

Alaska Laborers Trust Funds

Alaska Laborers-Employers Retirement Fund

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Administered by
Welfare & Pension Administration Service, Inc.

June 15, 2021

You are receiving this letter because you have a vested benefit in the Alaska Laborers-Employers Retirement Fund.

You may hear of some upcoming changes to the Pension Plan's method of accruing benefits earned after June 30, 2021, so we wanted to let you know what's happening for active members and those members that return to work. Your benefit earned through June 30, 2021 is subject to the Rehabilitation Plan Preferred Schedule, but is not further affected by this change.

New Benefit Formula – Applies Only to Hours Worked Beginning July 1, 2021

Beginning with hours worked July 1, 2021, pension benefits will be earned under a new “sustainable income” benefit formula. The new formula:

- Continues to provide lifelong income
- Provides benefits that are expected to grow over time during members' careers and during retirement years based on the Plan's investment returns
- Continues to have professionally managed investments
- Continues to protect participants from most downside investment risk

Improving the Plan's Long-Term Sustainability

The change to a sustainable income plan structure allows us to alter benefits for active members in a way that lowers risk for the Plan. Sustainable income plan benefits are designed to stay funded in all market conditions – ensuring the money will be there to pay those benefits despite economic ups and downs, and without putting a burden on future generations.

No Change to Your Current Benefit

There is no additional change to your current earned benefit as a result of the change to the sustainable income plan benefit structure. If you come back to work, the new structure will apply only to hours worked on and after July 1, 2021, but not to your benefit earned prior to July 1, 2021.

To learn more about how the new benefit works, watch a recording of a presentation about the sustainable income plan benefit at www.aklaborerstrust.com. If you have any questions, please contact the Administration office at (855) 815-2323 **Option 3**.

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