

# **SAGINAW PLUMBERS & PIPEFITTERS U.A. LOCAL NO. 85 FRINGE BENEFIT FUNDS**

**P.O. Box 1350 • Troy, MI 48099-1350**

**(248) 641-4985 (800) 582-6181**

## **Notice of Endangered Status U.A. Local Union No. 85 Plumbers and Pipefitters Pension Plan EIN: 38-1752138 PN: 001**

This is to inform you that on March 30, 2016 the Plan Actuary certified to the U.S. Department of the Treasury and to the Plan Sponsor that the Plan is in endangered status for the plan year beginning January 1, 2016. Federal law requires that you receive this notice. In the future you will receive an annual update of this status and the progress the Plan is making towards the goals described below.

### **Endangered Status**

The Plan is considered to be in endangered status because it is projected to satisfy the following:

Funded percentage less than 80% - The Plan's actuary determined that the Plan's funded percentage is 68.3% on January 1, 2016. The "funded percentage" is the fraction of earned benefits that could be funded with existing Fund assets.

As required by law, the Plan Actuary's certification includes only contribution rate increases that have been codified in collective bargaining or participation agreements.

### **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 Plan. Since this plan became endangered as of January 1, 2010, a funding improvement plan was previously set in place to begin January 1, 2013. The funding improvement plan requires that the Plan's funded percentage improve at least one-third of the way to 100% over a 10-year period. The target for this Plan under the law is a funded percentage of 77.5% by 2023. The Plan must also meet the Federal minimum funding requirements during the final year of this 10-year period. Based on our most current actuarial projections, we are falling just short of this target with a projected 2023 funded ratio of 77.3%.

### **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 in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Fund were to suffer asset returns below the expected 8.00% (in the 2016 plan year or later), a drop in the hours worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

### **Commitment to Continued Improvement**

At this point, the Trustees anticipate that the Fund will timely emerge from endangered status and continue to see improved funded percentages. The Trustees maintain their commitment to providing a retirement benefit on which you can rely to pay a lifetime benefit that will play a significant role in your overall retirement planning.

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

You have a right to receive a copy of the funding improvement plan and any updates to that plan. To receive a copy of the latest version or request additional information regarding the Fund, you may contact the Board of Trustees of the U.A. of Journeymen & Apprentices, Plumbing & Pipefitting Industry of the U.S. & Canada Local Union No. 85 Pension Plan at (800) 582-6181 or 700 Tower Drive, Suite 300, Troy, MI 48098-2835.

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**PBGC**  
**Notice of Endangered Status**

<b>Plan Filing Information</b>			
Plan name:	Plumbers & Pipefitters U.A. Local 85 Pension Plan	EIN/PN:	38-1752138/001
Notice filer name:	Thomas Frazier	Role of filer:	Plan administrator
Was the plan in Critical status last year?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Plan year of notice:	2016
Funded percentage classification:	Less than 80%	Funded percentage:	68.3
<b>Funding Deficiency Information</b>			
Does the plan have current funding deficiency?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Does the plan project a funding deficiency?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Deficiency projection:	
Deficiency beginning year:		Deficiency ending year:	
<b>Funding Improvement Plan Information</b>			
Funding improvement plan adopted?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Funding improvement beginning year:	2013	Funding improvement ending year:	2023
Funding improvement plan updated/ amended?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Most recent amendment:	
Is plan making scheduled progress on funding improvement?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

**Submission status - Filing submitted on 08-APR-2016**

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**Attached Documents**

Notice of Endangered Status

**Additional Comments**

Attached please find the Notice of Endangered Status for Plan Year Beginning 01/01/2016.

**Submission status - Filing submitted on 08-APR-2016**