

Notice to Employers and Sponsoring Unions

Midwest Operating Engineers Pension Trust Fund

For the Year Ended March 31, 2021

February 2022

**To: International Union of Operating Engineers, Local 150, AFL-CIO,
Contributing Employers, and Associations**

This notice regarding Midwest Operating Engineers Pension Trust Fund (the Plan) is being provided as required by Section 104(d) of ERISA as amended by the Pension Protection Act of 2006. The 2020 Plan Year began on April 1, 2020 and ended on March 31, 2021 and information shown below is for the 2020 Plan Year, except as otherwise indicated.

1. Contributions and Benefits:

(a) Contribution Rates:

Varies from \$0.07 to \$17.00 per hour as of the valuation date. The average contribution rate as of April 1, 2020 is \$10.91 per hour out of which \$5.14 is subject to benefit accrual.

(b) Benefit Formula:

For Service on or Before September 30, 2009

- 3.6% of employer contributions made on a participant's behalf for service before April 1, 2000 provided the participant has worked at least 500 hours in Plan years beginning April 1, 1998 or April 1, 1999; plus
- 3.6% of employer contributions made on a participant's behalf for service between April 1, 2000 and March 31, 2006; plus
- 3.0% of employer contributions made on a participant's behalf for service between April 1, 2006 and December 31, 2008; plus
- 2.0% of employer contributions made on a participant's behalf for service between January 1, 2009 and September 30, 2009

For Service between October 1, 2009 and September 30, 2013

- 1.5% of non-supplemental employer contributions made on a participant's behalf
 - ✓ The following table shows the amount of the hourly contribution rate that is deemed supplemental (i.e., not subject to benefit accruals):

Date	Supplemental Contribution (per hour)
October 1, 2009 – September 30, 2010	\$1.00
October 1, 2010 – September 30, 2011	\$2.00
October 1, 2011 – October 31, 2012	\$2.50
November 1, 2012 – September 30, 2013	\$3.50

For Service on or After October 1, 2013

- 1.0% of non-supplemental employer contributions made on a participant’s behalf
 - ✓ Under the Preferred Schedule of the Funding Improvement Plan, the following table shows the hourly contribution rate that is deemed supplemental (i.e., not subject to benefit accruals):

Date	Supplemental Contribution*(per hour)
October 1, 2013 – September 30, 2014	\$4.00
October 1, 2014 – September 30, 2015	\$4.50
October 1, 2015 – September 30, 2016	\$5.00
October 1, 2016 – September 30, 2017	\$5.50
October 1, 2017 – September 30, 2018	\$6.00
October 1, 2018 and thereafter	\$6.50

*The amount is lower for employers paying an hourly rate of less than \$8.50 on September 30, 2013. In addition, before October 1, 2016, no more than 50% of the total contributions will be considered as supplemental contributions. Effective October 1, 2017, additional contributions diverted from the Active Welfare Fund are also considered as supplemental contribution.

- ✓ Under the Default Schedule of the Funding Improvement Plan, the total contribution rate in effect when the Funding Improvement Plan is adopted is considered as supplemental contributions.

2. **Employers:** During the 2020 Plan Year, 1,628 employers contributed to the Plan.
3. **Employers Contributing More than 5% during the 2020 Plan Year:**
No employer contributed more than 5% during the 2020 Plan Year.
4. **Participants with No Contributions:** There were 0 participants in the Plan in each of the Plan Years ended in 2021, 2020, and 2019, for whom no employer contributions were made. For purposes of this item, only employees of employers that have withdrawn as of the beginning of the year are counted. Retirees and deferred vested participants are not counted.
5. **Plan Funding Status:** The Plan was in neither critical nor endangered (“Red Zone”) status for the Plan Year beginning April 1, 2020.
 - Effective January 8, 2013, the Plan Sponsor adopted a Funding Improvement Plan designed to improve the Pension Plan’s funded position. Employers and unions were notified of the items to be covered in new or renewed collective bargaining agreements after the Funding Improvement Plan was adopted.
 - You have the right to obtain a copy of the Funding Improvement Plan and information pertaining to the actuarial and financial data that demonstrates the Plan’s fiscal improvement.
6. **Withdrawing Employers in Previous Year:** There was one employer that withdrew from the fund during the 2019 Plan Year. The aggregate amount of the withdrawal liability assessed or estimated to be assessed against such withdrawn employer totaled \$333,004.
7. **Mergers:** There were no Plan mergers during the 2020 Plan Year.

8. **Amortization Extension:** The Plan applied for a five-year amortization extension and received approval for the unfunded charge bases as of April 1, 2008 from the Internal Revenue Service in accordance with Internal Revenue Code Section 431(d). The Plan did not use the shortfall funding method for the 2020 Plan Year.

9. **Additional Information:** You also have the right to obtain a copy of the 2020 Form 5500, Summary Plan Description, or Summary of Material Modifications upon written request to the Fund Office and payment of a reasonable charge to cover the costs of furnishing copies of such documents. You are only entitled to receive one copy of each of these documents during any 12-month period.