INDIANA TEAMSTERS PENSION PLAN

Actuarial Valuation Report
For Plan Year Commencing
January 1, 2019

October 15, 2019

Board of Trustees
Indiana Teamsters Pension Plan

Dear Trustees:

We have been retained by the Board of Trustees of the Indiana Teamsters Pension Plan to perform annual actuarial valuations of the pension plan. This report presents the results of our actuarial valuation for the plan year beginning January 1, 2019. The valuation results contained herein are based on current plan provisions summarized in Appendix A, the actuarial assumptions and methods listed in Appendix B and on financial statements audited by Katz, Sapper & Miller, LLP. Participant data was provided by AlaTek, LLC. While we have reviewed the data for reasonableness in accordance with Actuarial Standards of Practice No. 23, we have not audited it. The data was relied on as being both accurate and comprehensive.

This report has been prepared in order to (1) assist the Trustees in evaluating the current actuarial position of the plan, (2) determine the minimum required and maximum deductible contribution amounts under Internal Revenue Code §431 and §404, (3) provide the fund's auditor with information necessary to comply with Accounting Standards Codification 960, and (4) document the plan's certified status under Internal Revenue Code §432 for the current year and provide the basis to certify such status for the subsequent year. In addition, information contained in this report will be used to prepare Schedule MB of Form 5500 that is filed annually with the IRS and could be used to calculate employer withdrawal liability. We are not responsible for the use of, or reliance upon, this report for any other purpose.

We have prepared this report in accordance with generally accepted actuarial principles and practices and have performed such tests as we considered necessary to assure the accuracy of the results. The results have been determined on the basis of actuarial assumptions that, in my opinion, are appropriate for the purposes of this report, are individually reasonable and in combination represent my best estimate of anticipated experience under the plan. Actuarial assumptions may be changed from previous valuations due to changes in mandated requirements, plan experience resulting in changes in expectations about the future, and/or other factors. An assumption change does not indicate that prior assumptions were unreasonable when made. For purposes of current liability calculations, assumptions are prescribed by regulation or statute. By relying on this valuation report, the Trustees confirm they have accepted the assumptions contained in the report.

The results are based on my best interpretation of existing laws and regulations and are subject to revision based on future regulatory or other guidance.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural

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operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status), and changes in plan provisions or applicable law.

United Actuarial Services, Inc. does not provide, nor charge for, investment, tax or legal advice. None of the comments made herein should be construed as constituting such advice. We are not aware of any direct or material indirect financial interest or relationship that could create a conflict of interest that would impair the objectivity of our work.

The undersigned actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

We are available to respond to any questions you may have about this report.

UNITED ACTUARIAL SERVICES, INC.

Enrolled Actuary

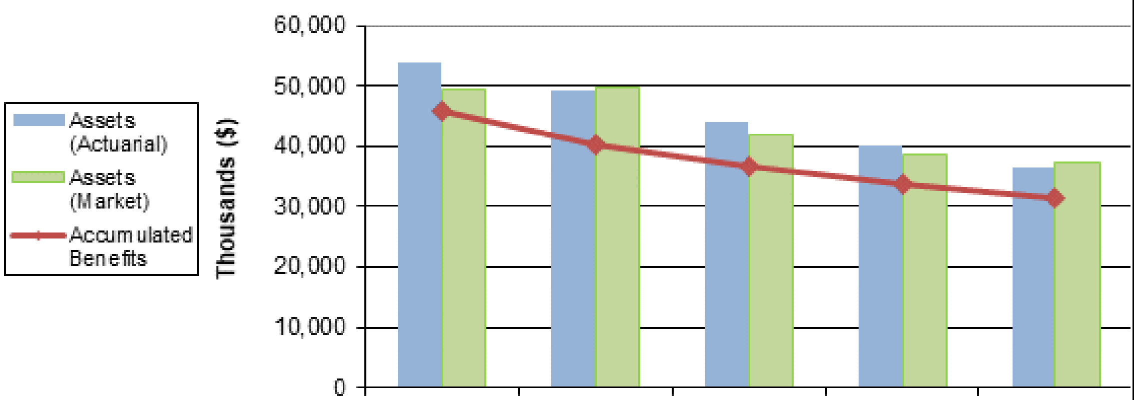
Erika L. Creager

Erika L. Creager, EA, MAAA
Consulting Actuary

PART I: SUMMARY OF RESULTS

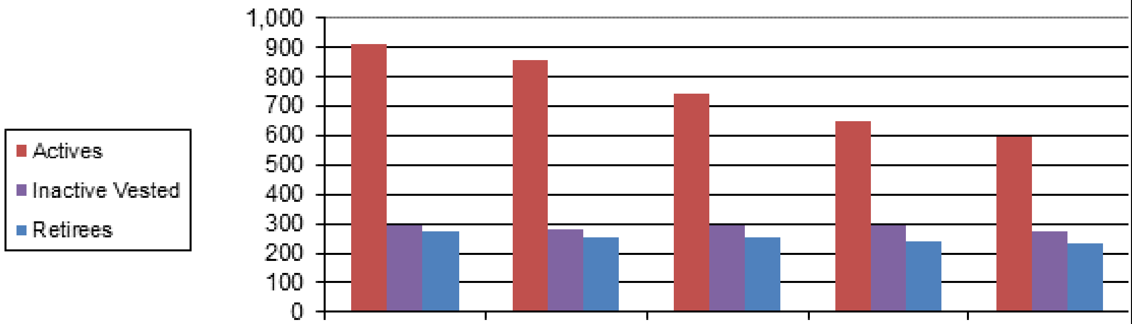
5 - YEAR SUMMARY OF VALUATION RESULTS

Actuarial Study as of January 1,	*2019*	*2018*	*2017*	*2016*	*2015*
PPA funded status	Safe	Safe	Safe	Safe	Safe
Improvements restricted	No	No	No	No	No
Funded ratio					
PPA certification	120.1%	122.1%	119.1%	116.7%	112.5%
Valuation report (AVA)	117.3%	122.2%	120.7%	118.4%	116.6%
Valuation report (MVA)	107.5%	123.0%	115.2%	113.9%	118.9%
Proj. year of insolvency	None	None	None	None	None
Credit Balance ($ 000)	10,125	8,080	5,891	4,377	3,541
Date of first projected funding deficiency					
PPA certification	None	None	None	None	None
Valuation report	None	None	None	None	None
Net investment return					
On market value	-5.22%	12.77%	5.30%	0.19%	6.22%
On actuarial value	4.22%	7.04%	6.34%	6.29%	8.58%
Asset values ($ 000)					
Market	49,381	49,668	42,040	38,489	37,379
Actuarial	53,867	49,366	44,065	40,011	36,640
Accum. ben. ($ 000)	45,934	40,391	36,497	33,806	31,436

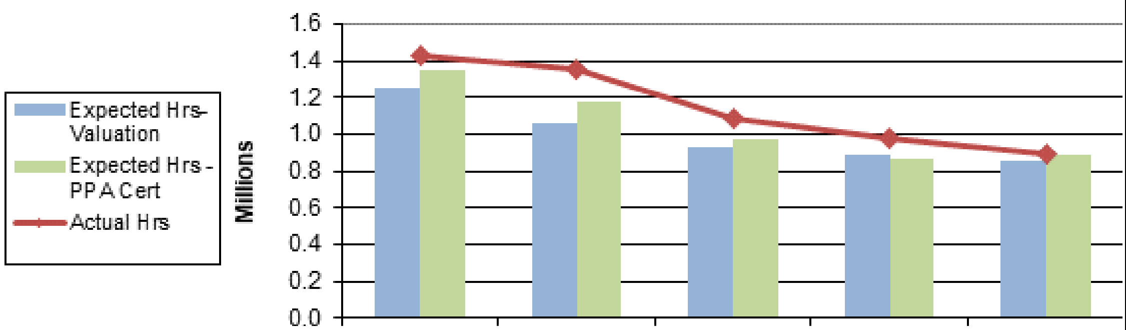


5 - YEAR SUMMARY OF DEMOGRAPHICS

Actuarial Study as of January 1,	*2019*	*2018*	*2017*	*2016*	*2015*
Participant counts					
Active	913	857	746	648	597
Inactive vested	291	284	292	291	272
Receiving benefits	274	256	252	238	233
Total	1,478	1,397	1,290	1,177	1,102
Average entry age	42.8	43.0	41.8	41.5	41.2
Average attained age	48.7	48.8	47.8	47.9	48.1



Hours worked in prior plan year (thousands)					
Expected hours valuation	1,248	1,058	930	884	855
Expected hours PPA cert	1,350	1,175	975	860	885
Actual hours worked	1,428	1,357	1,084	982	894



CHANGES FROM PRIOR STUDY

Changes in Plan Provisions

The plan provisions underlying this valuation are the same as those valued last year.

Changes in Actuarial Assumptions and Methods

The actuarial assumptions and methods used in this valuation differ from those used in the prior valuation in the following respects:

- The ERISA rate of return assumption used to value liabilities was changed from 7.25% to 7.00% to provide our best estimate of the future rate of net investment return based on the Plan's current investment policy and asset allocation.

- The mortality projection scale was updated from MP-2017 to MP-2018. This change was made in order to reflect the latest mortality improvement data available and to better match the standard tables to specific plan experience.

- We increased the assumed hourly/weekly contribution rates to reflect negotiated increases in the current year.

- The assumed operational expenses were increased from $135,000 to $145,000 to reflect our best estimate of future expenses based on recent plan experience.

- The assumed 3 year select withdrawal rates were lowered from 30% to 25% to represent our best estimate of future withdrawal patterns based on recent plan experience.

- The current liability interest rate was changed from 2.98% to 3.06%. The new rate is within established statutory guidelines.

HISTORY OF MAJOR ASSUMPTIONS

Assumption	Actuarial Study as of January 1, 2019	2018	2017	2016	2015
Future rate of net investment return	7.00%	7.25%	7.25%	7.25%	7.25%
Mortality table	RP-2006	RP-2006	RP-2006	RP-2006	RP-2000
Adjustment	105%	105%	110%	115%	n/a
Projection scale	MP-2018	MP-2017	MP-2016	MP-2015	AA
Future expenses	$145,000	$135,000	$115,000	$130,000	$130,000
Average future hourly contribution rate*	$3.24	$3.12	$3.21	$2.97	$2.73
Average future annual hours for Local 135					
Vested	1,800	1,800	1,700	1,550	1,550
Non-vested	1,200	1,200	1,150	1,200	1,300
Average future annual weeks for Local 364					
Vested	50	50	50	50	50
Non-vested	40	40	40	40	40

* Actual average derived from application of assumptions specified in Appendix B.

EXPERIENCE VS. ASSUMPTIONS

Comparing the prior year's experience to assumptions provides indications as to why overall results may differ from those expected

Actuarial assumptions are used to project certain future events related to the pension plan (e.g. deaths, withdrawals, investment income, expenses, etc.). While actual results for a single plan year will rarely match expected experience, it is intended that the assumptions will provide a reasonable long term estimate of developing experience.

The following table provides a comparison of expected outcomes for the prior plan year with the actual experience observed during the same period. This display may provide insight as to why the plan's overall actuarial position may be different from expected.

Plan Year Ending December 31, 2018	*Expected*	*Actual*
Decrements		
Terminations (net of rehires)	147.5	104
Active retirements	13.5	13
Pre-retirement deaths	4.7	5
Post-retirement deaths	9.7	13
Monthly benefits of deceased retirees	$ 4,062	$ 4,089
Financial assumptions		
Rate of net investment return on actuarial value	7.25%	4.22%
Administrative expenses	$ 135,000	$ 142,519
Other demographic assumptions		
Average retirement age from active (new retirees)	64.6	65.2
*Average retirement age from inactive (new retirees)**	64.7	65.2
Average entry age (new entrants)	43.0	43.8
Local 135 hours assumptions		
Hours worked per vested active	1,800	1,801
Hours worked per non-vested active	1,200	1,353
Local 364 hours assumptions		
Hours worked per vested active	2,250	2,436
Hours worked per non-vested active	1,800	1,820
Total hours worked for Local 135 and Local 364		
Total hours worked (valuation assumption)	1,248,150	1,428,255
Total hours worked (PPA certification assumption)	1,350,000	1,428,255
Unfunded liability (gain)/loss		
(Gain)/loss due to asset experience		$ 1,530,241
(Gain)/loss due to liability experience		1,207,714
Total (gain)/loss		$ 2,737,955

* Expected average based on the average for the total group of participants.

PLAN MATURITY

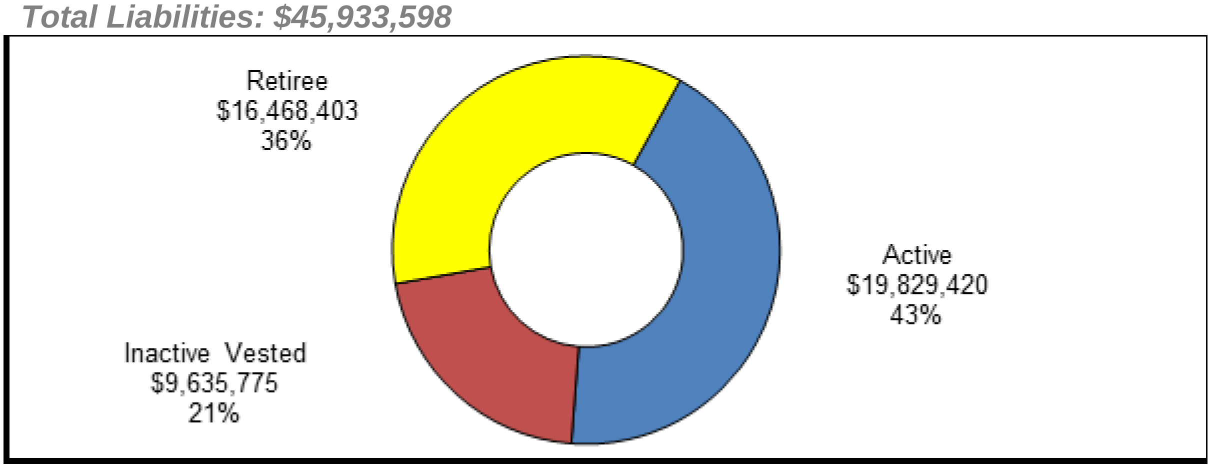
Measures of plan maturity can play a part in understanding risk and a plan's ability to recover from adverse experience

When a new pension plan is first established, its liabilities are typically limited to active plan participants. However, as people become vested and retire, a plan begins to develop liabilities attributable to nonactive participants (retirees and inactive vested participants). The process of adding nonactive liabilities (often referred to as "maturing") is a natural outgrowth of the operation of the plan. As a plan matures, its liabilities tend to balloon in relation to its contribution base, making it more difficult to correct for adverse outcomes by increasing contribution rates or reducing future benefit accruals.

Headcount ratios show the number of retiree or inactive participants supported by each active participant. While there is no hard and fast rule, we generally consider a plan to be mature if each active is supporting more than 1 retiree or more than 2 nonactives. A negative net cash flow (benefits payments and expenses greater than contributions) can also be an indicator of a mature plan. A negative cash flow, when expressed as a percentage of assets, in excess of the assumed rate of return on fund assets may not be sustainable in the long term.

Actuarial Study as of January 1,	*2019*	*2018*	*2017*	*2016*	*2015*
Retiree/active headcount ratio	0.30	0.30	0.34	0.37	0.39
Nonactive/active headcount ratio	0.62	0.63	0.73	0.82	0.85
Cash flow					
Contr.-ben.-exp. ($000)	2,366	2,126	1,472	1,036	564
Percent of assets	4.79%	4.28%	3.50%	2.69%	1.51%

Liabilities of Actives, Retirees, and Inactive Vesteds
Total Liabilities: $45,933,598



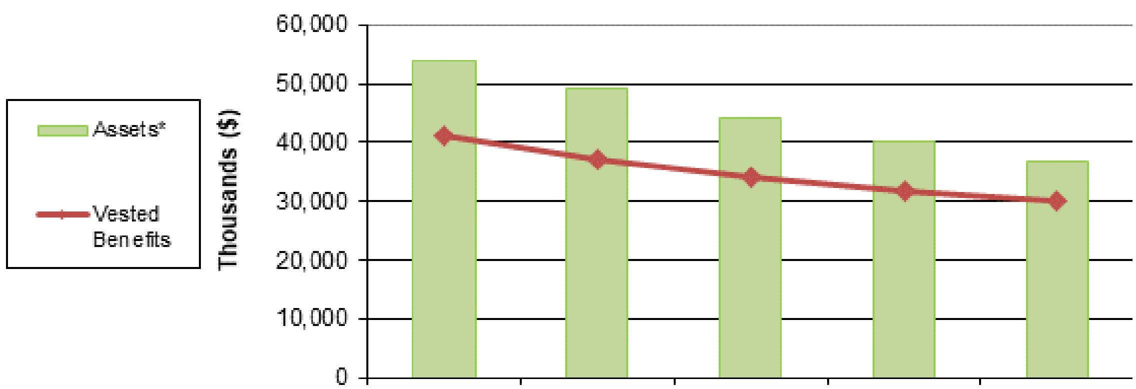
UNFUNDED VESTED BENEFITS/EMPLOYER WITHDRAWAL LIABILITY

An employer withdrawing during the coming year will not have withdrawal liability

The following table shows a history of the plan's unfunded vested benefits (UVB) required to compute a specific employer withdrawal liability under the presumptive method. If all unfunded vested benefits since the inception of the Multiemployer Pension Plan Amendments Act of 1980 (MPPAA) are zero ($0) or less, there will be no withdrawal liability assessed to a withdrawing employer. Otherwise, an employer may be assessed withdrawal liability payments pursuant to MPPAA. The display does not reflect adjustments for prior employer withdrawals.

Presumptive Method ($ 000)

December 31,	2018	2017	2016	2015	2014
Vested benefits interest	7.00%	7.25%	7.25%	7.25%	7.25%
Vested benefits	41,062	37,033	34,237	31,918	30,031
less: Asset value*	53,867	49,366	44,065	40,011	36,640
UVB	(12,805)	(12,333)	(9,828)	(8,093)	(6,609)



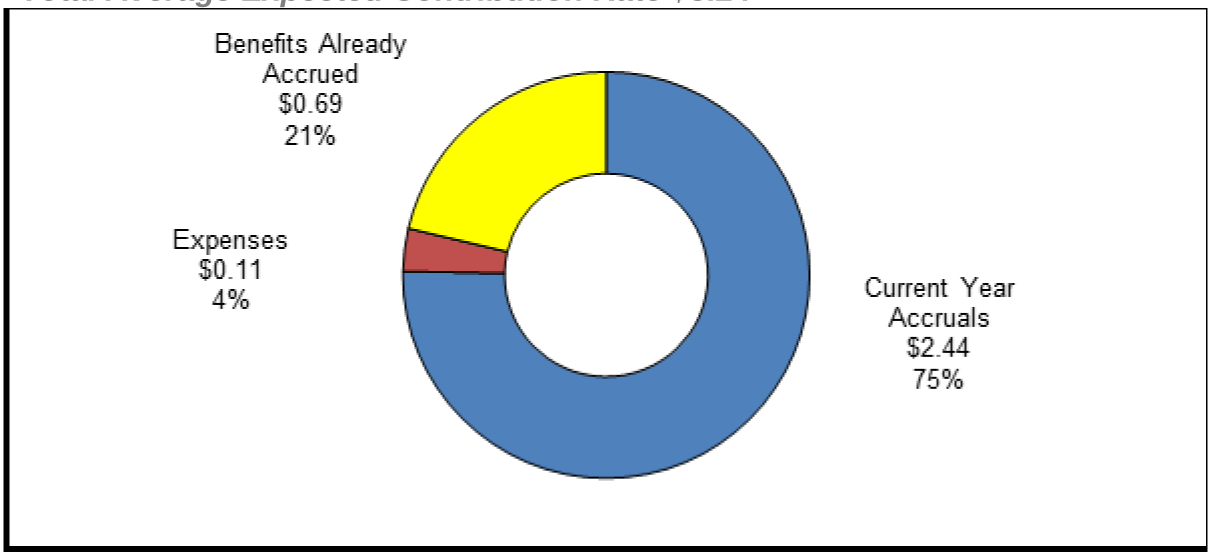
* Actuarial value.

CONTRIBUTION ALLOCATION

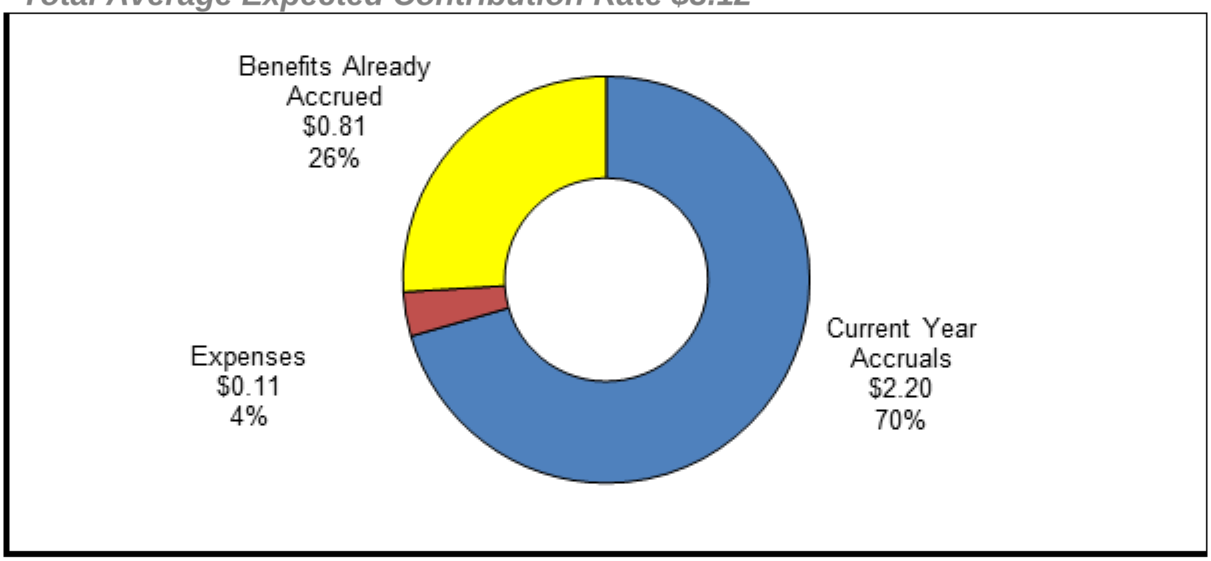
These graphs show how the contributions are being spent

The following allocation charts illustrate how the expected contribution rate for the coming plan year will be "spent" to pay for benefits being earned in the current year, plan expenses, and to provide a margin against future adverse experience.

Contribution Allocation as of January 1, 2019
Total Average Expected Contribution Rate $3.24



Contribution Allocation as of January 1, 2018
Total Average Expected Contribution Rate $3.12



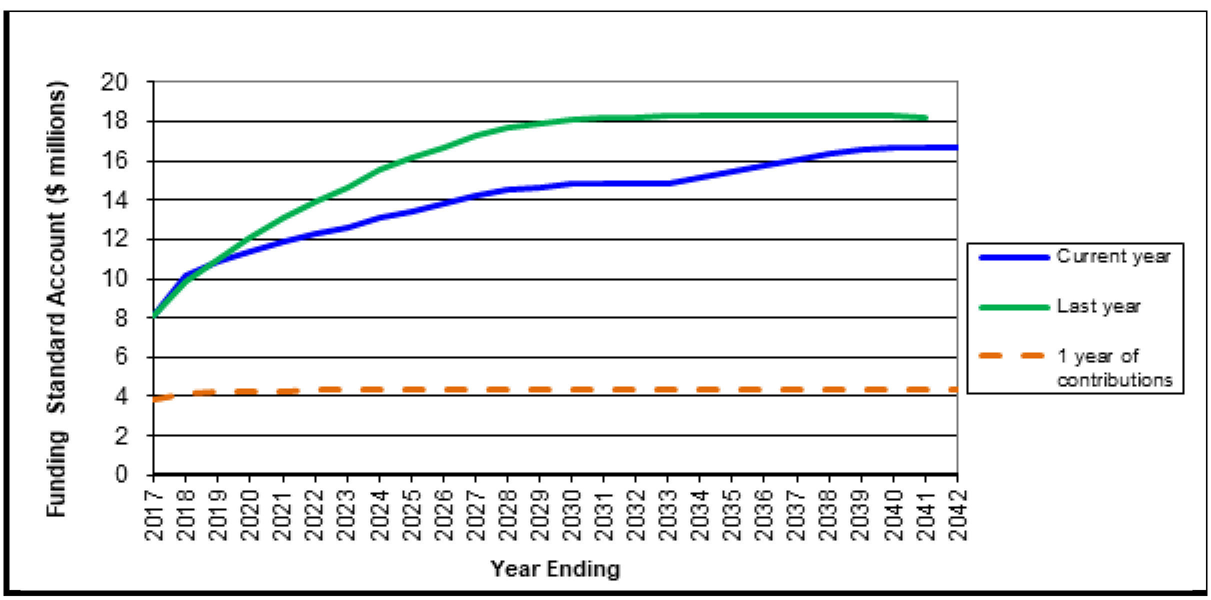
FUNDING STANDARD ACCOUNT PROJECTION

The funding standard account projection is a major driver of PPA status

The funding standard account (FSA) was established by ERISA as a means of determining compliance with minimum funding standards. The FSA is hypothetical in the sense that it does not represent actual assets held by a custodian. Rather, a positive FSA balance (called a "credit balance") means that the plan has exceeded minimum funding standards on a cumulative basis, while a negative balance (called a "funding deficiency") means that the plan has fallen short of such standards.

Actuaries must project the plan's FSA each year in order to determine PPA status. If a funding deficiency is projected in a future year, the plan could be forced into yellow (endangered) or red (critical) status depending how far into the future the first projected funding deficiency is. The plan's FSA projection appears below. These projections are based on the assumptions summarized in the "Actuarial Assumptions used for Projections" section of Appendix B.

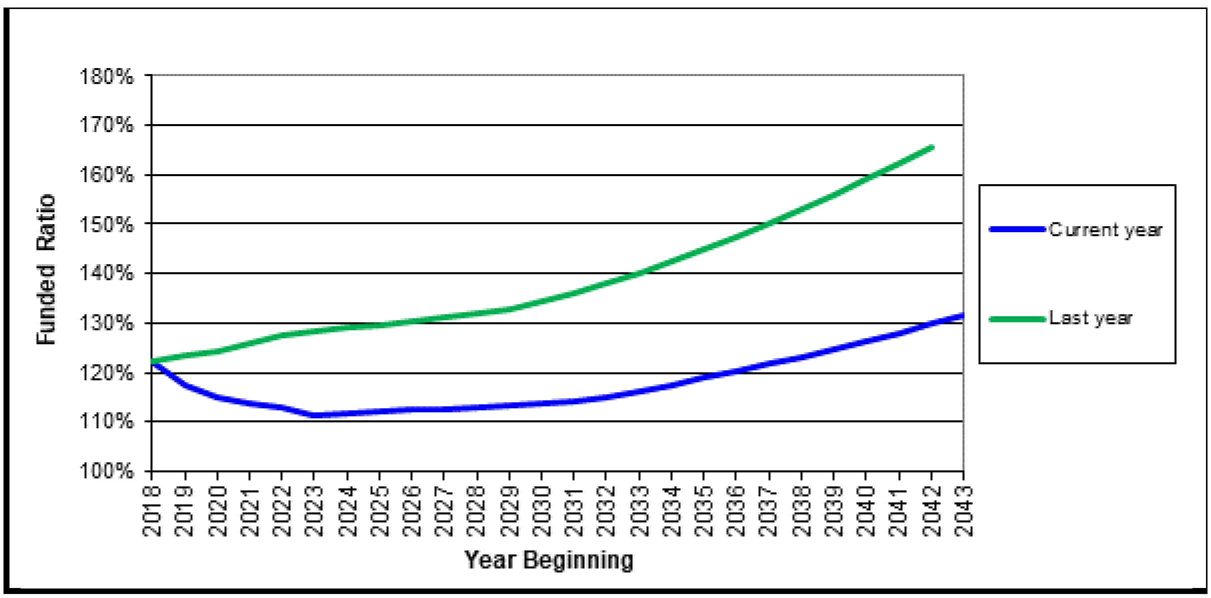
As a rule of thumb, UAS recommends that non-Critical status plans maintain a projected credit balance of at least one year's contributions (shown as an orange dotted line in the graph below) in each future year. Maintaining a "cushion" in the Funding Standard Account helps minimize the risk of a surprise funding deficiency at the end of a non-Critical status plan year. Such a deficiency could trigger an excise tax payable directly by employers. If the Plan is in Critical status at the start of plan year, it is protected from these excise taxes so long as scheduled progress has been satisfied in at least one of the past three plan years.



FUNDED RATIO PROJECTION

The plan's funded ratio is a major driver of PPA status

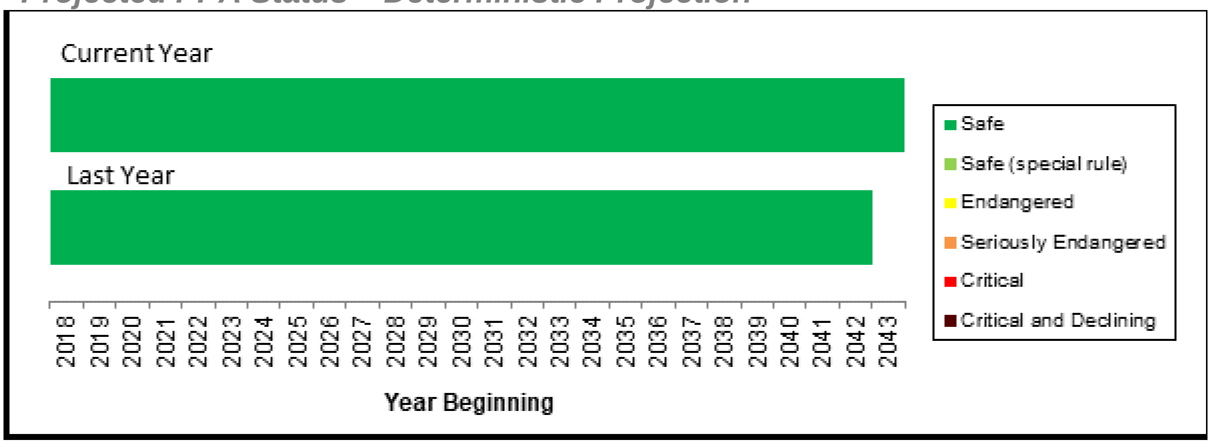
The funded ratio is defined as the actuarial value of plan assets divided by the plan's liabilities for accrued benefits. Along with the funding standard account projection, funded ratio is one of the two major drivers of PPA funded status. In order for a plan to enter the green zone (also called "safe" or "not endangered or critical") the funded ratio must be at least 80%. An insolvency, which is the plan year when the plan would run out of money, occurs if the funded ratio is projected to be 0%. In order for a plan to enter critical and declining status, an insolvency needs to be projected within 20 plan years of the PPA certification (it may need to be within 15 years under certain conditions). The projection of the funded ratio appears below. These projections are based on the assumptions summarized in the "Actuarial Assumptions used for Projections" section of Appendix B.



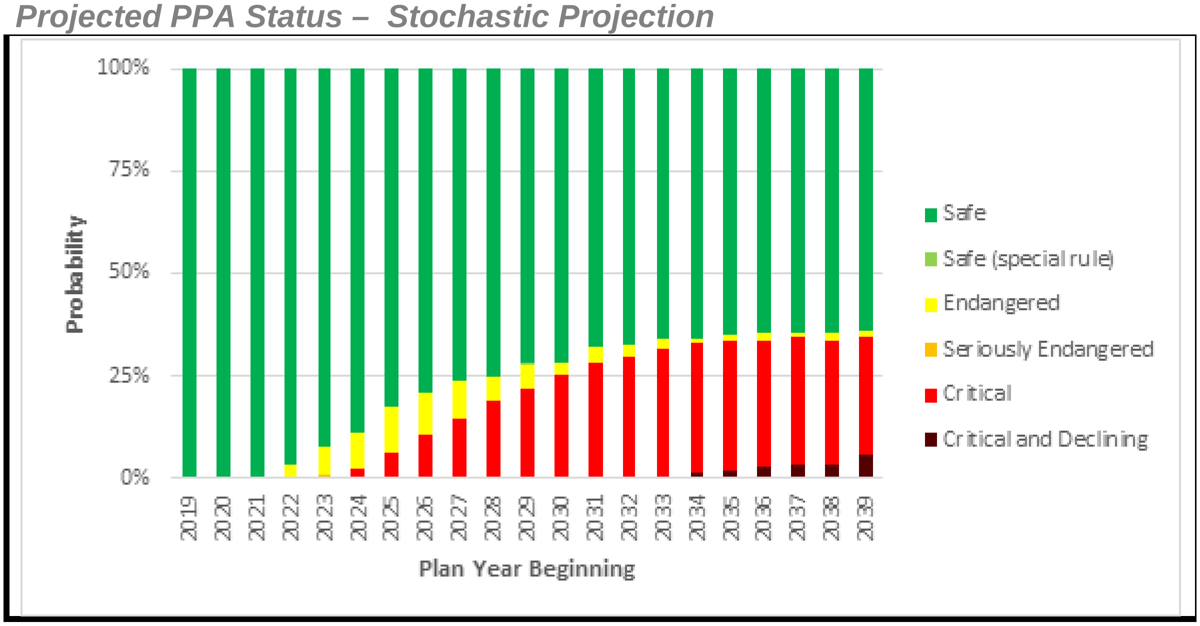
PPA STATUS PROJECTIONS

The Pension Protection Act of 2006 (PPA), as amended by the Multiemployer Pension Reform Act of 2014 ("MPRA"), requires all multiemployer pension plans to obtain an annual status certification. The possible statuses are: "Safe", "Endangered", "Seriously Endangered", "Critical" or "Critical and Declining". The criteria for these determinations are outlined in Appendix D. The following graph shows PPA status *deterministic* projections based on the assumptions summarized in the "Actuarial Assumptions used for Projections" section of Appendix B. The second following graph shows the probability of the Plan being in each status for the next 20 years using a *stochastic* projection based on the mean and standard deviation of the Plan's investment portfolio. The zone projections are based on the current plan and do not include any further action if the plan moves to a worse PPA zone.

Projected PPA Status – Deterministic Projection



Projected PPA Status – Stochastic Projection

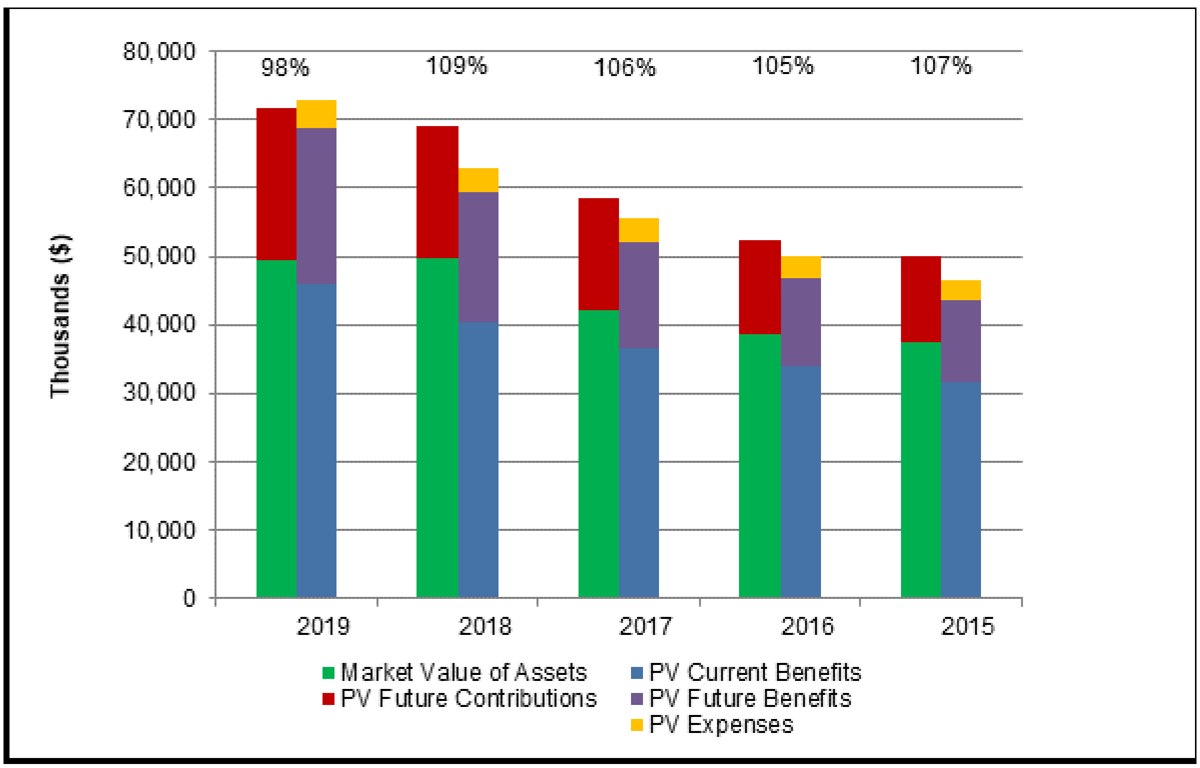


ULTIMATE FUNDED STATUS

Ultimate funded status is an indicator of the ability of current participants to pay for their own benefits

An actuarial valuation deals primarily with the ability of the plan to meet Internal Revenue Code requirements now and in the near future. As such, it is heavily focused on current plan assets and liabilities. But it is also important to keep in mind the true purpose of the plan funding—that is, to accumulate sufficient assets to pay the benefits that the plan has promised to its participants. The chart below looks at this long-term funding adequacy. To the current plan assets, we add the present value of all future contributions expected to be made for the current plan participants. To the value of the plan's liabilities for benefits that have been previously earned, we add the present value of future benefits the current plan participants are expected to earn and the present value of future administrative expenses the plan is expected to pay. Ideally these ultimate asset and liability values will be approximately equal.

An ultimate funded status of less than 100% could be an indication of generational shifting (i.e. the need for one generation of participants to fund the benefits of the preceding generation) and/or a reliance on the continued addition of new participants in order to fund benefits.



STRESS TESTING AND SENSITIVITY ANALYSIS

The table below illustrates the impact on the plan when experience varies from key assumptions

Currently the plan is over 100% funded and projects no funding deficiencies. Considering that experience rarely matches our assumptions exactly, we developed the table below to demonstrate the impact that variations in certain key assumptions would have on these projections. We examined future hours assumptions equal to the baseline, 10% lower, and 10% higher. We examined asset returns for the 2019 plan year of 7.00%, 4.00%, 0.00%, or -7.00%. We also examined the impact of a lower asset return of 6.00% for the next 10 years at the baseline hours. Stochastic modeling is also available for a more detailed analysis of sensitivity to asset returns.

Hours Assumption	*Funding Stats*	*Return for 2019 PY (7.00% Thereafter)*			
		*Assumed Return**	*4.00%*	*0.00%*	*-7.00%*
10% Lower 1,186,110 per year	Fund. ratio 1/1/2024:	114.4%	111.5%	107.5%	100.7%
	Cred. bal. 12/31/2023:	11.887M	11.483M	10.945M	10.003M
	Fund. ratio 1/1/2034:	128.9%	125.2%	120.3%	111.8%
Baseline 1,317,900 per year	Fund. ratio 1/1/2024:	**115.0%**	112.1%	108.2%	101.5%
	Cred. bal. 12/31/2023:	**12.833M**	12.427M	11.887M	10.940M
	Fund. ratio 1/1/2034:	**129.7%**	126.2%	121.6%	113.5%
10% Higher 1,449,690 per year	Fund. ratio 1/1/2024:	115.5%	112.6%	108.9%	102.3%
	Cred. bal. 12/31/2023:	13.763M	13.356M	12.813M	11.863M
	Fund. ratio 1/1/2034:	130.4%	127.1%	122.7%	115.0%
Lower short-term 6.00% return for 10 yrs Baseline hours	Fund. ratio 1/1/2024:	111.9%	110.0%	106.2%	99.6%
	Cred. bal. 12/31/2023:	12.552M	12.284M	11.749M	10.812M
	Fund. ratio 1/1/2034:	117.5%	115.4%	111.2%	103.7%

* The assumed return for the 2019 plan year is 7.00% in the first three rows and 6.00% in the last row.

PART II: SUPPLEMENTAL STATISTICS

PARTICIPANT DATA RECONCILIATION

The participant data reconciliation table below provides information as to how the plan's covered population changed since the prior actuarial study. Such factors as the number of participants retiring, withdrawing and returning to work have an impact on the actuarial position of the pension fund.

Participants Valued As	Active	Inactive Vested	Receiving Benefits	Total Valued
January 1, 2018	857	284	256	1,397
Change due to:				
New hire	174	-	-	174
Rehire	22	(2)	-	20
Termination	(126)	21	-	(105)
Disablement	-	-	-	-
Retirement	(13)	(8)	21	-
Death	(1)	(4)	(13)	(18)
Cash out	-	-	-	-
New beneficiary	-	-	12	12
Certain pd. expired	-	-	(2)	(2)
Data adjustment	-	-	-	-
Net change	56	7	18	81
January 1, 2019	913	291	274	1,478

HOURS WORKED DURING PLAN YEAR

Hours Worked Per Participant

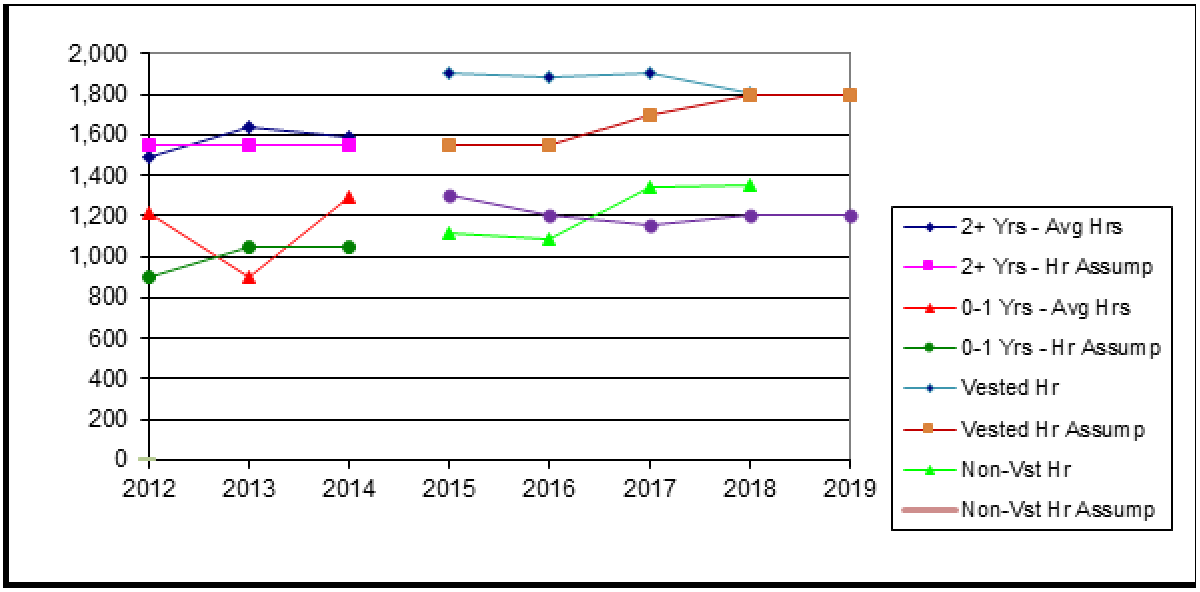
Plan Year Ending December 31, 2018	Number	Hours Worked	Average Hours Worked
Local 135			
Actives			
Vested	244	439,358	1,801
Non-vested, continuing	417	650,958	1,561
Non-vested, new entrant	159	128,198	806
Total active	820	1,218,514	1,486
Others	5	6,476	1,295
Local 135 total for plan year	825	1,224,990	1,485
Local 364			
Actives			
Vested	50	121,815	2,436
Non-vested, continuing	28	64,125	2,290
Non-vested, new entrant	15	14,130	942
Total active	93	200,070	2,151
Others	5	3,195	639
Local 364 total for plan year	98	203,265	2,074
Grand total for plan year	923	1,428,255	1,547

History of Total Actual and Expected Hours Worked (Thousands)

Plan Year Ending December 31,	2019	2018	2017	2016	2015
Expected hours valuation	1,318	1,248	1,058	930	884
Expected hours PPA cert	1,500	1,350	1,175	975	860
Actual hours worked	n/a	1,428	1,357	1,084	982

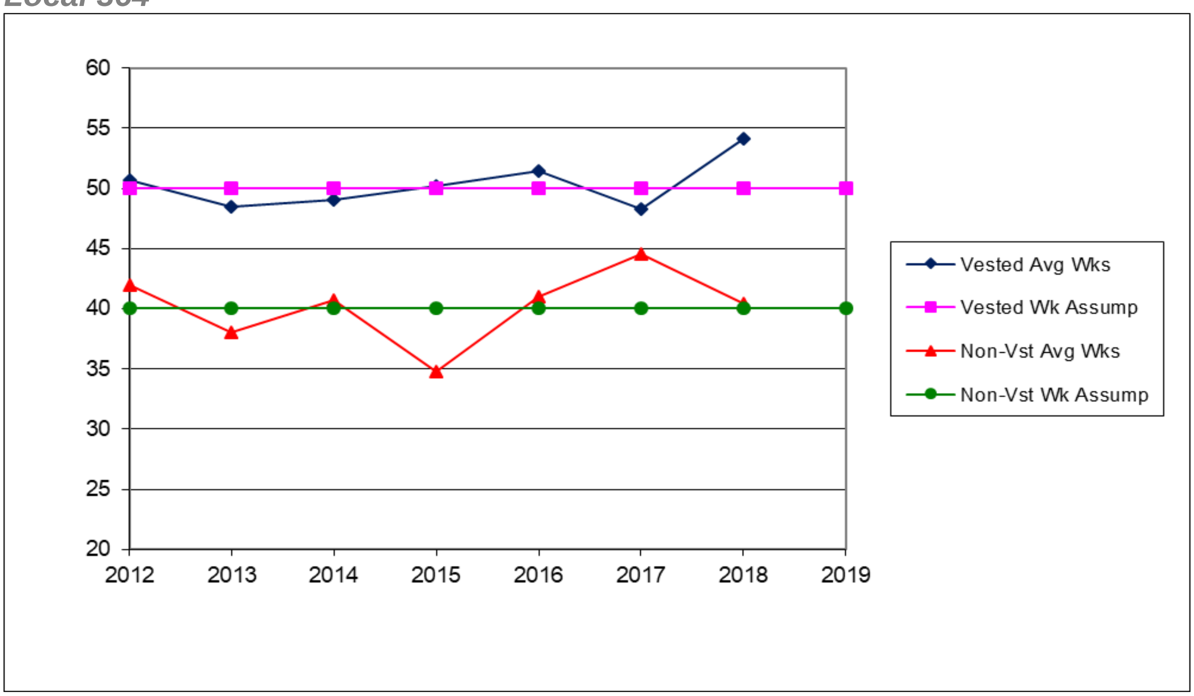
HISTORY OF AVERAGE ACTUAL AND EXPECTED HOURS

*History of Average Actual and Expected Hours Worked per Participant for Local 135**



* Effective in 2015, the assumption was changed based upon vesting status rather than 0-2 years of service.

History of Average Actual and Expected Weeks Worked per Participant for Local 364



CONTRIBUTIONS MADE DURING PLAN YEAR

Employer Contributions Reported in Employee Data

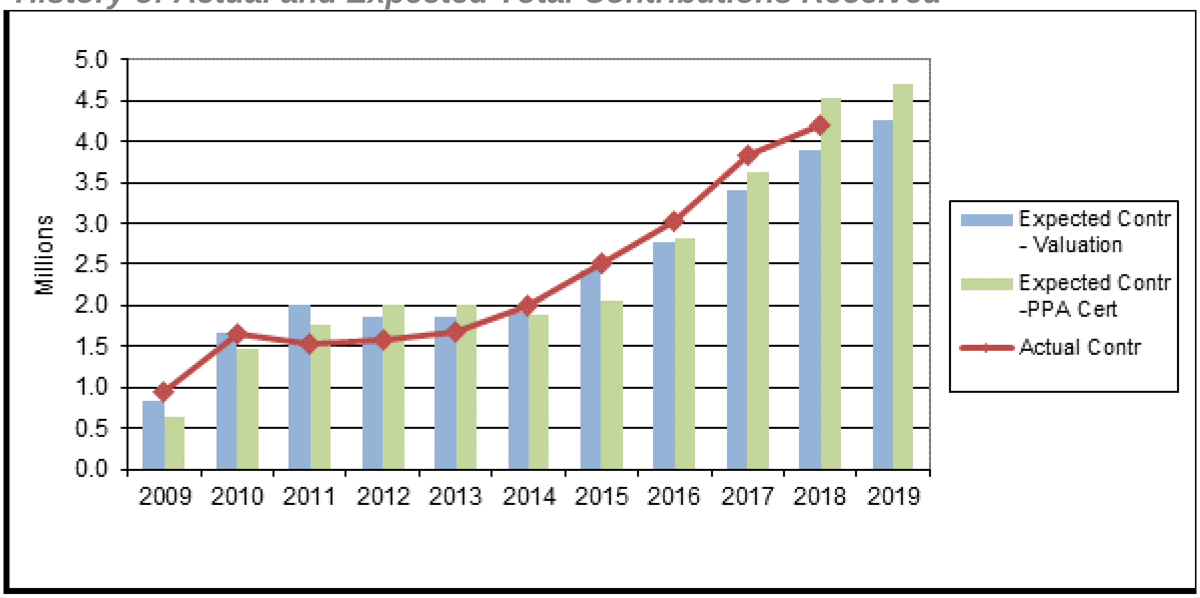
Plan Year Ending December 31, 2018	Number		Contributions Reported
Actives			
Vested	294	$	1,504,626
Non-vested, continuing	445		2,140,622
Non-vested, new entrant	174		493,983
Total valued as active	913		4,139,231
Others	10		30,936
Total for plan year	923	$	4,170,167

Average hourly contribution rate	$	2.92

Comparison with Audited Employer Contributions

Employer contributions reported in data	$	4,170,167
Total audited employer contributions	$	4,195,049
Percent reported		99%

History of Actual and Expected Total Contributions Received*



* Includes Local 364 beginning in 2010.

ACTIVE INFORMATION

Active Participants by Age and Service as of January 1, 2019

Age	Years of Service										
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total
< 25	4	11	-	-	-	-	-	-	-	-	15
25-29	12	35	3	-	-	-	-	-	-	-	50
30-34	13	29	9	-	-	-	-	-	-	-	51
35-39	12	38	14	5	1	-	-	-	-	-	70
40-44	16	55	24	5	3	-	-	-	-	-	103
45-49	17	71	21	12	9	4	1	-	-	-	135
50-54	22	87	25	14	6	3	5	-	-	-	162
55-59	10	71	32	10	2	2	7	-	-	-	134
60-64	9	49	18	14	12	6	5	2	1	-	116
65-69	3	9	6	3	2	1	1	-	-	-	25
70+	-	2	1	-	-	-	-	-	-	-	3
Totals	118	457	153	63	35	16	19	2	1	-	864
Unrecorded DOB	26	19	4	-	-	-	-	-	-	-	49
Total Active Lives	144	476	157	63	35	16	19	2	1	-	913

INACTIVE VESTED INFORMATION

Inactive Vested Participants by Age as of January 1, 2019

Age Group	Number	Estimated Monthly Deferred Vested Benefits*
< 30	-	$ -
30-34	2	485
35-39	8	3,009
40-44	21	8,380
45-49	46	17,973
50-54	65	31,871
55-59	74	35,929
60-64	66	27,405
65-69	8	3,984
70+	1	599
Totals	291	129,635
Unrecorded birth date	-	-
Total inactive vested lives	291	$ 129,635

* Amount payable at assumed retirement age as used in the valuation process.

RETIREE INFORMATION

Benefits Being Paid by Form of Payment as of January 1, 2019

Form of Payment	Number	Monthly Benefits Being Paid Total	Average	Smallest	Largest
Certain & Life	94	$ 56,506	$ 601	$ 17	$ 3,318
Joint & survivor	121	74,121	613	27	1,853
Beneficiaries	59	16,866	286	16	940
Totals	274	$ 147,493	$ 538	$ 16	$ 3,318

Retirees by Age and Form of Payment as of January 1, 2019

Age Group	Form of Benefits Being Paid: Certain & Life	Joint & Survivor	Beneficiaries	Total
< 40	-	-	-	-
40-44	-	-	2	2
45-49	-	-	3	3
50-54	-	-	2	2
55-59	3	4	2	9
60-64	7	17	3	27
65-69	29	40	9	78
70-74	24	27	11	62
75-79	12	17	5	34
80-84	10	10	11	31
85-89	7	2	6	15
90-94	2	3	5	10
95+	-	1	-	1
Totals	94	121	59	274

RETIREE INFORMATION (CONT.)

Age of Participants Retired During Last 5 Plan Years (excludes beneficiaries)

Age at Retirement	Plan Year Ending December 31, 2018	2017	2016	2015	2014
< 55	-	-	-	-	-
55	-	1	1	-	-
56	-	-	-	-	-
57	-	3	2	-	1
58	-	-	1	-	-
59	-	-	-	-	1
60	1	1	-	-	-
61	-	1	1	-	1
62	1	5	2	-	2
63	2	-	1	-	1
64	1	1	-	1	1
65	12	3	6	5	7
66+	4	3	5	2	5
Totals	21	18	19	8	19
Average retirement age	65.2	62.5	63.4	65.8	64.1

PART III: ASSET INFORMATION

MARKET AND ACTUARIAL FUND VALUES

Asset information extracted from the fund's financial statements audited by Katz, Sapper & Miller, LLP.

Market/Actuarial Value of Fund Investments as of December 31,	*2018*	*2017*	*2016*
Invested assets			
Money market fund shares	$ 1,277,830	$ 3,124,307	$ 571,647
U.S. govt & agency securities	1,956,773	2,712,680	2,129,902
Municipal bonds	3,944,637	-	-
Corporate bonds	4,962,457	4,082,356	4,770,386
Common stocks	10,371,101	14,128,851	21,136,120
Exchange-traded funds	15,771,979	14,369,489	4,057,455
Preferred stocks	1,516,913	2,017,234	1,752,676
Real estate investment trusts	1,680,320	-	-
Registered investment companies	6,983,921	8,763,105	6,633,564
Cash, noninterest-bearing	510,357	114,896	650,072
	48,976,288	49,312,918	41,701,822
Net receivables*	404,415	355,442	337,759
Market value	$ 49,380,703	$ 49,668,360	$ 42,039,581
Fund assets - Actuarial value			
Market value	$ 49,380,703	$ 49,668,360	$ 42,039,581
less*: Deferred investment gains and (losses)*	(4,486,316)	301,941	(2,025,332)
Actuarial value	$ 53,867,019	$ 49,366,419	$ 44,064,913
Actuarial value as a percentage of market value	109.09%	99.39%	104.82%

* Equals receivables, less any liabilities

FLOW OF FUNDS

Asset information extracted from the fund's financial statements audited by Katz, Sapper & Miller, LLP.

Plan Year Ending December 31,	2018	2017	2016
Market value at beginning of plan year	$ 49,668,360	$ 42,039,581	$ 38,488,816
Additions			
Employer contributions	4,195,049	3,844,657	3,017,226
*Net investment income**	(2,653,665)	5,503,021	2,078,818
Other income	-	-	-
	1,541,384	9,347,678	5,096,044
Deductions			
Benefits paid	1,686,522	1,564,873	1,435,898
*Net expenses**	142,519	154,026	109,381
	1,829,041	1,718,899	1,545,279
Net increase (decrease)	(287,657)	7,628,779	3,550,765
Adjustment	-	-	-
Market value at end of plan year	$ 49,380,703	$ 49,668,360	$ 42,039,581
Cash flow			
Contr.-ben.-exp.	2,366,008	2,125,758	1,471,947
Percent of assets	4.79%	4.28%	3.50%
Estimated net investment return			
On market value	-5.22%	12.77%	5.30%
On actuarial value	4.22%	7.04%	6.34%

* Investment expenses have been offset against gross investment income.

INVESTMENT GAIN AND LOSS

Investment Gain or Loss
Plan Year Ending December 31, 2018

Expected market value at end of plan year		
Market value at beginning of plan year	$	49,668,360
Employer contributions and non-investment income		4,195,049
Benefits and expenses paid		(1,829,041)
Expected investment income (at 7.25% rate of return)		3,686,724
		55,721,092
Actual market value at end of plan year		49,380,703
less: Expected market value		55,721,092
Investment gain or (loss)	$	(6,340,389)

History of Gains and (Losses)

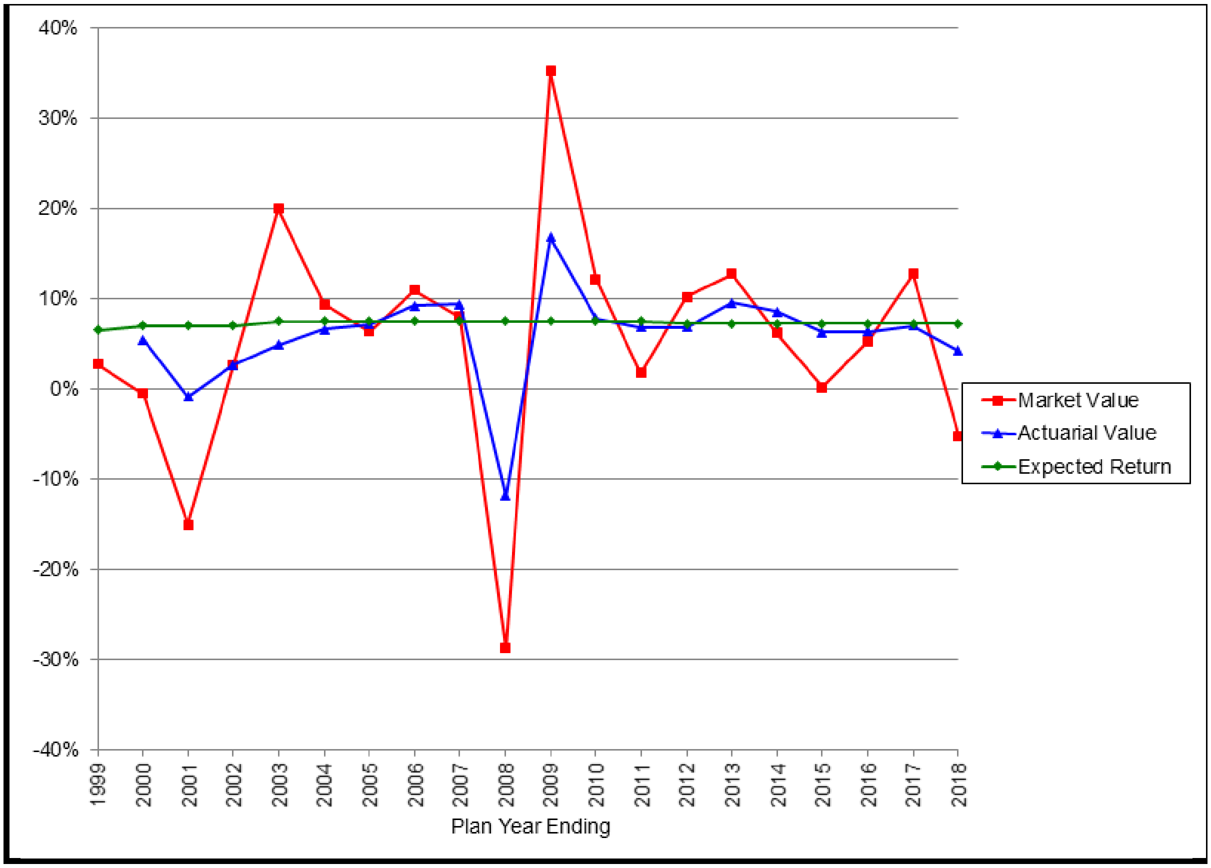
Plan Year Ending December 31,	Investment Gain or (Loss)	Amount Recognized This Year
2018	$ (6,340,389)	$ (1,268,078)
2017	2,378,093	475,619
2016	(764,979)	(152,996)
2015	(2,674,346)	(534,869)
2014	(359,038)	(71,808)
Total	$ (7,760,659)	$ (1,552,132)

Deferred Investment Gains and (Losses)

Plan Year Ending December 31,	Amount of Gain or (Loss) Deferred as of December 31,			
	2018	2019	2020	2021
2018	$ (5,072,311)	$ (3,804,233)	$ (2,536,156)	$ (1,268,078)
2017	1,426,856	951,237	475,619	-
2016	(305,992)	(152,996)	-	-
2015	(534,869)	-	-	-
Totals	$ (4,486,316)	$ (3,005,992)	$ (2,060,537)	$ (1,268,078)

RATE OF RETURN ON FUND ASSETS

Historical Rates of Net Investment Return



The following table shows average rates of return over various periods calculated on a geometric average basis. These statistics may not be appropriate for evaluating a Plan's rate of return assumption as such assumption is forward-looking whereas the statistics are historical. Furthermore, these statistics do <u>not</u> reflect the internal rate of return actually experienced by the Fund over these periods.

Average Rates of Net Investment Return (geometric average)

	Return on Market Value		Return on Actuarial Value	
	Period Ending December 31,		Period Ending December 31,	
Period	2018	2017	2018	2017
One year	-5.22%	12.77%	4.22%	7.04%
5 years	3.68%	7.33%	6.48%	7.55%
10 years	8.68%	5.63%	8.00%	6.21%
15 years	5.67%	7.34%	6.58%	6.63%
20 years	4.58%	5.01%	n/a	n/a

PART IV: ENROLLED ACTUARY'S REPORT

NORMAL COST/ACTUARIAL LIABILITY

Normal Cost as of January 1,		*2019*		*2018*
Active participants	$	2,305,708	$	1,822,974
Anticipated administrative expenses (beg. of year)		140,097		130,277
Total normal cost	$	2,445,805	$	1,953,251

Unfunded Actuarial Liability as of January 1,		*2019*		*2018*
Actuarial liability				
Participants currently receiving benefits	$	16,468,403	$	14,565,567
Inactive vested participants		9,635,775		8,882,106
Active participants		30,485,384		26,969,016
		56,589,562		50,416,689
less: Fund assets (actuarial value)		53,867,019		49,366,419
Unfunded actuarial liability (not less than 0)	$	2,722,543	$	1,050,270

ACTUARIAL LIABILITY RECONCILIATION/PROJECTION

Reconciliation of Unfunded Actuarial Liability

Expected unfunded actuarial liability as of December 31, 2018		
Unfunded actuarial liability as of January 1, 2018	$	1,050,270
Normal cost (including expenses)		1,953,251
Actual contributions		(4,195,049)
Interest to end of plan year		65,686
		(1,125,842)
Increase (decrease) due to:		
Experience (gain) or loss		2,737,955
Plan amendment		-
Change in actuarial assumptions		1,110,430
Change in actuarial method		-
Net increase (decrease)		3,848,385
Unfunded actuarial liability as of January 1, 2019	$	2,722,543

Projection of Actuarial Liability to Year End

Actuarial liability as of January 1, 2019	$	56,589,562
Expected increase (decrease) due to:		
Normal cost (excluding expenses)		2,305,708
Benefits paid		(1,980,177)
Interest on above		92,093
Interest on actuarial liability		3,961,269
Net expected increase (decrease)		4,378,893
Expected actuarial liability as of December 31, 2019	$	60,968,455

FUNDED RATIOS

Present Value of Accumulated Benefits/ Funded Ratios Actuarial Study as of January 1,		*2019*		*2018*
Present value of vested accumulated benefits				
Participants currently receiving benefits	$	16,468,403	$	14,565,567
Inactive vested participants		9,463,352		8,720,739
Active participants		15,130,374		13,746,690
Total		41,062,129		37,032,996
Nonvested accumulated benefits		4,871,469		3,357,796
Present value of all accumulated benefits	$	45,933,598	$	40,390,792
Market value of assets	$	49,380,703	$	49,668,360
Funded ratios (Market value)				
Vested benefits		120.3%		134.1%
All accumulated benefits		107.5%		123.0%
Actuarial value of assets	$	53,867,019	$	49,366,419
Funded ratios (Actuarial value used for PPA)				
Vested benefits		131.2%		133.3%
All accumulated benefits		117.3%		122.2%
Interest rate used to value benefits		7.00%		7.25%

FUNDING PERIOD

The funding period is the approximate number of years that would be required to completely fund the unfunded entry age normal actuarial liability if future plan experience occurs according to the assumptions. The funding period is an indicator of the long term financial soundness of the plan. Historically, funds often targeted a maximum funding period of up to 20 years. Today, asset losses are being paid off over a maximum of 15 years and are the primary driver for ERISA minimum funding. An ultimate target of no more than 10 years is recommended. A lower, more conservative funding period target can be chosen. As the funding period drops, the risk of having future funding issues also diminishes.

Funding Period Calculation *Actuarial Study as of January 1,*		*2019*		*2018*
Unfunded actuarial liability				
Actuarial liability	$	56,589,562	$	50,416,689
less: *Fund assets (actuarial value)*		53,867,019		49,366,419
		2,722,543		1,050,270
Funds available to amortize unfunded				
Anticipated contributions (beg. of yr.)		4,124,197		3,760,263
less: *Normal cost (including expenses)*		2,445,805		1,953,251
	$	1,678,392	$	1,807,012
Funding period (years)		2		1

CURRENT LIABILITY

Current Liability is determined in a manner similar to the value of accrued benefits, but using an interest rate assumption within an acceptable range determined by the IRS. For this report we used an interest rate assumption of 3.06%. The current liability is used only in the determination of the maximum deductible employer contribution and full funding limit under the Internal Revenue Code, and is not used for any other purpose.

Current Liability as of January 1, 2019

Vested current liability		
Participants currently receiving benefits	$	23,919,919
Inactive vested participants		18,390,882
Active participants		30,245,506
		72,556,307
Nonvested current liability		
Inactive vested participants		203,814
Active participants		10,233,760
		10,437,574
Total current liability	$	82,993,881

Projection of Current Liability to Year End

Current liability as of January 1, 2019	$	82,993,881
Expected increase (decrease) due to:		
Benefits accruing		6,823,497
Benefits paid		(1,980,177)
Interest on above		178,502
Interest on current liability		2,539,613
Net expected increase (decrease)		7,561,435
Expected current liability as of December 31, 2019	$	90,555,316

FUNDING STANDARD ACCOUNT

Funding Standard Account Plan Year Ending December 31,	*2019 (Projected)*	*2018 (Final)*
Charges		
Prior year funding deficiency	$ -	$ -
Normal cost (including expenses)	2,445,805	1,953,251
Amortization charges (see Appendix C)	2,272,153	1,900,490
Interest on above	330,258	279,398
Total charges	5,048,216	4,133,139
Credits		
Prior year credit balance	10,124,575	8,079,798
Employer contributions	4,268,544	4,195,049
Amortization credits (see Appendix C)	597,450	1,160,850
Interest on above	899,939	822,017
ERISA full funding credit	-	-
Total credits	15,890,508	14,257,714
Credit balance (credits less charges)	$ 10,842,292	$ 10,124,575

FULL FUNDING LIMIT

Projection of Assets for Full Funding Limit		*Market Value*		*Actuarial Value*
Asset value as of January 1, 2019	$	49,380,703	$	53,867,019
Expected increase (decrease) due to:				
Investment income		3,382,268		3,696,310
Benefits paid		(1,980,177)		(1,980,177)
Expenses		(145,000)		(145,000)
Net expected increase (decrease)		1,257,091		1,571,133
Expected value as of December 31, 2019*	$	50,637,794	$	55,438,152

* Ignoring expected employer contributions (as required by regulation).

Full Funding Limit as of December 31, 2019		*For Minimum Required*		*For Maximum Deductible*
ERISA full funding limit (not less than 0)				
Actuarial liability	$	60,968,455	$	60,968,455
less: *Assets (lesser of market or actuarial)*		50,637,794		50,637,794
plus: Credit balance (w/interest to year end)		10,833,295		n/a
		21,163,956		10,330,661
Full funding limit override (not less than 0)				
90% of current liability		81,499,784		81,499,784
less: *Assets (actuarial value)*		55,438,152		55,438,152
		26,061,632		26,061,632
Full funding limit (greater of ERISA limit and full funding override)	$	26,061,632	$	26,061,632

MINIMUM REQUIRED CONTRIBUTION AND FULL FUNDING CREDIT

Minimum Required Contribution Plan Year Beginning January 1, 2019

Minimum funding cost		
Normal cost (including expenses)	$	2,445,805
Net amortization of unfunded liabilities		1,674,703
Interest to end of plan year		288,438
		4,408,946
Full funding limit		26,061,632
Net charge to funding std. acct. (lesser of above)		4,408,946
less: *Credit balance with interest to year end*		10,833,295
Minimum Required Contribution (not less than 0)	$	-

Full Funding Credit to Funding Standard Account Plan Year Ending December 31, 2019

Full funding credit (not less than 0)		
Minimum funding cost (n.c., amort., int.)	$	4,408,946
less*: full funding limit*		26,061,632
	$	-

MAXIMUM DEDUCTIBLE CONTRIBUTION

The maximum amount of tax-deductible employer contributions made to a pension plan is determined in accordance with Section 404(a) of the Internal Revenue Code. For a multiemployer pension plan, Section 413(b)(7) of the Internal Revenue Code and IRS Announcement 98-1 provide that, if anticipated employer contributions are less than the deductible limit for a plan year, then all employer contributions paid during the year are guaranteed to be deductible. If anticipated employer contributions exceed the deductible limit, the Trustees have two years from the close of the plan year in question to retroactively improve benefits to alleviate the problem.

Maximum Deductible Contribution
Plan Year Beginning January 1, 2019

Preliminary deductible limit		
Normal cost (including expenses)	$	2,445,805
10-year limit adjustment (using "fresh start" alternative)		362,270
Interest to end of plan year		196,565
		3,004,640
Full funding limit		26,061,632
Maximum deductible contribution override		
140% of vested current liability projected to December 31, 2019		110,833,509
less: *Actuarial value of assets projected to December 31, 2019*		55,438,152
		55,395,357
Maximum deductible contribution*	$	55,395,357
Anticipated employer contributions	$	4,268,544

* Equals the lesser of the preliminary deductible limit and the full funding limit, but not less than the maximum deductible contribution override.

HISTORY OF UNFUNDED VESTED BENEFITS

Presumptive Method

December 31,		Vested Benefits Interest Rate	Value of Vested Benefits	Asset Value*	Unfunded Vested Benefits
1999		7.00%	414,614	898,698	(484,084)
2000		7.00%	519,044	1,083,761	(564,717)
2001		7.00%	590,996	1,302,053	(711,057)
2002		7.50%	568,744	1,721,463	(1,152,719)
2003		7.50%	909,344	2,229,148	(1,319,804)
2004		7.50%	1,254,257	2,862,594	(1,608,337)
2005		7.50%	1,676,578	3,516,754	(1,840,176)
2006		7.50%	2,030,684	4,339,467	(2,308,783)
2007		7.50%	2,615,574	5,211,506	(2,595,932)
2008		7.50%	3,344,094	5,156,052	(1,811,958)
2009	**	7.50%	20,084,786	22,945,442	(2,860,656)
2010		7.50%	21,779,099	25,395,967	(3,616,868)
2011		7.25%	25,851,423	27,612,767	(1,761,344)
2012		7.25%	27,140,765	29,918,189	(2,777,424)
2013		7.25%	28,608,696	33,202,966	(4,594,270)
2014		7.25%	30,031,441	36,639,610	(6,608,169)
2015		7.25%	31,918,270	40,011,482	(8,093,212)
2016		7.25%	34,236,533	44,064,913	(9,828,380)
2017		7.25%	37,032,996	49,366,419	(12,333,423)
2018		7.00%	41,062,129	53,867,019	(12,804,890)

* Actuarial value.
** Liabilities and assets reflect the merger with Local 364 beginning December 31, 2009

TERMINATION BY MASS WITHDRAWAL

If all employers were to cease to have an obligation to contribute to the plan, the plan would be considered "terminated due to mass withdrawal." In this event, the Trustees would have the option of distributing plan assets in satisfaction of all plan liabilities through the purchase of annuities from insurance carriers or payment of lump sums. If assets are insufficient to cover liabilities, a special actuarial valuation pursuant to Section 4281 of ERISA would be performed as of the end of the plan year in which the mass withdrawal occurred. If the Section 4281 valuation indicates the value of nonforfeitable benefits exceeds the value of plan assets, employer withdrawal liability would be assessed.

The ERISA Section 4281 valuation described above uses required actuarial assumptions that are typically more conservative than those used for valuing an on-going plan. In order to illustrate the impact of the mass withdrawal assumptions, we performed an illustrative Section 4281 valuation as if mass withdrawal had occurred during the prior plan year. The value of assets used below is market value without any adjustments for outstanding employer withdrawal liability claims.

As required by regulation, interest rates of 2.84% for the first 20 years and 2.76% for each year thereafter and the GAM 94 Basic Mortality Table projected to 2028 were used.

Illustrative Section 4281 Valuation as of December 31, 2018

Value of nonforfeitable benefits		
Participants currently receiving benefits	$	24,177,540
Inactive vested participants		18,763,723
Active participants		30,259,236
Expenses (per Section 4281 of ERISA)		571,623
		73,772,122
less: Fund assets (market value)		49,380,703
Value of nonforfeitable benefits in excess of (less than) fund assets	$	24,391,419

ASC 960 INFORMATION

The following displays are intended to assist the fund's auditor in complying with Accounting Standards Codification 960. The results shown are not necessarily indicative of the plan's potential liability upon termination.

Present Value of Accumulated Benefits Actuarial Study as of January 1,		*2019*		*2018*
Present value of vested accumulated benefits				
Participants currently receiving benefits	$	16,468,403	$	14,565,567
Expenses on parts. currently rec. benefits		1,440,985		1,274,487
Other participants		24,593,726		22,467,429
Expenses on other participants		2,151,951		1,965,900
		44,655,065		40,273,383
Present value of nonvested accumulated benefits				
Nonvested accumulated benefits		4,871,469		3,357,796
Expenses on nonvested benefits		426,254		293,807
		5,297,723		3,651,603
Present value of all accumulated benefits	$	49,952,788	$	43,924,986
Market value of plan assets	$	49,380,703	$	49,668,360
Interest rate used to value benefits		7.00%		7.25%

Changes in Present Value of Accumulated Benefits		
Present value of accumulated benefits as of January 1, 2018	$	43,924,986
Increase (decrease) due to:		
Plan amendment		-
Change in actuarial assumptions		1,416,358
Benefits accumulated and experience gain or loss		3,255,924
Interest due to decrease in discount period		3,184,561
Benefits paid		(1,686,522)
Operational expenses paid		(142,519)
Net increase (decrease)		6,027,802
Present value of accumulated benefits as of January 1, 2019	$	49,952,788

APPENDICES

PLAN HISTORY

Origins/Purpose

The Indiana Teamsters Pension Fund was established effective September 1, 1989 pursuant to an Agreement and Declaration of Trust and plan document for the stated purpose of providing retirement benefit to Chauffeurs, Teamsters, Warehousemen and Helpers Local Union No. 135.

The Pension Plan is managed under the provisions of the Labor Management Relations Act by a Board of Trustees consisting of an equal number of representatives from Labor and from Management.

The purpose of the Pension Plan is to provide Normal and Early Retirement Benefits, Joint and 50% Survivor Benefits, Optional Retirement Benefits, Vested Benefits and Death Benefits.

Merger of Local 364 Sales Drivers and Industry Pension Fund

The Local 364 Sales Drivers and Industry Pension Fund merged into this Fund on October 31, 2009. The pre-merger benefits for Local 364 participants are preserved under the eligibility and accrual provisions immediately prior to the merger. These provisions include the following service accrual, eligibility requirements, and early retirement adjustments:

Contributions and pension credits are reported and based on weeks worked.

Weeks Worked	Pension Credits
0-21	0.00
22-26	0.50
27-39	0.75
40+	1.00

The accrued benefit immediately prior to the merger was $60 per pension credit.

Normal retirement age for benefits accrued immediately prior to the merger is the earlier of age 65 and 5th anniversary of participation.

Early retirement age for benefits accrued immediately prior to the merger is age 50 and 15 pension credits. The reduction for early retirement benefits is 7/12ths of 1% for each month prior to age 57 down to age 56 plus 1/3rd of 1% for each month prior to age 56.

EMPLOYER CONTRIBUTIONS

The Pension Plan is financed entirely by contributions from the employers as specified in the Collective Bargaining Agreement. Following is a listing of pension contribution rates.

ER#	Employer	Contribution Rate as of 1/1/2019	Next Rate Change	
			Rate	Eff. Date
Primary Hourly Rate		**$4.79**		
44	All-Sets Inc.			
86	American Enterprises Trkg.			
162	Apache Trucking Corp			
39	Austgen Equipment Inc.			
72	Bearcat Enterprises, LLC			
141	Beaty Construction			
166	Berry Farms			
150	BSD Farms			
143	Bunn Trucking			
95	C Lee Construction Serv.			
241	Columbus Transport			
114	Custer Dump Trucking & Excavating, Inc.			
77	Earth Transport LLC			
169	Edward & Jones Concrete			
168	Elle J Trucking			
65	Fanio Services			
149	Fletcher's Trucking			
170	GBT			
158	Grandson Trucking Company LLC			
38	GRD Trucking			
135	J & J Williams Trucking LLC			
69	J & S Express			
127	Jackson Demolition Services			
52	K & A Trucking Inc.			
126	K.T.M. Services			
9	Keith Pruett Trucking			
148	Langley Trucking			
107	M.A.C. Trucking, Inc			
159	Major League Trucking LLC			
96	Montgomery Trucking Inc.			
164	Morock LLC			
22	Pavey Excavating Co., Inc.			
74	Ramon Excavating			
161	Rollin Stones Trucking, LLC			
284	Romco of Columbus			
46	S & H Trucking			
142	Shosone Trucking			
157	South Bend Transfer			

EMPLOYER CONTRIBUTIONS (CONT.)

ER#	Employer	Contribution Rate as of 1/1/2019	Next Rate Change: Rate	Next Rate Change: Eff. Date
Primary Hourly Rate (cont.)		**$4.79**		
136	Superior Construction Co., Inc			
112	Town And Country Construction, Inc.			
58	Trail Services, Inc			
110	Triple R Services			
54	William Hanna Trk Inc.			
146	Wright Excavating			
160	Yanez Trucking LLC			
18	Young Trucking of S. Ind.			
Primary Weekly Rates				
45	Godsey Trucking	$140.00	$145.00	5/23/2019
14	Kim Singhurse Trucking	$140.00	$145.00	5/23/2019
17	Northside Materials	$140.00	$145.00	5/23/2019
27	Souder Trucking LLC	$140.00	$145.00	5/23/2019
133	C Tech Corporation, Inc.	$157.60		
167	Corystone	$157.60		
151	JLD Trucking	$157.60		
130	Kolb Grading LLC	$157.60		
145	Macadam Trucking LLC	$157.60		
165	Trader Transport	$157.60		
Other Hourly Rates				
48	Dump Trucks Inc.	$3.80		
152	IMI Kentucky Ave	$3.40		
153	IMI Noblesville	$3.40		
92	Z Force Transportation	$3.00		
Other Weekly Rates				
193	Canteen Vending Services	$13.00		
138	Chemtrade Solutions LLC	$30.00		
98	DHL Express Inc.*	$124.00	$127.00	10/1/2019
99	Holsum of Fort Wayne	$127.00		
144	Joint Council No. 69	$175.76		
16	K&K Enterprises	$125.00	$130.00	5/23/2019
105	Kreamo Bakers Inc. (Sales)	$121.00	$124.00	11/1/2019
101	Kreamo Bakers Inc. (Trans)**	$110.00	$111.00	11/1/2019
171	RB Hoods	$100.00		

* Weekly rate increases to $130.00 in 2020 and $133.00 in 2021.
** Weekly rate increases to $112 in 2020 and $113 in 2021.

EMPLOYER CONTRIBUTIONS (CONT.)

ER#	Employer	Contribution Rate as of 1/1/2019	Next Rate Change	
			Rate	Eff. Date
Other Weekly Rates				
40	Republic Services (Previously JAMAX)***	$59.00	$64.00	4/1/2019
120	Southern Wine and Spirits of Indiana, Inc.	$58.40		
78	Teamster Local Union 916	$130.76		
35	Teamsters Local 135	$338.00		
156	Teamsters Local 135 Class 1****	$100.00		

*** Weekly rate increases to $69.00 in 2020, $74.00 in 2021, and $79.00 in 2022.
**** Class 2 $50.00/week

SUMMARY OF PLAN PROVISIONS

Participation	Any employee for a qualifying employer for whom contributions have been made to the plan
Year of service	Plan Year with at least 1,000 hours
Break in service	Plan Year less than 501 hours.
Normal retirement benefit	
Eligibility	Age 65 and 5 years of plan participation Benefits for Local 364 participants earned prior to November 1, 2009 are subject to eligibility rules as described in the plan history.
Monthly amount	Local 135 participants: Past service benefit, if any, plus 3.0% of contributions made or due September 1, 1989 through December 31, 2009, plus 2.0% of contributions made or due on or after January 1, 2010. Local 364 participants: Accrued benefits payable prior to the plan merger as described in the plan history, plus 1% of contributions made or due November 1, 2009 through December 31, 2013, plus 2% of contributions made or due on or after January 1, 2014. Payable for life with 5 years certain.
Early retirement benefit	
Eligibility	Age 57 and 10 years of service, unless service prior to January 1, 2001, then age 55 and 10 years of service Local 364 benefits earned prior to November 1, 2009 are subject to early retirement eligibility rules as described in the plan history.
Monthly amount	Normal reduced by 1/2% for each month prior to age 65. Payable for life with 5 years certain. Local 364 early retirement reduction for benefits earned prior to November 1, 2009 are subject to early retirement reductions as described in the plan history.

SUMMARY OF PLAN PROVISIONS (CONT.)

Vested benefit	
Eligibility	5 years of service, termination of employment
Monthly amount	100% of normal commencing at age 65. Payable for life with 5 years certain.
Optional forms of payment	Qualified joint and 50% survivor annuity Qualified joint and 75% survivor annuity
Pre-retirement death benefit	
Eligibility	Death of vested participant with surviving spouse
Monthly amount	50% of participant's qualified joint and 50% survivor annuity payable to spouse over spouse's lifetime commencing at participant's earliest retirement date.
Lump sum retiree death benefit	
Eligibility	Death of retired Local 364 participant retired from active status between November 1, 1998 and October 31, 2009.
Lump sum amount	$5,000 payable to designated beneficiary.

HISTORICAL PLAN MODIFICATIONS

Vesting schedule

Effective date	January 1, 1999
Provisions	Participants who have at least one hour of service on or after January 1, 1999 are 100% vested at 5 years of service.

Normal form of benefit

Effective date	January 1, 1999
Adoption date	November 13, 2001
Provisions	Normal form of benefit was changed from life annuity to life with 5 year certain annuity.

Optional form

Effective date	January 1, 2008
Adoption date	December 15, 2008
Provisions	An optional 75% joint and survivor annuity was added.

Plan merger

Effective date	October 31, 2009
Adoption date	August 31, 2009
Provisions	The Local 364 Sales Drivers Industry Pension Fund was merged into this fund.

Future service benefit

Effective date	November 1, 2009
Adoption date	August 31, 2009
Provisions	Future service benefit multiplier for Local 364 participants under this plan was established to be 1% of contributions for work performed on or after November 1, 2009.

HISTORICAL PLAN MODIFICATIONS (CONT.)

Future service benefit

Effective date	January 1, 2010
Adoption date	August 31, 2009
Provisions	The future service benefit multiplier for Local 135 participants was changed from 3.0% to 2.0% of contributions for work performed on or after January 1, 2010.

Future service benefit

Effective date	January 1, 2014
Adoption date	August 12, 2014
Provisions	The future service benefit multiplier for Local 364 participants under this plan was increased from 1% of contributions to 2% of contributions for work performed on or after January 1, 2014.

ACTUARIAL ASSUMPTIONS

The following assumptions are used throughout this report except as specifically noted herein.

Valuation date	January 1, 2019
Interest rates	
ERISA rate of return used to value liabilities	7.00% per year after investment expenses
Unfunded vested benefits	7.00% per year net of investment expenses
Current liability	3.06% (in accordance with Section 431(c)(6) of the Internal Revenue Code).
Operational expenses	
Funding	$145,000 per year excluding investment expenses.
ASC 960	An 8.75% load was applied to the accrued liabilities for 2019 (8.75% for 2018 also).
Mortality	
Assumed plan mortality	105% of the RP-2006 Blue Collar Mortality Tables (the RP 2014 table adjusted backward to 2006 with the MP-2014 projection scale) for employees and healthy annuitants projected forward using the MP-2018 projection scale.
Current liability	Separate annuitant and non-annuitant rates based on the RP-2000 Mortality Tables Report developed for males and females as prescribed by Section 431(c)(6) of the Internal Revenue Code.

ACTUARIAL ASSUMPTIONS (CONT.)

Withdrawal

T-10 Turnover Table from The Actuary's Pension Handbook (less GAM 51 mortality) with 3 year select rates - specimen rates shown below:

	Withdrawal Rate	
Age	Years 1-3	4+ Years
20	.25	.1794
25	.25	.1722
30	.25	.1621
35	.25	.1486
40	.25	.1310
45	.25	.1084
50	.25	.0792
55	.25	.0440
60	.25	.0120
63	.25	.0013

Future retirement rates

Active lives

According to the following schedule:

Age	Retirement Rate
55-60	.02
61	.15
62-64	.25
65	.30
66	.40
67-69	.25
70+	1.00

Resulting in an average expected retirement age of 64.6.

Inactive vested lives

Local 135: Age 65 or current age if older
Local 364: Earliest age pre-merger benefit unreduced

Future hours worked

Local 135 Participants:

Vested — 1,800 hours, 0 after assumed retirement age
Non-vested — 1,200 hours, 0 after assumed retirement age

Local 364 Participants:

Vested — 50 weeks, 0 after assumed retirement age*
Non-vested — 40 weeks, 0 after assumed retirement age*

* Converted to hours based on 45 hours per week

ACTUARIAL ASSUMPTIONS (CONT.)

Future vesting credits	All active participants are assumed to earn one year of vesting credit each year.
Future hourly contribution rate	Average negotiated rate by employer for the current plan year. If an employer has more than one rate, the rate best matching the experience for the year is assumed.
Future reciprocal pensions	7.0% of liabilities for active Local 364 participants assumed to withdraw in the future and for current Local 364 inactive vested participants.
Late retirement	Proper notices assumed to be sent to active participants at normal retirement age so no late retirement factors are applied for active participants assumed to retire after normal retirement age.
Age of participants with unrecorded birth dates	Based on average entry age of participants with recorded birthdates and same vesting status
Marriage assumptions	100% assumed married with the male spouse 3 years older than his wife
Optional form assumption	All non-retired participants assumed to elect the life and five year certain form of benefit.
Inactive vested lives over age 70	Continuing inactive vested participants over age 70 are assumed deceased and are not valued.
QDRO benefits	Benefits to alternate payee included with participant's benefit until payment commences
Section 415 limit assumptions	
Dollar limit	$225,000 per year
Assumed form of payment for those limited by Section 415	Qualified joint and 75% survivor annuity
Benefits not valued	None

RATIONALE FOR SELECTION OF ACTUARIAL ASSUMPTIONS

The non-prescribed actuarial assumptions were selected to provide a reasonable long term estimate of developing experience. The assumptions are reviewed annually, including a comparison to actual experience. The following describes our rationale for the selection of each non-prescribed assumption that has a significant effect on the valuation results.

ERISA rate of return used to value liabilities	Future rates of return were modeled based on the Plan's current investment policy asset allocation and composite, long-term capital market assumptions taken from Horizon Actuarial's 2019 survey of investment consultants. Based on this analysis, we selected a final assumed rate of 7.00%, which we feel is reasonable. This rate may not be appropriate for other purposes such as settlement of liabilities.
Mortality	The RP-2006 Blue Collar Mortality Tables for employees and healthy annuitants projected forward using the MP-2018 projection scale was chosen as the base table for this population The blue collar table was chosen based on the industry of plan participants. Finally, a 105% multiplier was applied. This was based on a study of data from larger plans in similar industries.
Retirement	Actual rates of retirement by age were studied for the period January 1, 2014 to December 31, 2018. No further adjustments were deemed necessary at this time.
Withdrawal	Actual rates of withdrawal by age were studied for the period January 1, 2014 to December 31, 2018. The assumed select period rates of withdrawal were chosen based on the results of this study.
Disability	Disability decrement is not valued as no disability benefits are payable and we believe the withdrawal rates reasonably reflect terminations due to disability.
Future hours worked	Based on review of recent plan experience.

ACTUARIAL ASSUMPTIONS USED FOR PROJECTIONS

The assumptions used for the credit balance, funding ratio and PPA zone projections are the same as used throughout the report with the following exceptions.

Assumed return on fund assets	
Current year projections	6.00% for the first 10 years (1/1/2019-12/31/2028) 7.00% thereafter
Prior year projections	6.25% for the first 10 years (1/1/2018-12/31/2027) 7.25% thereafter
Expenses	
Current year projections	$145,000 per year excluding investment expenses.
Prior year projections	$135,000 per year excluding investment expenses.
Future total hours worked	
Current year projections	1,317,900 for all future years
Prior year projections	1,248,150 for all future years
Contribution rate increases	The following rate increases represent an average hourly rate increase expected for the entire active participant group based upon the known contribution rate increases included in current collective bargaining agreements.
Current year projections	1¢ credited effective January 1, 2020 1¢ credited effective January 1, 2021 1¢ credited effective January 1, 2022
Prior year projections	2¢ credited effective January 1, 2019 1¢ credited effective January 1, 2020 1¢ credited effective January 1, 2021 1¢ credited effective January 1, 2022
Plan changes since prior year	None
Stochastic modeling	500 trials. Future returns are modeled using an expected return of 6.15% for the first 10 years and 7.08% thereafter and a standard deviation of 10.50%, which is representative of the plan's investment portfolio. The expected return above is a one year value and is not representative of longer term geometric return as considered when setting the ERISA return assumption.

ACTUARIAL METHODS

Funding method	
ERISA Funding	Individual entry age normal with costs spread as a level dollar amount over service
Funding period	Individual entry age normal with costs spread as a level dollar amount over service
Population valued	
Actives	Eligible employees with at least one hour during the preceding plan year.
Inactive vested	Vested participants with no hours during the preceding plan year.
Retirees	Participants and beneficiaries in pay status as of the valuation date.
Asset valuation method	
Actuarial value	Smoothed market value with phase in effective January 1, 2000. Gains and losses are amortized over a period of 5 years. The actuarial value can be no less than 80% nor more than 120% of the market value as of the determination date.
Unfunded vested benefits	For the presumptive method, actuarial value, as described above, is used

Date Established	Source of Change in Unfunded Liability	Original Amount	Original Period	Remaining Period		1/1/2019 Outstanding Balance	1/1/2019 Amortization Payment
				Years	Months		
Charges							
11/1/1996	Amendment -SD364		30	7	10	233,457	37,142
11/1/1996	Assumptions -SD364		30	7	10	19,883	3,163
11/1/1997	Amendment -SD364		30	8	10	49,709	7,231
11/1/1997	Assumptions -SD364		30	8	10	334,477	48,656
11/1/1998	Assumptions -SD364		30	9	10	561,846	75,674
11/1/1999	Amendment -SD364		30	10	10	426,809	53,762
11/1/2000	Amendment -SD364		30	11	10	208,460	24,759
1/1/2002	Amendment	24,604	30	13	0	16,835	1,883
1/1/2002	Assumptions	141,756	30	13	0	96,944	10,841
1/1/2005	Assumptions	170,669	30	16	0	131,490	13,009
1/1/2005	Experience Loss	158,039	15	1	0	16,527	16,527
1/1/2006	Assumptions	20,982	30	17	0	16,676	1,596
11/1/2006	Experience -SD364		15	2	10	67,808	25,468
1/1/2007	Experience Loss	79,952	15	3	0	23,392	8,330
1/1/2008	Experience Loss	416,594	15	4	0	157,016	43,323
11/1/2008	Experience -SD364		15	4	10	675,875	158,654
1/1/2009	Experience Loss	1,335,028	15	5	0	607,918	138,566
1/1/2010	Assumptions	599,390	15	6	0	316,715	62,099
1/1/2010	Experience Loss	378,348	15	6	0	199,911	39,197
1/1/2010	Experience-SD Merg	1,175,114	15	6	0	620,918	121,744
1/1/2011	Assumptions	324,234	15	7	0	193,354	33,530
1/1/2011	Experience Loss	102,361	15	7	0	61,049	10,587
1/1/2012	Assumptions	2,331,356	15	8	0	1,537,767	240,679
1/1/2013	Assumptions	558,731	15	9	0	401,731	57,626
1/1/2014	Assumptions	316,842	15	10	0	245,361	32,648
1/1/2015	Amendment	1,093,297	15	11	0	903,116	112,558
1/1/2015	Assumption Change	383,931	15	11	0	317,142	39,526
1/1/2016	Experience Loss	439,682	15	12	0	384,370	45,227
1/1/2017	Assumptions	708,247	15	13	0	650,951	72,791
1/1/2017	Experience Loss	810,018	15	13	0	744,488	83,251
1/1/2018	Assumptions	1,050,270	15	14	0	1,009,273	107,855
1/1/2018	Experience Loss	1,454,450	15	14	0	1,397,676	149,362
1/1/2019	Assumptions	1,110,430	15	15	0	1,110,430	113,943
1/1/2019	Experience Loss	2,737,955	15	15	0	2,737,955	280,946

Date Established	Source of Change in Unfunded Liability	Original Amount	Original Period	Remaining Period Years	Remaining Period Months	1/1/2019 Outstanding Balance	1/1/2019 Amortization Payment
				Total Charges:		**16,477,329**	**2,272,153**
Credits							
1/1/2009	Combined Credits	701,349	16	6	0	357,843	70,163
11/1/2009	Experience -SD364		15	5	10	409,239	82,154
1/1/2010	Amendment	1,533,245	15	6	0	810,156	158,848
1/1/2012	Experience Gain	724,489	15	8	0	477,880	74,794
1/1/2013	Experience Gain	468,603	15	9	0	336,933	48,331
1/1/2014	Experience Gain	1,462,819	15	10	0	1,132,807	150,735
1/1/2015	Experience Gain	4,900	15	11	0	4,044	504
1/1/2016	Assumptions	115,889	15	12	0	101,309	11,921
				Total Credits:		**3,630,211**	**597,450**
				Net Charges:		**12,847,118**	**1,674,703**
				Less Credit Balance:		10,124,575	
				Less Reconciliation Balance:		0	
				Unfunded Actuarial Liability:		**2,722,543**	

RULES FOR ENDANGERED AND CRITICAL STATUS

Background

The Pension Protection Act of 2006 ("PPA"), enacted in August 2006, established special rules for plans in "Endangered" or "Critical" status. These rules become effective with the plan year beginning in 2008 and were originally scheduled to "sunset" in 2015.

The Multiemployer Pension Reform Act of 2014 ("MPRA"), enacted in December 2014, made the provisions contained in the PPA permanent. MPRA also made numerous changes to the PPA rules, including adding a new status for deeply troubled plans: Critical and Declining.

Informally, Critical Status is often referred to as "red zone" and Endangered Status as "yellow zone." A plan that is neither Critical nor Endangered is said to be "green zone."

Criteria for Endangered and Critical

The table below summarizes the criteria for these categorizations. Projected deficiencies are calculated as of the last day of each plan year and are based on contribution rates codified in bargaining agreements and, if applicable, wage allocations.

Critical Status ("Red Zone")	*Endangered Status ("Yellow Zone")*
GETTING IN:	
Plan is Critical if it is described in one or more of the following: • Funded percentage is less than 65%, and, inability to pay nonforfeitable benefits and expenses for next 7 years, or • Projected funding deficiency (not recognizing extensions) in the current year or next 3 years (next 4 years if funded at less than 65%), or • (1) Contributions are less than current year costs (i.e. "normal cost") plus interest on any unfunded past liabilities, and, (2) value of vested benefits for non-actives is greater than for actives, and, (3) projected funding deficiency (not recognizing extensions) in the current year or next 4 years, or • Inability to pay all benefits and expenses for next 5 years.	Plan is Endangered if it is not Critical and it is described in one of the following: • Funded percentage is less than 80%, or • Projected funding deficiency in the current year or next 6 years. A non-critical plan that meets both of the preceding criteria is considered "Seriously Endangered" A plan that meets one of the two Endangered Status criteria above, but was not in Critical or Endangered for the preceding year, will remain not Critical or Endangered (i.e. it will be in "green zone") provided it is not projected to meet either of the two Endangered Status criteria as of the end of the 10th plan year following the certification year

RULES FOR ENDANGERED AND CRITICAL STATUS (CONT.)

Critical Status ("Red Zone")	*Endangered Status ("Yellow Zone")*
GETTING IN (cont.):	
A plan with a 5-year amortization extension under IRC Section 431(d) that previously emerged from Critical Status in PYB 2015 or later will re-enter Critical Status only if it is described in one of the following: • Projected funding deficiency in the current year or next 9 years (including amortization extensions), or, • Projected insolvency within the next 30 years	
GETTING OUT:	
Plan emerges from Critical Status when it meets all of the following: • No longer meets any of the Critical Status tests, and, • No projected funding deficiencies in the current year or next 9 years (including amortization extensions), and, • No projected insolvencies in the next 30 years A plan with a 5-year amortization extension under IRC Section 431(d) emerges from Critical Status when it meets all the following: • No projected funding deficiencies in the current year or next 9 years (including amortization extensions), and, • No projected insolvencies in the next 30 years	Plan emerges from Endangered Status when it no longer meets the requirements to be classified as Endangered or when it enters Critical Status

RULES FOR ENDANGERED AND CRITICAL STATUS (CONT.)

Restrictions for Endangered and Critical Plans

The Trustees of a plan that is in Endangered or Critical status face a number of restrictions in plan improvements that can be adopted and bargaining agreements that can be accepted.

Period	*Endangered/Critical Restrictions*
Date of first certification through adoption of funding improvement/rehabilitation plan ("plan adoption period")	• No reduction in level of contributions for any participants • No suspension of contributions • No exclusion of new or younger employees • No amendment that increases the <u>liabilities</u> of the plan by reason of any increase in benefits, change in accrual, or change in vesting unless required by law
After adoption of a funding improvement/rehabilitation plan until end of funding improvement/rehabilitation period	• Cannot be amended so as to be inconsistent with funding improvement/rehabilitation plan • No amendment that increases benefits, including future accruals, unless actuary certifies as being paid for with contributions not contemplated in funding improvement/ rehabilitation plan and still expected to meet applicable benchmark after considering the amendment

Additionally, Critical status plans cannot pay benefits greater than the single life annuity once the initial red zone notice is sent unless the benefit is eligible for automatic cash-out.

Critical and Declining Plans

Beginning in 2015, plans that are in Critical Status and are projecting insolvency within the next 15 years (20 years in some circumstances) are certified by the actuary as being in "Critical and Declining." These plans may have access to new tools that will allow them to reduce many previously-untouchable benefits, including benefits for participants in pay status. However, these expanded benefit reductions require government approval, must not be rejected by a majority of all participants through a vote, and are subject to a number of other requirements and limitations.

Selected Other MPRA Changes (effective with 2015 plan years)

- Plans projected to be Critical within the next 5 years can elect to be in Critical Status immediately
- New contribution rate increases required by a funding improvement or rehabilitation plan are not considered in calculating an employer's withdrawal liability or payment schedule
- If, upon the expiration of a collective bargaining agreement under a funding improvement or rehabilitation plan, bargaining parties do not adopt a new agreement consistent with an updated schedule, the Trustees must implement the update to the schedule previously adopted.

GLOSSARY OF COMMON PENSION TERMS

Benefits

Accrued Benefit: A benefit that an employee has earned (or accrued) through past participation in the plan. It is the amount payable at normal retirement age.

Why it matters: Under the law, Accrued Benefits generally may not be reduced by plan amendment (note that special rules allowing for limited reduction and/or suspension of accrued benefits apply to critical status, critical and declining status and insolvent plans).

Actuarial Equivalence: Given a set of actuarial assumptions, when two different sets of payment scenarios have an equal present value.

Early Retirement Reduction Factor: A retirement benefit that begins before normal retirement age may be reduced. The plan document defines the amount of the reduction by formula or a table of factors. This reduction may or may not be actuarially equivalent, but its present value can be no less than actuarially equivalent to the benefit payable at normal retirement age.

Benefit Crediting (Accrual) Rate: A general reference to the calculation of the amount of monthly retirement benefit earned per dollar contributed or per year or hour worked.

Assets

Market Value of Assets: This is the fair value of all assets in the fund on an accrued, not cash basis. The market value of assets matches the value in the plan audit.

Actuarial Value of Assets: The amount of assets recognized for actuarial valuation purposes. Recent changes in market value may be partially recognized (there are variations allowed on the exact recognition). Generally the actuarial value is limited to not be less than 80% or more than 120% of the market value.

Why it matters: Many funding calculations use this "smoothed" asset value method to lessen the impact of volatility in the market value of plan assets.

Assumed Rate of Return: Long term assumption of the rate of return on assets based upon the diversification mix of invested assets.

Why it matters: This assumption is used in calculating the present values discussed in the Liabilities section below. The Assumed Rate of Return has an inverse relationship with plan liabilities. In other words, a lower Assumed Rate of Return increases liabilities, while a higher Assumed Rate of Return decreases plan Liabilities.

GLOSSARY OF COMMON PENSION TERMS (CONT.)

Liabilities

Present Value of Accrued Benefits: The discounted value of benefit payments due in the future but based only on the current Accrued Benefits of each participant. The value is based on actuarial assumptions including an assumed rate of investment return.

Why it matters: This liability is one of the primary factors in determining a plan's annual PPA funded status (see Funded Ratio).

Present Value of Vested Benefits: The discounted value of Accrued Benefits that are considered vested (non-forfeitable). Benefits that are not vested include those of participants who have not satisfied the plan vesting requirement (usually five years of service). In addition under the law some death and temporary disability benefits are also considered non-vested regardless of service because they are not considered protected benefits.

Why it matters: This liability is the primary driver of a plan's Employer Withdrawal Liability.

Actuarial (Accrued) Liability: For inactive members this is the same as the Present Value of Accrued Benefits above. For active members this depends on the cost method selected by the actuary. Under the accrued benefit or traditional unit credit cost method this is also the same as the Present Value of Accrued Benefits. Under other cost methods (including most commonly entry age normal) this represents an alternate allocation of projected benefit cost over the working lifetime of active members. Under the entry age normal cost method, the active Actuarial Liability is larger than the Present Value of Accrued Benefits.

Unfunded Actuarial Liability: The Actuarial Liability less the Actuarial Value of Assets.

Current Liability: This is similar to the Present Value of Accrued Benefits, but uses a statutory, significantly lower, interest rate (equivalent to an expected rate of return on a bond only-type portfolio) and statutory mortality tables. The lower interest rate means that Current Liability tends to be significantly higher than the Present Value of Accrued Benefits. This number has very little impact on multiemployer plans.

Normal Cost: The present value of all benefits that are expected to accrue or to be earned under the plan during the plan year. The way in which a benefit is considered to be earned varies with the actuarial cost method.

Risk: The potential of future deviation of actual results from expectations derived from actuarial assumptions.

GLOSSARY OF COMMON PENSION TERMS (CONT.)

Funding

Funded Ratio (Funded Percentage): Actuarial Value of Assets divided by the Present Value of Accrued Benefits. This is one of two key measures used to determine a plan's annual PPA funded status. This may also be referred to as PPA Funded Ratio. This must be greater than 80% to avoid endangered status.

Credit Balance: The accumulated excess of actual contributions over legally required minimum contributions as maintained in the funding standard account. The funding standard account is maintained by the actuary in the valuation process and reported annually in schedule MB to the Form 5500 filing. A negative credit balance is known as an accumulated funding deficiency. Prior to PPA, an accumulated funding deficiency caused an immediate excise tax (waiver under PPA if certain conditions are met). After PPA, a current or projected funding deficiency is one of the key measures used in determining the annual PPA status. It can eventually trigger an excise tax levied on contributing employers.

Withdrawal Liability

Unfunded Vested Benefits (UVB): Present Value of Vested Benefits less the value of plan assets determined on either an actuarial or market value basis. The selection of asset measurement is part of the withdrawal liability method of the Plan.

Employer Withdrawal Liability (EWL): An employer that withdraws from a multiemployer plan is liable for its proportionate share of Unfunded Vested Benefits, determined as of the date of withdrawal.

Why it matters: If a contributing employer leaves the plan while it has Unfunded Vested Benefits liability, that employer's allocated share of Employer Withdrawal Liability is either assessed, as applicable, or reallocated among the plan's remaining active employers if the presumptive method is used. A construction employer withdrawing from a construction industry plan will not be assessed unless they continue performing work within the jurisdiction of the CBA or restart such work within a period of 5 years. Small amounts (under $150,000) are generally reduced or eliminated pursuant to the "de minimis rule."