Does the application describe how the plan sponsor took into account – or did not take into account – in the determination that all reasonable measures have been taken to avoid insolvency the impact of:

- benefit and contribution levels on retaining active participants and bargaining groups under the plan; and
- past and anticipated contribution increases under the plan on employer attrition and retention levels?

See section 5.03.

Document 21.1 provides a description of the benefit and contribution levels taken into account to avoid insolvency.
Document 21.1

Benefit and Contribution Levels Taken into Account to Avoid Insolvency

To avoid insolvency over the past 10 years, the Board of Trustees has considered the following factors, as listed Code Section 432(e)(9)(c)(ii)(VIII) and Code Section 432(e)(9)(c)(ii)(IX). See also Revenue Procedure 2016-27, section 5.03.

1. The Impact of Benefit and Contribution Levels on Retaining Active Participants and Bargaining Groups under the Pension Plan

The Board of Trustees considered the impact of benefit and contribution levels on retaining active participants and bargaining groups under the Pension Plan. The active participants’ adjustable benefits were previously eliminated under the Rehabilitation Plan and the future benefit accrual rate reduced as much as possible in the default schedule, including to a very low benefit accrual rate of 0.5%. Due to the impact of the Rehabilitation Plan, active participants have already been seeking alternatives instead of remaining in the Pension Plan. For example, participants have proposed new retirement money should be bargained into a 401(k) plan or a different pension plan. Any further reductions to the benefit accrual rate would put the Pension Plan at increased risk of losing support from active participants. Nevertheless, once informed about MPRA, active participants tend to support the Pension Plan making an application because they believe that the Pension Plan’s projected insolvency will mean they will receive little, if any, of their pension when they retire.

The Board of Trustees did consider the impact of making changes to the contribution rate and determined that this was not a reasonable measure to take at this time to avoid insolvency. The Trustees believe that the current contribution rates are sustainable for the contributing employers; however, increases will continue to erode the employer base.

The Board of Trustees believe that the current contribution rates are even detrimental to attracting new active participants; however, if the suspension plan is approved, at least the participants and beneficiaries will have the ability to receive the benefits and not be subject to the reductions that will occur upon insolvency. It is the hope of the Board of Trustees, that the implementation of the suspension plan will reassure the contributing employers so they continue to support this Pension Plan.
2. The Impact of Past and Anticipated Contribution Increases under the Pension Plan on Employer Attrition and Retention Levels

As noted above, the impact of past and anticipated contribution increases under the Pension Plan has had a significant detrimental impact on employer attrition and retention levels. The Pension Plan has lost the following contractors over the last 10 years:

**Employer Name**
- ABC PAVING
- BORMAN FOODS/FARMER JACK
- CONCRETE DELIVERY
- DOAN CONSTRUCTION
- DELTA TRUCKING CO.
- E&L TRANSPORT
- EAGLE TRUCKING
- FALCON TRUCKING CO.
- GRAVEL TRUCKING CO.
- I.A.M. DISTRICT 60
- KOENIG FUEL & SUPPLY CO.
- LEVY, EDWARD C.
- MOTOR CITY ELECTRIC
- PYREK TRANSPORT INC.
- RYDER
- STACEY TRUCKING COMPANY
- SUPERIOR MATERIALS LLC
- WINK CHEVROLET, INC.