

## **Notice of Critical and Declining Status For**

### **Bricklayers Pension Fund of West Virginia**

This is to inform you that on June 28, 2022 the Plan actuary certified to the U. S. Department of the Treasury, and also to the Plan sponsor, that the Plan is now in critical and declining status for the plan year beginning April 1, 2022. Federal law requires that you receive this notice.

#### **Critical and Declining Status**

The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the plan's funded ratio is below 65% and that it currently has an accumulated funding deficiency for the plan year beginning April 1, 2022. In addition, the plan is expected to become insolvent within 19 years (2038) and has a ratio of inactive participants to active participants of 3.24 to 1.00.

#### **Rehabilitation Plan and Possibility of Reduction in Benefits**

Federal law requires pension plans in critical and declining status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after June 7, 2017 (date of initial Critical Status certification). But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of June 7, 2017, the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical and declining status.

#### **Adjustable Benefits**

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- Post-retirement death benefits
- Disability benefits (if not yet in payment status)
- Early retirement benefits or retirement-type subsidies
- Benefit payment options other than a qualified joint-and-survivor annuity (QJSA)
- Any benefit increases occurring in the past five years

#### **Employer Surcharge**

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status. This surcharge applies until the terms of the Rehabilitation Plan have been formally agreed upon and adopted into the applicable collective bargaining agreement(s).

## **Multiemployer Pension Reform Act of 2014 (MPRA)**

MRPA added “critical and declining” as a funding status for pension plans. Under MPRA, a pension plan in critical and declining status may suspend benefits. Generally, a suspension of benefits is a temporary or permanent reduction in current or future pension payments for participants, including reductions to the basic benefit payable to participants at normal retirement age and the pensions payable to retirees younger than age 80. This reduction is in addition to the reductions in adjustable benefits noted above.

There are a number of other requirements that must be satisfied in order for a suspension of benefits to occur. This includes an application to the Secretary of the Treasury and notice to all of the participants, beneficiaries, contributing employers, and unions that represent participants in the plan. The Board of Trustees will review MPRA with the assistance of its advisors. There are no current plans to suspend benefits. If it is determined that a suspension of benefits is necessary, you will receive a notice identifying and explaining the suspension.

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

For more information about this Notice, you may contact the Plan Administrator c/o Central Data Services at:

Ms. Robin Prescott, Administrator  
Central Data Services, Inc.  
5 Hot Metal Street, Suite 200  
Pittsburgh, PA 15203  
412-432-1125

also:

The Department of Labor@  
[www.dol.gov/ebsa](http://www.dol.gov/ebsa)

For identification purposes, the official plan number is 001 and the plan sponsor’s employer identification number or “EIN” is 55-6029961.

Once adopted, you have a right to receive a copy of the Rehabilitation Plan from the fund office.

Issued: July 2022