

**SCHEDULE SB
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

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).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2020

**This Form is Open to Public
Inspection**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

▶ **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.

A Name of plan ABC-NABET Retirement Trust Plan	B Three-digit plan number (PN) ▶	012
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ABC, INC.	D Employer Identification Number (EIN) 14-1284013	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2020</u>			
2 Assets:			
a Market value	2a		922,103,996
b Actuarial value	2b		922,103,642
3 Funding target/participant count breakdown			
	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	1,801	658,750,046	658,750,046
b For terminated vested participants.....	466	71,276,517	71,276,517
c For active participants	258	153,516,632	154,876,216
d Total.....	2,525	883,543,195	884,902,779
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5		3.17 %
6 Target normal cost.....	6		4,763,659

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.

SIGN HERE		
	Signature of actuary	September 21, 2021
	Timothy L. Connor	Date 20-06974
	Type or print name of actuary	Most recent enrollment number (973) 569-5609
	Milliman, Inc.	Telephone number (including area code)
	Firm name	
	1 Pennsylvania Plaza	
	New York NY 10119	
	Address of the firm	

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

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

**Schedule SB (Form 5500) 2020
v. 200204**

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	68,298,499	29,286,080
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	4,455,813	0
9	Amount remaining (line 7 minus line 8)	63,842,686	29,286,080
10	Interest on line 9 using prior year's actual return of <u>19.49%</u>	12442940	5707857
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		858157
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>4.37%</u>		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		167,255
c	Total available at beginning of current plan year to add to prefunding balance		1025412
d	Portion of (c) to be added to prefunding balance		1025412
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	76,285,626	36019349

Part III Funding Percentages			
14	Funding target attainment percentage.....	14	91.51%
15	Adjusted funding target attainment percentage	15	104.20%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	98.97%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/07/2020	339,980				
07/09/2020	355,405				
10/07/2020	337,784				
01/08/2021	362,960				
Totals ▶			18(b)	1,396,129	18(c)
					0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	1,368,285

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? Yes No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?..... Yes No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	<input checked="" type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> Substitute	

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	4,763,659	
b Excess assets, if applicable, but not greater than line 31a	31b		
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment			
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	4,763,659	
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement		4,396,029	
36 Additional cash requirement (line 34 minus line 35)	36	367,630	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1,368,285	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	1,000,655	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	1,000,655	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	<input type="checkbox"/> 2 plus 7 years	<input type="checkbox"/> 15 years	
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008	<input type="checkbox"/> 2009	<input type="checkbox"/> 2010 <input type="checkbox"/> 2011

ABC – NABET Retirement Trust Fund

Attachment to Schedule SB, Part V – Summary of Plan Provisions
EIN: 14- 1284013 PN: 012

Basic Information

Plan Name: ABC-NABET Retirement Trust Plan

Effective Date of Plan: July 1, 1963

EIN/PN: 14-1284013/012

Effective Date of Last Amendment: September 13, 2017 as per the Master Agreement

Plan Year: January 1 – December 31

Eligibility: Participation is the first day of the month following when he/she becomes an employee in a bargaining unit position covered by the Plan. In general, regular employees covered by the NABET-ABC Master Agreement hired after December 31, 2012 shall not be eligible to participate in the plan.

Credited Service: One year of service for 1,000 hours in a calendar year. Proportional credit shall be given for less than 1,000 hours of service as an employee in a Plan Year as follows:

Hours of Service In Plan Year	Year of Service Credit
Less than 190	None
190 but less than 380	0.1
380 but less than 570	0.2
570 but less than 760	0.3
760 but less than 950	0.4
950 but less than 960	0.5
960 but less than 1,000	0.6
1,000 or more	1.0

Vesting Service: One year of service for 1,000 hours in a calendar year.

Compensation: The maximum salary used to determine Plan benefits is limited as required by IRC Section 401(a)(17). The limit for 2020 is \$285,000.

Employer Contribution: 5.5% of compensation effective January 1, 2004.

Benefit Formulas and Eligibilities

Normal Retirement Eligibility: The later of age 65 and the fifth anniversary of participation.

Normal Retirement Benefit: For employees hired before January 1, 1983, the greater of (a) and (b) below. For employees hired on or after January 1, 1983, the benefit is based on (a):

ABC – NABET Retirement Trust Fund

Attachment to Schedule SB, Part V – Summary of Plan Provisions EIN: 14- 1284013 PN: 012

(a) Sum of (i), (ii), (iii), (iv), and (v):

- (i) 2.03% of “Final Average Pay” multiplied by Service Credit earned prior to January 1, 2004.
- (ii) 1.68% of “Final Average Pay” multiplied by Service Credit earned after December 31, 2003 and prior to January 1, 2008.
- (iii) 1.80% of “Final Average Pay” multiplied by Service Credit earned after December 31, 2007 and prior to January 1, 2013.
- (iv) 1.50% of “Final Average Pay” multiplied by Service Credit earned after December 31, 2012 and prior to January 1, 2017.
- (v) 0.65% of “Final Average Pay” multiplied by Service Credit earned after December 31, 2016.

There is a maximum of 40 years of Service Credit recognized by the Plan.

Final Average Pay is the yearly average base pay earned during the highest 20 of the last 40 calendar quarters.

(b) Sum of (i), (ii), (iii), (iv), (v), and (vi):

- (i) Service prior to January 1, 1979 – 1.90% of calendar year 1978 base pay earnings multiplied by total Service Credit through December 31, 1978.
- (ii) Service after December 31, 1978 and prior to January 1, 2004 – for each year of Service Credit, 1.90% of that year’s base pay earnings.
- (iii) Service after December 31, 2003 and prior to January 1, 2008 – for each year of Service Credit, 1.68% of that year’s base pay earnings.
- (iv) Service after December 31, 2007 and prior to January 1, 2013 – for each year of Service Credit, 1.80% of that year’s base pay earnings.
- (v) Service after December 31, 2012 and prior to January 1, 2017 – for each year of Service Credit, 1.50% of that year’s base pay earnings.
- (vi) Service after December 31, 2016 – for each year of Service Credit, 0.65% of that year’s base pay earnings.

There is a maximum of 40 years of Service Credit recognized by the Plan.

Deferred Retirement Eligibility: 5 years of vesting service.

Deferred Retirement Benefit: Accrued benefit payable at Normal Retirement.

ABC – NABET Retirement Trust Fund

Attachment to Schedule SB, Part V – Summary of Plan Provisions EIN: 14- 1284013 PN: 012

Normal Form of Benefit: Single Life Annuity. A participant that is married must take the benefit in the form of a Joint and 75% Survivor with pop-up benefit unless the spouse provides written consent to waive the Joint and 75% Survivor with pop-up benefit.

Qualified Joint and Survivor Annuity: Unless elected otherwise in writing at retirement, a married participant will receive his/her benefits as an actuarially equivalent Joint and 75% Survivor with Pop-Up Annuity with the spouse as contingent beneficiary.

Optional Forms of Benefits: 10 year certain and life annuity; 50% joint and survivor annuity; 66-2/3% joint and survivor annuity; 75% joint and survivor annuity; 100% joint and survivor annuity; and social security level income. Joint and survivor annuities include pop-up if spouse is beneficiary.

Optional Form Conversion Factors:

- 10 year certain and life annuity:

If retiree is younger than age 65,
 $0.91 + 0.006 * (65 - \text{Age in years, rounded up})$
If retiree is older than age 65,
 $0.91 - 0.012 * (\text{Age in years, rounded up} - 65)$

- Qualified Joint and survivor annuity, 50% joint and survivor annuity, 75% joint and survivor annuity:

$0.88 + .003 * (\text{Beneficiary's age less Participant's age, rounded down to years only})$

- 66-2/3% joint and survivor annuity:

$0.85 + .004 * (\text{Beneficiary's age less Participant's age, rounded down to years only})$

- 100% joint and survivor annuity:

$0.79 + .005 * (\text{Beneficiary's age less Participant's age, rounded down to years only})$

In no event is the resulting factor greater than 0.99.

Maximum Benefit: The maximum benefit is limited as required by IRC Section 415(b). The limit for 2020 is \$230,000.

Benefits Not Specifically Valued

The plan provides that the surviving spouse of a retiree will receive a benefit of 75% of the amount being paid to the participant prior to his death. However, the factors specified in the Plan that are used to adjust the life annuity amount were initially developed assuming the surviving spouse would receive only 50% of the amount the participant had been receiving. An actuarial analysis of the plan's 50% reduction factor reveals that due to improvement in mortality rates since the factors were initially

ABC – NABET Retirement Trust Fund

Attachment to Schedule SB, Part V – Summary of Plan Provisions
EIN: 14- 1284013 PN: 012

developed, the reduction specified by the plan is approximately actuarially equivalent to reduction factors that would be developed using a valuation assumptions as the actuarial basis and assuming that the surviving spouse would receive 75% of the amount the participant had been receiving prior to his or her death. Thus, no adjustment was made to the valuation of the benefits on a life annuity basis to reflect the plan provision that provides for a 75% joint and survivor annuity developed using a 50% joint and survivor reduction factor.

ABC – NABET Retirement Trust Fund

**Attachment to Schedule SB, Line 26 – Schedule of Active Participant Data
EIN: 14 -1284013 PN: 012**

Number of Participants by Age and Service Groups

Age	Years of Credited Service										Total	
	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
0-24	-	-	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-	-	-
35-39	-	-	2	1	-	-	-	-	-	-	-	3
40-44	-	-	2	1	4	1	-	-	-	-	-	8
45-49	-	-	3	7	11	2	2	-	-	-	-	25
50-54	-	-	2	4	7	10	4	3	-	-	-	30
55-59	-	-	2	3	2	15	8	8	5	-	-	43
60-64	-	-	-	3	4	17	9	19	32	18	-	102
65-69	-	-	-	2	1	2	1	2	18	17	-	43
70+	-	-	-	-	-	-	-	-	1	3	-	4
Total	-	-	11	21	29	47	24	32	56	38	-	258

Average Compensation by Age and Service Groups

Age	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
0-24	-	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-	-
35-39	-	-	*	*	-	-	-	-	-	-
40-44	-	-	*	*	*	*	-	-	-	-
45-49	-	-	*	*	*	*	*	-	-	-
50-54	-	-	*	*	*	*	*	*	-	-
55-59	-	-	*	*	*	*	*	*	*	-
60-64	-	-	-	*	*	*	*	*	110,784	*
65-69	-	-	-	*	*	*	*	*	*	*
70+	-	-	-	-	-	-	-	-	*	*

* If there are fewer than 20 participants in a cell, the average compensation is not reported

ABC – NABET Retirement Trust Fund

Attachment to Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
EIN: 14- 1284013 PN: 012

Actuarial Cost Method

The valuation of retirement benefits is determined under the “Unit Credit Actuarial Cost Method”, as prescribed by the Pension Protection Act of 2006 (PPA). Under this method, the regular Plan cost arises from two sources: a Target Normal Cost and an Amortization Payment for the Funding Target Shortfall.

The Funding Target is determined as the actuarial present value of accrued benefits as of the valuation date. The Shortfall is equal to the Funding Target less the Plan Assets, reduced by the Carryover Balance and the Prefunding Balance.

The Target Normal Cost is the actuarial present value of benefits expected to accrue during the valuation year plus anticipated administration expense, if any.

Asset Valuation Method: Market Value of Assets, adjusted by contributions receivable, discounted back to the valuation date.

Actuarial Assumptions

Economic Assumptions

Interest Rates

PPA Funding: Full Yield Curve as of December 31, 2019

Rationale: The interest rates for PPA Funding are prescribed under IRS Regulation. These rates are based on the Plan Sponsor’s interest rate election method.

Interest Rate – FASB ASC 960: 6.00%

Rationale: In developing the investment return assumption, we reviewed the Plan’s historical investment performance along with forward-looking data such as projections of inflation and total return growth. Mean returns, standard deviations and correlations between investment categories were determined and used in the investment return assumption in conjunction with the historical and projected information.

Salary Increases: 2.00%, compounded annually.

Rationale: The salary scale was based on the increase specified in the 2017 NABET-CWA/ABC Inc. Master Agreement.

Expense Provision: Prior year’s expenses, assumed to have been paid in the middle of the year, discounted to the beginning of the year at current year’s Effective Interest Rate.

Rationale: The expense assumption most closely represents actual administrative expenses paid from the Plan Assets.

ABC – NABET Retirement Trust Fund

**Attachment to Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
EIN: 14- 1284013 PN: 012**

Demographic Assumptions

Mortality PPA Funding: RP 2006 Healthy Annuitant Mortality Tables with MP-2018 projection scale.

Rationale: This assumption is one of the permitted mortality table assumptions available under the terms of Internal Revenue Code Section 430. The plan sponsor has elected the mortality assumption described above.

Mortality FASB ASC 960: RP 2006 Healthy Annuitant Mortality Tables with MP-2018 projection scale.

Rationale: The mortality assumption prescribed by the IRS for minimum funding has been part of a set of assumptions that has not produced significant actuarial gains or losses in the plan's liability over the past several years. As such, since we are using the same assumptions as used for minimum funding for all other applicable aspects of the FASB ASC 960 calculation, it is reasonable to assume the same mortality rates as those prescribed for minimum funding.

Withdrawal: Sample rates for withdrawals are as follows:

Age	Male Rate	Female Rate
20	15.22%	20.10%
25	11.22%	15.68%
30	8.86%	12.48%
35	6.92%	9.66%
40	5.24%	7.20%
45	3.58%	4.84%
50	1.76%	2.38%
55	0.00%	0.00%
60	0.00%	0.00%

Rationale: Supporting information is available in the experience study dated September 10, 2015. We believe the assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

Disability: Sample rates for disability are as follows:

Age	Male Rate	Female Rate
20	0.03%	0.03%
25	0.03%	0.03%
30	0.03%	0.03%

ABC – NABET Retirement Trust Fund

Attachment to Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
EIN: 14- 1284013 **PN: 012**

67	20.0%
68	10.0%
69	10.0%
70	100.0%

Terminated vested participants: Age 65.

Rationale: The rates represent our best estimate of future experience. Supporting information can be found in the experience study dated September 10, 2015.

Marriage Assumption: 80% of participants are assumed to be married with females 3 years younger than males.

Rationale: The number of covered participants is not large enough to have credible experience for preretirement deaths. We believe the marriage assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

Form of Payment: Life Annuity

Rationale: We believe the form of payment assumption selected is reasonable for the contingency it is measuring and is not anticipated to produce significant cumulative actuarial gains or losses over the measurement period.

ABC-NABET Retirement Trust Plan
EIN/PN: 14-1284013/12
Attachment to 2020 Form 5500
Schedule SB, Line 19 - Discounted Employer Contributions

Line 19a. - Contribution Allocated Toward Unpaid Minimum Required Contribution from Prior Plan Years

None

Line 19b. - Contributions Made To Avoid Benefit Restrictions

None

Line 19c. - Contributions Allocated Toward Minimum Required Contribution for Current Year

Date	Plan Year to Apply Contribution	Effective Interest Rate	Late Quarterly Interest Rate	Contribution Amount	Discounted Value as of 1/1/2020
4/7/2020	2020	3.17%		\$ 339,980	\$ 337,180
7/9/2020	2020	3.17%		355,405	349,694
10/7/2020	2020	3.17%		337,784	329,814
1/8/2021	2020	3.17%		362,960	351,597
Total				1,396,129	1,368,285

ABC-Nabet Retirement Trust Fund

Attachment to Schedule SB, Line 22: Description of Weighted Average Retirement Age

EIN:14-1284013

PN:012

<u>Hire Age</u>	<u>Average Retirement Age</u>		<u>Weight*</u>	=	<u>Average Retirement Age Times Weight</u>
19 and Below	60.450	*	0.0042	=	0.252
20 and 21	60.719	*	0.0333	=	2.024
22 and 23	60.967	*	0.1250	=	7.621
24 and 25	61.193	*	0.1500	=	9.179
26 and 27	61.398	*	0.1792	=	11.000
28 and 29	61.581	*	0.1125	=	6.928
30 and 31	61.743	*	0.1208	=	7.461
32 and 33	62.136	*	0.0625	=	3.884
34 through 39	62.491	*	0.1292	=	8.072
40	62.491	*	0.0042	=	0.260
41	63.031	*	0.0208	=	1.313
42	63.530	*	0.0208	=	1.324
43	63.986	*	0.0083	=	0.533
44	64.394	*	0.0125	=	0.805
45 & Above	64.749	*	0.0167	=	1.079
			1.000		61.735
				=	62

* Note, the Weight is based upon the percentage of the active population making up each particular Hire Age.