



# **SHEET METAL WORKERS' LOCAL UNION NO. 80**

## **FRINGE BENEFIT FUNDS**

P.O. Box 1408 / Troy, MI 48099-1408 / (248) 641-4980 (800) 400-7710

September 13, 2019

### **NOTICE OF ENDANGERED STATUS**

This is to inform you that, on August 29, 2019, the Fund Actuary certified to the U.S. Department of the Treasury and to the Board of Trustees (the plan sponsor) that the Fund remains in endangered status for the Plan Year beginning June 1, 2019. Federal law requires that you receive this notice.

#### **Endangered Status**

The Fund is considered to be in endangered status because the funded percentage is less than the 80% threshold established for endangered status. The Fund's actuary determined that the Fund's funded percentage was 78.2% on June 1, 2019. The "funded percentage" is the fraction of earned benefits that could be funded with existing Fund assets.

#### **Funding Improvement Plan**

Federal law requires pension plans in endangered status to adopt a Funding Improvement Plan aimed at restoring the financial health of the Fund. The Board of Trustees adopted a Funding Improvement Plan on April 16, 2009 and has updated it each year thereafter, most recently on August 22, 2019. The Funding Improvement Plan requires that the Fund's funded percentage improve at least one-third of the way to 100% over a 13-year period. The target for this Fund under the law is a funded percentage of at least 74.7% by June 1, 2022. The Fund must also meet the Federal minimum funding requirements during this 13-year period. Based on the most current actuarial projections, the Fund is on track to meet or exceed these benchmarks.

#### **Future Experience and Possible Adjustments**

The Funding Improvement Plan is based on a number of assumptions about future experience and may need to be adjusted if such assumptions are not met. Additional contribution rate increases and/or benefit reductions may be needed if those assumptions are not met. You will receive a separate notice identifying and explaining any changes in benefits.

#### **Commitment to Continued Improvement**

The goal of the Board of Trustees is that the Fund will emerge from endangered status and continue to see improved funded percentages. The Trustees remain committed to the proper funding of your pension benefits and assure you that they will take appropriate actions to meet this goal.

#### **Where to Get More Information**

You have a right to receive a copy of the Funding Improvement Plan. To receive a copy or request additional information regarding the Fund, you may contact the Board of Trustees of the Sheet Metal Workers' Local Union No. 80 Pension Trust Fund at (248) 641-4980 or (800) 400-7710 or at 700 Tower Drive, Suite 300, Troy, MI 48098.