



Important Plan Benefit Change

DATE: September 11, 2024

TO: Active and Vested-Separated Participants

FROM: Board of Trustees
Laborers Pension Trust Fund for Northern California

SUBJECT: **Pension Plan Benefit Improvement –**
Increased Accrual Rate for Active Participants

The Board of Trustees is pleased to inform you of the following improvement made to the Pension Plan.

AMOUNT OF REGULAR PENSION (BENEFIT ACCRUAL FORMULA)

Effective for Hours Worked in Covered Employment on and after August 1, 2024, the percentage-crediting factor has increased from 4.25% to 4.50% for Employer Contributions up to \$2.16 per hour.

Example: Here is a comparison of what the benefit accrual for the August 1, 2024 through July 31, 2025 Plan Credit Year would look like using the prior percentage-crediting factor versus the new one. In both cases, it assumes that the Participant works 1,700 Hours in Covered Employment. The Plan recognizes up to \$2.16 per hour for benefit calculation purposes.

	Hours Worked	Benefit Accrual Contribution Rate	Total Benefit Accrual Contributions	Percentage – Crediting Factor	Total Accrued Monthly Benefit
Prior Formula	1,700	\$2.16/hour	\$3,672.00	4.25%	\$156.06
New Formula	1,700	\$2.16/hour	\$3,672.00	4.50%	\$165.24

NOTE: This change is a more than a 5% increase over the prior accrual rate.

If you have not incurred a Separation from Covered Employment (as defined in Plan Section 6.07), your accrued benefit when you retire on or after August 1, 2024 will be the sum of the following:

- \$95.00 for each Benefit Unit (or a proportionate amount for each fraction of a Benefit Unit) earned as a result of employment before August 1, 1986; plus



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- 3.30% of Contributions made for Hours Worked in Covered Employment after July 31, 1986 and before August 1, 2003, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; plus
- 2.30% of Contributions made for Hours Worked in Covered Employment after July 31, 2003 and before July 1, 2005, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; plus
- 2.30% of the first \$2.16 per hour in Contributions made for Hours Worked in Covered Employment after June 30, 2005 and before August 1, 2019, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; plus
- 3.30% of the first \$2.16 per hour in Contributions made for Hours Worked in Covered Employment after July 31, 2019 and before August 1, 2020, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; plus
- 4.00% of the first \$2.16 per hour in Contributions made for Hours Worked in Covered Employment after July 31, 2020 and before August 1, 2022, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; plus
- 4.25% of the first \$2.16 per hour in Contributions made for Hours Worked in Covered Employment after July 31, 2022 and before August 1, 2024, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit; plus
- 4.50% of the first \$2.16 per hour in Contributions made for Hours Worked in Covered Employment after July 31, 2024, excluding any Contributions made in a Plan Credit Year during which the Participant failed to earn .50 Benefit Unit.

If you have incurred a Separation from Covered Employment, benefits accrued prior to the Separation are “frozen” based on the benefit formula in effect at the time of the Separation. Based on your work history, you could have one or more Separations from Covered Employment.

When you retire, your accrued benefit may be subject to adjustments for early or delayed retirement and/or elected payment form.

In accordance with ERISA reporting requirements, this document serves as your Summary of Material Modifications to the Plan. Please keep it with your Summary Plan Description.