

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Fund utilizes a modified version, approved by the PBGC, of the rolling five (one pool) methods under Section 4211(c) for determining withdrawal liability. Withdrawal liability assessed but not received is recorded as withdrawal liability receivable, net of management's estimate of an amount that is deemed uncollectable. The allowance for uncollectable accounts is provided for those withdrawal liability assessments based on management's information about each employer. The allowance was \$57,512,678 at December 31, 2022 and \$54,563,572 at December 31, 2021.

Property and Equipment - Property and equipment are carried at cost. Major additions are capitalized, while replacements, maintenance, and repairs which do not improve or extend the lives of the respective assets are expensed currently. Depreciation is computed over the estimated useful lives for the assets by the straight-line method.

The estimated useful lives of the assets are as follows:

Buildings and building improvements	10 - 32 years
Furniture and equipment	3 - 5 years

Depreciation and amortization expense related to fixed assets was \$24,146 during 2022 and \$37,082 during 2021.

Securities Purchased or Sold and not Settled - This represents the amounts due to or from the custodial bank for the purchase or sale of securities with trade dates prior to year end and settlement dates after year end.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Fund's provisions to the service which employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Payment of Benefits - Benefit payments to participants are recorded upon distribution. Benefits due and paid from Fund assets have been included as benefits paid to participants in the statements of changes in net assets available for benefits. Benefits paid that are applicable to annuities due in the subsequent Fund year are included as prepaid benefits in the statements of net assets available for benefits.

Administrative Expenses - Administrative and investment related expenses are paid by the Fund.

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.