Eighth District Electrical
Pension Fund

Memo

To: Plan Participants, Local Unions and Contributing Employers
From: Board of Trustees, Eighth District Electrical Pension Fund
Re: Annual Funding Notice
Date: July 28, 2025

Each year the federal government requires qualified pension plans to provide an annual notice sharing financial information about the plan. Enclosed you will find this annual notice for the Eighth District Electrical Pension Fund (the "Plan"). These numbers and calculations (as well as the basic format used) are required by the U.S. Department of Labor. No action is required on your part – the purpose of this cover letter is only to explain what some of the numbers in the notice mean.

One measure used to analyze how well a plan is funded is called the "funded percentage." This percentage is obtained by dividing the plan's assets by its liabilities on the Valuation Date for the plan year. In general, the higher the percentage, the better funded the plan. Your Plan's funded percentage for the plan year beginning April 1, 2024 and each of the two preceding plan years is set forth in the chart below, along with a statement of the value of the Plan's assets and liabilities for the same period.

	2024	**2023**	**2022**
Valuation Date	April 1, 2024	April 1, 2023	April 1, 2022
Value of Liabilities	$1,311,658,871	$1,262,444,453	$1,217,165,935
Actuarial Value of Assets	$1,244,363,529	$1,190,835,952	$1,150,652,783
Actuarial Value Funded Percentage	95%	94%	95%
Market Value of Assets	$1,195,970,991	$1,072,549,341	$1,121,866,556
Market Value Funded Percentage	91%	85%	92%

As of April 1, 2025, the actuarial value funded percentage is estimated to be 95%, and the market value funded percentage is estimated to be 91%.

The funded percentages displayed above use the Actuarial Value of Assets and the Market Value of Assets. Because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values that are designed to smooth out those fluctuations for funding purposes. Substituting the market value of assets for the actuarial value would show a clearer picture of the Plan's funded status as of the Valuation Date.

Annual Funding Notice
for
Eighth District Electrical Pension Fund

Introduction

This notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning April 1, 2024 and ending March 31, 2025 (“Plan Year”).

This is an informational notice. You do not need to respond or take any action.

This notice includes:

- Information about your Plan’s funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

What if I have questions about this notice, my Plan, or my benefits?

Contact your plan administrator at:

- Mathew Wenner at BeneSys, Inc.
- **Phone:** (844) 989-2321
- **Address:** PO Box 30751, Salt Lake City, Utah 84130

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Board of Trustees of Eighth District Electrical Pension Fund
- **Employer Identification Number:** 84-6100393

What if I have questions about PBGC and the pension insurance program guarantees?

Visit www.pbgc.gov/prac/multiemployer for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

How Well Funded Is Your Plan?

The law requires the Plan’s administrator to explain how well the Plan is funded, using a measure called the “funded percentage.” The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan's funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan's assets and liabilities for those years.

Funded Percentage			
	2024	**2023**	**2022**
Valuation Date	April 1, 2024	April 1, 2023	April 1, 2022
Funded Percentage	95%	94%	95%
Value of Assets	$1,244,363,529	$1,190,835,952	$1,150,652,783
Value of Liabilities	$1,311,658,871	$1,262,444,453	$1,217,165,935

Year-End Fair Market Value of Assets

To provide further insight into the Plan's financial position, the chart below shows the fair market value of the Plan's assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan's assets on April 1.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan's funding status.

	March 31, 2025	March 31, 2024	March 31, 2023
Fair Market Value of Assets	$1,238,707,000	$1,195,970,991	$1,072,549,341

The March 31, 2025 fair market value of assets is an estimate until the audit of the Plan is completed by a certified public accounting firm.

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan's funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage falls below 65 percent or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent—meaning it will no longer have enough assets to pay out benefits—within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

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

Participant and Beneficiary Information

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years. The numbers for the Plan Year reflect the plan administrator's reasonable, good faith estimate.

Number of participants and beneficiaries on last day of relevant plan year	2024-25	2023-24	2022-23
1. Last day of plan year	March 31	March 31	March 31
2. Participants currently employed	11,217	10,468	10,090
3. Participants and beneficiaries receiving benefits	5,059	4,932	4,848
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	4,719	4,678	4,510
5. Total number of covered participants and beneficiaries (*Lines 2 + 3 + 4 = 5*)	20,995	20,078	19,448

Funding & Investment Policies

Funding Policy

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. Plan benefits and expenses are funded by employer contributions and the investment returns on those contributions. Employer contributions are based on hours worked multiplied by an hourly contribution rate established through collective bargaining. Based on the level of those employer contributions, the investment return on Plan assets, and other Plan experience, the Trustees will establish and adjust the levels of Plan benefits as necessary to satisfy the minimum funding requirements of the Employee Retirement Income Security Act of 1974, as amended, and the Internal Revenue Code. The Trustees may also seek additional contributions from the bargaining parties to satisfy the Plan's funding obligations.

Investment Policy

Pension plans also have investment policies that provide guidelines for making investment management decisions. The investment policy of the Plan is to invest Plan assets over a diverse spectrum of asset classes which may include: US and non-US equities, fixed income, real assets and other alternative investments. The Board of Trustees employs professional investment managers who are responsible for making investment decisions with the Plan assets entrusted to them. The Board of Trustees employs an investment consultant to assist them with the allocation of Plan assets among different asset classes and evaluating the performance of the investment managers against recognized benchmarks and/or peer groups.

The Trustees recognize that in adopting an asset mix for the Plan they are setting a target for the allocation of assets. They also realize that since the market value of securities fluctuate, it is not possible to meet these specific targets at all times. The Plan staff and consultant will monitor this allocation on a quarterly basis and report to the Trustees. From time to time, the Trustees may reallocate assets among managers to better meet these targets. The target asset allocation for the Plan is as follows:

Asset Class	Target Asset Allocation
US Large Cap Equities	30.0%
US Small Cap Equities	10.0%
International Developed Equity	15.0%
Emerging Market Equity	5.0%
Total Equity	**60.0%**
Core Bonds	15.0%
Multi-Sector	7.5%
Absolute Return	7.5%
Total Fixed Income	**30.0%**
Core Real Estate	6.0%
Opportunistic Real Estate	4.0%
Total Real Assets	**10.0%**
Total Assets	**100.0%**

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

Asset Allocation	Percentage
Public equity	58%
Private equity	0%
Investment grade debt instruments	15%
High-yield debt instruments	0%
Cash and cash equivalents	1%
Real Estate	12%
Other	14%

The average return on assets for the Plan Year was 4.0%.

Events Having a Material Effect on Assets or Liabilities

By law, this notice must include an explanation of any new events that materially affect the Plan's liabilities or assets. These events could affect the Plan's financial health or its ability to meet its obligations.

For the plan year beginning on April 1, 2025 and ending on March 31, 2026, the following events have such an effect:

- None

Right to Request a Copy of the Annual Report

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit www.efast.dol.gov to search for your Plan's Form 5500.
- **By Mail:** Submit a written request to your plan administrator.
- **By Phone:** Call (202) 693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

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 the level specified by law (see Benefit Payments Guaranteed by PBGC, below), the plan must apply to PBGC for financial assistance. 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 PBGC

Only vested benefits—those that you've earned and cannot forfeit—are guaranteed.

What PBGC Guarantees

PBGC guarantees "basic benefits" including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.
- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

What PBGC Does Not Guarantee

PBGC does not guarantee certain types of benefits, including:

- A participant's pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.

- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Determining Guarantee Amounts

The maximum benefit PBGC guarantees is set by law. Your plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is $35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first $11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next $33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

Example 1: Participant with a Monthly $600 Benefit and 10 Years of Service.

1. Find the accrual rate: $600/10 = $60 accrual rate.
2. Apply PBGC formula:
    a. Take 100 percent of the first $11= $11
    b. Take 75 percent of the next $33 = $24.75
3. Add the two amounts together: $11 + $24.75 = $35.75
4. Multiply by years of credited service: $35.75 x 10 years = $357.50

In this example, the participant's guaranteed monthly benefit is $357.50.

Example 2: Participant with a $200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate: $200/10 = $20 accrual rate.
2. Apply PBGC formula:
    a. Take 100 percent of the first $11= $11
    b. Take 75 percent of the next $9 = $6.75
3. Add the two amounts together: $11 + $6.75 = $17.75
4. Multiply by years of credited service: $17.75 x 10 years = $177.50

In this example, the participant's guaranteed monthly benefit is $177.50