

# FLINT PLUMBING AND PIPEFITTING FRINGE BENEFIT FUNDS

Flint Plumbing & Pipefitting Industry Health Care Fund  
 Flint Plumbing & Pipefitting Industry Pension Fund  
 Flint Plumbing & Pipefitting Industry Defined Contribution Plan  
 Scholarship Fund of Flint Plumbing & Pipefitting Industry  
 Supplemental Unemployment & Disability Plan of Local Union 370

Managed for the Trustees by:  
 TIC MIDWEST

November 2024

## ANNUAL FUNDING NOTICE Flint Plumbing and Pipefitting Industry Pension Fund Plan Year Beginning August 1, 2023

### Introduction

This Notice includes important information about the funding status of the Flint Plumbing and Pipefitting Industry Pension Fund (“the Plan”). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. All traditional pension plans, called defined benefit pension plans, must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is for the plan year beginning August 1, 2023 and ending July 31, 2024 (“2023 Plan Year”).

### How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the “funded percentage.” The Plan divides its assets by its liabilities on the valuation date for the plan year. In general, the higher the percentage, the better funded the plan. The Plan’s funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan’s assets and liabilities for the same period.

<b>Funded Percentage</b>			
	<b>2023 Plan Year</b>	<b>2022 Plan Year</b>	<b>2021 Plan Year</b>
<b>Valuation Date</b>	August 1, 2023	August 1, 2022	August 1, 2021
<b>Funded Percentage</b>	97.3%	93.3%	93.4%
<b>Value of Assets</b>	\$93,711,783	\$87,323,035	\$80,310,722
<b>Value of Liabilities</b>	\$96,291,529	\$93,570,569	\$86,018,145

### Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are “actuarial values.” Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan’s funded status as of a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan’s assets for each of the two preceding plan years.

	<b>As of July 31, 2024</b>	<b>As of July 31, 2023</b>	<b>As of July 31, 2022</b>
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<b>Fair Market Value of Assets</b>	\$103,126,190 (unaudited)	\$88,876,637	\$83,603,244
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**Additional Explanation**

As noted above under “Year-End Fair Market Value of Assets”, in some cases, market values can give a clearer picture of a plan’s funding, but may also fluctuate daily based on changes in, among other things, the stock market. This is why actuarial values are used to show the funded percentage of the Plan. However, the Board of Trustees wanted to make you aware of the funded percentage of the Plan using the market value of assets. To that end, the chart below shows the approximate funded percentage of the Plan, using market values, for the plan year, and the preceding plan year.

	<b>2023 Plan Year</b>	<b>2022 Plan Year</b>
<b>Valuation Date</b>	August 1, 2023	August 1, 2022
<b>Funded Percentage (based on FMV)</b>	92.3%	89.3%

**Endangered, Critical, or Critical and Declining Status**

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was not in endangered, critical, or critical and declining status in the 2023 Plan Year.

**Participant Information**

The total number of participants and beneficiaries covered by the Plan on the valuation date was 784. Of this number, 428 were current employees (active participants), 279 were retired or separated from service and receiving benefits, and 77 were retired or separated from service and have a right to future benefits.

**Funding & Investment Policies**

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is to fund the Plan through a combination of contributions received from employers and investment income generated by the Plan’s investments. The funding level is designed to comply with requirements of ERISA and the Internal Revenue Code. These requirements include minimum funding levels and also include maximum limits on the contributions that may be deducted by employers for federal income tax purposes. The Board of Trustees creates and implements the funding policy and monitors the funding level with the assistance of the Plan’s enrolled actuary and the Plan’s investment consultant.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is designed to set a target asset allocation for the Plan and outlines parameters for re-balancing the portfolio and evaluating investment managers’ performance that are expected over the long term to generate returns that equal or exceed the Plan’s actuarial assumed rate of return within acceptable levels of volatility.

Under the Plan’s investment policy, the Plan’s assets were allocated among the following categories of investments, as of the end of the Plan Year (July 31, 2024). These allocations are percentages of total assets:

<b>Asset Allocations</b>	<b>Percentage</b>
Interest-bearing cash	0.0%
Partnership/ joint venture interests	4.2%
Real estate (other than employer real property)	9.1%
Value of interest in common/collective trusts	19.8%
Value of interest in registered investment companies (e.g., mutual funds)	65.7%
Other	1.2%
<b>Total</b>	<b>100%</b>

For information about the plan’s investment in common/collective trusts or 103-12 investment entities contact the Plan Administrator at TIC Midwest, 6525 Centurion Drive, Lansing, MI 48917, (517) 321-7502.

### **Right to Request a Copy of the Annual Report**

Pension plans must file annual reports with the U.S. Department of Labor. The report is called the “Form 5500.” These reports contain financial and other information. You may obtain an electronic copy of your Plan’s annual report by going to [www.efast.dol.gov](http://www.efast.dol.gov) and using the search tool. Annual reports also are available from the U.S. Department of Labor, Employee Benefits Security Administration’s Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202-693-8673. Or you may obtain a copy of the Plan’s annual report by making a written request to the Plan Administrator at TIC International Corp, 6525 Centurion Drive, Lansing, MI 48917. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under “Where To Get More Information.”

### **Summary of Rules Governing Insolvent Plans**

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan’s available resources. If such resources are not enough to pay benefits at a level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan’s financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump-sum option.

### **Benefit Payments Guaranteed by the PBGC**

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC’s multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100% of the first \$11 of the Plan’s monthly benefit accrual rate, plus 75% of the next \$33 of the accrual rate, times each year of credited service. The PBGC’s maximum guarantee, therefore, is \$35.75 per month times a participant’s years of credited service.

*Example 1:* If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ( $\$600/10$ ), which equals \$60. The guaranteed amount for a \$50 monthly accrual rate is equal to the sum of \$11 plus  $\$24.75 (.75 \times \$33)$ , or \$35.75. Thus, the participant's guaranteed monthly benefit is \$357.50 ( $\$35.75 \times 10$ ).

*Example 2:* If a participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or  $\$200/10$ ). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus  $\$6.75 (.75 \times \$9)$ , or \$17.75. Thus, the participant's guaranteed monthly benefit would be \$177.50 ( $\$17.75 \times 10$ ).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at [www.pbgc.gov/multiemployer](http://www.pbgc.gov/multiemployer). Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information About Your Plan" below.

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

For more information about this notice, you may contact the Plan Administrator at TIC Midwest, 6525 Centurion Drive, Lansing, MI 48917, (517) 321-7502. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number "EIN" is 38-6254230. For more information about the PBGC and benefit guarantees, go to PBGC's website, [www.pbgc.gov](http://www.pbgc.gov), or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and asked to be connected to 1-800-400-7242).