



Report

of The International Union of Operating Engineers and Participating Employers

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SUMMARY OF MATERIAL MODIFICATION TO THE PLAN OF BENEFITS

At its most recent meeting, the Board of Trustees amended the Plan of Benefits to increase the Benefit Accrual Rate for Credited Future Service. The Benefit Accrual Rate is applied to the employer contributions made on behalf of participants to determine the amount of their monthly benefit payable at retirement. This increase will become effective April 1, 2020. No other changes to the Plan of Benefits have been made.

The Increase

The current Benefit Accrual Rate is 1.25% of employer contributions for hours of service on and after April 1, 2015. Effective April 1, 2020 that rate will be increased to 1.75%. The increased rate will apply only to employer contributions for hours of service on and after April 1, 2020.

All Prior Benefits Fully Preserved

This increase does not in any way affect the benefits currently being paid to pensioners and beneficiaries, nor does it affect in any way the benefit amounts accrued by active participants prior to April 1, 2020.

The Future

This increase in future benefit accruals will not impede the Fund's continued growth. The Fund continues to be healthy and in the "Green Zone" status under the Pension Protection Act. In addition, the Plan continues to have no potential withdrawal liability for its contributing employers. The Board of Trustees will continue to consider adopting additional Plan improvements, after careful study and analysis, as the Plan's financial and actuarial experience may warrant.