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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <div>Form 5500</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security<br/>Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Annual Return/Report of Employee Benefit Plan</div> <div>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div> | <div>OMB Nos. 1210-0110<br/>1210-0089</div> <div>2022</div> <div>This Form is Open to Public Inspection</div> |
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|                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part I                                                                                     | Annual Report Identification Information                                                                                                                                                                                                                                                                                                                                                     |
| For calendar plan year 2022 or fiscal plan year beginning 09/01/2022 and ending 08/31/2023 |                                                                                                                                                                                                                                                                                                                                                                                              |
| A                                                                                          | This return/report is for:<br><div><input checked="" type="checkbox"/> a multiemployer plan<br/><input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br/><input type="checkbox"/> a single-employer plan<br/><input type="checkbox"/> a DFE (specify) _____</div> |
| B                                                                                          | This return/report is:<br><div><input type="checkbox"/> the first return/report<br/><input type="checkbox"/> the final return/report<br/><input type="checkbox"/> an amended return/report<br/><input type="checkbox"/> a short plan year return/report (less than 12 months)</div>                                                                                                          |
| C                                                                                          | If the plan is a collectively-bargained plan, check here. ....▶ <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                          |
| D                                                                                          | Check box if filing under:<br><div><input checked="" type="checkbox"/> Form 5558<br/><input type="checkbox"/> automatic extension<br/><input type="checkbox"/> the DFVC program<br/><input type="checkbox"/> special extension (enter description)</div>                                                                                                                                     |
| E                                                                                          | If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ....▶ <input type="checkbox"/>                                                                                                                                                                                                                                                                      |

|         |                                                                                                                                                                                                                                                                                                                                         |    |                                                    |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----------------------------------------------------|
| Part II | Basic Plan Information—enter all requested information                                                                                                                                                                                                                                                                                  |    |                                                    |
| 1a      | Name of plan<br>LOCAL NO. 863 PENSION PLAN                                                                                                                                                                                                                                                                                              | 1b | Three-digit plan number (PN) ▶ 001                 |
|         |                                                                                                                                                                                                                                                                                                                                         | 1c | Effective date of plan<br>01/26/1956               |
| 2a      | Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br>LOCAL NO. 863 PENSION PLAN<br><br>209 SUMMIT ROAD<br>MOUNTAINSIDE, NJ 07092-2304 | 2b | Employer Identification Number (EIN)<br>22-1598194 |
|         |                                                                                                                                                                                                                                                                                                                                         | 2c | Plan Sponsor's telephone number<br>908-654-3361    |
|         |                                                                                                                                                                                                                                                                                                                                         | 2d | Business code (see instructions)<br>525100         |
|         |                                                                                                                                                                                                                                                                                                                                         |    |                                                    |

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|           |                                                   |            |                                                              |
|-----------|---------------------------------------------------|------------|--------------------------------------------------------------|
| SIGN HERE | Filed with authorized/valid electronic signature. | 06/13/2024 | ALPHONSE RISPOLI                                             |
|           | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| SIGN HERE | Filed with authorized/valid electronic signature. | 06/13/2024 | ALPHONSE RISPOLI                                             |
|           | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE |                                                   |            |                                                              |
|           | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor<br><br><b>TRUSTEES OF THE PENSION FUND OF TEAMSTERS LOCAL UNION NO 863</b><br><br><b>209 SUMMIT ROAD</b><br><b>MOUNTAINSIDE, NJ 07092-2304</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>3b</b> Administrator's EIN<br><b>22-1598194</b><br><br><b>3c</b> Administrator's telephone number<br><b>908-654-3361</b>                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>5</b> 2466                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).<br><br><b>a(1)</b> Total number of active participants at the beginning of the plan year .....<br><b>a(2)</b> Total number of active participants at the end of the plan year .....<br><br><b>b</b> Retired or separated participants receiving benefits .....<br><b>c</b> Other retired or separated participants entitled to future benefits.....<br><b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....<br><br><b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....<br><b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....<br><br><b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....<br><br><b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested..... | <b>6a(1)</b> 40<br><b>6a(2)</b> 40<br><b>6b</b> 1323<br><b>6c</b> 1151<br><b>6d</b> 2514<br><b>6e</b><br><b>6f</b> 2514<br><b>6g</b><br><b>6h</b>                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>7</b> 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br><b>1B 3D</b><br><br><b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>9a</b> Plan funding arrangement (check all that apply)<br><b>(1)</b> <input checked="" type="checkbox"/> Insurance<br><b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br><b>(3)</b> <input checked="" type="checkbox"/> Trust<br><b>(4)</b> <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>9b</b> Plan benefit arrangement (check all that apply)<br><b>(1)</b> <input type="checkbox"/> Insurance<br><b>(2)</b> <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br><b>(3)</b> <input checked="" type="checkbox"/> Trust<br><b>(4)</b> <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                   |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>a Pension Schedules</b><br><b>(1)</b> <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br><b>(2)</b> <input checked="" type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br><b>(3)</b> <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>b General Schedules</b><br><b>(1)</b> <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br><b>(2)</b> <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br><b>(3)</b> <input type="checkbox"/> <b>A</b> (Insurance Information)<br><b>(4)</b> <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br><b>(5)</b> <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br><b>(6)</b> <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                               |                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <div>SCHEDULE MB<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div> | <div>Multiemployer Defined Benefit Plan and Certain<br/>Money Purchase Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div> | <div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection</div> |
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For calendar plan year 2022 or fiscal plan year beginning 09/01/2022 and ending 08/31/2023

Round off amounts to nearest dollar.  
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                             |                                                                  |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <div>A Name of plan<br/>LOCAL NO. 863 PENSION PLAN</div>                                                    | <div>B Three-digit plan number (PN) 001</div>                    |
| <div>C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br/>LOCAL NO. 863 PENSION PLAN</div> | <div>D Employer Identification Number (EIN)<br/>22-1598194</div> |

E Type of plan: (1) ☒ Multiemployer Defined Benefit (2) ☐ Money Purchase (see instructions)

|                                                                                                         |                    |
|---------------------------------------------------------------------------------------------------------|--------------------|
| 1a Enter the valuation date: Month 09 Day 01 Year 2022                                                  |                    |
| b Assets                                                                                                |                    |
| (1) Current value of assets                                                                             | 1b(1) 52245448     |
| (2) Actuarial value of assets for funding standard account                                              | 1b(2) 58769021     |
| c (1) Accrued liability for plan using immediate gain methods                                           | 1c(1) 379963159    |
| (2) Information for plans using spread gain methods:                                                    |                    |
| (a) Unfunded liability for methods with bases                                                           | 1c(2)(a)           |
| (b) Accrued liability under entry age normal method                                                     | 1c(2)(b)           |
| (c) Normal cost under entry age normal method                                                           | 1c(2)(c)           |
| (3) Accrued liability under unit credit cost method                                                     | 1c(3) 379963159    |
| d Information on current liabilities of the plan:                                                       |                    |
| (1) Amount excluded from current liability attributable to pre-participation service (see instructions) | 1d(1)              |
| (2) "RPA '94" information:                                                                              |                    |
| (a) Current liability                                                                                   | 1d(2)(a) 574504777 |
| (b) Expected increase in current liability due to benefits accruing during the plan year                | 1d(2)(b) 279506    |
| (c) Expected release from "RPA '94" current liability for the plan year                                 | 1d(2)(c) 30942888  |
| (3) Expected plan disbursements for the plan year                                                       | 1d(3) 31692888     |

Statement by Enrolled Actuary  
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                          |                                                   |
|----------------------------------------------------------|---------------------------------------------------|
| <div>SIGN HERE</div>                                     | <div>06/10/2024</div>                             |
| <div>Signature of actuary</div>                          | <div>Date</div>                                   |
| <div>JOEL LEARY</div>                                    | <div>23-06166</div>                               |
| <div>Type or print name of actuary</div>                 | <div>Most recent enrollment number</div>          |
| <div>SEGAL CONSULTING</div>                              | <div>212-251-5000</div>                           |
| <div>Firm name</div>                                     | <div>Telephone number (including area code)</div> |
| <div>333 WEST 34TH STREET, NEW YORK, NY 10001-2402</div> |                                                   |
| <div>Address of the firm</div>                           |                                                   |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

|                                                                                                                                     |  |                                   |                              |
|-------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------|------------------------------|
| <b>a</b> Current value of assets (see instructions) .....                                                                           |  | <b>2a</b>                         | 52245448                     |
| <b>b</b> "RPA '94" current liability/participant count breakdown:                                                                   |  | <b>(1) Number of participants</b> | <b>(2) Current liability</b> |
| <b>(1)</b> For retired participants and beneficiaries receiving payment.....                                                        |  | 1211                              | 403530777                    |
| <b>(2)</b> For terminated vested participants .....                                                                                 |  | 1136                              | 161917670                    |
| <b>(3)</b> For active participants:                                                                                                 |  |                                   |                              |
| <b>(a)</b> Non-vested benefits .....                                                                                                |  |                                   | 121750                       |
| <b>(b)</b> Vested benefits .....                                                                                                    |  |                                   | 8934580                      |
| <b>(c)</b> Total active .....                                                                                                       |  | 40                                | 9056330                      |
| <b>(4)</b> Total .....                                                                                                              |  | 2387                              | 574504777                    |
| <b>c</b> If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage ..... |  | <b>2c</b>                         | 9.09 %                       |

| (a) Date<br>(MM-DD-YYYY)                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |         |
|--------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|---------|
| 01/15/2023                                                               | 8688453                           |                                 |                          |                                   |                                 |         |
|                                                                          |                                   |                                 |                          |                                   |                                 |         |
|                                                                          |                                   |                                 |                          |                                   |                                 |         |
|                                                                          |                                   |                                 |                          |                                   |                                 |         |
|                                                                          |                                   |                                 |                          |                                   |                                 |         |
|                                                                          |                                   |                                 | Totals ►                 | 3(b)                              | 8688453                         |         |
| (d) Total withdrawal liability amounts included in line 3(b) total ..... |                                   |                                 |                          |                                   | 3(c)                            |         |
|                                                                          |                                   |                                 |                          |                                   | 3(d)                            | 8442716 |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           |                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------------------------------------------|
| <b>a</b> Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)).....                                                                                                                                                                                                                                                                                                                                                         | <b>4a</b> | 15.5 %                                                              |
| <b>b</b> Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status).<br>If entered code is "N," go to line 5 .....                                                                                                                                                                                                                                                                                  | <b>4b</b> | D                                                                   |
| <b>c</b> Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? .....                                                                                                                                                                                                                                                                                                                               |           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>d</b> If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)? .....                                                                                                                                                                                                                                                                                                                        |           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>e</b> If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions),<br>measured as of the valuation date .....                                                                                                                                                                                                                                                                                   | <b>4e</b> | 0                                                                   |
| <b>f</b> If the plan is in critical status or critical and declining status, and is:<br>• Projected to emerge from critical status within 30 years, enter the plan year in which it is projected to<br>emerge;<br>• Projected to become insolvent within 30 years, enter the plan year in which insolvency is expected and<br>check here.....<br>• Neither projected to emerge from critical status nor become insolvent within 30 years, enter "9999." | <b>4f</b> | 2025                                                                |

|          |                                                   |          |                                                   |          |                                                                   |          |                                    |
|----------|---------------------------------------------------|----------|---------------------------------------------------|----------|-------------------------------------------------------------------|----------|------------------------------------|
| <b>a</b> | <input type="checkbox"/> Attained age normal      | <b>b</b> | <input type="checkbox"/> Entry age normal         | <b>c</b> | <input checked="" type="checkbox"/> Accrued benefit (unit credit) | <b>d</b> | <input type="checkbox"/> Aggregate |
| <b>e</b> | <input type="checkbox"/> Frozen initial liability | <b>f</b> | <input type="checkbox"/> Individual level premium | <b>g</b> | <input type="checkbox"/> Individual aggregate                     | <b>h</b> | <input type="checkbox"/> Shortfall |
| <b>i</b> | <input type="checkbox"/> Other (specify):         |          |                                                   |          |                                                                   |          |                                    |

|          |                                                                                                                                                             |           |                                                                     |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------------------------------------------|
| <b>j</b> | If box h is checked, enter period of use of shortfall method.....                                                                                           | <b>5j</b> |                                                                     |
| <b>k</b> | Has a change been made in funding method for this plan year?.....                                                                                           |           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>l</b> | If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval?.....                                             |           | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| <b>m</b> | If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method ..... | <b>5m</b> |                                                                     |

**6** Checklist of certain actuarial assumptions:

|                                                                                                                                |                                                                                                  |                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| <b>a</b> Interest rate for "RPA '94" current liability .....                                                                   | <b>6a</b>                                                                                        | 2.33 %                                                                                                                               |
|                                                                                                                                | Pre-retirement                                                                                   | Post-retirement                                                                                                                      |
| <b>b</b> Rates specified in insurance or annuity contracts .....                                                               | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A                                     |
| <b>c</b> Mortality table code for valuation purposes:                                                                          |                                                                                                  |                                                                                                                                      |
| <b>(1)</b> Males .....                                                                                                         | <b>6c(1)</b>                                                                                     | A                                                                                                                                    |
| <b>(2)</b> Females .....                                                                                                       | <b>6c(2)</b>                                                                                     | A                                                                                                                                    |
| <b>d</b> Valuation liability interest rate .....                                                                               | <b>6d</b>                                                                                        | 6.00 %                                                                                                                               |
| <b>e</b> Salary scale .....                                                                                                    | <b>6e</b>                                                                                        | % <input checked="" type="checkbox"/> N/A                                                                                            |
| <b>f</b> Withdrawal liability interest rate:                                                                                   |                                                                                                  |                                                                                                                                      |
| <b>(1)</b> Type of interest rate .....                                                                                         | <b>6f(1)</b>                                                                                     | <input type="checkbox"/> Single rate <input type="checkbox"/> ERISA 4044 <input type="checkbox"/> Other <input type="checkbox"/> N/A |
| <b>(2)</b> If "Single rate" is checked in (1), enter applicable single rate .....                                              | <b>6f(2)</b>                                                                                     | %                                                                                                                                    |
| <b>g</b> Estimated investment return on actuarial value of assets for year ending on the valuation date .....                  | <b>6g</b>                                                                                        | 3.7 %                                                                                                                                |
| <b>h</b> Estimated investment return on current value of assets for year ending on the valuation date .....                    | <b>6h</b>                                                                                        | -11.0 %                                                                                                                              |
| <b>i</b> Expense load included in normal cost reported in line 9b .....                                                        | <b>6i</b>                                                                                        | <input type="checkbox"/> N/A                                                                                                         |
| <b>(1)</b> If expense load is described as a percentage of normal cost, enter the assumed percentage .....                     | <b>6i(1)</b>                                                                                     | %                                                                                                                                    |
| <b>(2)</b> If expense load is a dollar amount that varies from year to year, enter the dollar amount included in line 9b ..... | <b>6i(2)</b>                                                                                     | 726800                                                                                                                               |
| <b>(3)</b> If neither (1) nor (2) describes the expense load, check the box .....                                              | <b>6i(3)</b>                                                                                     | <input type="checkbox"/>                                                                                                             |

**7** New amortization bases established in the current plan year:

| (1) Type of base | (2) Initial balance | (3) Amortization Charge/Credit |
|------------------|---------------------|--------------------------------|
| 1                | 980627              | 95253                          |
|                  |                     |                                |
|                  |                     |                                |

**8** Miscellaneous information:

|                                                                                                                                                                                                                                                             |                                                                     |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|--|
| <b>a</b> If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval .....                                                                                             | <b>8a</b>                                                           |  |
| <b>b</b> Demographic, benefit, and contribution information                                                                                                                                                                                                 |                                                                     |  |
| <b>(1)</b> Is the plan required to provide a projection of expected benefit payments? (See instructions) If "Yes," see instructions for required attachment. ....                                                                                           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |  |
| <b>(2)</b> Is the plan required to provide a Schedule of Active Participant Data? (See instructions). ....                                                                                                                                                  | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |  |
| <b>(3)</b> Is the plan required to provide a projection of employer contributions and withdrawal liability payments? (See instructions) If "Yes," attach a schedule. ....                                                                                   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |  |
| <b>c</b> Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? .....                                                                               | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |
| <b>d</b> If line c is "Yes," provide the following additional information:                                                                                                                                                                                  |                                                                     |  |
| <b>(1)</b> Was an extension granted automatic approval under section 431(d)(1) of the Code? .....                                                                                                                                                           | <input type="checkbox"/> Yes <input type="checkbox"/> No            |  |
| <b>(2)</b> If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended ..                                                                                                                                               | <b>8d(2)</b>                                                        |  |
| <b>(3)</b> Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? .....                                                                                                      | <input type="checkbox"/> Yes <input type="checkbox"/> No            |  |
| <b>(4)</b> If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)) .....                                                                                                | <b>8d(4)</b>                                                        |  |
| <b>(5)</b> If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension .....                                                                                                                                                        | <b>8d(5)</b>                                                        |  |
| <b>(6)</b> If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? .....                                                               | <input type="checkbox"/> Yes <input type="checkbox"/> No            |  |
| <b>e</b> If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) ..... | <b>8e</b>                                                           |  |

**9** Funding standard account statement for this plan year:**Charges to funding standard account:**

|                                                                          |           |           |
|--------------------------------------------------------------------------|-----------|-----------|
| <b>a</b> Prior year funding deficiency, if any .....                     | <b>9a</b> | 230305367 |
| <b>b</b> Employer's normal cost for plan year as of valuation date ..... | <b>9b</b> | 868948    |

**c** Amortization charges as of valuation date:

- (1) All bases except funding waivers and certain bases for which the amortization period has been extended .....
- (2) Funding waivers.....
- (3) Certain bases for which the amortization period has been extended .....

|              | Outstanding balance |          |
|--------------|---------------------|----------|
| <b>9c(1)</b> | 114204354           | 18304242 |
| <b>9c(2)</b> |                     |          |
| <b>9c(3)</b> |                     |          |

**d** Interest as applicable on lines 9a, 9b, and 9c.....**9d** 14968713**e** Total charges. Add lines 9a through 9d.....**9e** 264447270**Credits to funding standard account:****f** Prior year credit balance, if any .....**9f****g** Employer contributions. Total from column (b) of line 3.....**9g** 8688453**h** Amortization credits as of valuation date.....

|           | Outstanding balance |         |
|-----------|---------------------|---------|
| <b>9h</b> | 23315583            | 3466606 |

**i** Interest as applicable to end of plan year on lines 9f, 9g, and 9h.....**9i** 404715**j** Full funding limitation (FFL) and credits:

- (1) ERISA FFL (accrued liability FFL).....
- (2) "RPA '94" override (90% current liability FFL) .....
- (3) FFL credit.....

|              |           |  |
|--------------|-----------|--|
| <b>9j(1)</b> | 348301859 |  |
| <b>9j(2)</b> | 471582787 |  |
| <b>9j(3)</b> |           |  |

**k (1)** Waived funding deficiency.....**9k(1)****(2)** Other credits.....**9k(2)****l** Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) .....**9l** 12559774**m** Credit balance: If line 9l is greater than line 9e, enter the difference .....**9m****n** Funding deficiency: If line 9e is greater than line 9l, enter the difference .....**9n** 251887496**o** Current year's accumulated reconciliation account:

- (1) Due to waived funding deficiency accumulated prior to the 2022 plan year .....
- (2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:
- (a) Reconciliation outstanding balance as of valuation date.....
- (b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)) .....
- (3) Total as of valuation date .....

|                 |  |
|-----------------|--|
| <b>9o(1)</b>    |  |
| <b>9o(2)(a)</b> |  |
| <b>9o(2)(b)</b> |  |
| <b>9o(3)</b>    |  |

**10** Contribution necessary to avoid an accumulated funding deficiency. (see instructions.).....**10** 251887496**11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions .....☒ Yes ☐ No

|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             |                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> | OMB No. 1210-0110                       |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | 2022                                    |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | This Form is Open to Public Inspection. |

|                                                                                            |                                                      |     |
|--------------------------------------------------------------------------------------------|------------------------------------------------------|-----|
| For calendar plan year 2022 or fiscal plan year beginning 09/01/2022 and ending 08/31/2023 |                                                      |     |
| A Name of plan<br>LOCAL NO. 863 PENSION PLAN                                               | B Three-digit plan number (PN) ▶                     | 001 |
|                                                                                            |                                                      |     |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>LOCAL NO. 863 PENSION PLAN       | D Employer Identification Number (EIN)<br>22-1598194 |     |

|        |                                                 |
|--------|-------------------------------------------------|
| Part I | Service Provider Information (see instructions) |
|--------|-------------------------------------------------|

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|------------------------------------------------------------------------------------------------------------|

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
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|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
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|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

PRINCIPAL BANK

711 HIGH STREET  
DES MOINES, IA 50392

42-1466678

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 21 15 27<br>71 49             | CUSTODIAN-FINANCIAL INST                                                                                 | 153518                                                                        | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

THE SEGAL COMPANY

333 WEST 34TH STREET  
NEW YORK, NY 10001-2402

06-0839113

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 11                            | ACTUARY                                                                                                  | 107100                                                                        | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

BEDERSON LLP

100 PASSAIC AVENUE  
FAIRFIELD, NJ 07052

22-2978848

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 10                            | ACCOUNTANT                                                                                               | 94780                                                                         | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MORGAN STANLEY WEALTH MANAGEMENT

31 WEST 52ND STREET, 23RD FLOOR  
NEW YORK, NY 10019

26-4310632

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        | INVESTMENT MANAGEMENT                                                                             | 65000                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

KENNETH NOWAK, ESQ

15 W. 72ND STREET  
NEW YORK, NY 10023

14-9387261

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 29                     | LEGAL CONSULTANT                                                                                  | 39000                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        |                                                                                                   |                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                             | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**Part I Service Provider Information (continued)**

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |

**Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2022</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2022 or fiscal plan year beginning <b>09/01/2022</b> and ending <b>08/31/2023</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><b>LOCAL NO. 863 PENSION PLAN</b>                                                                                                                                                                                                               | <b>B</b> Three-digit plan number (PN) <b>►</b>                                                                                                                                                                                                                               | <b>001</b>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>LOCAL NO. 863 PENSION PLAN</b>                                                                                                                                                                       | <b>D</b> Employer Identification Number (EIN)<br><b>22-1598194</b>                                                                                                                                                                                                           |                                                                                           |

| Part I Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                 |                       |                 |
| Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 | (a) Beginning of Year | (b) End of Year |
| <b>a</b> Total noninterest-bearing cash.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>1a</b>       | 1400964               | 1637216         |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
| <b>(1)</b> Employer contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1b(1)</b>    |                       |                 |
| <b>(2)</b> Participant contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>    |                       |                 |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(1)</b>    | 7304229               | 3969455         |
| <b>(2)</b> U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(2)</b>    | 5873398               | 3401874         |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(B)</b> | 4950218               | 2429822         |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(4)(B)</b> | 8294589               | 6887122         |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>    | 4120907               | 2101560         |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(8)</b>    |                       |                 |
| <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>   | 13953786              | 10466511        |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(15)</b>   | 6464251               | 2057318         |

| 1d Employer-related investments:                              |       | (a) Beginning of Year | (b) End of Year |
|---------------------------------------------------------------|-------|-----------------------|-----------------|
| (1) Employer securities .....                                 | 1d(1) |                       |                 |
| (2) Employer real property .....                              | 1d(2) |                       |                 |
| e Buildings and other property used in plan operation .....   | 1e    |                       |                 |
| f Total assets (add all amounts in lines 1a through 1e) ..... | 1f    | 52362342              | 32950878        |

**Liabilities**

|                                                                    |    |        |       |
|--------------------------------------------------------------------|----|--------|-------|
| g Benefit claims payable .....                                     | 1g |        |       |
| h Operating payables .....                                         | 1h |        |       |
| i Acquisition indebtedness .....                                   | 1i |        |       |
| j Other liabilities .....                                          | 1j | 116894 | 17403 |
| k Total liabilities (add all amounts in lines 1g through 1j) ..... | 1k | 116894 | 17403 |

**Net Assets**

|                                                    |    |          |          |
|----------------------------------------------------|----|----------|----------|
| l Net assets (subtract line 1k from line 1f) ..... | 1l | 52245448 | 32933475 |
|----------------------------------------------------|----|----------|----------|

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income**

|                                                                                                            |          | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|----------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |          |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | 2a(1)(A) | 245737     |           |
| <b>(B)</b> Participants .....                                                                              | 2a(1)(B) |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | 2a(1)(C) | 8442716    |           |
| (2) Noncash contributions .....                                                                            | 2a(2)    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | 2a(3)    |            | 8688453   |
| <b>b Earnings on investments:</b>                                                                          |          |            |           |
| (1) Interest:                                                                                              |          |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | 2b(1)(A) | 198449     |           |
| <b>(B)</b> U.S. Government securities .....                                                                | 2b(1)(B) |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | 2b(1)(C) | 455196     |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | 2b(1)(D) |            |           |
| <b>(E)</b> Participant loans .....                                                                         | 2b(1)(E) |            |           |
| <b>(F)</b> Other .....                                                                                     | 2b(1)(F) |            |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | 2b(1)(G) |            | 653645    |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | 2b(2)(A) |            |           |
| <b>(B)</b> Common stock .....                                                                              | 2b(2)(B) | 224452     |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | 2b(2)(C) | 207809     |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | 2b(2)(D) |            | 432261    |
| (3) Rents .....                                                                                            | 2b(3)    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | 2b(4)(A) | 74861007   |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | 2b(4)(B) | 75695888   |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | 2b(4)(C) |            | -834881   |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | 2b(5)(A) |            |           |
| <b>(B)</b> Other .....                                                                                     | 2b(5)(B) | 2411680    |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | 2b(5)(C) |            | 2411680   |

|                                                                                                 |        | (a) Amount | (b) Total |
|-------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                              | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities.....                             | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) ..... | 2b(10) |            | -246890   |
| c Other income .....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | 2d     |            | 11104268  |
| <b>Expenses</b>                                                                                 |        |            |           |
| e Benefit payment and payments to provide benefits:                                             |        |            |           |
| (1) Directly to participants or beneficiaries, including direct rollovers .....                 | 2e(1)  | 29604049   |           |
| (2) To insurance carriers for the provision of benefits .....                                   | 2e(2)  |            |           |
| (3) Other .....                                                                                 | 2e(3)  |            |           |
| (4) Total benefit payments. Add lines 2e(1) through (3) .....                                   | 2e(4)  |            | 29604049  |
| f Corrective distributions (see instructions) .....                                             | 2f     |            |           |
| g Certain deemed distributions of participant loans (see instructions) .....                    | 2g     |            |           |
| h Interest expense .....                                                                        | 2h     |            |           |
| i Administrative expenses: (1) Professional fees .....                                          | 2i(1)  | 250180     |           |
| (2) Contract administrator fees .....                                                           | 2i(2)  |            |           |
| (3) Investment advisory and management fees .....                                               | 2i(3)  | 218519     |           |
| (4) Other .....                                                                                 | 2i(4)  | 343493     |           |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                            | 2i(5)  |            | 812192    |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....            | 2j     |            | 30416241  |
| <b>Net Income and Reconciliation</b>                                                            |        |            |           |
| k Net income (loss). Subtract line 2j from line 2d .....                                        | 2k     |            | -19311973 |
| l Transfers of assets:                                                                          |        |            |           |
| (1) To this plan .....                                                                          | 2l(1)  |            |           |
| (2) From this plan .....                                                                        | 2l(2)  |            |           |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

**b** Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **BEDERSON LLP**

(2) EIN: **22-2978848**

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) .....

|           | Yes | No | Amount |
|-----------|-----|----|--------|
| <b>4a</b> |     | X  |        |

|                                                                                                                                                                                                                                                                                                            | Yes | No | Amount |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|--------|
| <b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) |     |    |        |
| <b>4b</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)                                                                                                                             |     |    |        |
| <b>4c</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)                                                                                                                  |     |    |        |
| <b>4d</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>e</b> Was this plan covered by a fidelity bond?                                                                                                                                                                                                                                                         | X   |    | 500000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?                                                                                                                                                                          |     | X  |        |
| <b>4f</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?                                                                                                                                       |     |    |        |
| <b>4g</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?                                                                                                                             |     |    |        |
| <b>4h</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)                                                                                                                                                   | X   |    |        |
| <b>4i</b>                                                                                                                                                                                                                                                                                                  | X   |    |        |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)                                                                                     | X   |    |        |
| <b>4j</b>                                                                                                                                                                                                                                                                                                  | X   |    |        |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?                                                                                                                                              |     | X  |        |
| <b>4k</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan?                                                                                                                                                                                                                               |     | X  |        |
| <b>4l</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)                                                                                                                                                                                     |     | X  |        |
| <b>4m</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.                                                                                                                        |     | X  |        |
| <b>4n</b>                                                                                                                                                                                                                                                                                                  |     | X  |        |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No  
If "Yes," enter the amount of any plan assets that reverted to the employer this year \_\_\_\_\_.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined  
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 502937.

|                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div>                                                                                                                                       | <div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection.</div> |
| For calendar plan year 2022 or fiscal plan year beginning 09/01/2022 and ending 08/31/2023                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| A Name of plan<br>LOCAL NO. 863 PENSION PLAN                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                  | B Three-digit plan number (PN) ►<br>001                                                         |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>LOCAL NO. 863 PENSION PLAN                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                  | D Employer Identification Number (EIN)<br>22-1598194                                            |
| Part I Distributions                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| All references to distributions relate only to payments of benefits during the plan year.                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                  | 1                                                                                               |
| 2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): _____<br><br>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                               |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  | 3 0                                                                                             |
| Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A<br>If the plan is a defined benefit plan, go to line 8.                                                                                                |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.                  |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                  | 6a                                                                                              |
| b Enter the amount contributed by the employer to the plan for this plan year.....                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                  | 6b                                                                                              |
| c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  | 6c                                                                                              |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part III Amendments                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... <input type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> Both <input checked="" type="checkbox"/> No          |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 11 a Does the ESOP hold any preferred stock?..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                         |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| For Paperwork Reduction Act Notice, see the Instructions for Form 5500.                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Schedule R (Form 5500) 2022 v. 220413                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer **C&S WHOLESALERS**

**b** EIN **04-1140950**

**c** Dollar amount contributed by employer **7775955**

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month **03** Day **31** Year **2031**

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☒ Other (specify): **WITHDRAWAL LIABILITY**

**a** Name of contributing employer **RLB FOOD DISTRIBUTORS**

**b** EIN **22-2809612**

**c** Dollar amount contributed by employer **168034**

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month **08** Day **31** Year **2024**

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☒ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer **AMERICAN BD**

**b** EIN **22-0730160**

**c** Dollar amount contributed by employer **639314**

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month **06** Day **30** Year **2031**

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☒ Other (specify): **WITHDRAWAL LIABILITY**

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

|           |                                                                                                                                                                                                                                                                                                                                   |            |      |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------|
| <b>14</b> | Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:                                                                                                                        |            |      |
| <b>a</b>  | The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input checked="" type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment)..... | <b>14a</b> | 2468 |
| <b>b</b>  | The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....                                                                                                           | <b>14b</b> | 2403 |
| <b>c</b>  | The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....                                                                                                                                      | <b>14c</b> | 2442 |
| <b>15</b> | Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:                                                                                                                                                      |            |      |
| <b>a</b>  | The corresponding number for the plan year immediately preceding the current plan year.....                                                                                                                                                                                                                                       | <b>15a</b> |      |
| <b>b</b>  | The corresponding number for the second preceding plan year.....                                                                                                                                                                                                                                                                  | <b>15b</b> |      |
| <b>16</b> | Information with respect to any employers who withdrew from the plan during the preceding plan year:                                                                                                                                                                                                                              |            |      |
| <b>a</b>  | Enter the number of employers who withdrew during the preceding plan year .....                                                                                                                                                                                                                                                   | <b>16a</b> |      |
| <b>b</b>  | If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....                                                                                                                                                                      | <b>16b</b> |      |
| <b>17</b> | If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ..... <input type="checkbox"/>                                                                              |            |      |

**Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ..... ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:  
 Stock: 20.9 % Investment-Grade Debt: 7.4 % High-Yield Debt: 0.0 % Real Estate: 0.0 % Other: 71.7 %

**b** Provide the average duration of the combined investment-grade and high-yield debt:  
☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?  
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

**20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation \_\_\_\_\_

**PENSION FUND OF TEAMSTERS'  
LOCAL UNION NO. 863**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION**

**AUGUST 31, 2023 AND 2022**

**(With Independent Auditors' Report)**

# **PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**AUGUST 31, 2023 AND 2022**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
Pension Fund of Teamsters' Local Union No. 863  
Mountainside, New Jersey

### Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the accompanying financial statements of Pension Fund of Teamsters' Local Union No. 863, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits – modified cash basis as of August 31, 2023 and 2022, and the related statements of changes in net assets available for benefits – modified cash basis for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of Pension Fund of Teamsters' Local Union No. 863's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of and for the years ended August 31, 2023 and 2022, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

### Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with the modified cash basis of accounting .
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Pension Fund of Teamsters' Local Union No. 863 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

**Basis of Accounting**

We draw attention to Note 2 of these financial statements which describes the basis of accounting. The financial statements and supplemental schedules were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Pension Fund of Teamsters' Local Union No. 863's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Pension Fund of Teamsters' Local Union No. 863's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Pension Fund of Teamsters' Local Union No. 863's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of the modified cash basis of accounting.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with the modified cash basis of accounting.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Supplemental Schedules Required by ERISA**

The supplemental schedules of Schedule H, Line 4i – Schedule of Assets (Held at End of Year), Schedule of Assets (Acquired and Disposed of Within Year) and Line 4j-Schedule of Reportable Transactions are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



In our opinion—

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

#### **Supplemental Schedules – Other**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Net Investment Income and Administrative Expenses - Modified Cash Basis are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Bederson LLP*

Fairfield, New Jersey  
June 11, 2024



**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS**  
**AUGUST 31, 2023 AND 2022**

|                                                   | <u>2023</u>                     | <u>2022</u>                     |
|---------------------------------------------------|---------------------------------|---------------------------------|
| <b>ASSETS:</b>                                    |                                 |                                 |
| Investments - at fair value:                      |                                 |                                 |
| Corporate bonds and notes                         | \$ 2,429,822                    | \$ 4,950,218                    |
| Common stocks                                     | 6,887,122                       | 8,294,589                       |
| U.S. government and government-backed obligations | 3,401,874                       | 5,873,398                       |
| Mortgage and asset-backed securities              | 2,057,318                       | 6,187,243                       |
| Municipal bonds                                   | -                               | 277,008                         |
| Money market funds                                | 3,969,455                       | 7,304,229                       |
| Mutual funds                                      | 10,466,511                      | 13,953,786                      |
| Limited partnership                               | 2,101,560                       | 4,120,907                       |
|                                                   | <u>31,313,662</u>               | <u>50,961,378</u>               |
| <br>Cash (non-interest bearing)                   | <br><u>1,637,216</u>            | <br><u>1,400,964</u>            |
| <br>TOTAL ASSETS                                  | <br><u>32,950,878</u>           | <br><u>52,362,342</u>           |
| <br><b>LIABILITIES:</b>                           |                                 |                                 |
| Payroll taxes withheld and unremitted             | 3,340                           | 3,239                           |
| Due to affiliate                                  | 14,063                          | 14,063                          |
| Due to broker                                     | <u>-</u>                        | <u>99,592</u>                   |
| <br>TOTAL LIABILITIES                             | <br><u>17,403</u>               | <br><u>116,894</u>              |
| <br><b>NET ASSETS AVAILABLE FOR BENEFITS</b>      | <br><u><u>\$ 32,933,475</u></u> | <br><u><u>\$ 52,245,448</u></u> |

The accompanying notes are an integral  
part of these financial statements.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS -**  
**MODIFIED CASH BASIS**  
**YEARS ENDED AUGUST 31, 2023 AND 2022**

|                                                              | <u>2023</u>          | <u>2022</u>          |
|--------------------------------------------------------------|----------------------|----------------------|
| <b>ADDITIONS TO NET ASSETS ATTRIBUTED TO:</b>                |                      |                      |
| Investment income (loss):                                    |                      |                      |
| Net appreciation (depreciation) in fair value of investments | \$ 1,329,909         | \$ (8,901,972)       |
| Interest                                                     | 653,645              | 677,437              |
| Dividends                                                    | <u>432,261</u>       | <u>717,760</u>       |
|                                                              | 2,415,815            | (7,506,775)          |
| Less: Investment expenses                                    | <u>(218,519)</u>     | <u>(272,983)</u>     |
| <b>TOTAL INVESTMENT INCOME (LOSS)</b>                        | <u>2,197,296</u>     | <u>(7,779,758)</u>   |
| Contributions:                                               |                      |                      |
| From employers                                               | 245,737              | 266,633              |
| From withdrawn employers                                     | <u>8,442,716</u>     | <u>8,186,991</u>     |
| <b>TOTAL CONTRIBUTIONS</b>                                   | <u>8,688,453</u>     | <u>8,453,624</u>     |
| <b>TOTAL ADDITIONS TO NET ASSETS</b>                         | <u>10,885,749</u>    | <u>673,866</u>       |
| <b>DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:</b>             |                      |                      |
| Benefits paid:                                               |                      |                      |
| Pension                                                      | 29,484,181           | 29,580,296           |
| Death                                                        | <u>119,868</u>       | <u>160,490</u>       |
| <b>TOTAL BENEFITS PAID</b>                                   | 29,604,049           | 29,740,786           |
| Administrative expenses                                      | <u>593,673</u>       | <u>522,848</u>       |
| <b>TOTAL DEDUCTIONS FROM NET ASSETS</b>                      | <u>30,197,722</u>    | <u>30,263,634</u>    |
| <b>NET DECREASE</b>                                          | (19,311,973)         | (29,589,768)         |
| <b>NET ASSETS AVAILABLE FOR BENEFITS:</b>                    |                      |                      |
| Beginning of year                                            | <u>52,245,448</u>    | <u>81,835,216</u>    |
| End of year                                                  | <u>\$ 32,933,475</u> | <u>\$ 52,245,448</u> |

The accompanying notes are an integral  
part of these financial statements.

## **PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

### **NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

#### **NOTE 1 - DESCRIPTION OF THE PLAN**

The following brief description of the Pension Fund of Teamsters' Local Union No. 863 ("the Plan") is provided for general information purposes only. Further information concerning participation, benefits, vesting, contributions and termination can be found in the Local 863 Pension Plan booklet.

The Pension Fund of Teamsters' Local Union No. 863 became effective May 23, 1957, pursuant to a Collective Bargaining Agreement between Local Union No. 863 of the International Brotherhood of Teamsters, Chauffeurs, Helpers and Warehousemen of America and various employer associations or groups, and independent employers. The Plan was amended and revised effective October 1, 1979, to meet the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). Further amendments from time to time have been made to the Plan through July 18, 1995, and subsequently thereafter. Complete Plan tax revisions and amendments thereto, effective January 29, 2003, have been approved by the Internal Revenue Service.

New employees are covered under the Plan commencing with the date of the initial contribution made on their behalf by a participating employer. Contributions are based on formulas outlined in the Collective Bargaining Agreement, which differ for each participating employer. The rates will be adjusted upon the expiration of the Collective Bargaining Agreement.

The Plan provides an enhanced retirement benefit at the normal retirement age of 62 with a minimum of ten years of credited service of which at least four years is future credited service based upon the employees final contributory category; except, however, when the category of contribution provides a normal retirement benefit for an employee who has completed thirty (30) years of credited service and before age 62, the portion of his benefit based on credited service earned before September 1, 2008, shall not be reduced for payment before age 62 and the portion of his benefit based on credited service earned after August 31, 2008, shall be reduced for payment before age 62 by 0.5% for each month (i.e., 6% per year) that the participant's annuity starting date is at, or after his attainment of age 52 and before his attainment of age 62, and further reduced on an actuarial basis for each month that the participant's annuity starting date precedes his attainment of age 52. The maximum total of all accrued credited service, as distinguished from vested credited service, shall not exceed 35 years.

The Plan provides for:

- a)
  - 1. Early retirement benefits at ages 52 through 61. Benefits are reduced by 6% per annum for each year that such early retirement precedes normal retirement age.
  - 2. Automatic 100% Joint and Survivor Annuity Option.
  - 3. 100% Joint and Survivor Annuity with Ten-Year Certain Option.
  - 4. 50% Joint and Survivor Annuity Option for life of pensioner and life of spouse.
  - 5. Lifetime and Ten-Year Certain Option.
- b) Lump-sum death benefit of \$3,000 upon death of a retiree payable to the designated beneficiary of such retiree collecting a monthly pension.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

**NOTE 1 - DESCRIPTION OF THE PLAN (Continued)**

- c) If an employee who had Vested Credited Service incurs a Break in Service and is re-employed by a Contributing Employer within five (5) years of the end of the Plan Year in which the Break in Service occurred, the Participant shall be permitted to apply all new service credits to the vested service credit previously earned. This shall not be permitted if, prior to the expiration of the five (5) year period, the participant received any payments under Article IV of the Plan, in which event, no prior service credit shall be used in connection with or in addition to new service credit. No employee who incurs a Break in Service and did not have any vested credited service at the time of the Break in Service shall be permitted to add or use that non-vested prior service in connection with re-employment by a Contributing Employer.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Principles of Accounting**

The Plan maintains its records on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. No provision is made for any contributions receivable from employers, accrued interest or dividend income, or for any pensions or other benefits due participants, or administrative expenses which have not been paid at August 31, 2023 and 2022. Investments are carried at fair value. Accordingly, the financial statements are not intended to be presented in conformity with accounting principles generally accepted in the United States of America.

**Use of Estimates**

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

**Tax Status**

The Plan is a nonprofit association under Code Section 401(a) of the Internal Revenue Code and is exempt from federal income taxes under Section 501(a).

The Internal Revenue Service has determined and informed the Plan by a letter dated December 21, 2012, that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator and the Plan's tax counsel believe that the Plan is designed and is still currently being operated in compliance with the applicable requirements of the IRC.

The Plan files income tax returns in the U.S. federal jurisdiction. U.S. federal income tax returns prior to fiscal year 2020 are closed under the statute of limitations.

**Risks and Uncertainties**

The Plan invests in various investment securities, which are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Risks and Uncertainties (Continued)**

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

**Investment Value and Income Recognition**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income is recorded when received. Net realized and unrealized gains on investments includes gains and losses bought and sold as well as held during the year.

**Payment of Benefits**

Benefit payments to participants are recorded upon distribution.

**Expenses**

Expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits.

**Subsequent Events**

The Plan has evaluated subsequent events through June 11, 2024 which is the date the financial statements were available to be issued.

**NOTE 3 - INVESTMENTS - AT FAIR VALUE**

**CERTIFIED INVESTMENTS**

**Principal Bank**

Principal Bank, custodian and investment manager, has certified that the information summarized below, which it submitted to the trustees of the Plan, is complete and accurate.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863****NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS****AUGUST 31, 2023 AND 2022****NOTE 3 - INVESTMENTS - AT FAIR VALUE (Continued)****CERTIFIED INVESTMENTS (Continued)****Principal Bank (Continued)**

Investments are presented in the financial statements at fair value and comprise the following:

|                                            | Cost                 |                      | Fair Value           |                      |
|--------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                            | 2023                 | 2022                 | 2023                 | 2022                 |
| Corporate bonds and notes                  | \$ 2,645,366         | \$ 5,535,215         | \$ 2,429,822         | \$ 4,950,218         |
| Common stocks                              | 6,408,999            | 7,755,978            | 6,887,122            | 8,294,589            |
| U.S. Government obligations                | 3,743,334            | 6,327,946            | 3,401,874            | 5,873,398            |
| Mortgage/Asset-backed securities           | 2,180,611            | 6,607,376            | 2,057,318            | 6,187,243            |
| Municipal bonds                            | -                    | 315,603              | -                    | 277,008              |
| Money Market funds                         | 3,025,597            | 6,487,545            | 3,025,597            | 6,487,545            |
| Mutual Funds                               | 10,885,941           | 15,714,253           | 10,466,511           | 13,953,786           |
| Limited Partnership                        | 750,000              | 3,000,000            | 2,101,560            | 4,120,907            |
|                                            | <u>\$ 29,639,848</u> | <u>\$ 51,743,916</u> | <u>\$ 30,369,804</u> | <u>\$ 50,144,694</u> |
| Investment Income - Interest and Dividends |                      |                      | \$ 1,081,517         | \$ 1,395,072         |
| Net Realized and Unrealized gains (losses) |                      |                      | \$ 1,329,909         | \$ (8,901,972)       |

Wells Fargo Bank N.A. was the custodian of the plan as of August 31, 2021, and for the period September 1, 2021 through February 22, 2022, when the accounts were transitioned to Principal Bank, custodian of the plan, from February 22, 2022 through August 31, 2022.

**UNCERTIFIED INVESTMENTS****Wells Fargo Bank, N.A.**

Investments are presented in the financial statements at fair value and comprise the following:

|                                   | Cost              |                   | Fair Value        |                   |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                   | 2023              | 2022              | 2023              | 2022              |
| Money Market funds                | <u>\$ 943,858</u> | <u>\$ 816,684</u> | <u>\$ 943,858</u> | <u>\$ 816,684</u> |
| Investment Income - Interest      |                   |                   | \$ 4,389          | \$ 125            |
| Net Realized and Unrealized gains |                   |                   | -                 | -                 |

## PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863

### NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS

AUGUST 31, 2023 AND 2022

#### NOTE 4 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

**Level 1** - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

**Level 2** - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3** - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at August 31, 2023.

- *Common stocks, corporate bonds and notes, mortgage and asset-backed securities, municipal bonds and U.S. government and Government-Backed obligations:* Valued at the closing price reported on the active market on which the individual securities are traded.
- *Mutual funds and Limited Partnership:* Valued at net asset value (NAV) of shares held by the Plan at year end.
- *Money Market Funds:* Valued using amortized cost which approximates fair value and the closing price reported on the active market on which the fund is traded.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

**NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)**

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level the Plan's Investments at fair value as August 31, 2023:

| Description                                       | Level 1              | Level 2             | Level 3             | Total                |
|---------------------------------------------------|----------------------|---------------------|---------------------|----------------------|
| Corporate bonds and notes                         | \$ -                 | \$ 2,429,822        | \$ -                | \$ 2,429,822         |
| Common Stocks                                     | 6,887,122            | -                   | -                   | 6,887,122            |
| U.S. Government and Government-Backed obligations | 3,401,874            | -                   | -                   | 3,401,874            |
| Mortgage and Asset-Backed securities              | 2,057,318            | -                   | -                   | 2,057,318            |
| Money Market funds                                | 3,969,455            | -                   | -                   | 3,969,455            |
| Mutual funds                                      | 10,466,511           | -                   | -                   | 10,466,511           |
| Limited Partnership                               | -                    | -                   | 2,101,560           | 2,101,560            |
| Total assets at fair value                        | <u>\$ 26,782,280</u> | <u>\$ 2,429,822</u> | <u>\$ 2,101,560</u> | <u>\$ 31,313,662</u> |

The following table sets forth by level, the Plan's Investments at fair value as August 31, 2022:

| Description                                       | Level 1              | Level 2             | Level 3             | Total                |
|---------------------------------------------------|----------------------|---------------------|---------------------|----------------------|
| Corporate bonds and notes                         | \$ -                 | \$ 4,950,218        | \$ -                | \$ 4,950,218         |
| Common Stocks                                     | 8,294,589            | -                   | -                   | 8,294,589            |
| U.S. Government and Government-Backed obligations | 5,873,398            | -                   | -                   | 5,873,398            |
| Mortgage and Asset-Backed securities              | 6,187,243            | -                   | -                   | 6,187,243            |
| Municipal bonds                                   | 277,008              | -                   | -                   | 277,008              |
| Money Market funds                                | 7,304,229            | -                   | -                   | 7,304,229            |
| Mutual Funds                                      | 13,953,786           | -                   | -                   | 13,953,786           |
| Limited Partnership                               | -                    | -                   | 4,120,907           | 4,120,907            |
| Total assets at fair value                        | <u>\$ 41,890,253</u> | <u>\$ 4,950,218</u> | <u>\$ 4,120,907</u> | <u>\$ 50,961,378</u> |

**Transfers Between Levels**

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended August 31, 2023 and 2022, there were no significant transfers in or out of levels 1, 2, or 3.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

**NOTE 4 - FAIR VALUE MEASUREMENTS (Continued)**

**Changes in Fair Value of Level 3 Assets and Related Gains and Losses**

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended August 31, 2023:

| <u>Description</u>             | <u>Limited<br/>Partnership</u> |
|--------------------------------|--------------------------------|
| Balance, beginning of the year | \$ 4,120,907                   |
| Investment purchases           | -                              |
| Realized gains (losses)        | (840,680)                      |
| Unrealized gains               | 1,071,333                      |
| Investment income              | -                              |
| Disbursements                  | (2,250,000)                    |
| Investment management fees     | -                              |
| Balance, end of the year       | <u>\$ 2,101,560</u>            |

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended August 31, 2022:

| <u>Description</u>             | <u>Limited<br/>Partnership</u> |
|--------------------------------|--------------------------------|
| Balance, beginning of the year | \$ 8,524,630                   |
| Investment purchases           | -                              |
| Realized gains (losses)        | (1,409,852)                    |
| Unrealized gains               | (993,871)                      |
| Investment income              | -                              |
| Disbursements                  | (2,000,000)                    |
| Investment management fees     | -                              |
| Balance, end of the year       | <u>\$ 4,120,907</u>            |

**Quantitative Information About Level 3 Fair Value Measurements**

Valuation techniques and unobservable inputs used by the limited partnership were not available.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

**NOTE 5 - FAIR VALUE OF INVESTMENTS THAT CALCULATE NET ASSET VALUE**

The following table summarizes investments measured at fair value based on net asset value per share as of August 31, 2023 and 2022:

| Description         | Fair Value |           | Unfunded<br>Commitments | Redemption<br>Frequency | Redemption<br>Notice Period |
|---------------------|------------|-----------|-------------------------|-------------------------|-----------------------------|
|                     | 2023       | 2022      |                         |                         |                             |
| Limited Partnership | 2,101,560  | 4,120,907 | None                    | Monthly                 | 5 Days before<br>Month-End  |

- Limited Partnership - The investment objective is to achieve long-term capital appreciation through investments in equities or depository receipts of non-U.S. domiciled companies located in developed countries and in emerging and frontier market countries.

**NOTE 6 - CASH**

|                                        |             |             |
|----------------------------------------|-------------|-------------|
| Cash comprises the following balances: | <u>2023</u> | <u>2022</u> |
| Non-interest bearing accounts          | \$1,637,216 | \$1,400,964 |

**NOTE 7 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service that employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years of credited service. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date the benefit information is presented, which is September 1, 2022. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from Plan assets are excluded from accumulated Plan benefits.

The actuarial present value of accumulated plan benefits is determined by an actuary from the Segal Company and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations as of September 1, 2022 were: (a) life expectancy of participants (the RP-2014 Blue Collar Mortality Table with generational projection using Scale MP-2018), (b) retirement age assumption (a weighted average determined to be 63 years of age), and (c) investment return rate of 6.00% for active lives, retirees and inactive lives per annum, compounded annually. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

**NOTE 7 - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS (Continued)**

The actuarial present value of accumulated benefits for the Plan at the beginning of the Plan year is as follows:

**ACTUARIAL PRESENT VALUE OF  
ACCUMULATED PLAN BENEFITS:**

Vested benefits:

|                                           |               |
|-------------------------------------------|---------------|
| Participants currently receiving payments | \$290,059,209 |
|-------------------------------------------|---------------|

|                |                   |
|----------------|-------------------|
| Other benefits | <u>89,847,478</u> |
|----------------|-------------------|

|  |             |
|--|-------------|
|  | 379,906,687 |
|--|-------------|

|                    |               |
|--------------------|---------------|
| Nonvested benefits | <u>56,472</u> |
|--------------------|---------------|

**TOTAL ACTUARIAL PRESENT VALUE OF  
ACCUMULATED PLAN BENEFITS**

|  |                      |
|--|----------------------|
|  | <u>\$379,963,159</u> |
|--|----------------------|

**NOTE 8 - CHANGE IN ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**

As of September 1, 2022, the actuarial assumptions are as follows: (1) for mortality: the RP-2014 Blue Collar Mortality Tables, adjusted backward to the base year (2006) with generational projection using Scale MP-2018, (2) there was no turnover assumption (3) for participants who terminate prior to retirement: not assumed to take the lump-sum option. Estimated rates of investment return are: actuarial value of assets 7.6%, and market value of assets of 14.2% for the year ending August 31, 2023.

The changes in the actuarial present value of accumulated Plan benefits from the preceding to the current benefit information date are as follows:

|                                                                       |                      |
|-----------------------------------------------------------------------|----------------------|
| Beginning of year                                                     | <u>\$387,475,197</u> |
| Benefits accumulated, net experience gain<br>or loss, changes in data | (53,188)             |
| Benefits paid                                                         | (29,740,786)         |
| Interest                                                              | <u>22,281,936</u>    |
| Net increase                                                          | <u>(7,512,038)</u>   |
| End of year                                                           | <u>\$379,963,159</u> |

**NOTE 9 - RELATED PARTY TRANSACTIONS**

The Plan rents its premises from Local 863 Corporation ("Corporation"), a nonprofit organization. Certain officials of the Teamsters' Local Union No. 863 ("Local Union") are Trustees of the Plan. Note 10 outlines the terms of the Plan's lease agreements with the Corporation. The rent expense for the years ended August 31, 2023 and 2022, was \$14,571 and \$14,948, respectively, net of expenses reimbursed by I.B.T. Local 863 Retirement Savings Plan and WWEC Local 863 Plan due to spin-off.

The Plan is also liable for a proportionate share of real estate taxes, insurance, utilities, and for the repair and maintenance of the premises. These expenses paid by the Corporation which have previously been allocated to and were paid by the Local Union, Welfare and Pension Plans on a proportionate basis. For calendar years 2010 to 2012, the Corporation deferred charges for the allocable share of those expenses, provided that such "deferral" is a suspension only, and the Corporation reserved the right to request payment of the allocable share of expenses for the calendar years 2010 - 2012 at some future date. The total amounts deferred for calendar years 2010 - 2012 are \$119,130.

## **PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

### **NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

#### **NOTE 9 - RELATED PARTY TRANSACTIONS (Continued)**

The Plan provides administrative services for WWEC Local 863 Pension Plan and I.B.T. Local 863 Retirement Savings Plan. The administrative services consist of rent, employee expenses, and overhead items (such as utilities, office supplies, and technology expenses), but excludes the Plan's legal, investment management and consulting, accounting, and actuarial costs. Amounts received from WWEC for the years ended August 31, 2023 and 2022 were \$117,871 and \$120,346, respectively. Amounts received from I.B.T. Local 863 Retirement Savings Plan for the years ended August 31, 2023 and 2022 were \$179,266 and \$168,364, respectively. In addition, the Plan owed WWEC Local 863 Pension Plan \$14,063 for the reimbursement of additional costs at August 31, 2023 and 2022. This amount is included in due to affiliate on the statement of net assets available for benefits.

The Plan's employees were covered under the Pension Fund of Teamsters Local Union No. 863 EIN # 22-1598194 (the Plan), a multi-employer plan, which has reported that it adopted a rehabilitation plan as a result of its actuarial certification. The Plan had been classified as Red Zone for several years. The agreement with the Plan did not have a specific defined termination date. The employees of the Plan represented less than five (5%) percent of the Plan's total participants. No contributions were made to the Plan for its employees for the years ended August 31, 2023 and 2022.

In October 2016, the Fund received approval from the WWEC Local 863 Pension Plan to transfer the assets and liabilities of three (3) related employers from Local 863 Pension Fund, into the WWEC Local 863 Pension Fund. The transfer, which was referred to as a "spin-off", was effective on April 1, 2017. The Fund's actuary provided a memorandum summarizing the requirements of the transfer. The transfer was approved by the board at their January 2017 meeting, and approved by the PBGC in March 2017. The Plan made contributions based upon the hours worked by employees, which amounted to \$17,521 and \$19,374 for the years ended August 31, 2023 and 2022, respectively.

The Plan's employees are also covered under the Welfare Fund of Teamsters' Local Union No. 863, a multi-employer health and welfare plan that covers participant medical expenses up to the age of 65. Contributions made to this plan for the years ended August 31, 2023 and 2022 were \$81,600 and \$81,175, respectively.

#### **NOTE 10 - COMMITMENTS AND CONTINGENT LIABILITIES**

##### **Lease and Rental Adjustment**

The Plan entered into a lease agreement with Local 863 Corporation in January 2022, establishing an annual rental of \$43,224, payable in monthly installments of \$3,602 through December 31, 2022. In January 2023, the Plan extended the lease agreement for an additional year, with an annual rental of \$43,224.

Future minimum lease payments under the foregoing operating lease agreements are as follows:

|      |          |
|------|----------|
| 2024 | \$14,408 |
|------|----------|

##### **Benefits**

The Plan is responsible for unpaid vested benefits which are defined as any participant who is vested and is entitled to a monthly benefit at their normal retirement age.

Unpaid vested benefits are payable upon fulfillment of certain requirements by participants and will be reflected in the statements when paid.

## **PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

### **NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

#### **NOTE 11 - TERMINATION OF PLAN**

In event of termination of the Plan, the Plan assets shall be used for the exclusive benefit of Plan participants who currently and previously contributed to the Plan, and shall be allocated in shares determined by the Board of Trustees, as defined in the Plan. The rights of each employee to benefits accrued, to the date of such termination, and to the extent funded, shall be fully vested and non-forfeitable.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) in the event of Plan termination. Generally the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of Plan's termination. There is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, and may also depend on the level of benefits guaranteed by the PBGC.

#### **NOTE 12 - FUNDING STATUS OF THE PLAN**

ERISA imposes a minimum funding standard that requires the Plan to maintain a Funding Standard Account. Contributions meet the legal requirement on a cumulative basis if the account shows no deficiency. The accumulation of the actual contributions in excess of the minimum required contributions under ERISA is called the credit balance, whereas should contributions fall below the minimum levels, a funding deficiency results. On August 31, 2023, the Funding Standard Account had an accumulated funding deficiency of \$251,887,496. In addition to the funding liability, the Plan could be subject to an excise tax of five percent (5%) on the unfunded amount. The penalty is ultimately increased to 100% of the deficiency if it is not corrected within the taxable period. No provisions have been made in the financial statements for the years ended August 31, 2023 or 2022, for the liability or related excise tax.

The Plan's funding policies are for employers to contribute based on hours worked and formulas outlined in the Collective Bargaining Agreements, such that, each employee's benefits will be fully provided for by the time they retire. Although it has not expressed any intention to do so, the employers have the right under the Plan to discontinue their contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

#### **NOTE 13 - SIGNIFICANT MEMBER COMPANIES**

During the years ended August 31, 2023 and 2022, contributions received from one (1) employer approximated \$168,000 and \$173,000, respectively, and represented 72% and 69% of employer contributions for the years ended August 31, 2023 and 2022, respectively. This employer filed for bankruptcy in March of 2024. The Fund's attorneys have filed a proof of claim with the bankruptcy court in an effort to recover any outstanding contributions receivable.

#### **NOTE 14 - CONCENTRATION OF CREDIT RISK**

The Plan maintains cash balances at a banking institution located in New Jersey. Balances are insured by the Federal Deposit Insurance Corporation and may exceed the insured limits during the normal course of business throughout the year.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**

**NOTES TO FINANCIAL STATEMENTS – MODIFIED CASH BASIS**

**AUGUST 31, 2023 AND 2022**

**NOTE 15 - SUBSEQUENT EVENTS**

The actuarial present value and change in present value of accumulated Plan benefits as detailed in Notes 7 and 8 is as of September 1, 2022. On October 27, 2021, The Society of Actuaries (SOA) updated mortality tables to help retirement plan sponsors more accurately estimate the financial obligations associated with their plans. The new table, MP-2021 Improvement Scale, which is an update to the MP-2020 mortality table published in 2020, were developed by the SOA's Retirement Plans Experience Committee (RPEC). In October 2022, the SOA issued its 2022 Mortality Improvement Update Report, which noted that the most recent data available is from the 2020 calendar year and which was severely affected by the COVID-19 pandemic. As a result, SOA decided not to release a new mortality improvement scale in 2022 or 2023.

RPEC notes both the new scale and the old scales are reasonable to use for the measurement of private pension plan obligations. The projected benefit obligation as disclosed in Notes 7 and 8 may materially change, depending upon assumptions adopted by the Plan's actuary in future years.

On March 11, 2021, Congress passed the American Rescue Plan Act of 2021 (ARPA) which contained legislation establishing a special financial assistance program for financially troubled multiemployer plans. Under the program, multiemployer plans in critical and declining status in any plan year beginning in 2020 through 2022 would be eligible for "special financial assistance" from the Pension Benefit Guaranty Corporation (PBGC). This financial assistance would be in the form of a grant that the Fund would not have to pay back and in an amount that should enable the Local 863 Pension Fund to continue paying out benefits through 2051. The Trustees submitted an application upon eligibility of their priority group which was subsequently approved. On October 5, 2023, the Fund received approximately \$334,000,000 under ARPA. The effect of the funding on the Plan's status and funding requirements will be reflected in a future actuarial valuation.

## **SUPPLEMENTAL INFORMATION**

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |        | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|--------|----------|-------------------|
|     | Air Lease Corp.                                         | Corporate Bonds and Notes                                                                                      | 10/01/29 | 3.250% | 38,000 | 37,465   | 33,123            |
|     | Air Lease Corp.                                         | Corporate Bonds and Notes                                                                                      | 09/15/24 | 4.250% | 23,000 | 25,161   | 22,573            |
|     | Amgen Inc                                               | Corporate Bonds and Notes                                                                                      | 03/02/26 | 5.507% | 39,000 | 39,000   | 39,003            |
|     | Avalonbay Communities                                   | Corporate Bonds and Notes                                                                                      | 12/15/23 | 4.200% | 50,000 | 52,654   | 49,760            |
|     | Bank of America V-A                                     | Corporate Bonds and Notes                                                                                      | 09/21/36 | 2.482% | 62,000 | 50,759   | 47,098            |
|     | Bank of Nova Scotia                                     | Corporate Bonds and Notes                                                                                      | 12/16/25 | 4.500% | 41,000 | 39,986   | 39,750            |
|     | Boeing Co                                               | Corporate Bonds and Notes                                                                                      | 02/04/26 | 2.196% | 52,000 | 52,234   | 47,971            |
|     | Capital One Financial                                   | Corporate Bonds and Notes                                                                                      | 07/24/26 | 4.985% | 28,000 | 27,871   | 27,368            |
|     | Capital One Financial                                   | Corporate Bonds and Notes                                                                                      | 02/01/34 | 5.817% | 40,000 | 40,032   | 37,996            |
|     | Centene Corp                                            | Corporate Bonds and Notes                                                                                      | 12/15/29 | 4.625% | 40,000 | 39,386   | 36,780            |
|     | Citigroup Inc.                                          | Corporate Bonds and Notes                                                                                      | 03/09/28 | 6.125% | 33,000 | 39,353   | 33,149            |
|     | Citigroup Inc.                                          | Corporate Bonds and Notes                                                                                      | 03/09/26 | 4.600% | 59,000 | 62,829   | 57,447            |
|     | Citigroup Inc.                                          | Corporate Bonds and Notes                                                                                      | 06/03/31 | 2.572% | 92,000 | 94,864   | 75,977            |
|     | CNA Financial Corp.                                     | Corporate Bonds and Notes                                                                                      | 03/01/26 | 4.500% | 58,000 | 60,268   | 56,542            |
|     | CNH Industrial Cap                                      | Corporate Bonds and Notes                                                                                      | 07/15/26 | 1.450% | 28,000 | 27,778   | 25,048            |
|     | CNO Financial Group                                     | Corporate Bonds and Notes                                                                                      | 05/30/29 | 5.250% | 41,000 | 43,870   | 39,052            |
|     | Constellation Brands                                    | Corporate Bonds and Notes                                                                                      | 02/02/26 | 5.000% | 31,000 | 30,814   | 30,606            |
|     | Corporate Office Pro                                    | Corporate Bonds and Notes                                                                                      | 04/15/31 | 2.750% | 51,000 | 50,466   | 39,307            |
|     | Corporate Office Pro                                    | Corporate Bonds and Notes                                                                                      | 12/01/33 | 2.900% | 43,000 | 40,374   | 31,059            |
|     | Crown Castle Intl                                       | Corporate Bonds and Notes                                                                                      | 09/01/24 | 3.200% | 42,000 | 45,650   | 40,915            |
|     | Dell Int LLC                                            | Corporate Bonds and Notes                                                                                      | 10/01/29 | 5.300% | 18,000 | 21,909   | 17,772            |
|     | Dignity Health                                          | Corporate Bonds and Notes                                                                                      | 11/01/24 | 3.812% | 37,000 | 39,379   | 36,146            |
|     | Edison International                                    | Corporate Bonds and Notes                                                                                      | 11/15/29 | 6.950% | 8,000  | 8,482    | 8,433             |
|     | Edison International                                    | Corporate Bonds and Notes                                                                                      | 06/15/27 | 5.750% | 32,000 | 35,920   | 32,068            |
|     | Energy Transfer Oper.                                   | Corporate Bonds and Notes                                                                                      | 04/15/29 | 5.250% | 70,000 | 72,574   | 68,392            |
|     | EPR Properties                                          | Corporate Bonds and Notes                                                                                      | 08/15/29 | 3.750% | 20,000 | 20,745   | 16,309            |
|     | Equifax Inc.                                            | Corporate Bonds and Notes                                                                                      | 12/15/27 | 5.100% | 26,000 | 25,543   | 25,657            |
|     | General Motors Financial                                | Corporate Bonds and Notes                                                                                      | 10/10/25 | 6.050% | 47,000 | 47,557   | 47,044            |
|     | General Motors Financial                                | Corporate Bonds and Notes                                                                                      | 04/06/30 | 5.850% | 38,000 | 37,742   | 37,216            |
|     | Goldman Sachs Group                                     | Corporate Bonds and Notes                                                                                      | 03/09/27 | 1.431% | 79,000 | 78,067   | 70,835            |
|     | HCA Inc.                                                | Corporate Bonds and Notes                                                                                      | 02/15/27 | 4.500% | 21,000 | 22,137   | 20,307            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |        | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|--------|----------|-------------------|
|     | HCA Inc.                                                | Corporate Bonds and Notes                                                                                      | 02/01/29 | 5.875% | 19,000 | 19,359   | 19,117            |
|     | HP Enterprise Co                                        | Corporate Bonds and Notes                                                                                      | 10/15/25 | 4.900% | 38,000 | 38,903   | 37,501            |
|     | JP Morgan Chase & Co.                                   | Corporate Bonds and Notes                                                                                      | 11/19/26 | 1.045% | 34,000 | 33,780   | 30,655            |
|     | Kimco Realty Corp                                       | Corporate Bonds and Notes                                                                                      | 02/01/33 | 4.600% | 34,000 | 33,806   | 31,248            |
|     | Kinder Morgan Inc.                                      | Corporate Bonds and Notes                                                                                      | 06/01/33 | 5.200% | 42,000 | 40,604   | 40,233            |
|     | Mylan NV                                                | Corporate Bonds and Notes                                                                                      | 06/15/26 | 3.950% | 43,000 | 47,266   | 40,644            |
|     | Primemera Inc                                           | Corporate Bonds and Notes                                                                                      | 11/19/31 | 2.800% | 41,000 | 40,816   | 33,673            |
|     | Sabine Pass Liquefac                                    | Corporate Bonds and Notes                                                                                      | 05/15/30 | 4.500% | 28,000 | 32,521   | 26,349            |
|     | Southern Co                                             | Corporate Bonds and Notes                                                                                      | 07/01/23 | 3.250% | 50,000 | 47,806   | 47,303            |
|     | Southwest Airlines                                      | Corporate Bonds and Notes                                                                                      | 05/04/25 | 5.250% | 40,000 | 41,791   | 39,741            |
|     | Spirit Realty LP                                        | Corporate Bonds and Notes                                                                                      | 07/15/29 | 4.000% | 27,000 | 28,477   | 24,271            |
|     | Targa Resources Corp.                                   | Corporate Bonds and Notes                                                                                      | 07/01/27 | 5.200% | 31,000 | 30,953   | 30,692            |
|     | Truist Financial Mtn                                    | Corporate Bonds and Notes                                                                                      | 07/28/26 | 4.260% | 47,000 | 47,000   | 45,403            |
|     | US Bancorp V-D                                          | Corporate Bonds and Notes                                                                                      | 06/12/34 | 5.836% | 22,000 | 22,000   | 21,980            |
|     | Viatis Inc                                              | Corporate Bonds and Notes                                                                                      | 06/22/30 | 2.700% | 19,000 | 15,521   | 15,430            |
|     | Vmware Inc.                                             | Corporate Bonds and Notes                                                                                      | 08/21/27 | 3.900% | 63,000 | 60,669   | 59,367            |
|     | VR Bank of America                                      | Corporate Bonds and Notes                                                                                      | 07/22/27 | 1.734% | 54,000 | 48,467   | 48,319            |
|     | VR Bank of America                                      | Corporate Bonds and Notes                                                                                      | 01/20/28 | 3.824% | 90,000 | 96,262   | 84,848            |
|     | VR Bank of America                                      | Corporate Bonds and Notes                                                                                      | 07/28/69 | 4.300% | 38,000 | 37,430   | 34,469            |
|     | VR Capital One Finan                                    | Corporate Bonds and Notes                                                                                      | 11/02/27 | 1.878% | 67,000 | 66,428   | 58,736            |
|     | VR Citigroup Inc.                                       | Corporate Bonds and Notes                                                                                      | 01/28/27 | 1.122% | 64,000 | 57,407   | 57,357            |
|     | VR Citigroup Inc.                                       | Corporate Bonds and Notes                                                                                      | 04/23/29 | 4.075% | 43,000 | 46,783   | 40,316            |
|     | VR Goldman Sachs                                        | Corporate Bonds and Notes                                                                                      | 10/21/27 | 1.948% | 63,000 | 56,288   | 56,065            |
|     | VR Goldman Sachs                                        | Corporate Bonds and Notes                                                                                      | 04/23/29 | 3.814% | 61,000 | 57,679   | 56,444            |
|     | VR JP Morgan Chase                                      | Corporate Bonds and Notes                                                                                      | 10/01/68 | 4.000% | 21,000 | 19,677   | 19,274            |
|     | VR JP Morgan Chase                                      | Corporate Bonds and Notes                                                                                      | 05/01/28 | 3.540% | 37,000 | 35,202   | 34,529            |
|     | VR Prudential Financial                                 | Corporate Bonds and Notes                                                                                      | 09/15/48 | 5.700% | 25,000 | 29,031   | 23,671            |
|     | VR Wells Fargo & Com                                    | Corporate Bonds and Notes                                                                                      | 02/11/26 | 2.164% | 41,000 | 42,781   | 38,764            |
|     | VR Wells Fargo & Com                                    | Corporate Bonds and Notes                                                                                      | 04/30/26 | 2.188% | 46,000 | 48,159   | 43,259            |
|     | VR Wells Fargo & Com                                    | Corporate Bonds and Notes                                                                                      | 06/02/28 | 2.393% | 48,000 | 49,412   | 42,710            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |         | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|---------|----------|-------------------|
|     | Capital One-ABS                                         | Mortgage/Asset-Backed Securities                                                                               | 03/15/27 | 2.800% | 145,000 | 144,989  | 139,323           |
|     | Tesla Auto Lease                                        | Mortgage/Asset-Backed Securities                                                                               | 09/22/25 | 0.600% | 60,000  | 59,988   | 58,319            |
|     | Verizon Owner Trust                                     | Mortgage/Asset-Backed Securities                                                                               | 04/20/28 | 0.990% | 140,000 | 139,163  | 132,695           |
|     | Citigroup Commercial                                    | Mortgage/Asset-Backed Securities                                                                               | 03/10/47 | 4.023% | 70,000  | 75,368   | 69,508            |
|     | Commercial Mortgage Trust                               | Mortgage/Asset-Backed Securities                                                                               | 11/10/23 | 4.194% | 70,000  | 75,805   | 69,586            |
|     | FHLMC DNA2 CMO V-M                                      | Mortgage/Asset-Backed Securities                                                                               | 02/25/50 | 7.252% | 12,515  | 12,636   | 12,550            |
|     | FHLMC DNA3 CMO V-M                                      | Mortgage/Asset-Backed Securities                                                                               | 07/25/49 | 7.452% | 39,976  | 18,109   | 40,126            |
|     | JPMBB Comm Mtge CMO                                     | Mortgage/Asset-Backed Securities                                                                               | 12/15/48 | 3.504% | 36,665  | 34,785   | 34,741            |
|     | VR Angel Oak Mortgage                                   | Mortgage/Asset-Backed Securities                                                                               | 01/20/65 | 1.035% | 47,529  | 47,529   | 38,109            |
|     | VR Flagstar Mortgage                                    | Mortgage/Asset-Backed Securities                                                                               | 06/01/51 | 2.500% | 81,543  | 83,607   | 69,665            |
|     | VR GCAT                                                 | Mortgage/Asset-Backed Securities                                                                               | 01/25/66 | 0.874% | 32,594  | 32,533   | 27,229            |
|     | VR Newrez Warehouse                                     | Mortgage/Asset-Backed Securities                                                                               | 05/25/55 | 6.179% | 69,333  | 69,333   | 68,998            |
|     | VR Sreit Trust                                          | Mortgage/Asset-Backed Securities                                                                               | 07/15/36 | 6.023% | 35,000  | 34,873   | 34,209            |
|     | VR Verus Securitized                                    | Mortgage/Asset-Backed Securities                                                                               | 06/25/66 | 1.046% | 52,152  | 52,152   | 43,690            |
|     | Wells Fargo Commercial                                  | Mortgage/Asset-Backed Securities                                                                               | 06/15/48 | 3.637% | 65,000  | 71,002   | 62,063            |
|     | WF-RBS Commercial                                       | Mortgage/Asset-Backed Securities                                                                               | 09/15/57 | 3.752% | 70,000  | 74,577   | 67,700            |
|     | FHLMC PL #RA8249                                        | Mortgage/Asset-Backed Securities                                                                               | 11/01/52 | 5.500% | 71,227  | 71,394   | 70,313            |
|     | FHLMC PL #RA8880                                        | Mortgage/Asset-Backed Securities                                                                               | 04/01/53 | 5.500% | 38,542  | 38,927   | 38,102            |
|     | FHLMC PL #SD8207                                        | Mortgage/Asset-Backed Securities                                                                               | 04/01/52 | 3.500% | 183,641 | 182,493  | 164,144           |
|     | FHLMC PL #SD8214                                        | Mortgage/Asset-Backed Securities                                                                               | 05/01/52 | 3.500% | 69,545  | 68,638   | 62,162            |
|     | FHLMC PL #SD8215                                        | Mortgage/Asset-Backed Securities                                                                               | 05/01/52 | 4.000% | 153,584 | 153,668  | 141,776           |
|     | FHLMC PL #SD8277                                        | Mortgage/Asset-Backed Securities                                                                               | 12/01/52 | 5.500% | 67,670  | 68,748   | 66,856            |
|     | FHLMC PL #SD8289                                        | Mortgage/Asset-Backed Securities                                                                               | 01/01/53 | 5.500% | 76,391  | 74,935   | 75,411            |
|     | FNMA PL #MA4580                                         | Mortgage/Asset-Backed Securities                                                                               | 04/01/52 | 3.500% | 163,222 | 163,089  | 145,998           |
|     | FNMA PL #MA4600                                         | Mortgage/Asset-Backed Securities                                                                               | 05/01/52 | 3.500% | 91,785  | 89,182   | 82,100            |
|     | FNMA PL #MA4761                                         | Mortgage/Asset-Backed Securities                                                                               | 08/01/52 | 5.000% | 120,531 | 117,320  | 116,928           |
|     | FNMA PL #MA4807                                         | Mortgage/Asset-Backed Securities                                                                               | 11/01/52 | 5.500% | 46,487  | 45,481   | 45,939            |
|     | FNMA PL #MA4869                                         | Mortgage/Asset-Backed Securities                                                                               | 01/01/53 | 5.500% | 80,106  | 80,287   | 79,078            |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 07/31/28 | 4.125% | 107,000 | 406,428  | 106,373           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 06/30/29 | 3.250% | 296,000 | 285,605  | 280,715           |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |         | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|---------|----------|-------------------|
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 02/15/33 | 3.500% | 330,000 | 326,347  | 314,272           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 04/30/28 | 3.500% | 331,000 | 328,883  | 320,011           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 04/15/26 | 3.750% | 307,000 | 307,088  | 300,369           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 08/15/33 | 3.875% | 136,000 | 132,415  | 133,578           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 02/15/26 | 4.000% | 405,000 | 399,514  | 398,609           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 02/29/28 | 4.000% | 505,000 | 501,471  | 498,789           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 12/15/25 | 4.000% | 162,000 | 159,045  | 159,380           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 06/15/26 | 4.125% | 419,000 | 414,658  | 414,156           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 10/31/27 | 4.125% | 242,000 | 241,446  | 239,740           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 01/15/33 | 1.125% | 168,990 | 161,762  | 157,556           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 04/15/28 | 1.250% | 81,368  | 78,672   | 78,326            |
|     | P/P Continental Reso                                    | Private Placement                                                                                              | 11/15/26 | 2.268% | 27,000  | 27,000   | 24,100            |
|     | P/P Delta Air Lines                                     | Private Placement                                                                                              | 10/20/28 | 4.750% | 34,000  | 35,219   | 32,651            |
|     | Abbot Labs                                              | Common Stock                                                                                                   |          |        |         | 154,382  | 135,519           |
|     | Analog Devices Inc.                                     | Common Stock                                                                                                   |          |        |         | 79,286   | 116,339           |
|     | Archer Daniels Midland Co.                              | Common Stock                                                                                                   |          |        |         | 37,572   | 62,013            |
|     | Bank of America Corp                                    | Common Stock                                                                                                   |          |        |         | 138,570  | 141,572           |
|     | Baxter Intl Inc                                         | Common Stock                                                                                                   |          |        |         | 50,102   | 30,856            |
|     | Bristol Myers Squibb Co.                                | Common Stock                                                                                                   |          |        |         | 105,894  | 123,423           |
|     | Broadcom Inc                                            | Common Stock                                                                                                   |          |        |         | 154,021  | 227,954           |
|     | Broadridge Financial Solutions                          | Common Stock                                                                                                   |          |        |         | 35,551   | 43,387            |
|     | CH Robinson Worldwide Inc.                              | Common Stock                                                                                                   |          |        |         | 26,562   | 27,400            |
|     | Campbell Soup Co                                        | Common Stock                                                                                                   |          |        |         | 33,190   | 27,272            |
|     | Caterpillar Inc.                                        | Common Stock                                                                                                   |          |        |         | 93,024   | 174,582           |
|     | Chevron Corp                                            | Common Stock                                                                                                   |          |        |         | 203,268  | 197,186           |
|     | Cisco Systems Inc.                                      | Common Stock                                                                                                   |          |        |         | 192,769  | 208,869           |
|     | Citigroup Inc                                           | Common Stock                                                                                                   |          |        |         | 138,885  | 91,746            |
|     | Cognizant Tech Solutions CRP Com                        | Common Stock                                                                                                   |          |        |         | 37,093   | 43,754            |
|     | Colgate Palmolive Co                                    | Common Stock                                                                                                   |          |        |         | 74,632   | 79,054            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | Comcast Corp.                                           | Common Stock                                                                                                   | 160,863  | 179,886           |
|     | Conagra Brands Inc.                                     | Common Stock                                                                                                   | 27,658   | 28,745            |
|     | Conocophillips                                          | Common Stock                                                                                                   | 105,807  | 125,696           |
|     | Cornin Inc                                              | Common Stock                                                                                                   | 35,960   | 34,231            |
|     | Coterra Energy Inc.                                     | Common Stock                                                                                                   | 33,281   | 35,576            |
|     | Cummins Inc.                                            | Common Stock                                                                                                   | 45,601   | 60,040            |
|     | CVS Health Corporation                                  | Common Stock                                                                                                   | 78,306   | 66,669            |
|     | Devon Energy Corporation                                | Common Stock                                                                                                   | 50,052   | 44,244            |
|     | Diamondback Energy Inc.                                 | Common Stock                                                                                                   | 36,684   | 40,677            |
|     | Dow Inc.                                                | Common Stock                                                                                                   | 53,572   | 49,159            |
|     | Ebay Inc.                                               | Common Stock                                                                                                   | 43,105   | 37,255            |
|     | Emerson Electric Co.                                    | Common Stock                                                                                                   | 57,962   | 82,334            |
|     | EOG Resources, Inc.                                     | Common Stock                                                                                                   | 73,870   | 79,616            |
|     | Exxon Mobil Corporation                                 | Common Stock                                                                                                   | 226,980  | 218,155           |
|     | Fedex Corporation                                       | Common Stock                                                                                                   | 55,553   | 62,384            |
|     | Fifth Third Bancorp                                     | Common Stock                                                                                                   | 37,286   | 32,736            |
|     | FMC Corp Com                                            | Common Stock                                                                                                   | 29,683   | 22,678            |
|     | General Dynamics Corp.                                  | Common Stock                                                                                                   | 64,651   | 82,950            |
|     | General Mills Inc.                                      | Common Stock                                                                                                   | 48,223   | 60,150            |
|     | Genuine Parts Co.                                       | Common Stock                                                                                                   | 31,379   | 43,352            |
|     | Gilead Sciences Inc.                                    | Common Stock                                                                                                   | 99,320   | 112,961           |
|     | Halliburton Co.                                         | Common Stock                                                                                                   | 37,151   | 42,791            |
|     | Hartford Financial Services Group                       | Common Stock                                                                                                   | 28,828   | 29,518            |
|     | Home Depot Inc.                                         | Common Stock                                                                                                   | 170,502  | 266,222           |
|     | Honeywell International Inc.                            | Common Stock                                                                                                   | 119,495  | 135,693           |
|     | Huntington Bancshares Inc                               | Common Stock                                                                                                   | 23,748   | 23,045            |
|     | International Business Machs Corp                       | Common Stock                                                                                                   | 90,209   | 101,606           |
|     | International Flavors & Fragrances                      | Common Stock                                                                                                   | 50,528   | 27,898            |
|     | JM Smucker Co.                                          | Common Stock                                                                                                   | 27,549   | 33,628            |
|     | Johnson & Johnson                                       | Common Stock                                                                                                   | 200,883  | 234,436           |
|     | JP Morgan Chase & Co                                    | Common Stock                                                                                                   | 209,220  | 274,808           |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | Kellogg Co                                              | Common Stock                                                                                                   | 29,928   | 27,032            |
|     | KRAFT HEINZ CO/THE                                      | Common Stock                                                                                                   | 48,356   | 41,065            |
|     | Lockheed Martin Corp.                                   | Common Stock                                                                                                   | 94,390   | 125,090           |
|     | L3Harris Technologies Inc                               | Common Stock                                                                                                   | 55,234   | 48,262            |
|     | MARATHON OIL CORP                                       | Common Stock                                                                                                   | 24,504   | 24,716            |
|     | Marathon Petroleum                                      | Common Stock                                                                                                   | 52,882   | 82,664            |
|     | Merck & Co. Inc.                                        | Common Stock                                                                                                   | 167,713  | 228,967           |
|     | Microchip Technology Inc.                               | Common Stock                                                                                                   | 49,426   | 58,352            |
|     | Netapp Inc.                                             | Common Stock                                                                                                   | 30,285   | 35,819            |
|     | Norfolk Southern Corp.                                  | Common Stock                                                                                                   | 66,852   | 56,583            |
|     | Omnicom Group                                           | Common Stock                                                                                                   | 33,148   | 34,510            |
|     | Packaging Corp of America                               | Common Stock                                                                                                   | 27,196   | 29,671            |
|     | Paramount Global Cl B                                   | Common Stock                                                                                                   | 35,101   | 17,625            |
|     | Pfizer                                                  | Common Stock                                                                                                   | 200,989  | 139,963           |
|     | Phillips 66                                             | Common Stock                                                                                                   | 48,058   | 52,399            |
|     | PPG Industries Inc                                      | Common Stock                                                                                                   | 43,520   | 45,647            |
|     | Qualcomm Inc.                                           | Common Stock                                                                                                   | 106,866  | 134,344           |
|     | Quest Diagnostics Inc                                   | Common Stock                                                                                                   | 25,310   | 32,744            |
|     | Regions Finl Corp New                                   | Common Stock                                                                                                   | 29,703   | 34,167            |
|     | RTX Corporation                                         | Common Stock                                                                                                   | 104,930  | 91,116            |
|     | Skyworks Solutions                                      | Common Stock                                                                                                   | 32,761   | 30,012            |
|     | Sysco Corp                                              | Common Stock                                                                                                   | 43,285   | 38,865            |
|     | Texas Instruments Inc                                   | Common Stock                                                                                                   | 131,755  | 125,205           |
|     | Travelers Companies, Inc.                               | Common Stock                                                                                                   | 51,178   | 57,882            |
|     | Truist Financial Corp                                   | Common Stock                                                                                                   | 46,105   | 42,128            |
|     | Tyson Foods, Inc.                                       | Common Stock                                                                                                   | 40,673   | 30,577            |
|     | Union Pacific Corp.                                     | Common Stock                                                                                                   | 108,880  | 138,297           |
|     | United Parcel Service - CL B                            | Common Stock                                                                                                   | 133,881  | 118,580           |
|     | US Bancorp                                              | Common Stock                                                                                                   | 93,180   | 67,800            |
|     | Valero Energy Corp                                      | Common Stock                                                                                                   | 49,343   | 47,543            |
|     | Well Fargo & Co                                         | Common Stock                                                                                                   | 100,992  | 108,799           |
|     | 3M Co                                                   | Common Stock                                                                                                   | 126,002  | 74,669            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| <b>(a)</b> | <b>(b) Identity of Issue borrower, lessor or similar party</b> | <b>(c) Description of Investment, Including Maturity Date,<br/>Rate of Interest, Collateral, Par or Maturity Value</b> | <b>(d) Cost</b>   | <b>(e) Current Value</b> |
|------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------|
|            | BUNGE LIMITED                                                  | Common Stock                                                                                                           | 24,986            | 34,639                   |
|            | MEDTRONIC PLC                                                  | Common Stock                                                                                                           | 124,496           | 98,615                   |
|            | SCHLUMBERGER LTD                                               | Common Stock                                                                                                           | 66,324            | 77,238                   |
|            | TE CONNECTIVITY LTD                                            | Common Stock                                                                                                           | 52,057            | 55,472                   |
|            | Invesco S&P                                                    | Mutual Funds                                                                                                           | 8,951,169         | 8,696,859                |
|            | Ishares MSCI                                                   | Mutual Funds                                                                                                           | 1,934,772         | 1,769,652                |
|            | WCM Focused International Growth                               | Limited Partnership                                                                                                    | 750,000           | 2,101,560                |
|            | Wells Fargo Bank                                               | Money Market Fund                                                                                                      | 943,858           | 943,858                  |
|            | Allspring Govt MM FD-INSTL #1751                               | Money Market Fund                                                                                                      | 3,025,597         | 3,025,597                |
|            |                                                                | <b>TOTAL INVESTMENTS</b>                                                                                               | <b>30,583,706</b> | <b>31,313,662</b>        |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (ACQUIRED AND DISPOSED OF WITHIN YEAR)  
PLAN #001  
EIN# 22-1598194  
AUGUST 31, 2023

| (a) Identity of issue,<br>borrower, lessor or<br>similar party | (b) Description of Investment including Maturity Date,<br>Rate of Interest, Collateral, Par, or Maturity Value |         | (c) Cost of<br>acquisitions | (d) Proceeds of<br>dispositions |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|---------|-----------------------------|---------------------------------|
| Amgen Inc.                                                     | Corporate Bonds, 5.150%, 3/2/28                                                                                | 25,000  | 24,957                      | 25,453                          |
| AT&T Inc.                                                      | Corporate Bonds, 5.539%, 2/20/26                                                                               | 50,000  | 50,000                      | 50,063                          |
| Brown Forman Corp.                                             | Corporate Bonds, 4.750%, 4/15/33                                                                               | 30,000  | 29,911                      | 30,234                          |
| CVS Health Corp.                                               | Corporate Bonds, 5.625%, 2/21/53                                                                               | 265,000 | 264,618                     | 262,926                         |
| Intel Corp.                                                    | Corporate Bonds, 5.700%, 2/10/53                                                                               | 30,000  | 29,987                      | 29,325                          |
| JP Morgan Chase                                                | Corporate Bonds, 5.717%, 9/14/33                                                                               | 37,000  | 35,897                      | 37,312                          |
| Oracle Corp.                                                   | Corporate Bonds, 6.250%, 11/9/32                                                                               | 60,000  | 59,894                      | 63,767                          |
| US Bancorp                                                     | Corporate Bonds, 4.839%, 2/1/34                                                                                | 70,000  | 69,230                      | 66,753                          |
| Wells Fargo                                                    | Corporate Bonds, 4.897%, 7/25/33                                                                               | 44,000  | 41,703                      | 41,868                          |
| US Treasury Note                                               | US T-Note, 0.625%, 10/15/24                                                                                    | 932,000 | 927,987                     | 895,173                         |
| US Treasury Note                                               | US T-Note, 0.500%, 2/28/26                                                                                     | 279,000 | 272,407                     | 254,824                         |
| US Treasury Note                                               | US T-Note, 1.500%, 2/28/23                                                                                     | 330,000 | 329,705                     | 329,187                         |
| US Treasury Note                                               | US T-Note, 1.500%, 8/15/26                                                                                     | 306,000 | 311,045                     | 310,876                         |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) Identity of<br>Party Involved                 | (b) Description of Asset         | (c) Purchase<br>Price | (d) Selling<br>Price | (e) Lease<br>Price | (f) Expense<br>Incurred with<br>Transaction | (g) Cost of<br>Asset | (h) Current Value<br>of Asset on<br>Transaction Date | (i) Net Gain<br>(Loss) |
|---------------------------------------------------|----------------------------------|-----------------------|----------------------|--------------------|---------------------------------------------|----------------------|------------------------------------------------------|------------------------|
| <b><u>Single Transactions Exceeding 5%</u></b>    |                                  |                       |                      |                    |                                             |                      |                                                      |                        |
| Principal Bank                                    | Allspring Government MM Fd Instl | \$ 43,455,785         | \$ -                 | \$ -               | \$ -                                        | \$ 43,455,785        | \$ 43,455,785                                        | \$ -                   |
| <b><u>Series of Transactions Exceeding 5%</u></b> |                                  |                       |                      |                    |                                             |                      |                                                      |                        |
| Principal Bank                                    | Allspring Government MM Fd Instl | \$ -                  | \$ 97,704,841        | \$ -               | \$ -                                        | \$ 97,704,841        | \$ 97,704,841                                        | \$ -                   |
| Principal Bank                                    | Invesco S&P 500 Equal Weight     | -                     | 3,447,094            | -                  | -                                           | 3,670,890            | 3,447,094                                            | (223,796)              |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULES OF NET INVESTMENT INCOME - MODIFIED CASH BASIS**  
**YEARS ENDED AUGUST 31, 2023 AND 2022**

|                                                          | <u>2023</u>                  | <u>2022</u>                    |
|----------------------------------------------------------|------------------------------|--------------------------------|
| <b>INTEREST AND DIVIDENDS:</b>                           |                              |                                |
| Corporate bonds and notes                                | \$ 455,196                   | \$ 669,913                     |
| Common stock                                             | 224,452                      | 402,622                        |
| Mutual funds                                             | 207,809                      | 315,138                        |
| Short-term investment accounts                           | <u>198,449</u>               | <u>7,524</u>                   |
| <br>TOTAL INTEREST AND DIVIDENDS                         | <br>1,085,906                | <br>1,395,197                  |
| <br>Less: Investment expenses - investment advisory fees | <br><u>218,519</u>           | <br><u>272,983</u>             |
| <br><b>NET INVESTMENT INCOME</b>                         | <br><u><u>\$ 867,387</u></u> | <br><u><u>\$ 1,122,214</u></u> |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULES OF ADMINISTRATIVE EXPENSES - MODIFIED CASH BASIS**  
**YEARS ENDED AUGUST 31, 2023 AND 2022**

|                                        | <u>2023</u>       | <u>2022</u>       |
|----------------------------------------|-------------------|-------------------|
| Office salaries                        | \$ 49,529         | \$ 48,875         |
| Payroll taxes                          | 3,771             | 6,304             |
| Welfare and pension fund contributions | 48,851            | 51,182            |
| Rent                                   | 14,571            | 14,948            |
| Heat, light and water                  | 4,630             | 4,488             |
| Repairs and maintenance                | 5,859             | 6,051             |
| Telephone                              | 973               | 1,147             |
| Postage and office expenses            | 24,438            | 20,944            |
| Computer services                      | 18,490            | 34,800            |
| Insurance                              | 92,225            | 109,307           |
| Insurance - PBGC                       | 78,176            | 77,097            |
| Fees:                                  |                   |                   |
| Actuarial and arbitration              | 107,100           | 92,786            |
| Consulting                             | 9,300             | 4,500             |
| Legal                                  | 39,000            | 1,343             |
| Accounting and auditing                | 94,780            | 47,053            |
| Real estate taxes                      | <u>1,980</u>      | <u>2,023</u>      |
|                                        | <u>\$ 593,673</u> | <u>\$ 522,848</u> |

See Independent Auditors' report

## Section 3: Certificate of Actuarial Valuation

### Exhibit L: Summary of Plan Provisions

(Schedule MB, Line 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

| <b>Plan Year</b>           | September 1 through August 31                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------------------------------------------------|--------|---------|------|-------|------|-------|------|-------|------|-------|------|-------|------|-------|
| <b>Pension Credit Year</b> | September 1 through August 31                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| <b>Plan Status</b>         | Ongoing plan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| <b>Normal Pension</b>      | <ul style="list-style-type: none"><li>• <i>Age and Service Requirement:</i> 62 and 10 years of credited service or after 30 years of credited service if employer contributes an additional seventeen cents per hour for the participant.</li><li>• <i>Amount:</i> Benefit amount per year of credited service based on the final contributory category. Maximum credited service is 35 years. A representative sample of accrual rates follows. For participants eligible to retire with 30 years of credited service, the monthly amount is unreduced for credited service earned prior to September 1, 2008 and for credited service after August 31, 2008, the monthly amount is reduced by 6% for each year of age less than 62 and further reduced below age 52 by actuarial equivalence factors.</li></ul> <table><tr><th>Hourly Contribution Rate</th><th>Monthly Amount for Each Year of Credited Service after August 31, 2008*</th></tr><tr><td>\$0.50</td><td>\$10.42</td></tr><tr><td>1.00</td><td>19.17</td></tr><tr><td>1.50</td><td>27.92</td></tr><tr><td>2.00</td><td>36.60</td></tr><tr><td>2.50</td><td>45.35</td></tr><tr><td>3.00</td><td>53.40</td></tr><tr><td>3.50</td><td>57.05</td></tr></table> <p>* Prior to September 1, 2008 the monthly amount for each year of credited service was two times the amount for credited service after August 31, 2008 and the contribution category was based on the rate in effect on August 31, 2008.</p> | Hourly Contribution Rate | Monthly Amount for Each Year of Credited Service after August 31, 2008* | \$0.50 | \$10.42 | 1.00 | 19.17 | 1.50 | 27.92 | 2.00 | 36.60 | 2.50 | 45.35 | 3.00 | 53.40 | 3.50 | 57.05 |
| Hourly Contribution Rate   | Monthly Amount for Each Year of Credited Service after August 31, 2008*                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| \$0.50                     | \$10.42                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| 1.00                       | 19.17                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| 1.50                       | 27.92                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| 2.00                       | 36.60                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| 2.50                       | 45.35                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| 3.00                       | 53.40                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| 3.50                       | 57.05                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |
| <b>Early Retirement</b>    | <ul style="list-style-type: none"><li>• <i>Age Requirement:</i> 52</li><li>• <i>Service Requirement:</i> 10 years of credited service</li><li>• <i>Amount:</i> Normal pension accrued, reduced by 6% for each year of age less than 62</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |                                                                         |        |         |      |       |      |       |      |       |      |       |      |       |      |       |

## Section 3: Certificate of Actuarial Valuation

|                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Vesting</b>                                                             | <ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> None</li> <li>• <i>Vesting Percentage:</i> For employees who began covered employment prior to September 1, 2002: 25% after one year, 50% after two years, 75% after three years and 100% after four years. For employees who began covered employment on or after September 1, 2002: 100% after five years.</li> <li>• <i>Amount:</i> Normal or early pension accrued based on the plan in effect when last active times vesting percentage for participants who terminate after April 1, 1998. Normal or early pension accrued based on the plan in effect at retirement times vesting percentage for participants who terminate prior to April 1, 1998.</li> <li>• <i>Normal Retirement Age:</i> 62. If the participant works for an employer who contributes an additional seventeen cents per hour, the earlier of age 62 or 30 years of credited service for service earned prior to September 1, 2008.</li> </ul> |
| <b>Spouse's Pre-Retirement Death Benefit</b>                               | <ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of Vesting Service.</li> <li>• <i>Amount:</i> 100% of the benefit employee would have received had he or she retired the day before he or she died and elected the joint and survivor option. If the employee died prior to eligibility for retirement, the spouse's benefit is deferred to the date employee would have been eligible to retire.</li> <li>• <i>Charge for Coverage:</i> None</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Pre-Retirement Death Benefit (if not eligible for spouse's benefit)</b> | <ul style="list-style-type: none"> <li>• <i>Age Requirement:</i> None</li> <li>• <i>Service Requirement:</i> Five years of vesting service.</li> <li>• <i>Amount:</i> 10-year certain guarantee of the benefit employee would have received had he or she retired the day before he or she died.</li> <li>• This benefit is not applicable to employees covered by the Default Schedule under the PPA Rehabilitation Plan.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Post-Retirement Death Benefit</b>                                       | <p><i>Lump sum Benefit:</i> \$3,000, payable in a lump sum to the participant's beneficiary.</p> <p>This benefit is not applicable to employees covered by the Default Schedule under the PPA Rehabilitation Plan.</p> <ul style="list-style-type: none"> <li>• <i>Husband and Wife:</i> If married, pension benefits are paid in the form of a 100% joint and survivor annuity unless this form is rejected by the participant and spouse. If not rejected, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If rejected, or if not married, benefits are payable for the life of the employee or in any other available optional form elected by the employee in an actuarially equivalent amount.</li> </ul>                                                                                                                                                                                                                                                                            |
| <b>Optional Forms of Benefits</b>                                          | <ul style="list-style-type: none"> <li>• Life Annuity; 50% or 100% Joint and Survivor Pension; 100% Joint and Survivor with 10 Year Certain Guarantee; 10 Year Certain Guarantee and Life; Lump Sum (for benefits earned prior to September 1, 2008 only, currently restricted due to being in <i>Critical Status</i>).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Participation</b>                                                       | <p>Earlier of the date employer required to make contributions for the employee or the earlier of September 1 or March 1 following the completion of 1,000 hours of service in 12 consecutive month period.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Credited Service</b>                                                    | <p>One month of a credited service for each 160 hours in covered employment. A year of credited service is equal to 12 months. Maximum of one year of credited service per plan year for plan years after August 31, 2008.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

## Section 3: Certificate of Actuarial Valuation

|                                   |                                                                                                                                                                                                                                                               |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Vesting Credit</b>             | For employees hired prior to September 1, 2008, one year of vesting service per plan year in which the employee works 160 hours. For employees hired after August 31, 2008, one year of vesting service per plan year in which the employee works 1000 hours. |
| <b>Contribution Rate</b>          | Varies from \$3.02 to \$4.73 as of the valuation date.                                                                                                                                                                                                        |
| <b>Changes in Plan Provisions</b> | There were no changes in plan provisions reflected in this actuarial valuation                                                                                                                                                                                |

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**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |        | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|--------|----------|-------------------|
|     | Air Lease Corp.                                         | Corporate Bonds and Notes                                                                                      | 10/01/29 | 3.250% | 38,000 | 37,465   | 33,123            |
|     | Air Lease Corp.                                         | Corporate Bonds and Notes                                                                                      | 09/15/24 | 4.250% | 23,000 | 25,161   | 22,573            |
|     | Amgen Inc                                               | Corporate Bonds and Notes                                                                                      | 03/02/26 | 5.507% | 39,000 | 39,000   | 39,003            |
|     | Avalonbay Communities                                   | Corporate Bonds and Notes                                                                                      | 12/15/23 | 4.200% | 50,000 | 52,654   | 49,760            |
|     | Bank of America V-A                                     | Corporate Bonds and Notes                                                                                      | 09/21/36 | 2.482% | 62,000 | 50,759   | 47,098            |
|     | Bank of Nova Scotia                                     | Corporate Bonds and Notes                                                                                      | 12/16/25 | 4.500% | 41,000 | 39,986   | 39,750            |
|     | Boeing Co                                               | Corporate Bonds and Notes                                                                                      | 02/04/26 | 2.196% | 52,000 | 52,234   | 47,971            |
|     | Capital One Financial                                   | Corporate Bonds and Notes                                                                                      | 07/24/26 | 4.985% | 28,000 | 27,871   | 27,368            |
|     | Capital One Financial                                   | Corporate Bonds and Notes                                                                                      | 02/01/34 | 5.817% | 40,000 | 40,032   | 37,996            |
|     | Centene Corp                                            | Corporate Bonds and Notes                                                                                      | 12/15/29 | 4.625% | 40,000 | 39,386   | 36,780            |
|     | Citigroup Inc.                                          | Corporate Bonds and Notes                                                                                      | 03/09/28 | 6.125% | 33,000 | 39,353   | 33,149            |
|     | Citigroup Inc.                                          | Corporate Bonds and Notes                                                                                      | 03/09/26 | 4.600% | 59,000 | 62,829   | 57,447            |
|     | Citigroup Inc.                                          | Corporate Bonds and Notes                                                                                      | 06/03/31 | 2.572% | 92,000 | 94,864   | 75,977            |
|     | CNA Financial Corp.                                     | Corporate Bonds and Notes                                                                                      | 03/01/26 | 4.500% | 58,000 | 60,268   | 56,542            |
|     | CNH Industrial Cap                                      | Corporate Bonds and Notes                                                                                      | 07/15/26 | 1.450% | 28,000 | 27,778   | 25,048            |
|     | CNO Financial Group                                     | Corporate Bonds and Notes                                                                                      | 05/30/29 | 5.250% | 41,000 | 43,870   | 39,052            |
|     | Constellation Brands                                    | Corporate Bonds and Notes                                                                                      | 02/02/26 | 5.000% | 31,000 | 30,814   | 30,606            |
|     | Corporate Office Pro                                    | Corporate Bonds and Notes                                                                                      | 04/15/31 | 2.750% | 51,000 | 50,466   | 39,307            |
|     | Corporate Office Pro                                    | Corporate Bonds and Notes                                                                                      | 12/01/33 | 2.900% | 43,000 | 40,374   | 31,059            |
|     | Crown Castle Intl                                       | Corporate Bonds and Notes                                                                                      | 09/01/24 | 3.200% | 42,000 | 45,650   | 40,915            |
|     | Dell Int LLC                                            | Corporate Bonds and Notes                                                                                      | 10/01/29 | 5.300% | 18,000 | 21,909   | 17,772            |
|     | Dignity Health                                          | Corporate Bonds and Notes                                                                                      | 11/01/24 | 3.812% | 37,000 | 39,379   | 36,146            |
|     | Edison International                                    | Corporate Bonds and Notes                                                                                      | 11/15/29 | 6.950% | 8,000  | 8,482    | 8,433             |
|     | Edison International                                    | Corporate Bonds and Notes                                                                                      | 06/15/27 | 5.750% | 32,000 | 35,920   | 32,068            |
|     | Energy Transfer Oper.                                   | Corporate Bonds and Notes                                                                                      | 04/15/29 | 5.250% | 70,000 | 72,574   | 68,392            |
|     | EPR Properties                                          | Corporate Bonds and Notes                                                                                      | 08/15/29 | 3.750% | 20,000 | 20,745   | 16,309            |
|     | Equifax Inc.                                            | Corporate Bonds and Notes                                                                                      | 12/15/27 | 5.100% | 26,000 | 25,543   | 25,657            |
|     | General Motors Financial                                | Corporate Bonds and Notes                                                                                      | 10/10/25 | 6.050% | 47,000 | 47,557   | 47,044            |
|     | General Motors Financial                                | Corporate Bonds and Notes                                                                                      | 04/06/30 | 5.850% | 38,000 | 37,742   | 37,216            |
|     | Goldman Sachs Group                                     | Corporate Bonds and Notes                                                                                      | 03/09/27 | 1.431% | 79,000 | 78,067   | 70,835            |
|     | HCA Inc.                                                | Corporate Bonds and Notes                                                                                      | 02/15/27 | 4.500% | 21,000 | 22,137   | 20,307            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |        | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|--------|----------|-------------------|
|     | HCA Inc.                                                | Corporate Bonds and Notes                                                                                      | 02/01/29 | 5.875% | 19,000 | 19,359   | 19,117            |
|     | HP Enterprise Co                                        | Corporate Bonds and Notes                                                                                      | 10/15/25 | 4.900% | 38,000 | 38,903   | 37,501            |
|     | JP Morgan Chase & Co.                                   | Corporate Bonds and Notes                                                                                      | 11/19/26 | 1.045% | 34,000 | 33,780   | 30,655            |
|     | Kimco Realty Corp                                       | Corporate Bonds and Notes                                                                                      | 02/01/33 | 4.600% | 34,000 | 33,806   | 31,248            |
|     | Kinder Morgan Inc.                                      | Corporate Bonds and Notes                                                                                      | 06/01/33 | 5.200% | 42,000 | 40,604   | 40,233            |
|     | Mylan NV                                                | Corporate Bonds and Notes                                                                                      | 06/15/26 | 3.950% | 43,000 | 47,266   | 40,644            |
|     | Primemera Inc                                           | Corporate Bonds and Notes                                                                                      | 11/19/31 | 2.800% | 41,000 | 40,816   | 33,673            |
|     | Sabine Pass Liquefac                                    | Corporate Bonds and Notes                                                                                      | 05/15/30 | 4.500% | 28,000 | 32,521   | 26,349            |
|     | Southern Co                                             | Corporate Bonds and Notes                                                                                      | 07/01/23 | 3.250% | 50,000 | 47,806   | 47,303            |
|     | Southwest Airlines                                      | Corporate Bonds and Notes                                                                                      | 05/04/25 | 5.250% | 40,000 | 41,791   | 39,741            |
|     | Spirit Realty LP                                        | Corporate Bonds and Notes                                                                                      | 07/15/29 | 4.000% | 27,000 | 28,477   | 24,271            |
|     | Targa Resources Corp.                                   | Corporate Bonds and Notes                                                                                      | 07/01/27 | 5.200% | 31,000 | 30,953   | 30,692            |
|     | Truist Financial Mtn                                    | Corporate Bonds and Notes                                                                                      | 07/28/26 | 4.260% | 47,000 | 47,000   | 45,403            |
|     | US Bancorp V-D                                          | Corporate Bonds and Notes                                                                                      | 06/12/34 | 5.836% | 22,000 | 22,000   | 21,980            |
|     | Viatis Inc                                              | Corporate Bonds and Notes                                                                                      | 06/22/30 | 2.700% | 19,000 | 15,521   | 15,430            |
|     | Vmware Inc.                                             | Corporate Bonds and Notes                                                                                      | 08/21/27 | 3.900% | 63,000 | 60,669   | 59,367            |
|     | VR Bank of America                                      | Corporate Bonds and Notes                                                                                      | 07/22/27 | 1.734% | 54,000 | 48,467   | 48,319            |
|     | VR Bank of America                                      | Corporate Bonds and Notes                                                                                      | 01/20/28 | 3.824% | 90,000 | 96,262   | 84,848            |
|     | VR Bank of America                                      | Corporate Bonds and Notes                                                                                      | 07/28/69 | 4.300% | 38,000 | 37,430   | 34,469            |
|     | VR Capital One Finan                                    | Corporate Bonds and Notes                                                                                      | 11/02/27 | 1.878% | 67,000 | 66,428   | 58,736            |
|     | VR Citigroup Inc.                                       | Corporate Bonds and Notes                                                                                      | 01/28/27 | 1.122% | 64,000 | 57,407   | 57,357            |
|     | VR Citigroup Inc.                                       | Corporate Bonds and Notes                                                                                      | 04/23/29 | 4.075% | 43,000 | 46,783   | 40,316            |
|     | VR Goldman Sachs                                        | Corporate Bonds and Notes                                                                                      | 10/21/27 | 1.948% | 63,000 | 56,288   | 56,065            |
|     | VR Goldman Sachs                                        | Corporate Bonds and Notes                                                                                      | 04/23/29 | 3.814% | 61,000 | 57,679   | 56,444            |
|     | VR JP Morgan Chase                                      | Corporate Bonds and Notes                                                                                      | 10/01/68 | 4.000% | 21,000 | 19,677   | 19,274            |
|     | VR JP Morgan Chase                                      | Corporate Bonds and Notes                                                                                      | 05/01/28 | 3.540% | 37,000 | 35,202   | 34,529            |
|     | VR Prudential Financial                                 | Corporate Bonds and Notes                                                                                      | 09/15/48 | 5.700% | 25,000 | 29,031   | 23,671            |
|     | VR Wells Fargo & Com                                    | Corporate Bonds and Notes                                                                                      | 02/11/26 | 2.164% | 41,000 | 42,781   | 38,764            |
|     | VR Wells Fargo & Com                                    | Corporate Bonds and Notes                                                                                      | 04/30/26 | 2.188% | 46,000 | 48,159   | 43,259            |
|     | VR Wells Fargo & Com                                    | Corporate Bonds and Notes                                                                                      | 06/02/28 | 2.393% | 48,000 | 49,412   | 42,710            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |         | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|---------|----------|-------------------|
|     | Capital One-ABS                                         | Mortgage/Asset-Backed Securities                                                                               | 03/15/27 | 2.800% | 145,000 | 144,989  | 139,323           |
|     | Tesla Auto Lease                                        | Mortgage/Asset-Backed Securities                                                                               | 09/22/25 | 0.600% | 60,000  | 59,988   | 58,319            |
|     | Verizon Owner Trust                                     | Mortgage/Asset-Backed Securities                                                                               | 04/20/28 | 0.990% | 140,000 | 139,163  | 132,695           |
|     | Citigroup Commercial                                    | Mortgage/Asset-Backed Securities                                                                               | 03/10/47 | 4.023% | 70,000  | 75,368   | 69,508            |
|     | Commercial Mortgage Trust                               | Mortgage/Asset-Backed Securities                                                                               | 11/10/23 | 4.194% | 70,000  | 75,805   | 69,586            |
|     | FHLMC DNA2 CMO V-M                                      | Mortgage/Asset-Backed Securities                                                                               | 02/25/50 | 7.252% | 12,515  | 12,636   | 12,550            |
|     | FHLMC DNA3 CMO V-M                                      | Mortgage/Asset-Backed Securities                                                                               | 07/25/49 | 7.452% | 39,976  | 18,109   | 40,126            |
|     | JPMBB Comm Mtge CMO                                     | Mortgage/Asset-Backed Securities                                                                               | 12/15/48 | 3.504% | 36,665  | 34,785   | 34,741            |
|     | VR Angel Oak Mortgage                                   | Mortgage/Asset-Backed Securities                                                                               | 01/20/65 | 1.035% | 47,529  | 47,529   | 38,109            |
|     | VR Flagstar Mortgage                                    | Mortgage/Asset-Backed Securities                                                                               | 06/01/51 | 2.500% | 81,543  | 83,607   | 69,665            |
|     | VR GCAT                                                 | Mortgage/Asset-Backed Securities                                                                               | 01/25/66 | 0.874% | 32,594  | 32,533   | 27,229            |
|     | VR Newrez Warehouse                                     | Mortgage/Asset-Backed Securities                                                                               | 05/25/55 | 6.179% | 69,333  | 69,333   | 68,998            |
|     | VR Sreit Trust                                          | Mortgage/Asset-Backed Securities                                                                               | 07/15/36 | 6.023% | 35,000  | 34,873   | 34,209            |
|     | VR Verus Securitized                                    | Mortgage/Asset-Backed Securities                                                                               | 06/25/66 | 1.046% | 52,152  | 52,152   | 43,690            |
|     | Wells Fargo Commercial                                  | Mortgage/Asset-Backed Securities                                                                               | 06/15/48 | 3.637% | 65,000  | 71,002   | 62,063            |
|     | WF-RBS Commercial                                       | Mortgage/Asset-Backed Securities                                                                               | 09/15/57 | 3.752% | 70,000  | 74,577   | 67,700            |
|     | FHLMC PL #RA8249                                        | Mortgage/Asset-Backed Securities                                                                               | 11/01/52 | 5.500% | 71,227  | 71,394   | 70,313            |
|     | FHLMC PL #RA8880                                        | Mortgage/Asset-Backed Securities                                                                               | 04/01/53 | 5.500% | 38,542  | 38,927   | 38,102            |
|     | FHLMC PL #SD8207                                        | Mortgage/Asset-Backed Securities                                                                               | 04/01/52 | 3.500% | 183,641 | 182,493  | 164,144           |
|     | FHLMC PL #SD8214                                        | Mortgage/Asset-Backed Securities                                                                               | 05/01/52 | 3.500% | 69,545  | 68,638   | 62,162            |
|     | FHLMC PL #SD8215                                        | Mortgage/Asset-Backed Securities                                                                               | 05/01/52 | 4.000% | 153,584 | 153,668  | 141,776           |
|     | FHLMC PL #SD8277                                        | Mortgage/Asset-Backed Securities                                                                               | 12/01/52 | 5.500% | 67,670  | 68,748   | 66,856            |
|     | FHLMC PL #SD8289                                        | Mortgage/Asset-Backed Securities                                                                               | 01/01/53 | 5.500% | 76,391  | 74,935   | 75,411            |
|     | FNMA PL #MA4580                                         | Mortgage/Asset-Backed Securities                                                                               | 04/01/52 | 3.500% | 163,222 | 163,089  | 145,998           |
|     | FNMA PL #MA4600                                         | Mortgage/Asset-Backed Securities                                                                               | 05/01/52 | 3.500% | 91,785  | 89,182   | 82,100            |
|     | FNMA PL #MA4761                                         | Mortgage/Asset-Backed Securities                                                                               | 08/01/52 | 5.000% | 120,531 | 117,320  | 116,928           |
|     | FNMA PL #MA4807                                         | Mortgage/Asset-Backed Securities                                                                               | 11/01/52 | 5.500% | 46,487  | 45,481   | 45,939            |
|     | FNMA PL #MA4869                                         | Mortgage/Asset-Backed Securities                                                                               | 01/01/53 | 5.500% | 80,106  | 80,287   | 79,078            |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 07/31/28 | 4.125% | 107,000 | 406,428  | 106,373           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 06/30/29 | 3.250% | 296,000 | 285,605  | 280,715           |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) | (b) Identity of Issue borrower, lessor or similar party | (c) Description of Investment, Including Maturity Date,<br>Rate of Interest, Collateral, Par or Maturity Value |          |        |         | (d) Cost | (e) Current Value |
|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|--------|---------|----------|-------------------|
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 02/15/33 | 3.500% | 330,000 | 326,347  | 314,272           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 04/30/28 | 3.500% | 331,000 | 328,883  | 320,011           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 04/15/26 | 3.750% | 307,000 | 307,088  | 300,369           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 08/15/33 | 3.875% | 136,000 | 132,415  | 133,578           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 02/15/26 | 4.000% | 405,000 | 399,514  | 398,609           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 02/29/28 | 4.000% | 505,000 | 501,471  | 498,789           |
|     | US Treasury Bond                                        | U.S. Government Obligations                                                                                    | 12/15/25 | 4.000% | 162,000 | 159,045  | 159,380           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 06/15/26 | 4.125% | 419,000 | 414,658  | 414,156           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 10/31/27 | 4.125% | 242,000 | 241,446  | 239,740           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 01/15/33 | 1.125% | 168,990 | 161,762  | 157,556           |
|     | US Treasury Note                                        | U.S. Government Obligations                                                                                    | 04/15/28 | 1.250% | 81,368  | 78,672   | 78,326            |
|     | P/P Continental Reso                                    | Private Placement                                                                                              | 11/15/26 | 2.268% | 27,000  | 27,000   | 24,100            |
|     | P/P Delta Air Lines                                     | Private Placement                                                                                              | 10/20/28 | 4.750% | 34,000  | 35,219   | 32,651            |
|     | Abbot Labs                                              | Common Stock                                                                                                   |          |        |         | 154,382  | 135,519           |
|     | Analog Devices Inc.                                     | Common Stock                                                                                                   |          |        |         | 79,286   | 116,339           |
|     | Archer Daniels Midland Co.                              | Common Stock                                                                                                   |          |        |         | 37,572   | 62,013            |
|     | Bank of America Corp                                    | Common Stock                                                                                                   |          |        |         | 138,570  | 141,572           |
|     | Baxter Intl Inc                                         | Common Stock                                                                                                   |          |        |         | 50,102   | 30,856            |
|     | Bristol Myers Squibb Co.                                | Common Stock                                                                                                   |          |        |         | 105,894  | 123,423           |
|     | Broadcom Inc                                            | Common Stock                                                                                                   |          |        |         | 154,021  | 227,954           |
|     | Broadridge Financial Solutions                          | Common Stock                                                                                                   |          |        |         | 35,551   | 43,387            |
|     | CH Robinson Worldwide Inc.                              | Common Stock                                                                                                   |          |        |         | 26,562   | 27,400            |
|     | Campbell Soup Co                                        | Common Stock                                                                                                   |          |        |         | 33,190   | 27,272            |
|     | Caterpillar Inc.                                        | Common Stock                                                                                                   |          |        |         | 93,024   | 174,582           |
|     | Chevron Corp                                            | Common Stock                                                                                                   |          |        |         | 203,268  | 197,186           |
|     | Cisco Systems Inc.                                      | Common Stock                                                                                                   |          |        |         | 192,769  | 208,869           |
|     | Citigroup Inc                                           | Common Stock                                                                                                   |          |        |         | 138,885  | 91,746            |
|     | Cognizant Tech Solutions CRP Com                        | Common Stock                                                                                                   |          |        |         | 37,093   | 43,754            |
|     | Colgate Palmolive Co                                    | Common Stock                                                                                                   |          |        |         | 74,632   | 79,054            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

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|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | Comcast Corp.                                           | Common Stock                                                                                                   | 160,863  | 179,886           |
|     | Conagra Brands Inc.                                     | Common Stock                                                                                                   | 27,658   | 28,745            |
|     | Conocophillips                                          | Common Stock                                                                                                   | 105,807  | 125,696           |
|     | Cornin Inc                                              | Common Stock                                                                                                   | 35,960   | 34,231            |
|     | Coterra Energy Inc.                                     | Common Stock                                                                                                   | 33,281   | 35,576            |
|     | Cummins Inc.                                            | Common Stock                                                                                                   | 45,601   | 60,040            |
|     | CVS Health Corporation                                  | Common Stock                                                                                                   | 78,306   | 66,669            |
|     | Devon Energy Corporation                                | Common Stock                                                                                                   | 50,052   | 44,244            |
|     | Diamondback Energy Inc.                                 | Common Stock                                                                                                   | 36,684   | 40,677            |
|     | Dow Inc.                                                | Common Stock                                                                                                   | 53,572   | 49,159            |
|     | Ebay Inc.                                               | Common Stock                                                                                                   | 43,105   | 37,255            |
|     | Emerson Electric Co.                                    | Common Stock                                                                                                   | 57,962   | 82,334            |
|     | EOG Resources, Inc.                                     | Common Stock                                                                                                   | 73,870   | 79,616            |
|     | Exxon Mobil Corporation                                 | Common Stock                                                                                                   | 226,980  | 218,155           |
|     | Fedex Corporation                                       | Common Stock                                                                                                   | 55,553   | 62,384            |
|     | Fifth Third Bancorp                                     | Common Stock                                                                                                   | 37,286   | 32,736            |
|     | FMC Corp Com                                            | Common Stock                                                                                                   | 29,683   | 22,678            |
|     | General Dynamics Corp.                                  | Common Stock                                                                                                   | 64,651   | 82,950            |
|     | General Mills Inc.                                      | Common Stock                                                                                                   | 48,223   | 60,150            |
|     | Genuine Parts Co.                                       | Common Stock                                                                                                   | 31,379   | 43,352            |
|     | Gilead Sciences Inc.                                    | Common Stock                                                                                                   | 99,320   | 112,961           |
|     | Halliburton Co.                                         | Common Stock                                                                                                   | 37,151   | 42,791            |
|     | Hartford Financial Services Group                       | Common Stock                                                                                                   | 28,828   | 29,518            |
|     | Home Depot Inc.                                         | Common Stock                                                                                                   | 170,502  | 266,222           |
|     | Honeywell International Inc.                            | Common Stock                                                                                                   | 119,495  | 135,693           |
|     | Huntington Bancshares Inc                               | Common Stock                                                                                                   | 23,748   | 23,045            |
|     | International Business Machs Corp                       | Common Stock                                                                                                   | 90,209   | 101,606           |
|     | International Flavors & Fragrances                      | Common Stock                                                                                                   | 50,528   | 27,898            |
|     | JM Smucker Co.                                          | Common Stock                                                                                                   | 27,549   | 33,628            |
|     | Johnson & Johnson                                       | Common Stock                                                                                                   | 200,883  | 234,436           |
|     | JP Morgan Chase & Co                                    | Common Stock                                                                                                   | 209,220  | 274,808           |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
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|-----|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | Kellogg Co                                              | Common Stock                                                                                                   | 29,928   | 27,032            |
|     | KRAFT HEINZ CO/THE                                      | Common Stock                                                                                                   | 48,356   | 41,065            |
|     | Lockheed Martin Corp.                                   | Common Stock                                                                                                   | 94,390   | 125,090           |
|     | L3Harris Technologies Inc                               | Common Stock                                                                                                   | 55,234   | 48,262            |
|     | MARATHON OIL CORP                                       | Common Stock                                                                                                   | 24,504   | 24,716            |
|     | Marathon Petroleum                                      | Common Stock                                                                                                   | 52,882   | 82,664            |
|     | Merck & Co. Inc.                                        | Common Stock                                                                                                   | 167,713  | 228,967           |
|     | Microchip Technology Inc.                               | Common Stock                                                                                                   | 49,426   | 58,352            |
|     | Netapp Inc.                                             | Common Stock                                                                                                   | 30,285   | 35,819            |
|     | Norfolk Southern Corp.                                  | Common Stock                                                                                                   | 66,852   | 56,583            |
|     | Omnicom Group                                           | Common Stock                                                                                                   | 33,148   | 34,510            |
|     | Packaging Corp of America                               | Common Stock                                                                                                   | 27,196   | 29,671            |
|     | Paramount Global Cl B                                   | Common Stock                                                                                                   | 35,101   | 17,625            |
|     | Pfizer                                                  | Common Stock                                                                                                   | 200,989  | 139,963           |
|     | Phillips 66                                             | Common Stock                                                                                                   | 48,058   | 52,399            |
|     | PPG Industries Inc                                      | Common Stock                                                                                                   | 43,520   | 45,647            |
|     | Qualcomm Inc.                                           | Common Stock                                                                                                   | 106,866  | 134,344           |
|     | Quest Diagnostics Inc                                   | Common Stock                                                                                                   | 25,310   | 32,744            |
|     | Regions Finl Corp New                                   | Common Stock                                                                                                   | 29,703   | 34,167            |
|     | RTX Corporation                                         | Common Stock                                                                                                   | 104,930  | 91,116            |
|     | Skyworks Solutions                                      | Common Stock                                                                                                   | 32,761   | 30,012            |
|     | Sysco Corp                                              | Common Stock                                                                                                   | 43,285   | 38,865            |
|     | Texas Instruments Inc                                   | Common Stock                                                                                                   | 131,755  | 125,205           |
|     | Travelers Companies, Inc.                               | Common Stock                                                                                                   | 51,178   | 57,882            |
|     | Truist Financial Corp                                   | Common Stock                                                                                                   | 46,105   | 42,128            |
|     | Tyson Foods, Inc.                                       | Common Stock                                                                                                   | 40,673   | 30,577            |
|     | Union Pacific Corp.                                     | Common Stock                                                                                                   | 108,880  | 138,297           |
|     | United Parcel Service - CL B                            | Common Stock                                                                                                   | 133,881  | 118,580           |
|     | US Bancorp                                              | Common Stock                                                                                                   | 93,180   | 67,800            |
|     | Valero Energy Corp                                      | Common Stock                                                                                                   | 49,343   | 47,543            |
|     | Well Fargo & Co                                         | Common Stock                                                                                                   | 100,992  | 108,799           |
|     | 3M Co                                                   | Common Stock                                                                                                   | 126,002  | 74,669            |

See Independent Auditors' report.

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
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**AUGUST 31, 2023**

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|------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------------|
|            | BUNGE LIMITED                                                  | Common Stock                                                                                                           | 24,986            | 34,639                   |
|            | MEDTRONIC PLC                                                  | Common Stock                                                                                                           | 124,496           | 98,615                   |
|            | SCHLUMBERGER LTD                                               | Common Stock                                                                                                           | 66,324            | 77,238                   |
|            | TE CONNECTIVITY LTD                                            | Common Stock                                                                                                           | 52,057            | 55,472                   |
|            | Invesco S&P                                                    | Mutual Funds                                                                                                           | 8,951,169         | 8,696,859                |
|            | Ishares MSCI                                                   | Mutual Funds                                                                                                           | 1,934,772         | 1,769,652                |
|            | WCM Focused International Growth                               | Limited Partnership                                                                                                    | 750,000           | 2,101,560                |
|            | Wells Fargo Bank                                               | Money Market Fund                                                                                                      | 943,858           | 943,858                  |
|            | Allspring Govt MM FD-INSTL #1751                               | Money Market Fund                                                                                                      | 3,025,597         | 3,025,597                |
|            |                                                                | <b>TOTAL INVESTMENTS</b>                                                                                               | <b>30,583,706</b> | <b>31,313,662</b>        |

See Independent Auditors' report.

## Schedule MB, line 8b(2) - Schedule of Active Participant Data

The participant data is for the year ended August 31, 2022

| Age          | Total     | Years of Credited Service |           |          |           |          |          |          |
|--------------|-----------|---------------------------|-----------|----------|-----------|----------|----------|----------|
|              |           | 5- 9                      | 10 -14    | 15 - 19  | 20 - 24   | 25 - 29  | 30 - 34  | 35 - 39  |
| 30 - 34      | 1         | 1                         | -         | -        | -         | -        | -        | -        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| 35 - 39      | 1         | -                         | 1         | -        | -         | -        | -        | -        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| 40 - 44      | 3         | -                         | 1         | 1        | 1         | -        | -        | -        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| 45 - 49      | 2         | 1                         | 1         | -        | -         | -        | -        | -        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| 50 - 54      | 11        | 1                         | 5         | 1        | 3         | 1        | -        | -        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| 55 - 59      | 10        | 1                         | 2         | -        | 3         | 1        | 1        | 2        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| 60 - 64      | 10        | 1                         | 2         | 1        | 5         | -        | -        | 1        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| 65 - 69      | 2         | -                         | 2         | -        | -         | -        | -        | -        |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |
| <b>Total</b> | <b>40</b> | <b>5</b>                  | <b>14</b> | <b>3</b> | <b>12</b> | <b>2</b> | <b>1</b> | <b>3</b> |
| -            | -         | -                         | -         | -        | -         | -        | -        | -        |

Local Union No. 863 I.B.T. Pension Fund  
 EIN 22-1598194/PN 001





333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
segalco.com T:212.251.5000

November 29, 2022

Internal Revenue Service  
Employee Plans Compliance Unit  
Group 7602 (TEGE:EP:EPCU)  
230 S. Dearborn Street  
Room 1700 - 17th Floor  
Chicago, IL 60604

To Whom It May Concern:

As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of September 1, 2022 for the following plan:

Name of Plan: Local Union No. 863 I.B.T. Pension Fund  
Plan number: EIN 22-1598194 / 001  
Plan sponsor: Board of Trustees, Local Union No. 863 I.B.T. Pension Fund  
Address: 209 Summit Road, Mountainside, New Jersey 07092  
Phone number: 908.654.3361

As of September 1, 2022, the Plan is in critical and declining status.

This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on information received from the sponsor and based on the annual standards of the rehabilitation plan.

If you have any questions on the attached certification, you may contact me at the following:

Segal  
333 West 34th Street, 3rd Floor  
New York, NY 10001-2402  
Phone number: 212.251.5000

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Leary", is written over the printed name.

Joe Leary ASA, FCA, MAAA  
Senior Vice President and Actuary  
Enrolled Actuary No. 20-06166

Actuarial Status Certification as of September 1, 2022 under IRC Section 432  
November 29, 2022

*Illustration Supporting Actuarial Certification of Status (Schedule MB, line 4b)*

This is to certify that Segal has prepared an actuarial status certification under Internal Revenue Code Section 432 for the Local Union No. 863 I.B.T. Pension Fund as of September 1, 2022 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

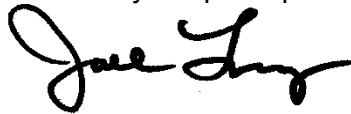
The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the September 1, 2020 actuarial valuation, dated September 10, 2021. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MPRA). Additional assumptions required for the projections (including those under MPRA), and sources of financial information used are summarized in Exhibit 6.

Segal does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which this certification is based reflects Segal's understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that offer my best estimate of anticipated experience under the Plan. Furthermore, as required by IRC Section 432(b)(3)(B)(iii), the projected industry activity takes into account information provided by the plan sponsor.



**Joel Leary, ASA, FCA, MAAA**

**EA#** 20-06166

**Title** Senior Vice President and Actuary

**Email** JLeary@segalco.com

## Certificate Contents

|                  |                                                                                        |
|------------------|----------------------------------------------------------------------------------------|
| <b>Exhibit 1</b> | Status Determination as of September 1, 2022                                           |
| <b>Exhibit 2</b> | Summary of Actuarial Valuation Projections                                             |
| <b>Exhibit 3</b> | Funding Standard Account Projections                                                   |
| <b>Exhibit 4</b> | Funding Standard Account — Projected Bases Assumed Established After September 1, 2020 |
| <b>Exhibit 5</b> | Solvency Projection                                                                    |
| <b>Exhibit 6</b> | Actuarial Assumptions and Methodology                                                  |

# Actuarial Status Certification under IRC Section 432

## Exhibit 1: Status Determination as of September 1, 2022

| Status                  | Condition                                                                                                                                                    | Component Result | Final Result |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------|
| <b>Critical Status:</b> |                                                                                                                                                              |                  |              |
|                         | <b>1. Initial critical status tests:</b>                                                                                                                     |                  |              |
|                         | C1. A funding deficiency is projected in four years?                                                                                                         | Yes              | Yes          |
|                         | C2. a. A funding deficiency is projected in five years,                                                                                                      | Yes              |              |
|                         | b. <b>and</b> the present value of vested benefits for non-actives is more than present value of vested benefits for actives,                                | Yes              |              |
|                         | c. <b>and</b> the normal cost plus interest on unfunded actuarial accrued liability (unit credit basis) is greater than contributions for current year?      | Yes              | Yes          |
|                         | C3. a. A funding deficiency is projected in five years,                                                                                                      | Yes              |              |
|                         | b. <b>and</b> the funded percentage is less than 65%?                                                                                                        | Yes              | Yes          |
|                         | C4. a. The funded percentage is less than 65%,                                                                                                               | Yes              |              |
|                         | b. <b>and</b> the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years | Yes              | Yes          |
|                         | C5. The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?           | Yes              | Yes          |
|                         | <b>2. In Critical Status? (If C1-C5 is Yes, then Yes)</b>                                                                                                    |                  | <b>Yes</b>   |
|                         | <b>3. Determination of critical and declining status:</b>                                                                                                    |                  |              |
|                         | C6. a. Any of (C1) through (C5) are Yes?                                                                                                                     | Yes              | Yes          |
|                         | b. <b>and either</b> Insolvency is projected within 15 years?                                                                                                | Yes              | Yes          |
|                         | c. <b>or</b>                                                                                                                                                 |                  |              |
|                         | 1) The ratio of inactives to actives is at least 2 to 1,                                                                                                     | Yes              |              |
|                         | 2) <b>and</b> insolvency is projected within 20 years?                                                                                                       | Yes              | Yes          |
|                         | d. <b>or</b>                                                                                                                                                 |                  |              |

| Status                                                                       | Condition                                                       | Component Result | Final Result |
|------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------|--------------|
|                                                                              | 1) The funded percentage is less than 80%,                      | Yes              |              |
|                                                                              | 2) <b>and</b> insolvency is projected within 20 years           | Yes              | Yes          |
| <b>In Critical and Declining Status?</b>                                     |                                                                 |                  | <b>Yes</b>   |
| <b>Endangered Status:</b>                                                    |                                                                 |                  |              |
|                                                                              | E1. a. Is not in critical status,                               | No               |              |
|                                                                              | b. <b>and</b> the funded percentage is less than 80%?           | Yes              | No           |
|                                                                              | E2. a. Is not in critical status,                               | No               |              |
|                                                                              | b. <b>and</b> a funding deficiency is projected in seven years? | Yes              | No           |
| <b>In Endangered Status? (Yes when either (E1) or (E2) is Yes)</b>           |                                                                 |                  | <b>No</b>    |
| <b>In Seriously Endangered Status? (Yes when BOTH (E1) and (E2) are Yes)</b> |                                                                 |                  | <b>No</b>    |
| <b>Neither Critical Status Nor Endangered Status:</b>                        |                                                                 |                  |              |
| <b>Neither Critical nor Endangered Status?</b>                               |                                                                 |                  | <b>No</b>    |

This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its rehabilitation plan, based on information received from the sponsor and based on the annual standards of the rehabilitation plan. Under the Rehabilitation Plan, the projected insolvency in plan year ending August 31, 2025 meets the standard.

## Exhibit 2: Summary of Actuarial Valuation Projections

The actuarial factors as of September 1, 2022 (based on projections from the September 1, 2020 valuation certificate):

|                                         |                                                                               |                         |                                |
|-----------------------------------------|-------------------------------------------------------------------------------|-------------------------|--------------------------------|
| <b>1. Financial Information</b>         |                                                                               |                         |                                |
| a.                                      | Market value of assets                                                        |                         | \$55,638,485                   |
| b.                                      | Actuarial value of assets                                                     |                         | 59,650,823                     |
| c.                                      | Reasonably anticipated contributions including withdrawal liability payments* |                         |                                |
| 1)                                      | Upcoming year                                                                 |                         | 8,638,902                      |
| 2)                                      | Present value for the next five years                                         |                         | 37,215,803                     |
| 3)                                      | Present value for the next seven years                                        |                         | 49,319,768                     |
| d.                                      | Projected benefit payments                                                    |                         | 31,376,665                     |
| e.                                      | Projected administrative expenses (beginning of year)                         |                         | 771,062                        |
| <b>2. Liabilities</b>                   |                                                                               |                         |                                |
| a.                                      | Present value of vested benefits for active participants                      |                         | 4,678,703                      |
| b.                                      | Present value of vested benefits for non-active participants                  |                         | 379,316,267                    |
| c.                                      | Total unit credit accrued liability                                           |                         | 384,035,556                    |
| d.                                      | Present value of payments                                                     | <b>Benefit Payments</b> | <b>Administrative Expenses</b> |
| 1)                                      | Next five years                                                               | \$135,126,554           | \$3,643,176                    |
| 2)                                      | Next seven years                                                              | 177,631,095             | 4,960,179                      |
| e.                                      | Unit credit normal cost plus expenses                                         |                         | 949,796                        |
| f.                                      | Ratio of inactive participants to active participants                         |                         | 50.4792                        |
| <b>3. Funded Percentage (1.b)/(2.c)</b> |                                                                               |                         | 15.5%                          |
| <b>4. Funding Standard Account</b>      |                                                                               |                         |                                |
| a.                                      | Credit Balance as of the end of prior year                                    |                         | (\$230,221,666)                |
| b.                                      | Years to projected funding deficiency                                         |                         | 0                              |
| <b>5. Projected Year of Emergence</b>   |                                                                               |                         | N/A                            |
| <b>6. Years to Projected Insolvency</b> |                                                                               |                         | 3                              |

\* Including surcharges and funding deficiency payments

### Exhibit 3: Funding Standard Account Projections

The table below presents the Funding Standard Account Projections for the Plan Years beginning September 1.

|                                                                               | Year Beginning September 1, |                        |                        |                        |                        |                        |
|-------------------------------------------------------------------------------|-----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|                                                                               | 2020                        | 2021                   | 2022                   | 2023                   | 2024                   | 2025                   |
| 1. Credit balance (BOY)                                                       | (\$189,949,928)             | (\$209,917,463)        | (\$230,221,666)        | (\$252,287,803)        | (\$275,882,413)        | (\$297,933,431)        |
| 2. Interest on (1)                                                            | (11,396,996)                | (12,595,048)           | (13,813,300)           | (15,137,268)           | (16,552,945)           | (17,876,006)           |
| 3. Normal cost                                                                | 177,844                     | 178,289                | 178,735                | 179,182                | 179,630                | 180,079                |
| 4. Administrative expenses                                                    | 726,800                     | 848,704                | 771,062                | 794,194                | 818,020                | 842,561                |
| 5. Net amortization charges                                                   | 15,605,743                  | 14,969,265             | 15,170,707             | 15,340,057             | 12,524,020             | 11,632,870             |
| 6. Interest on (3), (4) and (5)                                               | 990,623                     | 959,775                | 967,230                | 978,806                | 811,300                | 759,331                |
| 7. Expected contributions                                                     | 8,732,540                   | 9,038,613              | 8,638,902              | 8,638,902              | 8,638,902              | 8,638,902              |
| 8. Interest on (7)                                                            | 197,931                     | 208,266                | 195,995                | 195,995                | 195,995                | 195,995                |
| <b>9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)</b> | <b>(\$209,917,463)</b>      | <b>(\$230,221,666)</b> | <b>(\$252,287,803)</b> | <b>(\$275,882,413)</b> | <b>(\$297,933,431)</b> | <b>(\$320,389,381)</b> |

|                                                                               | 2026                   | 2027                   | 2028                   | 2029                   | 2030                   | 2031                   |
|-------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 1. Credit balance (BOY)                                                       | (\$320,389,381)        | (\$342,588,822)        | (\$364,875,561)        | (\$388,175,578)        | (\$413,723,247)        | (\$442,662,482)        |
| 2. Interest on (1)                                                            | (19,223,363)           | (20,555,329)           | (21,892,534)           | (23,290,535)           | (24,823,395)           | (26,559,749)           |
| 3. Normal cost                                                                | 180,529                | 180,980                | 181,432                | 181,886                | 182,341                | 182,797                |
| 4. Administrative expenses                                                    | 867,838                | 893,873                | 920,689                | 948,310                | 976,759                | 1,006,062              |
| 5. Net amortization charges                                                   | 10,094,062             | 8,893,361              | 8,560,502              | 9,333,984              | 9,183,361              | 7,648,677              |
| 6. Interest on (3), (4) and (5)                                               | 668,546                | 598,093                | 579,757                | 627,851                | 620,548                | 530,252                |
| 7. Expected contributions                                                     | 8,638,902              | 8,638,902              | 8,638,902              | 8,638,902              | 6,694,914              | 351,499                |
| 8. Interest on (7)                                                            | 195,995                | 195,995                | 195,995                | 195,995                | 152,255                | 9,529                  |
| <b>9. Credit balance (EOY): (1) + (2) – (3) – (4) – (5) – (6) + (7) + (8)</b> | <b>(\$342,588,822)</b> | <b>(\$364,875,561)</b> | <b>(\$388,175,578)</b> | <b>(\$413,723,247)</b> | <b>(\$442,662,482)</b> | <b>(\$478,228,991)</b> |

Exhibit 4: Funding Standard Account — Projected Bases Assumed Established after September 1, 2020  
*Schedule of Funding Standard Account Bases*

| Type of Base   | Date Established | Base Established | Amortization Period | Amortization Payment |
|----------------|------------------|------------------|---------------------|----------------------|
| Actuarial gain | 9/1/2021         | (\$1,455,150)    | 15                  | (\$141,346)          |
| Actuarial loss | 9/1/2022         | 810,020          | 15                  | 78,681               |
| Actuarial loss | 9/1/2023         | 1,912,854        | 15                  | 185,804              |
| Actuarial loss | 9/1/2024         | 345,547          | 15                  | 33,565               |
| Actuarial loss | 9/1/2025         | 510,940          | 15                  | 49,630               |
| Actuarial loss | 9/1/2026         | 1,857,385        | 15                  | 180,417              |

## Exhibit 5: Solvency Projections

The table below presents the projected Market Value of Assets for the Plan Years beginning September 1, 2020 through 2024.

|                                                            | Year Beginning September 1, |              |              |              |                |
|------------------------------------------------------------|-----------------------------|--------------|--------------|--------------|----------------|
|                                                            | 2020                        | 2021         | 2022         | 2023         | 2024           |
| 1. Market Value at beginning of year                       | \$92,729,576                | \$81,835,216 | \$55,638,485 | \$34,597,959 | \$12,385,093   |
| 2. Contributions                                           | 289,824                     | 979,485      | 324,052      | 324,052      | 324,052        |
| 3. Withdrawal liability payments                           | 8,442,716                   | 8,059,128    | 8,314,850    | 8,314,850    | 8,314,850      |
| 4. Benefit payments                                        | 30,500,391                  | 29,726,723   | 31,376,665   | 31,265,662   | 31,106,007     |
| 5. Administrative expenses                                 | 724,312                     | 875,795      | 795,675      | 819,545      | 844,131        |
| 6. Interest earnings                                       | 11,597,803                  | (4,632,826)  | 2,492,912    | 1,233,439    | (94,814)       |
| 7. Market Value at end of year:<br>(1)+(2)+(3)-(4)-(5)+(6) | \$81,835,216                | \$55,638,485 | \$34,597,959 | \$12,385,093 | (\$11,020,957) |

## Exhibit 6: Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the September 1, 2020 actuarial valuation certificate, dated September 10, 2021 except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contribution Rates:</b>          | The changes to contribution rates on and after September 1, 2020 were based on formal known negotiated contribution rate changes.<br>Future collections of funding deficiencies are assured only for employers who are making payments pursuant to a payment schedule agreed to by the Trustees.                                                                                                                                                                                                                                                                                                                       |
| <b>Asset Information:</b>           | The financial information as of August 31, 2022 was based on an unaudited financial statement provided by the Fund Auditor. For projections after that date, the assumed administrative expenses were increased by 3% per year and the benefit payments were projected based on the September 1, 2020 actuarial valuation. The projected net investment return was assumed to be 6.00% of the average market value of assets for the 2022 - 2031 Plan Years. Any resulting investment gains or losses, due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account. |
| <b>Projected Industry Activity:</b> | As required by Internal Revenue Code Section 432, assumptions with respect to projected industry activity are based on information provided by the plan sponsor. Based on this information, the number of active participants is assumed to remain level and, on the average, contributions will be made for each active for 1,900 hours each year.                                                                                                                                                                                                                                                                    |
| <b>Future Normal Costs:</b>         | Based on the assumed industry activity, a closed active group, and the unit credit cost method, we have assumed that the Normal Cost in future years will increase by 0.25% per year to reflect the generational mortality and aging among the active population.                                                                                                                                                                                                                                                                                                                                                      |
| <b>Employer Withdrawals:</b>        | No employer withdrawals were assumed beyond those known and agreed to by the date of this certification.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Deterministic cost projections are based on a proprietary forecasting model. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary.

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## Schedule MB, Line 3(d) - Withdrawal Liability Amounts

| Payment Date | Periodic Amounts | Lump Sum Amounts | Total Amounts  |
|--------------|------------------|------------------|----------------|
| 09/30/2022   | \$127,862.73     | \$0.00           | \$127,862.73   |
| 09/30/2022   | \$1,943,988.00   | \$0.00           | \$1,943,988.00 |
| 09/30/2022   | \$6,861.75       | \$0.00           | \$6,861.75     |
| 11/30/2022   | \$127,862.73     | \$0.00           | \$127,862.73   |
| 12/31/2022   | \$1,943,988.00   | \$0.00           | \$1,943,988.00 |
| 12/31/2022   | \$6,861.75       | \$0.00           | \$6,861.75     |
| 03/31/2023   | \$127,862.73     | \$0.00           | \$127,862.73   |
| 03/31/2023   | \$1,943,988.00   | \$0.00           | \$1,943,988.00 |
| 03/31/2023   | \$6,861.75       | \$0.00           | \$6,861.75     |
| 06/30/2023   | \$127,862.73     | \$0.00           | \$127,862.73   |
| 06/30/2023   | \$1,943,988.00   | \$0.00           | \$1,943,988.00 |
| 06/30/2023   | \$6,861.75       | \$0.00           | \$6,861.75     |
| 08/31/2023   | \$127,862.73     | \$0.00           | \$127,862.73   |

## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Charges) (Schedule MB, Line 9c)

| Type of Base       | Date Established | Outstanding Balance | Years Remaining | Amortization Amount |
|--------------------|------------------|---------------------|-----------------|---------------------|
| Assumption changes | 09/01/2004       | \$29,130,933        | 12              | \$3,277,973         |
| Assumption change  | 09/01/2005       | 1,190,749           | 13              | 126,894             |
| Plan amendment     | 09/01/2005       | 1,818,107           | 13              | 193,749             |
| Plan amendment     | 09/01/2006       | 2,463,799           | 14              | 250,064             |
| Assumption change  | 09/01/2006       | 3,604,515           | 14              | 365,841             |
| Plan amendment     | 09/01/2007       | 1,087,782           | 15              | 105,661             |
| Actuarial loss     | 09/01/2008       | 148,768             | 1               | 148,768             |
| Plan amendment     | 09/01/2008       | 220,592             | 1               | 220,592             |
| Plan amendment     | 09/01/2009       | 2,302               | 2               | 1,185               |
| Actuarial loss     | 09/01/2009       | 5,535,614           | 2               | 2,848,423           |
| Plan amendment     | 09/01/2010       | 3,563               | 3               | 1,258               |
| Actuarial loss     | 09/01/2010       | 2,662,031           | 3               | 939,521             |
| Actuarial loss     | 09/01/2011       | 6,314,733           | 4               | 1,719,225           |
| Actuarial loss     | 09/01/2012       | 5,361,246           | 5               | 1,200,699           |
| Actuarial loss     | 09/01/2013       | 1,734,990           | 6               | 332,860             |
| Plan amendment     | 09/01/2015       | 12,062              | 8               | 1,832               |
| Assumption change  | 09/01/2015       | 4,749,152           | 8               | 721,494             |
| Plan amendment     | 09/01/2016       | 62,003              | 9               | 8,600               |
| Assumption change  | 09/01/2016       | 13,786,633          | 9               | 1,912,209           |
| Assumption change  | 09/01/2018       | 13,190,420          | 11              | 1,577,785           |
| Actuarial loss     | 09/01/2019       | 1,743,275           | 12              | 196,163             |
| Assumption change  | 09/01/2019       | 16,331,898          | 12              | 1,837,755           |

## Section 3: Certificate of Actuarial Valuation

| Type of Base   | Date Established | Outstanding Balance  | Years Remaining | Amortization Amount |
|----------------|------------------|----------------------|-----------------|---------------------|
| Actuarial loss | 09/01/2020       | 2,068,560            | 13              | 220,438             |
| Actuarial loss | 09/01/2022       | 980,627              | 15              | 95,253              |
| <b>Total</b>   |                  | <b>\$114,204,354</b> |                 | <b>\$18,304,242</b> |

## Section 3: Certificate of Actuarial Valuation

### Schedule of FSA Bases (Credits) (Schedule MB, Line 9h)

| Type of Base      | Date Established | Outstanding Balance | Years Remaining | Amortization Amount |
|-------------------|------------------|---------------------|-----------------|---------------------|
| Assumption change | 09/01/2008       | \$352,914           | 1               | \$352,914           |
| Actuarial gain    | 09/01/2014       | 4,576,958           | 7               | 773,484             |
| Actuarial gain    | 09/01/2015       | 3,769,727           | 8               | 572,700             |
| Actuarial gain    | 09/01/2016       | 2,783,914           | 9               | 386,129             |
| Assumption change | 09/01/2017       | 26,397              | 10              | 3,383               |
| Actuarial gain    | 09/01/2017       | 6,250,173           | 10              | 801,130             |
| Actuarial gain    | 09/01/2018       | 717,960             | 11              | 85,879              |
| Actuarial gain    | 09/01/2021       | 4,837,540           | 14              | 490,987             |
| <b>Total</b>      |                  | <b>\$23,315,583</b> |                 | <b>\$3,466,606</b>  |

## Section 3: Certificate of Actuarial Valuation

|                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>FSA Contribution Timing (Schedule MB, line 3a)</b>                           | Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the FSA is therefore assumed to be equivalent to a March 15 contribution date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Actuarial Models</b>                                                         | Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary. |
| <b>Justification for Change in Actuarial Assumptions (Schedule MB, line 11)</b> | For purposes of determining current liability, the current liability interest rate was changed from 2.30% to 2.33% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.                                                                                                                                                                                                                                                                                                                                 |

## Section 3: Certificate of Actuarial Valuation

### Exhibit K: Statement of Actuarial Assumptions, Methods and Models

(Schedule MB, Line 6)

#### Mortality Rates

*Non-annuitant:* RP-2014 Blue Collar Employee Mortality Table, adjusted backwards to the base table (2006) and projected forward with generational projection using Scale MP-2018

*Annuitant:* RP-2014 Blue Collar Annuitant Mortality Table, adjusted backwards to the base table (2006) and projected forward with generational projection using Scale MP-2018

The underlying tables reasonably reflect the mortality experience of the Plan as of the measurement date. These mortality tables were then adjusted to future years using the generational projection to reflect future mortality improvement between the measurement date and those years.

The mortality rates were based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of deaths and the projected number based on the prior year's assumption over the past several years.

#### Termination Rates Before Retirement

| Age | Rate (%)               |        |
|-----|------------------------|--------|
|     | Mortality <sup>1</sup> |        |
|     | Male                   | Female |
| 20  | 0.07                   | 0.02   |
| 25  | 0.07                   | 0.02   |
| 30  | 0.06                   | 0.02   |
| 35  | 0.07                   | 0.03   |
| 40  | 0.10                   | 0.05   |
| 45  | 0.16                   | 0.09   |
| 50  | 0.26                   | 0.13   |
| 55  | 0.38                   | 0.19   |
| 60  | 0.64                   | 0.31   |

<sup>1</sup> Mortality rates shown for base table

The termination rates were based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of terminations and the projected number based on the prior years' assumption over the past several years.

## Section 3: Certificate of Actuarial Valuation

### Retirement Rates

| Age          | Annual Retirement Rates |
|--------------|-------------------------|
| Less than 52 | 0% <sup>1</sup>         |
| 52 - 61      | 5% <sup>1</sup>         |
| 62           | 30%                     |
| 63 - 69      | 25%                     |
| 70           | 100%                    |

<sup>1</sup> If the participant works for an employer with the additional seventeen cents contribution category and has 30 or more years of credited service, then retirement probability is 25%.

The retirement rates were based on historical and current demographic data, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior years' assumption over the past several years.

### Description of Weighted Average Retirement Age

Age 63, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential current or future retirement age times the probability of surviving from current age to that age and then retiring at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages based on all the active participants included in the September 1, 2022 actuarial valuation.

### Retirement Age for Inactive Vested Participants

| Age     | Annual Retirement Rates |
|---------|-------------------------|
| 52 – 61 | 10%                     |
| 62 – 64 | 30%                     |
| 65      | 100%                    |

The retirement age for inactive vested participants was based on historical and current demographic data, adjusted to reflect estimated future experience and professional judgment. As part of the analysis, a comparison was made between the actual number of retirements by age and the projected number based on the prior years' assumption over the past several years.

### Future Benefit Accruals

12 months of credit service per year.

### Unknown Data for Participants

Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

## Section 3: Certificate of Actuarial Valuation

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Definition of Active Participants</b>   | Active participants are defined as those employed by an employer who has not withdrawn as of the end of the most recent plan year.                                                                                                                                                                                                                                                                                                                                                   |
| <b>Percent Married</b>                     | 60%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Age of Spouse</b>                       | Females three years younger than males.                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Benefit Election</b>                    | <p>60% of all participants are assumed to elect 100% Joint-and-Survivor option and 40% of all participants are assumed to elect the life annuity option.</p> <p>The benefit elections were based on historical and current demographic data, adjusted to reflect the plan design, estimated future experience and professional judgment. As part of the analysis, a comparison was made between the assumed and the actual option election patterns over the past several years.</p> |
| <b>Delayed Retirement Factors</b>          | Active participants assumed to work enough hours each month to not qualify for delayed retirement adjustment. Inactive vested participants who are assumed to commence receipt of benefits after attaining age 62 qualify for delayed retirement increases, but not beyond age 70.                                                                                                                                                                                                   |
| <b>Net Investment Return</b>               | <p>6.00%</p> <p>The net investment return assumption is a long-term estimate derived from historical data, current and recent market expectations, and professional judgment. As part of the analysis, a building block approach was used that reflects inflation expectations and anticipated risk premiums for each of the portfolio's asset classes as provided by Segal Marco Advisors, as well as the Plan's target asset allocation.</p>                                       |
| <b>Annual Administrative Expenses</b>      | <p>\$750,000 for the year beginning September 1, 2022 (equivalent to \$726,800 payable at the beginning of the year)</p> <p>The annual administrative expenses were based on historical and current data, adjusted to reflect estimated future experience and professional judgment.</p>                                                                                                                                                                                             |
| <b>Actuarial Value of Assets</b>           | The market value of assets less unrecognized returns in each of the last five years with phase in. Unrecognized return is equal to the difference between the actual market return and the projected market return, and is recognized over a five-year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.                                                                                                                          |
| <b>Actuarial Cost Method</b>               | Unit Credit Actuarial Cost Method. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service.                                                                                                                                                                                                                                                                                                                                   |
| <b>Benefits Valued</b>                     | Unless otherwise indicated, includes all benefits summarized in Exhibit L.                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Current Liability Assumptions</b>       | <p><i>Interest:</i> 2.33%, within the permissible range prescribed under IRC Section 431(c)(6)(E)</p> <p><i>Mortality:</i> Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1: RP-2014 employee and annuitant mortality tables, adjusted backward to the base year (2006) using Scale MP-2014, projected forward generationally using Scale MP-2020.</p>                                                                                                     |
| <b>Estimated Rate of Investment Return</b> | <p><i>On actuarial value of assets (Schedule MB, line 6g):</i> 3.7%, for the Plan Year ending August 31, 2022</p> <p><i>On current (market) value of assets (Schedule MB, line 6h):</i> -11.0%, for the Plan Year ending August 31, 2022</p>                                                                                                                                                                                                                                         |

## Section 3: Certificate of Actuarial Valuation

|                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>FSA Contribution Timing (Schedule MB, line 3a)</b>                           | Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the FSA is therefore assumed to be equivalent to a March 15 contribution date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Actuarial Models</b>                                                         | Segal valuation results are based on proprietary actuarial modeling software. The actuarial valuation models generate a comprehensive set of liability and cost calculations that are presented to meet regulatory, legislative and client requirements. Our Actuarial Technology and Systems unit, comprised of both actuaries and programmers, is responsible for the initial development and maintenance of these models. The models have a modular structure that allows for a high degree of accuracy, flexibility and user control. The client team programs the assumptions and the plan provisions, validates the models, and reviews test lives and results, under the supervision of the responsible actuary. |
| <b>Justification for Change in Actuarial Assumptions (Schedule MB, line 11)</b> | For purposes of determining current liability, the current liability interest rate was changed from 2.30% to 2.33% due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.                                                                                                                                                                                                                                                                                                                                 |

## Schedule MB, Line 8b(1) - Schedule of Projection of Expected Benefit Payments

| Plan Year | Active Participants | Terminated Vested Participants | Retired Participants and Beneficiaries | Total        |
|-----------|---------------------|--------------------------------|----------------------------------------|--------------|
| 2022      | \$71,107            | \$1,883,926                    | \$28,976,024                           | \$30,931,057 |
| 2023      | 126,124             | 2,390,704                      | 28,379,656                             | 30,896,484   |
| 2024      | 173,131             | 2,875,422                      | 27,746,148                             | 30,794,701   |
| 2025      | 222,113             | 3,352,379                      | 27,053,465                             | 30,627,957   |
| 2026      | 260,172             | 3,778,960                      | 26,315,532                             | 30,354,664   |
| 2027      | 294,703             | 4,214,296                      | 25,527,771                             | 30,036,770   |
| 2028      | 329,487             | 4,687,570                      | 24,704,225                             | 29,721,282   |
| 2029      | 352,521             | 5,125,608                      | 23,835,690                             | 29,313,819   |
| 2030      | 373,318             | 5,495,466                      | 22,920,851                             | 28,789,635   |
| 2031      | 389,691             | 5,876,485                      | 21,984,418                             | 28,250,594   |
| 2032      | 406,050             | 6,165,994                      | 21,019,553                             | 27,591,597   |
| 2033      | 420,399             | 6,436,248                      | 20,026,602                             | 26,883,249   |
| 2034      | 429,265             | 6,697,687                      | 19,010,029                             | 26,136,981   |
| 2035      | 434,199             | 6,921,708                      | 17,974,817                             | 25,330,724   |
| 2036      | 437,809             | 7,131,394                      | 16,926,401                             | 24,495,604   |
| 2037      | 439,657             | 7,317,044                      | 15,870,611                             | 23,627,312   |
| 2038      | 439,945             | 7,501,974                      | 14,813,587                             | 22,755,506   |
| 2039      | 439,915             | 7,635,126                      | 13,761,796                             | 21,836,837   |

This assumes the following:

- No additional benefits will be accrued.
- Experience is in line with valuation assumptions.
- No new entrants are covered by the Plan.
- Benefits are paid in the form assumed with valuation.

## Schedule MB, Line 8b(1) - Schedule of Projection of Expected Benefit Payments

| Plan Year | Active Participants | Terminated Vested Participants | Retired Participants and Beneficiaries | Total        |
|-----------|---------------------|--------------------------------|----------------------------------------|--------------|
| 2040      | \$437,130           | \$7,734,445                    | \$12,721,937                           | \$20,893,512 |
| 2041      | 432,485             | 7,786,617                      | 11,700,774                             | 19,919,876   |
| 2042      | 426,411             | 7,783,927                      | 10,704,868                             | 18,915,206   |
| 2043      | 418,912             | 7,766,640                      | 9,740,372                              | 17,925,924   |
| 2044      | 410,302             | 7,722,680                      | 8,812,793                              | 16,945,775   |
| 2045      | 402,160             | 7,631,667                      | 7,927,171                              | 15,960,998   |
| 2046      | 392,171             | 7,517,167                      | 7,087,956                              | 14,997,294   |
| 2047      | 381,217             | 7,366,498                      | 6,298,730                              | 14,046,445   |
| 2048      | 368,836             | 7,176,284                      | 5,562,147                              | 13,107,267   |
| 2049      | 355,478             | 6,973,428                      | 4,880,109                              | 12,209,015   |
| 2050      | 341,068             | 6,752,131                      | 4,253,738                              | 11,346,937   |
| 2051      | 325,933             | 6,512,169                      | 3,683,360                              | 10,521,462   |
| 2052      | 310,392             | 6,262,821                      | 3,168,488                              | 9,741,701    |
| 2053      | 294,230             | 6,001,758                      | 2,707,689                              | 9,003,677    |
| 2054      | 277,052             | 5,734,019                      | 2,298,758                              | 8,309,829    |
| 2055      | 259,455             | 5,460,977                      | 1,938,946                              | 7,659,378    |
| 2056      | 241,629             | 5,182,805                      | 1,625,099                              | 7,049,533    |
| 2057      | 223,753             | 4,900,966                      | 1,353,782                              | 6,478,501    |

This assumes the following:

- No additional benefits will be accrued.
- Experience is in line with valuation assumptions.
- No new entrants are converted by the Plan.
- Benefits are paid in the form assumed with valuation.

## Schedule MB, Line 8b(1) - Schedule of Projection of Expected Benefit Payments

| Plan Year | Active Participants | Terminated Vested Participants | Retired Participants and Beneficiaries | Total       |
|-----------|---------------------|--------------------------------|----------------------------------------|-------------|
| 2058      | \$206,020           | \$4,617,149                    | \$1,121,344                            | \$5,944,513 |
| 2059      | 188,600             | 4,332,395                      | 924,032                                | 5,445,027   |
| 2060      | 171,789             | 4,048,417                      | 758,046                                | 4,978,252   |
| 2061      | 155,430             | 3,766,529                      | 619,655                                | 4,541,614   |
| 2062      | 139,848             | 3,488,268                      | 505,238                                | 4,133,354   |
| 2063      | 125,165             | 3,215,131                      | 411,364                                | 3,751,660   |
| 2064      | 111,463             | 2,948,588                      | 334,873                                | 3,394,924   |
| 2065      | 98,791              | 2,689,999                      | 272,875                                | 3,061,665   |
| 2066      | 87,177              | 2,440,613                      | 222,845                                | 2,750,635   |
| 2067      | 76,629              | 2,201,613                      | 182,565                                | 2,460,807   |
| 2068      | 67,122              | 1,974,034                      | 150,142                                | 2,191,298   |
| 2069      | 58,610              | 1,758,827                      | 123,976                                | 1,941,413   |
| 2070      | 51,041              | 1,556,712                      | 102,756                                | 1,710,509   |
| 2071      | 44,345              | 1,368,228                      | 85,435                                 | 1,498,008   |

This assumes the following:

- No additional benefits will be accrued.
- Experience is in line with valuation assumptions.
- No new entrants are converted by the Plan.
- Benefits are paid in the form assumed with valuation.

|                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br>This form is required to be filed for employee benefit plans under sections 104 and 4085 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).<br><br><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210 - 0110<br>1210 - 0089<br><br><div style="border: 1px solid black; padding: 5px; text-align: center; font-weight: bold;">2022</div><br><br>This Form is Open to<br>Public Inspection |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                           |                                                                                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I Annual Report Identification Information</b>                                                                    |                                                                                                                                                                          |
| For calendar plan year 2022 or fiscal plan year beginning <u>09/01/2022</u> and ending <u>08/31/2023</u>                  |                                                                                                                                                                          |
| <b>A</b> This return/report is for: <input checked="" type="checkbox"/> a multiemployer plan                              | <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instr.) |
| <b>B</b> This return/report is: <input type="checkbox"/> a single-employer plan                                           | <input type="checkbox"/> a DFE (specify) _____                                                                                                                           |
| <input type="checkbox"/> the first return/report                                                                          | <input type="checkbox"/> the final return/report                                                                                                                         |
| <input type="checkbox"/> an amended return/report                                                                         | <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                           |
| <b>C</b> If the plan is a collectively-bargained plan, check here <input checked="" type="checkbox"/>                     |                                                                                                                                                                          |
| <b>D</b> Check box if filing under: <input checked="" type="checkbox"/> Form 5558                                         |                                                                                                                                                                          |
| <input type="checkbox"/> automatic extension                                                                              |                                                                                                                                                                          |
| <input type="checkbox"/> special extension (enter description) _____                                                      |                                                                                                                                                                          |
| <b>E</b> If this is a retroactively adopted plan permitted by SECURE Act section 201, check here <input type="checkbox"/> |                                                                                                                                                                          |

|                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II Basic Plan Information</b> - enter all requested information                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                 |
| <b>1a</b> Name of plan<br>LOCAL NO. 863 PENSION PLAN                                                                                                                                                                                                                                                                                                 | <b>1b</b> Three-digit plan number (PN) <u>001</u>                                                                                                                                                                                               |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br>LOCAL NO. 863 PENSION PLAN<br><br>209 SUMMIT ROAD<br><br>MOUNTAINSIDE NJ 07092-2304 | <b>1c</b> Effective date of plan<br>01/26/1956<br><br><b>2b</b> Employer Identification Number (EIN)<br>22-1598194<br><br><b>2c</b> Plan Sponsor's telephone number<br>908-654-3361<br><br><b>2d</b> Business code (see instructions)<br>525100 |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|              |                                    |           |                                                              |
|--------------|------------------------------------|-----------|--------------------------------------------------------------|
| SIGN<br>HERE |                                    | 6/13/2024 | ALPHONSE RISPOLI                                             |
|              | Signature of plan administrator    | Date      | Enter name of individual signing as plan administrator       |
| SIGN<br>HERE |                                    | 6/13/2024 | ALPHONSE RISPOLI                                             |
|              | Signature of employer/plan sponsor | Date      | Enter name of individual signing as employer or plan sponsor |
| SIGN<br>HERE |                                    |           |                                                              |
|              | Signature of DFE                   | Date      | Enter name of individual signing as DFE                      |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2022)  
v. 220413

**PENSION FUND OF TEAMSTERS' LOCAL UNION NO. 863**  
**SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS**  
**PLAN #001**  
**EIN# 22-1598194**  
**AUGUST 31, 2023**

| (a) Identity of<br>Party Involved                 | (b) Description of Asset         | (c) Purchase<br>Price | (d) Selling<br>Price | (e) Lease<br>Price | (f) Expense<br>Incurred with<br>Transaction | (g) Cost of<br>Asset | (h) Current Value<br>of Asset on<br>Transaction Date | (i) Net Gain<br>(Loss) |
|---------------------------------------------------|----------------------------------|-----------------------|----------------------|--------------------|---------------------------------------------|----------------------|------------------------------------------------------|------------------------|
| <b><u>Single Transactions Exceeding 5%</u></b>    |                                  |                       |                      |                    |                                             |                      |                                                      |                        |
| Principal Bank                                    | Allspring Government MM Fd Instl | \$ 43,455,785         | \$ -                 | \$ -               | \$ -                                        | \$ 43,455,785        | \$ 43,455,785                                        | \$ -                   |
| <b><u>Series of Transactions Exceeding 5%</u></b> |                                  |                       |                      |                    |                                             |                      |                                                      |                        |
| Principal Bank                                    | Allspring Government MM Fd Instl | \$ -                  | \$ 97,704,841        | \$ -               | \$ -                                        | \$ 97,704,841        | \$ 97,704,841                                        | \$ -                   |
| Principal Bank                                    | Invesco S&P 500 Equal Weight     | -                     | 3,447,094            | -                  | -                                           | 3,670,890            | 3,447,094                                            | (223,796)              |

See Independent Auditors' report.

|                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <div>SCHEDULE MB</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Multiemployer Defined Benefit Plan and Certain<br/>Money Purchase Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div> | <div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public<br/>Inspection</div> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|

For calendar plan year 2022 or fiscal plan year beginning 09/01/2022 and ending 08/31/2023

▶ Round off amounts to nearest dollar.  
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                       |                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| <div>A Name of plan</div> <div>LOCAL UNION NO. 863 I.B.T. PENSION PLAN</div>                                                          | <div>B Three-digit<br/>plan number (PN) ▶</div> <div>001</div>          |
| <div>C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF</div> <div>THE PENSION FUND OF TEAMSTERS LOCAL UNION 863</div> | <div>D Employer Identification Number (EIN)</div> <div>22-1598194</div> |

E Type of plan: (1) ☒ Multiemployer Defined Benefit (2) ☐ Money Purchase (see instructions)

|                                                                                                              |                      |
|--------------------------------------------------------------------------------------------------------------|----------------------|
| 1a Enter the valuation date: Month 09 Day 01 Year 2022                                                       |                      |
| b Assets                                                                                                     |                      |
| (1) Current value of assets .....                                                                            | 1b(1) 52,245,448     |
| (2) Actuarial value of assets for funding standard account.....                                              | 1b(2) 58,769,021     |
| c (1) Accrued liability for plan using immediate gain methods .....                                          | 1c(1) 379,963,159    |
| (2) Information for plans using spread gain methods:                                                         |                      |
| (a) Unfunded liability for methods with bases .....                                                          | 1c(2)(a)             |
| (b) Accrued liability under entry age normal method.....                                                     | 1c(2)(b)             |
| (c) Normal cost under entry age normal method .....                                                          | 1c(2)(c)             |
| (3) Accrued liability under unit credit cost method.....                                                     | 1c(3) 379,963,159    |
| d Information on current liabilities of the plan:                                                            |                      |
| (1) Amount excluded from current liability attributable to pre-participation service (see instructions)..... | 1d(1)                |
| (2) "RPA '94" information:                                                                                   |                      |
| (a) Current liability .....                                                                                  | 1d(2)(a) 574,504,777 |
| (b) Expected increase in current liability due to benefits accruing during the plan year .....               | 1d(2)(b) 279,506     |
| (c) Expected release from "RPA '94" current liability for the plan year .....                                | 1d(2)(c) 30,942,888  |
| (3) Expected plan disbursements for the plan year .....                                                      | 1d(3) 31,692,888     |

Statement by Enrolled Actuary  
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>SIGN HERE</div> <div>JOEL LEARY </div> <div>Signature of actuary</div> <div>JOEL LEARY, ASA, FCA, MAAA</div> <div>Type or print name of actuary</div> <div>SEGAL</div> <div>Firm name</div> <div>333 WEST 34TH STREET<br/>NEW YORK NY 10001-2402</div> <div>Address of the firm</div> | <div>06/10/2024</div> <div>Date</div> <div>2306166</div> <div>Most recent enrollment number</div> <div>212-251-5000</div> <div>Telephone number (including area code)</div> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐



- k** Has a change been made in funding method for this plan year? ☐ Yes ☒ No
- l** If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? ☐ Yes ☐ No
- m** If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method 

|           |  |
|-----------|--|
| <b>5m</b> |  |
|-----------|--|

**6** Checklist of certain actuarial assumptions:

- a** Interest rate for "RPA '94" current liability 

|           |        |
|-----------|--------|
| <b>6a</b> | 2.33 % |
|-----------|--------|
- |                                                                                                                          | Pre-retirement                                                                                                                                               | Post-retirement                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>b</b> Rates specified in insurance or annuity contracts                                                               | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A                                                             | <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |
| <b>c</b> Mortality table code for valuation purposes:                                                                    |                                                                                                                                                              |                                                                                                  |
| <b>(1)</b> Males                                                                                                         | <b>6c(1)</b> A                                                                                                                                               | A                                                                                                |
| <b>(2)</b> Females                                                                                                       | <b>6c(2)</b> A                                                                                                                                               | A                                                                                                |
| <b>d</b> Valuation liability interest rate                                                                               | <b>6d</b> 6.00 %                                                                                                                                             | 6.00 %                                                                                           |
| <b>e</b> Salary scale                                                                                                    | <b>6e</b> % <input checked="" type="checkbox"/> N/A                                                                                                          |                                                                                                  |
| <b>f</b> Withdrawal liability interest rate:                                                                             |                                                                                                                                                              |                                                                                                  |
| <b>(1)</b> Type of interest rate                                                                                         | <b>6f(1)</b> <input type="checkbox"/> Single rate <input type="checkbox"/> ERISA 4044 <input checked="" type="checkbox"/> Other <input type="checkbox"/> N/A |                                                                                                  |
| <b>(2)</b> If "Single rate" is checked in (1), enter applicable single rate                                              | <b>6f(2)</b>                                                                                                                                                 | %                                                                                                |
| <b>g</b> Estimated investment return on actuarial value of assets for year ending on the valuation date                  | <b>6g</b>                                                                                                                                                    | 3.7 %                                                                                            |
| <b>h</b> Estimated investment return on current value of assets for year ending on the valuation date                    | <b>6h</b>                                                                                                                                                    | -11 %                                                                                            |
| <b>i</b> Expense load included in normal cost reported in line 9b                                                        | <b>6i</b>                                                                                                                                                    | <input type="checkbox"/> N/A                                                                     |
| <b>(1)</b> If expense load is described as a percentage of normal cost, enter the assumed percentage                     | <b>6i(1)</b>                                                                                                                                                 | %                                                                                                |
| <b>(2)</b> If expense load is a dollar amount that varies from year to year, enter the dollar amount included in line 9b | <b>6i(2)</b>                                                                                                                                                 | 726,800                                                                                          |
| <b>(3)</b> If neither (1) nor (2) describes the expense load, check the box                                              | <b>6i(3)</b>                                                                                                                                                 | <input type="checkbox"/>                                                                         |

**7** New amortization bases established in the current plan year:

| (1) Type of base | (2) Initial balance | (3) Amortization Charge/Credit |
|------------------|---------------------|--------------------------------|
| 1                | 980,627             | 95,253                         |
|                  |                     |                                |
|                  |                     |                                |
|                  |                     |                                |
|                  |                     |                                |
|                  |                     |                                |

**8** Miscellaneous information:

- a** If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval 

|           |  |
|-----------|--|
| <b>8a</b> |  |
|-----------|--|
- b** Demographic, benefit, and contribution information
- (1)** Is the plan required to provide a projection of expected benefit payments? (See instructions) If "Yes," see instructions for required attachment. ☒ Yes ☐ No
- (2)** Is the plan required to provide a Schedule of Active Participant Data? (See instructions). ☒ Yes ☐ No
- (3)** Is the plan required to provide a projection of employer contributions and withdrawal liability payments? (See instructions) If "Yes," attach a schedule. ☒ Yes ☐ No
- c** Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? ☐ Yes ☒ No
- d** If line c is "Yes," provide the following additional information:
- |                                                                                                                                                                                         |                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| <b>(1)</b> Was an extension granted automatic approval under section 431(d)(1) of the Code?                                                                                             | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>(2)</b> If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended.                                                                             | <b>8d(2)</b>                                             |
| <b>(3)</b> Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code?                                        | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>(4)</b> If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)).                                 | <b>8d(4)</b>                                             |
| <b>(5)</b> If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension                                                                                          | <b>8d(5)</b>                                             |
| <b>(6)</b> If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

**e** If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) .....

**8e****9** Funding standard account statement for this plan year:**Charges to funding standard account:**

**a** Prior year funding deficiency, if any .....

**9a**

230,305,367

**b** Employer's normal cost for plan year as of valuation date .....

**9b**

868,948

**c** Amortization charges as of valuation date:

Outstanding balance

(1) All bases except funding waivers and certain bases for which the amortization period has been extended .....

**9c(1)**

114,204,354

18,304,242

(2) Funding waivers .....

**9c(2)**

0

0

(3) Certain bases for which the amortization period has been extended .....

**9c(3)**

0

0

**d** Interest as applicable on lines 9a, 9b, and 9c .....

**9d**

14,968,713

**e** Total charges. Add lines 9a through 9d .....

**9e**

264,447,270

**Credits to funding standard account:**

**f** Prior year credit balance, if any .....

**9f**

0

**g** Employer contributions. Total from column (b) of line 3 .....

**9g**

8,688,453

Outstanding balance

**h** Amortization credits as of valuation date .....

**9h**

23,315,583

3,466,606

**i** Interest as applicable to end of plan year on lines 9f, 9g, and 9h .....

**9i**

404,715

**j** Full funding limitation (FFL) and credits:

(1) ERISA FFL (accrued liability FFL) .....

**9j(1)**

348,301,859

(2) "RPA '94" override (90% current liability FFL) .....

**9j(2)**

471,582,787

(3) FFL credit .....

**9j(3)**

0

**k** (1) Waived funding deficiency .....

**9k(1)**

0

(2) Other credits .....

**9k(2)**

0

**l** Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) .....

**9l**

12,559,774

**m** Credit balance: If line 9l is greater than line 9e, enter the difference .....

**9m**

**n** Funding deficiency: If line 9e is greater than line 9l, enter the difference .....

**9n**

251,887,496

**o** Current year's accumulated reconciliation account:

(1) Due to waived funding deficiency accumulated prior to the 2022 plan year .....

**9o(1)**

0

(2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:

(a) Reconciliation outstanding balance as of valuation date .....

**9o(2)(a)**

0

(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)) .....

**9o(2)(b)**

0

(3) Total as of valuation date .....

**9o(3)**

0

**10** Contribution necessary to avoid an accumulated funding deficiency. (see instructions.) .....

**10**

251,887,496

**11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions .....

☒ Yes ☐ No