Industry & Local 338 Pension Plan

Updated Funding Projections

August 17, 2026

Mary Ann Dunleavy, ASA
Peter Bernstein, FSA

Today's Discussion

- **2026 PPA Zone Status Certification**
  - Preliminary Information
  - Industry Activity Information
- **Funding Projections**
- **Project Timeline July 1, 2026-June 30, 2027**
- **Appendix**
  - Data, Assumptions, Methods and Plan Provisions
  - Contribution Rate Summary
  - Plan Historical Risk Measures
  - PPA Zone Certification Statuses
  - Actuarial Certification

2026 PPA Certification Preview

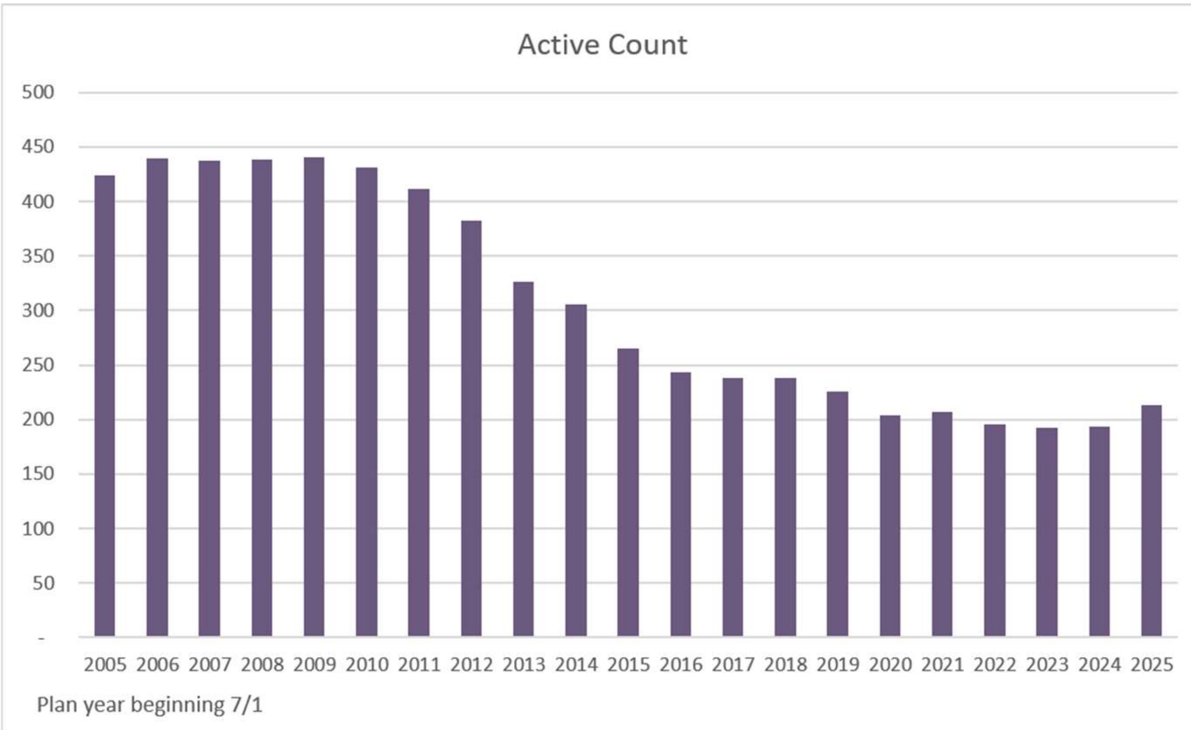
- **Due September 28, 2026**
  - Expect to certify the Plan in the Green Zone
- **Funded Percentage**
  - 101% as of July 1, 2026 (preliminary)
    - Assets: $107.0 million (Actuarial Value of Assets, estimate)
    - Liabilities: $106.0 million (projected)
- **Projected Minimum Funding Standards**
  - Minimum required contributions met during the required projection period
- **Preliminary Assumptions Include**
  - 15.71% return for the plan year ending June 30, 2026 (preliminary from SEI)
  - 7.25% per year beginning July 1, 2026
  - 10,400 weeks worked per year
  - Contribution Rates:
    - Zone Status: rate increases included in CBAs as of the certification date

2026 PPA Certification: Industry Activity

- **To complete the PPA Certification, the law requires that we obtain input on "industry activity" from the Trustees**
  - Generally this refers to expected future levels of weeks and contributions
  - We are also requesting information on other future events of which the Trustees may be aware
    - Expected change in the status of any contributing employer
    - Unusual number of retirements different than what might otherwise be anticipated
    - Significant changes in the participant data used to complete the actuarial valuation

2026 PPA Certification: Industry Activity

Plan Year	Active Count	Average Weeks / Active		Total Weeks	Average Ultimate Contribution Rate
		Total Wks	Active Wks		
7/1/2025 – 6/30/2026	232 Average 11 months	?	?	?	?
7/1/2024 – 6/30/2025	213	51.0	46.9	10,856	$335.18
7/1/2023 – 6/30/2024	194	54.7	48.6	10,613	$334.56
7/1/2022 – 6/30/2023	192	50.0	46.6	9,594	$325.35



Historical information for plan years prior to 7/1/2015 obtained from prior years' actuarial valuation reports.

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, 2025 actuarial valuation.**
  - No future expected gains or losses other than those attributable to investment returns, as applicable.
- **Investment Earnings**
  - 7.25% per year, net of investment-related expenses, thereafter unless otherwise noted
- **Operating Expenses**
  - $395,000 for the plan year beginning July 1, 2025, increasing 3.0% per year
- **Work Levels**
  - Plan year beginning July 1, 2025 and later: 10,400 total weeks, unless otherwise noted
- **Contribution Rates**
  - Included in Collective Bargaining Agreements as bargained
- **Withdrawal Liability Income**
  - Reflects expected payments from employers withdrawn before July 1, 2025
  - Approximately $183,000 per year ending in the plan year ending June 30, 2033

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**
  - 17% of weeks worked under contracts beginning that are currently in negotiations
    - LP Transport, expired August 15, 2025
  - 83% of weeks worked under contracts expected to renew after PYB 2025
    - Friesland Campina, expiration December 31, 2026
    - Montefiore New Rochelle, expiration November 5, 2026
    - HP Hood, expiration March 27, 2027
    - Westchester Local 860, expires September 30, 2027
    - Paraco, expiration January 31, 2029
- **No future contribution increases are included in any of the current contracts**

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

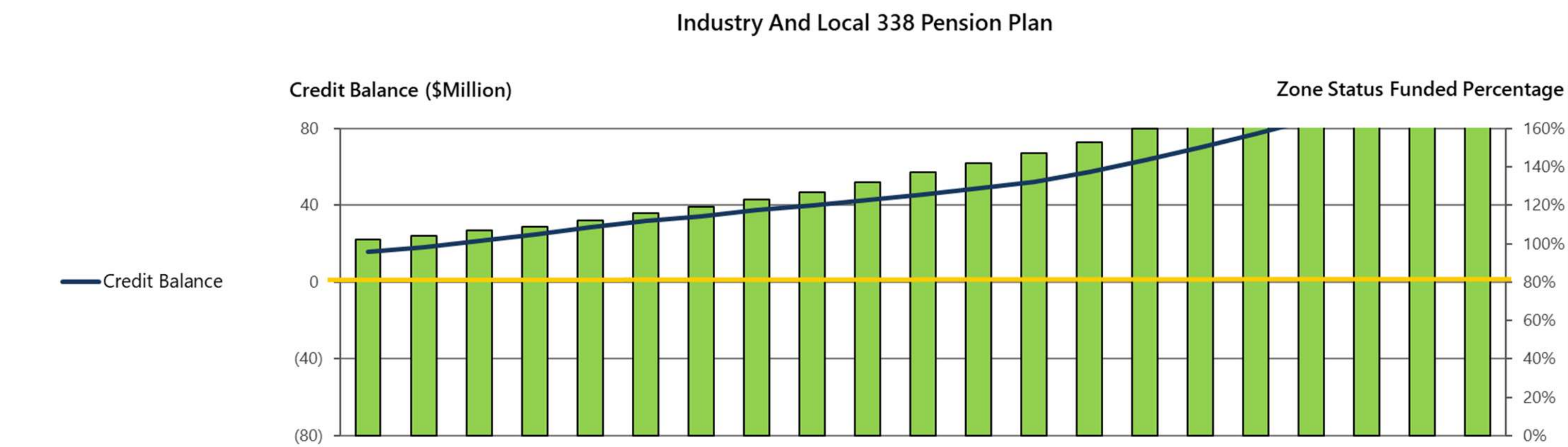
Scenario	Investment Return PYB 2025/ PYB 2026/ PYB 2027+	Weeks Worked PYB 2025+	Funded % / Credit Bal ($M) PYB 2027	Future Zone Status Changes	% Funded 7/1/2035	% Funded 7/1/2045	Credit Balance ($M) 6/30/2046
1 July 1, 2025 Valuation	7.25%	10,400	104% / $22	**Green**	137%	214%	$109
2 Preliminary 2026 PPA Certification	15.71% PYB 2025 / 7.25% thereafter	10,400	108% / $22	**Green**	154%	253%	$145
3 Lower Weeks Worked	15.71% PYB 2025 / 7.25% thereafter	9,600 Prior PPA Cert	107% / $21	**Green**	151%	248%	$136
4 ROA PYB 2026 That Results in Non-Green 2027	15.71% PYB 2025 / -34.00% 2026 / 7.25% thereafter	10,400	84%/$19	**Orange 2030** **Red 2032**	67%	57%	($37)
5 Consistently Lower Returns	15.71% PYB 2025 / 5.00% thereafter	10,400	107% / $22	**Green**	127%	143%	$68

- The estimated market value funded percentage as of July 1, 2026 is 112.9%

Scenario 1: July 1, 2025 Valuation

Investment Returns: 7.25% Return PYB 2025+

Weeks Worked: 10,400 PYB 2025+



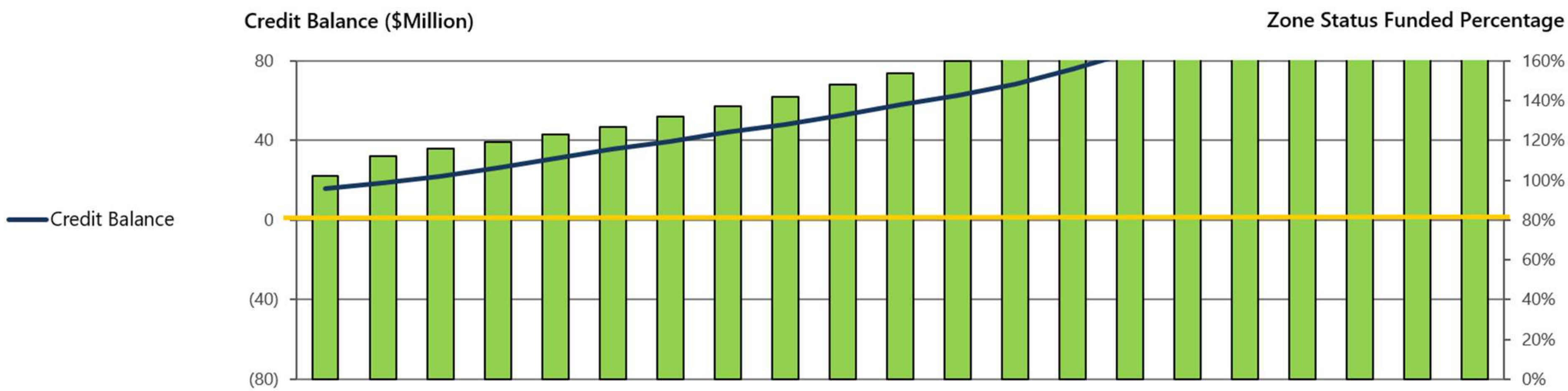
Plan Year Beginning 7/1	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
(1) Investment Return (%)	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40
(3) Weekly Contribution Rate ($)	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335
(4) Contributions+EWL Payments($M)	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
(5) Actuarial Value of Assets ($M)	105	106	110	114	117	119	122	125	128	131	134	137	141	145	150	155	160	165	172	178	186
(6) Zone Status Liability ($M)	106	106	105	105	104	103	102	101	100	99	98	96	95	94	93	92	91	90	89	88	87
(7) Credit Balance ($M)	16	18	22	25	28	32	34	38	40	43	46	49	52	58	64	70	77	85	92	100	109
(8) Zone Status Funded Percentage	98%	99%	104%	108%	112%	116%	119%	123%	127%	132%	137%	142%	147%	153%	160%	167%	175%	184%	193%	203%	214%
(9) Market Value Funded Percentage	102%	104%	107%	109%	112%	116%	119%	123%	127%	132%	137%	142%	147%	153%	160%	167%	175%	184%	193%	203%	214%

Scenario 2: 2026 PPA Certification (preliminary)

Investment Returns: ***15.71% PYB 2025***; 7.25% Return PYB 2026+

Weeks Worked: 10,400 PYB 2025+

Industry And Local 338 Pension Plan

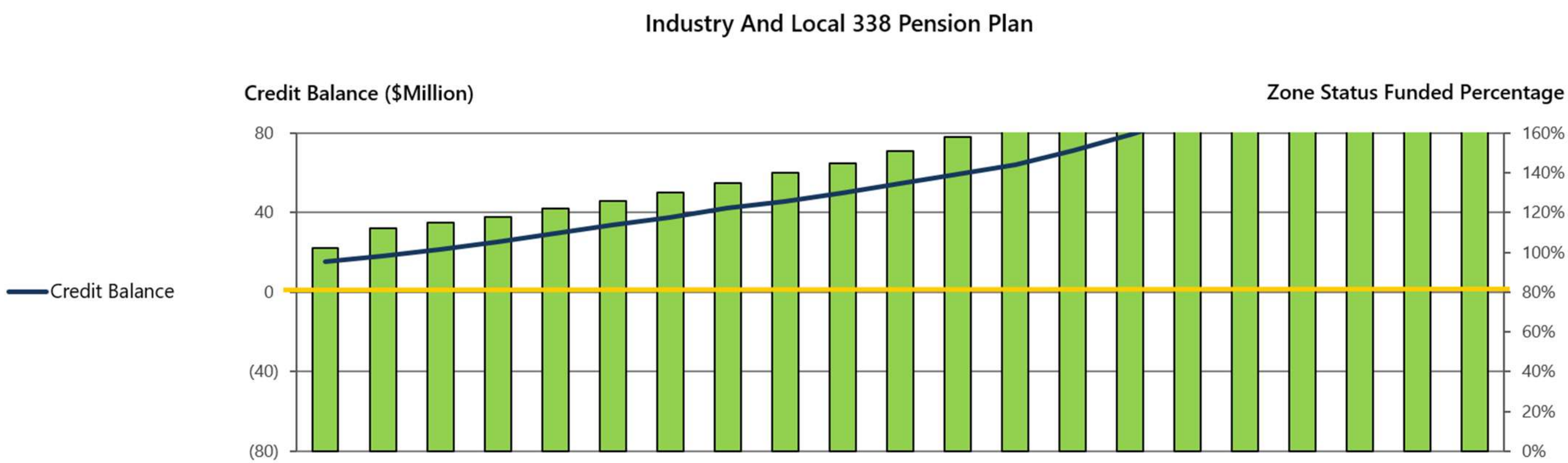


Plan Year Beginning 7/1	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
(1) Investment Return (%)	15.71	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40
(3) Weekly Contribution Rate ($)	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335
(4) Contributions+EWL Payments($M)	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
(5) Actuarial Value of Assets ($M)	105	107	114	121	126	131	135	138	142	146	151	155	160	166	172	178	185	193	201	210	220
(6) Zone Status Liability ($M)	106	106	105	105	104	103	102	101	100	99	98	96	95	94	93	92	91	90	89	88	87
(7) Credit Balance ($M)	16	18	22	26	31	36	40	44	48	53	58	63	68	76	85	94	104	114	124	134	145
(8) Zone Status Funded Percentage	98%	101%	108%	115%	121%	127%	132%	137%	142%	148%	154%	160%	168%	175%	184%	193%	203%	214%	226%	239%	253%
(9) Market Value Funded Percentage	102%	112%	116%	119%	123%	127%	132%	137%	142%	148%	154%	160%	168%	175%	184%	193%	203%	214%	226%	239%	253%

Scenario 3: Lower Weeks Worked

Investment Returns: ***15.71% PYB 2025***; 7.25% Return PYB 2026+

Weeks Worked: ***9,600 PYB 2025+***

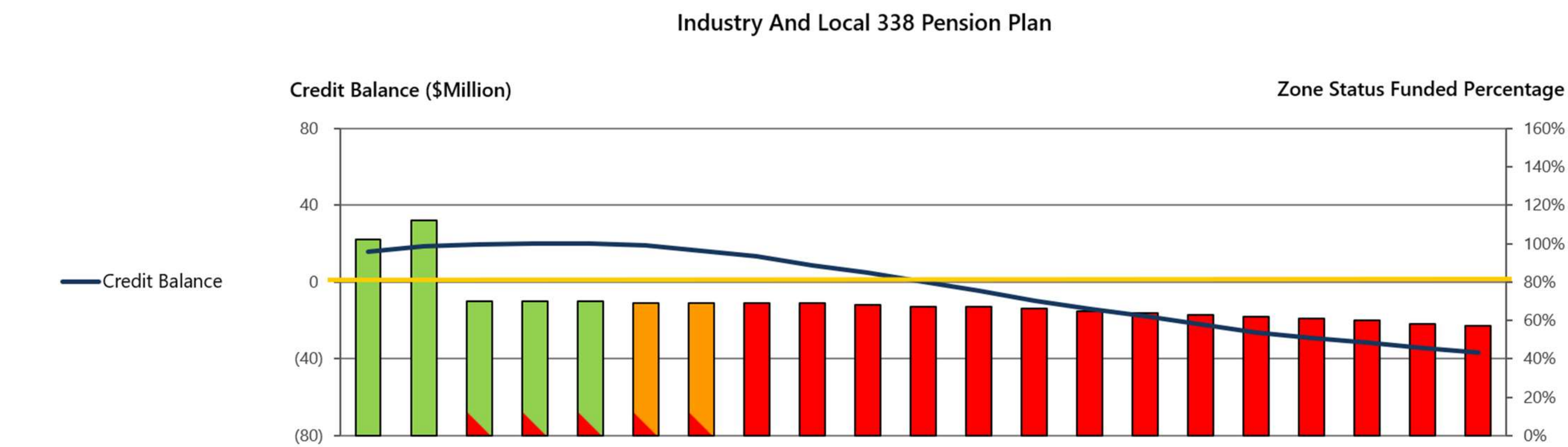


Plan Year Beginning 7/1	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
(1) Investment Return (%)	15.71	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60	9.60
(3) Weekly Contribution Rate ($)	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335
(4) Contributions+EWL Payments($M)	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4	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 ($M)	105	107	113	120	125	130	133	136	139	143	147	151	155	160	166	171	178	184	192	200	208
(6) Zone Status Liability ($M)	106	106	105	104	104	102	101	100	99	98	97	95	94	93	92	90	89	88	86	85	84
(7) Credit Balance ($M)	15	18	21	25	30	34	38	42	46	50	54	59	64	71	79	88	97	106	116	126	136
(8) Zone Status Funded Percentage	98%	101%	107%	114%	120%	126%	130%	135%	140%	145%	151%	158%	165%	172%	180%	189%	199%	210%	221%	234%	248%
(9) Market Value Funded Percentage	102%	112%	115%	118%	122%	126%	130%	135%	140%	145%	151%	158%	165%	172%	180%	189%	199%	210%	221%	234%	248%

Scenario 4: Low 2026 ROA That Results in Non-Green 2027

Investment Returns: ***-34.00% PYB 2026***; 7.25% Return PYB 2027+

Weeks Worked: 10,400 PYB 2026+

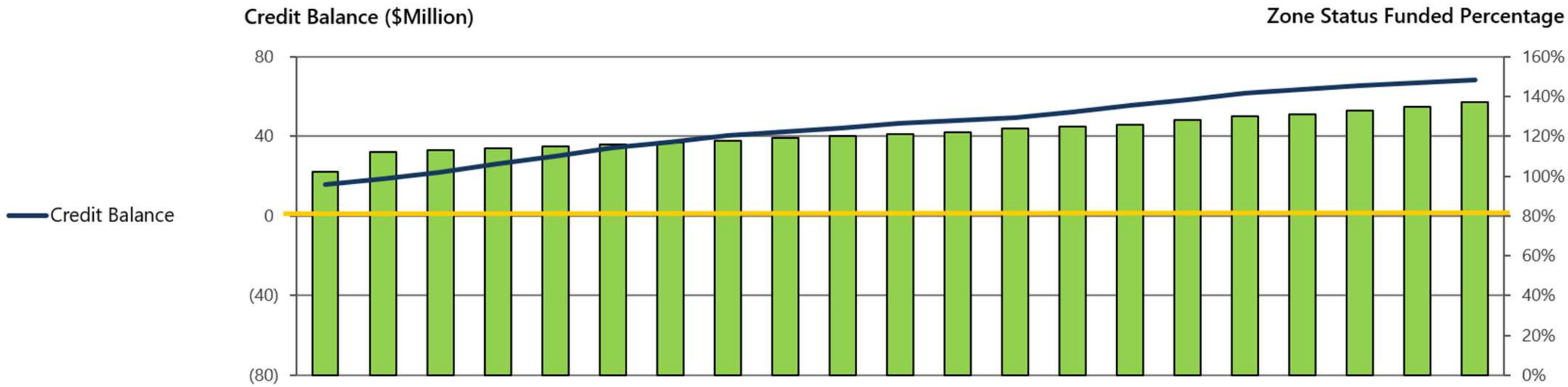


Plan Year Beginning 7/1	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
(1) Investment Return (%)	15.71	(34.00)	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
(2) Weeks Worked(Thousands)	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40
(3) Weekly Contribution Rate ($)	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335
(4) Contributions+EWL Payments($M)	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
(5) Actuarial Value of Assets ($M)	105	107	89	88	87	81	71	70	69	68	66	65	63	62	60	59	57	55	54	52	50
(6) Zone Status Liability ($M)	106	106	105	105	104	103	102	101	100	99	98	96	95	94	93	92	91	90	89	88	87
(7) Credit Balance ($M)	16	18	19	20	20	19	16	13	9	5	0	(5)	(10)	(14)	(18)	(22)	(26)	(29)	(32)	(34)	(37)
(8) Zone Status Funded Percentage	98%	101%	84%	84%	84%	79%	69%	69%	69%	68%	67%	67%	66%	65%	64%	63%	62%	61%	60%	58%	57%
(9) Market Value Funded Percentage	102%	112%	70%	70%	70%	69%	69%	69%	69%	68%	67%	67%	66%	65%	64%	63%	62%	61%	60%	58%	57%

Scenario 5: Consistently Lower Returns

Investment Returns: 15.71% Return PYB 2025; ***5.0% Return PYB 2026+***
Weeks Worked: 10,400 PYB 2026+

Industry And Local 338 Pension Plan



Plan Year Beginning 7/1	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
(1) Investment Return (%)	15.71	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
(2) Weeks Worked(Thousands)	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40	10.40
(3) Weekly Contribution Rate ($)	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335	335
(4) Contributions+EWL Payments($M)	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.7	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
(5) Actuarial Value of Assets ($M)	105	107	114	119	123	125	125	125	125	124	124	124	124	124	124	124	124	124	124	124	125
(6) Zone Status Liability ($M)	106	106	105	105	104	103	102	101	100	99	98	96	95	94	93	92	91	90	89	88	87
(7) Credit Balance ($M)	16	18	22	26	30	34	37	40	42	44	46	48	49	52	55	59	61	64	66	67	68
(8) Zone Status Funded Percentage	98%	101%	107%	113%	118%	121%	122%	123%	124%	125%	127%	128%	129%	130%	132%	134%	135%	137%	139%	141%	143%
(9) Market Value Funded Percentage	102%	112%	113%	114%	115%	116%	117%	118%	119%	120%	121%	122%	124%	125%	126%	128%	130%	131%	133%	135%	137%

Observations

- **The Plan remains sensitive to both investment return and contributions**
  - Scenario 4 demonstrates how the Plan may encounter zone status issues in the future
    - Absent a bounce back in investment returns from a significant downturn – the plan will likely need contribution increases to avoid zone status issues
  - Scenario 5 demonstrates how the Plan can weather some underperformance over time
- **Long term funding improvement is compromised if investment returns are less than assumed or if contributions levels fall**
  - We continue to monitor movements in the outlook for future investment returns reported by investment professionals

2026 – 2027 Plan Year Timeline - PPA

Event	Deadline / Information	Latest Date
Actuarial Certification	90 days into plan year	9/28/2026
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

2026 – 2027 Plan Year – Other Actuarial Information

Event	Deadline / Information	Latest Date
Annual Funding Notice	120 days after the end of the plan year	10/28/2026
Schedule MB (Form 5500)	Last day of the 7th month following the end of the Plan Year (2½ month extension available)	1/31/2027 (w/o ext) 4/15/2027 (with ext) Complete
ERISA 104(d) Notice	30 days after due date Form 5500 filing	3/02/2027 (w/o ext) 5/15/2027 (with ext) Complete
PBGC Premium Filing	15th day of the 10th full calendar month in the Plan Year	4/15/2027
Actuarial Valuation		N/A
Review of Actuarial Assumptions	In conjunction with the actuarial valuation	N/A

Appendix

Data, Assumptions, Methods and Plan Provisions

- **Please see our presentation of April 13, 2026 for a summary of the data, assumptions, methods and plan provisions used.**

Contribution Rate Summary

Employer	Contract Expiration Date	As of 7/1/2023 Active Count (Valn Data)	As of 7/1/2023 Total Wkly Contrib Rate	As of 7/1/2024 Active Count (Valn Data)	As of 7/1/2024 Total Wkly Contrib Rate	As of 7/1/2025 Active Count (Valn Data)	As of 7/1/2025 Total Wkly Contrib Rate
HP Hood / Crowley	3/27/2027	91	346.80	92	346.80	103	346.80
Friesland Campina	12/31/2026	51	299.02	53	299.02	54	299.02
LP Transport	8/15/2025	30	349.82	30	349.82	33	349.82
Montefiore New Rochelle	11/5/2026	13	358.04	14	358.04	13	358.04
Paraco Gas	1/31/2029	5	310.82	3	320.39	8	320.39
Westchester L860	9/30/2027	2	329.19	2	354.80	2	382.07
Total		192		194		213	

Notes

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

Plan Historical Risk Measures

- **The Plan is mature**
  - High negative net cash flow
  - High number of inactive participants supported by each active participant

Historical Plan Measures							
Plan Year Ended June 30	Net Cash Flow % Market Value	# Active	Inactive to Active Liability Ratio	Total Liability per Active	Unfunded per Active	Contributions Incl Wdl Liab	Contrib per Active
2025	-5.0%	213	6.3	$ 499,827	$ -	$ 3,817,219	$ 17,921
2024	-5.4%	194	6.8	548,580	25,950	3,728,198	19,218
2023	-5.9%	192	7.1	554,511	57,638	3,457,464	18,008
2022	-5.0%	196	6.5	547,453	75,075	3,306,650	16,871
2021	-5.9%	207	6.3	515,419	-	3,432,621	16,583
2020	-2.9%	204	6.9	$ 520,003	$ 78,095	$ 5,839,691	$ 28,626
2019	-5.3%	226	6.3	468,149	64,821	3,721,091	16,465
2018	-5.7%	238	5.9	430,222	45,228	3,435,385	14,434
2017	-6.1%	238	3.9	476,419	98,968	3,448,566	14,490
2016	-5.6%	243	3.9	456,389	110,458	3,152,597	12,974
10-Year Average	-5.3%	215	6.0	501,697	55,623	3,733,948	

PPA Certification Zone Statuses

Critical

In general, a projected funding deficiency in the next 4 or 5 years (other factors may apply)

Critical and Declining (NEW)

In critical status, and projected to go insolvent within the 20 years (15 years in some cases)

Endangered

Under 80% funded or a projected funding deficiency in the next 7 years

Seriously Endangered

Under 80% funded and a projected funding deficiency in the next 7 years

"Green Zone"

(none of the above)

- **Special rules, effective 12/31/2014:**
  - A plan newly in endangered status that would require no corrective action under a funding improvement plan is considered in the "Green Zone".
  - A plan projected to enter Critical Status in the next 5 plan years may elect to be in Critical Status immediately.

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 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, 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. Future events and actual experience will vary from the 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.

We have not performed a detailed analysis of the potential range of future results in this report, but various reports provided throughout the year include information regarding the significant risks inherent in the Plan. A more detailed assessment of the risks – including additional scenario tests, sensitivity tests, stress tests, and stochastic modeling – would allow the Trustees to better understand how deviations from the assumptions may affect the Plan.

In our opinion, all 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
Actuary and Managing Consultant

Peter Bernstein

Peter Bernstein, FSA, EA, MAAA
Consulting Actuary