Valn Data)	As of 7/1/2018 Total Wkly Contrib Rate	As of 7/1/2019 Active Count (Valn Data)	As of 7/1/2019 Total Wkly Contrib Rate	As of 7/1/2020 Active Count (Valn Data)	As of 7/1/2020 Total Wkly Contrib Rate
College of New Rochelle	8/31/2013	17	$ 208.95	17	$ 269.04	0	$ 269.04
HP Hood / Crowley	10/31/2020	92	303.98	91	322.98	91	342.58
Culinart	12/31/2016	20	267.15	0	267.15	0	267.15
Freisland Campina	12/31/2021	59	247.60	65	242.64	62	261.33
LP Transport	8/15/2022	29	322.75	32	322.75	29	331.51
Montefiore New Rochelle	11/5/2020	12	251.61	13	270.30	13	290.21
Paraco Gas	1/31/2025	8	245.15	7	263.84	8	283.75
Westchester L860	9/30/2013	1	243.28	1	243.28	1	243.28
Total		238		226		204	

Notes

1) All contributions are benefit-bearing, effective beginning July 1, 2016.
2) Contribution rates shown above are as reported by Plan Administrator.
3) Contribution rates as of 7/1/2018 include surcharges for College of New Rochelle, Culinart, Friesland Campina, Westchester L 860

Historical Contribution Rates by Contract

Employer	Base Rate	As of Plan Year Ending 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
College of New Rochelle	$ 110.44	$ 143.60	$ 158.00	$ 174.00	$ 174.00	$ 174.00	$ 174.00	$ 174.00	$ 208.95	$ 269.04	N/A
HP Hood / Crowley	130.00	169.00	186.34	204.97	225.47	248.00	272.79	286.43	303.98	322.67	342.58
Culinart	108.44	141.08	154.98	170.48	187.53	206.28	226.91	226.91	267.15	267.15	N/A
Friesland Campina	100.12	133.25	146.57	161.23	177.35	195.09	205.09	215.09	247.60	242.64	261.33
LP Transport	160.00	176.00	192.00	208.00	228.80	251.60	276.80	290.80	322.75	322.75	331.51
Montefiore New Rochelle	120.12	159.86	175.85	193.44	212.78	234.06	234.06	234.06	251.61	270.30	290.21
Paraco Gas	124.00	148.00	156.00	172.00	188.00	206.80	227.60	227.60	245.15	263.84	283.75
Westchester L860	130.15	169.59	186.55	205.21	205.21	205.21	205.21	205.21	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 College of New Rochelle, Culinart, Friesland Campina, Westchester L 860

Plan History Under PPA

Plan Year Begins	Contribution Requirements	Benefit Changes
7/1/2008 - 7/1/2009 Green	**7/1/2009 supplemental contribution requirement** • Contrib increase requirements were updated periodically	**7/1/2009 supplemental contribution requirement** • Supplemental contributions were not benefit bearing
7/1/2010 - 7/1/2015 Green	N/A	N/A
7/1/2016 Yellow, Proj Red w/in 5 years	**Funding Improvement Plan (FIP), adopted 5/22/2017** • Flat dollar schedule of contribution increases • Rehabilitation Plan was adopted before any contract was required to include the terms of the FIP	**Amendment Effective 7/1/2016** • Benefit accruals are 0.9% of contributions • All contributions are benefit bearing
7/1/2017 Red	**Rehabilitation Plan (RP), adopted 9/18/2017** • Flat dollar schedule of contribution increases equivalent to 6.5% of the average contribution rate in effect July 1, 2017 • Surcharges and the default schedule were imposed on open contracts after 180 days	**Adjustable Benefits eliminated, effective 1/1/2018** • 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
7/1/2018 Red	N/A	N/A
7/1/2019 -7/1/2020 Green	**Funding Policy, adopted 10/15/2019** Flat dollar schedule of contribution increases equivalent to 3.0% of the average contribution rate in effect July 1, 2017	N/A

Data, Assumptions, Methods, and Plan Provisions

- **Please see our January 5, 2021 presentation**

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

Dylan Nitta
Dylan Nitta, ASA
Actuary