



Welfare, Pension and Annuity Funds

ANNUAL FUNDING NOTICE

FOR

SHEET METAL WORKERS' LOCAL NO. 73 PENSION PLAN

Introduction

This notice includes important funding information about your pension plan (“the Plan”). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning July 1, 2023 and ending June 30, 2024 (referred to hereafter as “Plan Year”).

How Well Funded Is Your Plan

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

Funded Percentage			
	2023 Plan Year	2022 Plan Year	2021 Plan Year
Valuation Date	July 1, 2023	July 1, 2022	July 1, 2021
Funded Percentage	151.0%	146.2%	139.6%
Value of Assets	\$684,936,621	\$665,740,278	\$641,501,727
Value of Liabilities	\$453,578,455	\$455,334,988	\$459,555,084

Year-End Fair Market Value of Assets

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

	June 30, 2024	June 30, 2023	June 30, 2022
Fair Market Value of Assets	\$709,272,161*	\$651,489,568	\$622,952,457

Endangered, Critical, or Critical and Declining Status

Participant Information

The total number of participants in the Plan as of the Plan's valuation date was 5,330. Of this number, 1,865 were active participants, 2,707 were retired or separated from service and receiving benefits, and 758 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The Plan is funded in accordance with the collective bargaining agreements between employers and the union representing certain employees, including the Plan's participants, by contributions made by such employers.

Once money is contributed to the Plan, the money is invested by Plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy provides the fiduciaries who are responsible for Plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan intends to maximize long-term results consistent with prudent levels of risk by investing in a diversified mix of equities, fixed income, and cash equivalents. It is expected that this approach provide adequate funds to sufficiently support designated needs of and preserve or enhance the value of the Plan's assets, taking into account the time horizon available for investment, the nature of the Plan's cash flows and liabilities, and other factors that affect the Plan's risk tolerances.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

	Asset Allocations	Percentage
1.	Cash (Interest bearing and non-interest bearing)	0.6%
2.	U.S. Government securities	7.7%
3.	Corporate debt instruments (other than employer securities): Preferred All other	6.9%
4.	Corporate stocks (other than employer securities): Preferred Common	1.5%
5.	Partnership/joint venture interests	5.5%
6.	Real estate (other than employer real property)	7.0%
7.	Loans (other than to participants)	
8.	Participant loans	
9.	Value of interest in common/ collective trusts	68.0%
10.	Value of interest in pooled separate accounts	
11.	Value of interest in 103-12 investment entities	
12.	Value of interest in registered investment companies (e.g., mutual funds)	2.8%
13.	Value of funds held in insurance co. general account (unallocated contracts)	
14.	Employer-related investments: Employer Securities Employer real property	
15.	Buildings and other property used in plan operation	
16.	Other	

For information about the Plan's investment in any of the following types of investments as described in the chart above – common/collective trusts – contact Mr. Patrick Ludvigsen at (708) 449-7373.

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N- 1513, Washington, DC 20210, or by calling (202) 693-8673. Alternatively, you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator's contact information is provided on Page 5 under "Where to Get More Information."

Summary of Rules Governing Insolvent Plans

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

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

Benefit Payments Guaranteed by the PBGC

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

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

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

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

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at <https://www.pbgc.gov/prac/multiemployer>. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information."

Where to Get More Information

For more information about this notice, you may contact the individual below.

Mr. Patrick Ludvigsen
Administrator
Sheet Metal Workers' Local No. 73 Pension Plan
4530 Roosevelt Road
Hillside, Illinois 60162
(708) 449-7373

For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 51-6126221. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).