TEAMSTERS LOCAL UNION NO. 716 PENSION PLAN
INDIANAPOLIS, INDIANA

Actuarial Valuation Report
For Plan Year Commencing
April 1, 2018

United Actuarial Services, Inc.
Actuaries and Consultants

December 7, 2018

Board of Trustees
Teamsters Local Union No. 716 Pension Plan
Indianapolis, Indiana

Dear Trustees:

We have been retained by the Board of Trustees of the Teamsters Local Union No. 716 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 April 1, 2018. 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 Pile CPAs. Participant data was provided by the Fund Office. 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 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

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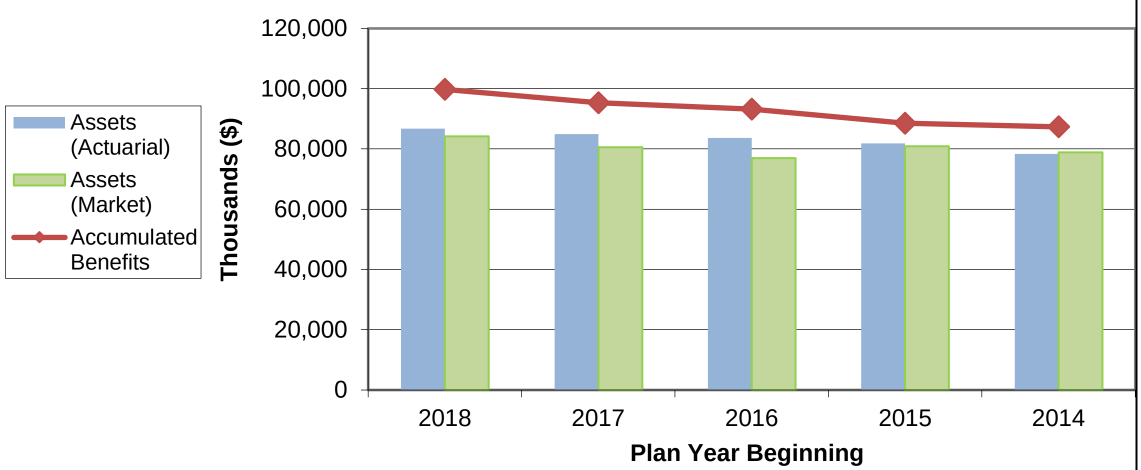
PART I: SUMMARY OF RESULTS

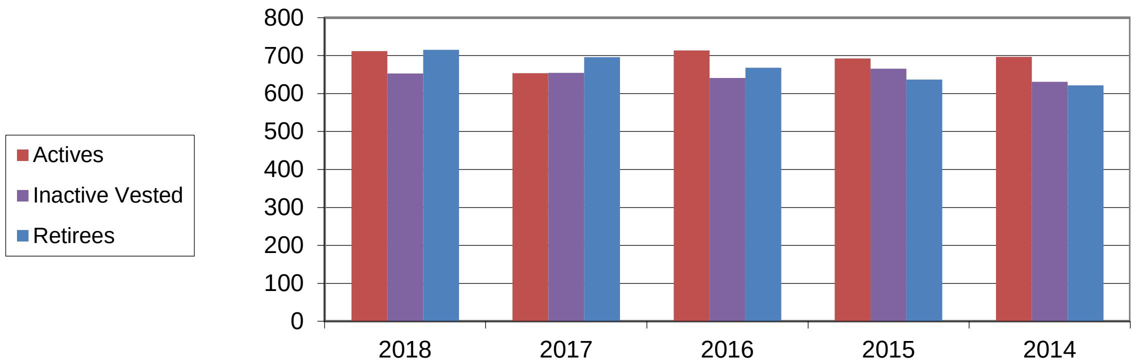
5 - Year Summary of Valuation Results

Actuarial Study as of April 1,	*2018*	*2017*	*2016*	*2015*	*2014*
PPA funded status	Safe	Safe	Safe	Safe	Safe
Improvements restricted	No	No	No	No	No
Funded ratio					
PPA certification	88.2%	89.2%	91.4%	91.0%	89.0%
Valuation report (AVA)	87.0%	89.1%	89.8%	92.4%	89.7%
Valuation report (MVA)	84.4%	84.5%	82.6%	91.4%	90.3%
Credit Balance ($ 000)	16,800	13,859	11,346	8,215	5,887
Date of first projected funding deficiency					
PPA certification	None	3/31/31	3/31/29	3/31/30	3/31/32
Valuation report	3/31/35	3/31/33	3/31/29	None	3/31/31
Net investment return					
On market value	8.03%	8.72%	-2.43%	5.56%	9.21%
On actuarial value	5.47%	5.16%	4.78%	7.55%	11.25%
Asset values ($ 000)					
Market	84,196	80,599	76,975	80,944	78,895
Actuarial	86,787	84,978	83,692	81,853	78,301
Accum. ben. ($ 000)	99,766	95,385	93,238	88,554	87,340



5 - YEAR SUMMARY OF DEMOGRAPHICS

Actuarial Study as of April 1,	2018	2017	2016	2015	2014
Participant counts					
Active	712	654	714	693	697
Inactive vested	653	655	641	666	631
Receiving benefits	715	696	668	637	622
Total	2,080	2,005	2,023	1,996	1,950
Average entry age	38.6	36.5	36.5	36.1	35.4
Average attained age	49.3	50.1	49.5	49.8	49.4



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:

- We changed the assumed contribution rates according to the schedule in Appendix A to reflect the negotiated rates.
- We increased the base for assumed future annual contributions from 1,800 hours to 1,875 hours, from 41 weeks to 43 weeks, and from $33,000 to $34,000 gross earnings. The assumed base for monthly contributions remains at 11 months. This will produce our best estimate of future contributions based on recent plan experience.
- The assumed operational expenses were decreased from $200,000 to $180,000 to reflect our best estimate of future expenses based on recent plan experience.
- The mortality projection scale was updated from MP-2016 to MP-2017. The mortality multiplier remains at 125%. This change was made in order to better reflect anticipated improvements in mortality rates for each future year due to medical advances and lifestyle changes.
- The assumed retirement rates were changed according to the schedule in Appendix B to represent our best estimate of future retirement patterns based on recent plan experience.
- The ERISA rate of return assumption used to value liabilities was changed from 7.50% to 7.25% 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 current liability interest rate was changed from 3.05% to 2.98%. The new rate is within established statutory guidelines.

HISTORY OF MAJOR ASSUMPTIONS

Assumption	Actuarial Study as of April 1, 2018	2017	2016	2015	2014
Future rate of net investment return	7.25%	7.50%	7.50%	7.50%	7.50%
Mortality table	RP-2014	RP-2014	RP-2014	RP-2000	RP-2000
Adjustment	125%	125%	125%	2 yr. sf	2 yr. sf
Projection scale	MP-2017	MP-2016	MP-2015	AA	AA
Future expenses	$180,000	$200,000	$245,000	$360,000	$360,000
Basis for future annual contributions					
Avg. Months	11	11	11	11	11
Hours	1,875	1,800	1,750	1,700	1,600
Weeks	43	41	40	40	38
Gross earnings	$34,000	$33,000	$31,500	$30,000	$29,000
Average expected retirement age*					
Actives	62.6	62.4	62.4	62.2	61.9
Inactive vested	63.3	63.1	63.1	63.1	61.4

* 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 March 31, 2018	*Expected*	*Actual*
Decrements		
Terminations		75
less*: Rehires*		39
Terminations (net of rehires)	61.8	36
Retirements	36.1	21
Disabilities	1.2	-
Deaths - pre-retirement	7.1	6
Deaths - post-retirement	25.1	26
Monthly benefits of deceased retirees	$ 13,338	$ 16,297
Financial assumptions		
Rate of net investment return on actuarial value	7.50%	5.47%
Administrative expenses	$ 200,000	$ 177,544
Other demographic assumptions		
Average retirement age from active (new retirees)	63.1	61.6
*Average retirement age from inactive (new retirees)**	63.1	62.4
Average entry age (new entrants)	36.5	40.5
Basis for future contributions		
Average: Months	11	10
Hours	1,800	2,010
Weeks	41	45
Gross earnings	33,000	34,141
Unfunded liability (gain)/loss		
(Gain)/loss due to asset experience		$ 1,699,812
(Gain)/loss due to liability experience		58,222
Total (gain)/loss		$ 1,758,034

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

PLAN MATURITY

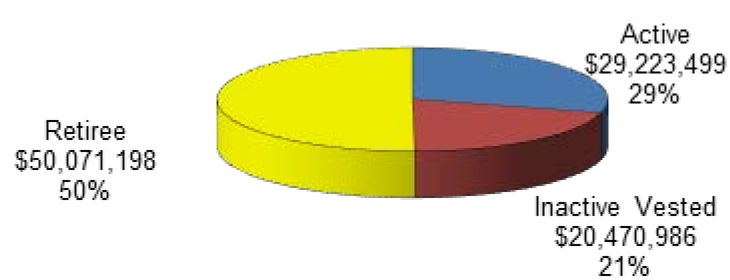
Measures of plan maturity can play a part in understanding risk and a plan's ability to recover from adverse experience

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 is not sustainable in the long term.

Actuarial Study as of April 1,	*2018*	*2017*	*2016*	*2015*	*2014*
Retiree/active headcount ratio	1.00	1.06	0.94	0.92	0.89
Nonactive/active headcount ratio	1.92	2.07	1.83	1.88	1.80
Cash flow					
Contr.-ben.-exp. ($000)	(2,761)	(2,957)	(2,028)	(2,276)	(2,310)
Percent of assets	-3.28%	-3.67%	-2.63%	-2.81%	-2.93%

Liabilities of Actives, Retirees, and Inactive Vesteds
Total Liabilities: $99,765,683



UNFUNDED VESTED BENEFITS/EMPLOYER WITHDRAWAL LIABILITY

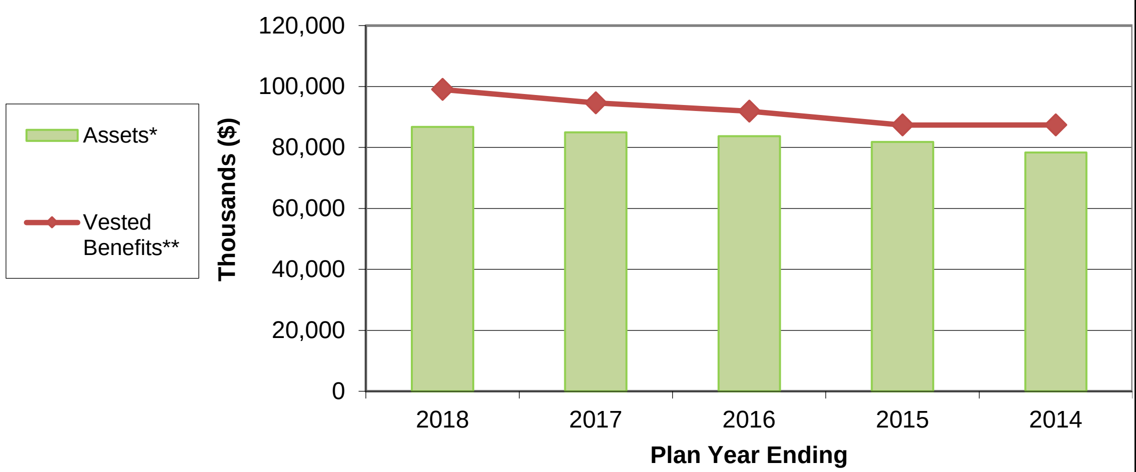
An employer withdrawing during the coming year may have withdrawal liability

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.

In accordance with IRC Section 432(e)(9)(A) and PBGC Technical Update 10-3, the impact of reducing adjustable benefits is reflected by adding the unamortized portion of the value of affected benefits (VAB) to the most recent year's unfunded vested benefits pool. An employer who is assessed withdrawal liability will be assessed a portion of the UVB and the VAB.

Presumptive Method ($ 000)

March 31,	2018	2017	2016	2015	2014
Vested benefits interest	7.25%	7.50%	7.50%	7.50%	7.50%
Vested benefits	97,983	93,555	90,649	86,060	86,056
less: Asset value*	86,787	84,978	83,692	81,853	78,301
UVB	11,196	8,577	6,957	4,207	7,755
Unamortized VAB	1,033	1,125	1,210	1,290	1,364
UVB + VAB	12,229	9,702	8,167	5,497	9,119



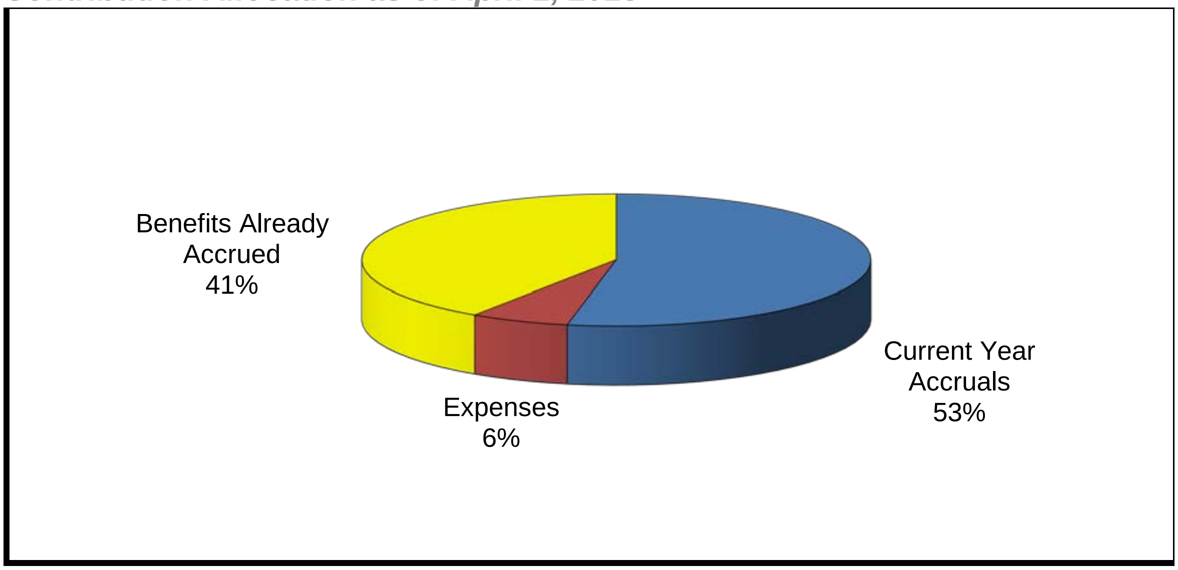
* Actuarial value
** Includes VAB

CONTRIBUTION ALLOCATION

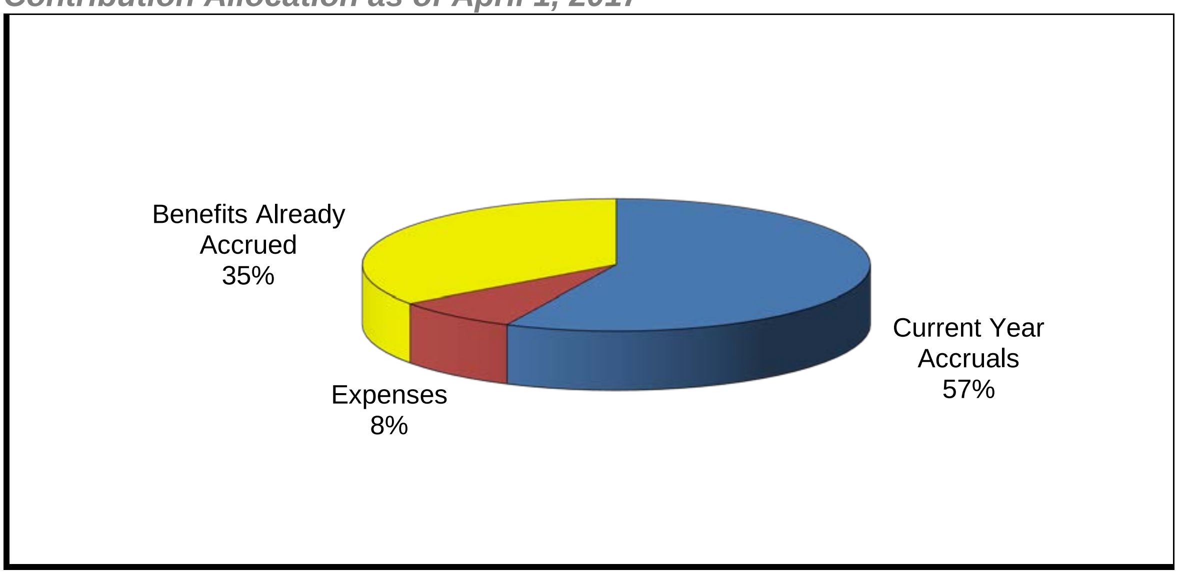
These graphs show how the contributions are being spent

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 funding of past unfunded liabilities.

Contribution Allocation as of April 1, 2018



Contribution Allocation as of April 1, 2017



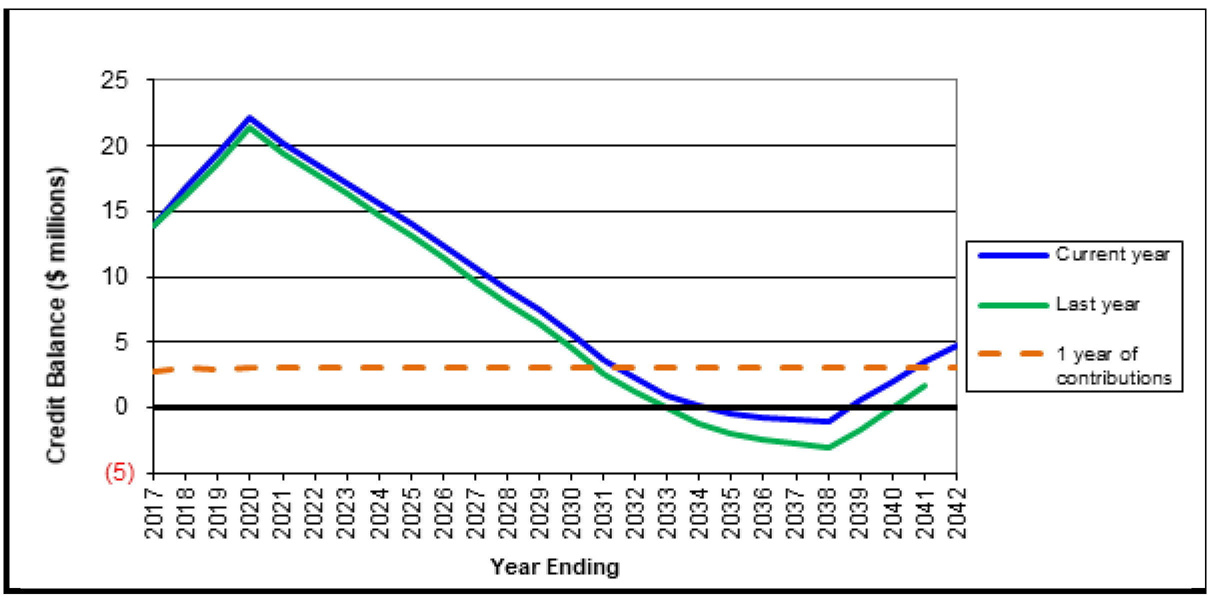
FUNDING STANDARD ACCOUNT PROJECTION

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

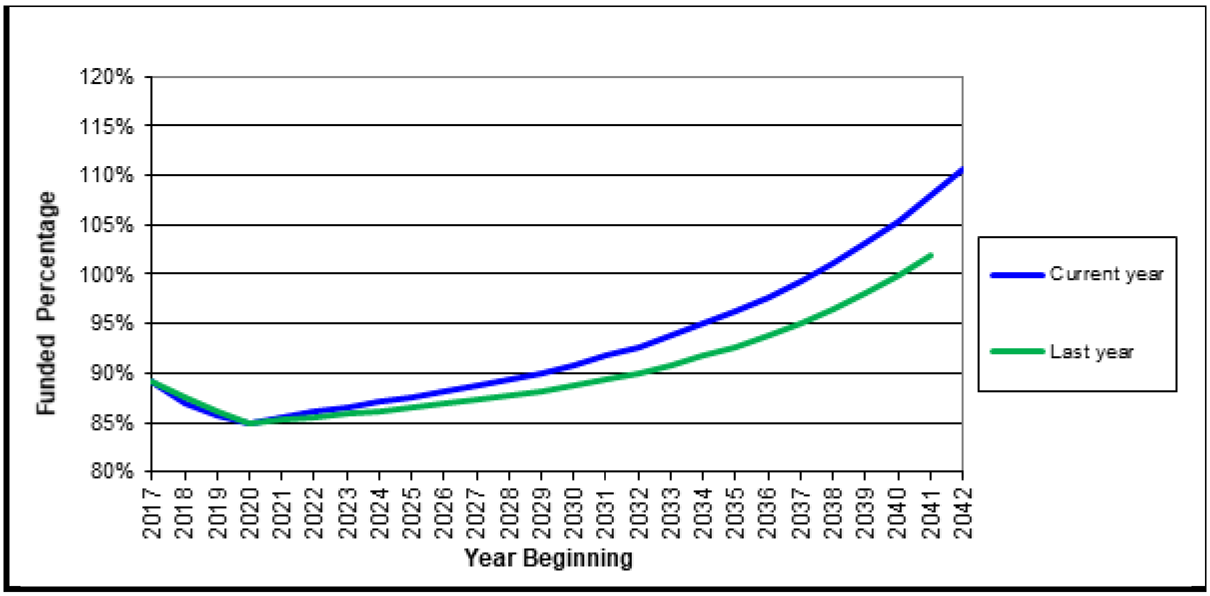
As a rule of thumb, UAS recommends that non-Critical status plans maintain a projected credit balance of at least one year's contributions (shown as an orange dotted line in the graph below) in each future year. Maintaining a "cushion" in the Funding Standard Account helps minimize the risk of a surprise 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%. 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.



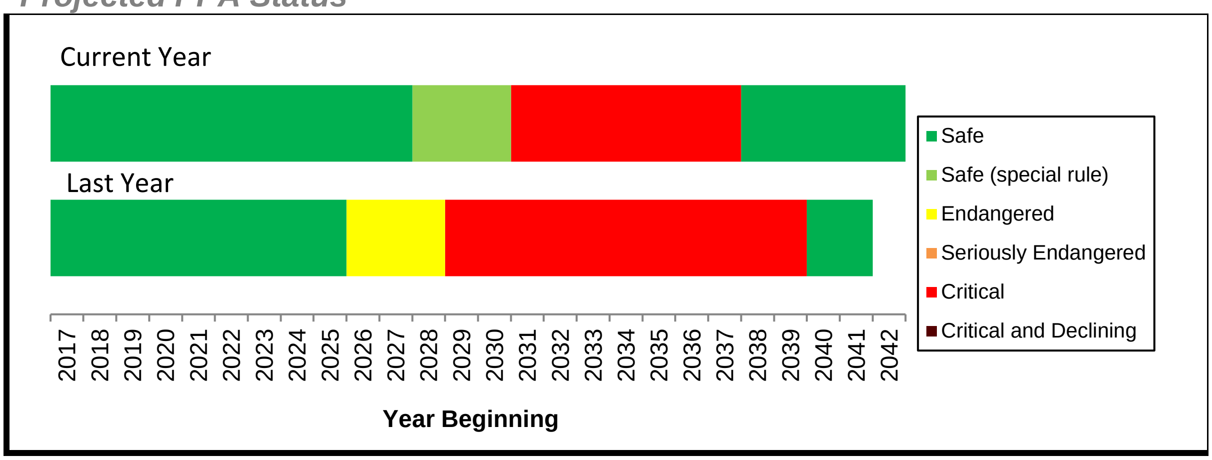
PPA FUNDING STATUS REPORT

The plan is in Safe status for 2018

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". As the plan's actuary, we must complete the status certification within 90 days of the beginning of the plan year, and we must also certify whether or not the plan has made scheduled progress if its funding improvement or rehabilitation period has begun. The criteria for these determinations are outlined in Appendix D. Due to the timing requirement affecting PPA certifications, they are performed based on data and assumptions different from that used in this report (see certification letter for additional details). These projections are based on the assumptions summarized in the "Actuarial Assumptions used for Projections" section of Appendix B. The results are summarized below.

Description	Values Used for PPA Certification	
	2018	2017
Funded ratio	88.2%	89.2%
Date of first projected funding deficiency	None	3/31/2031
Year of projected insolvency (PYB)	None	None
Certified PPA status	Safe	Safe

Projected PPA Status

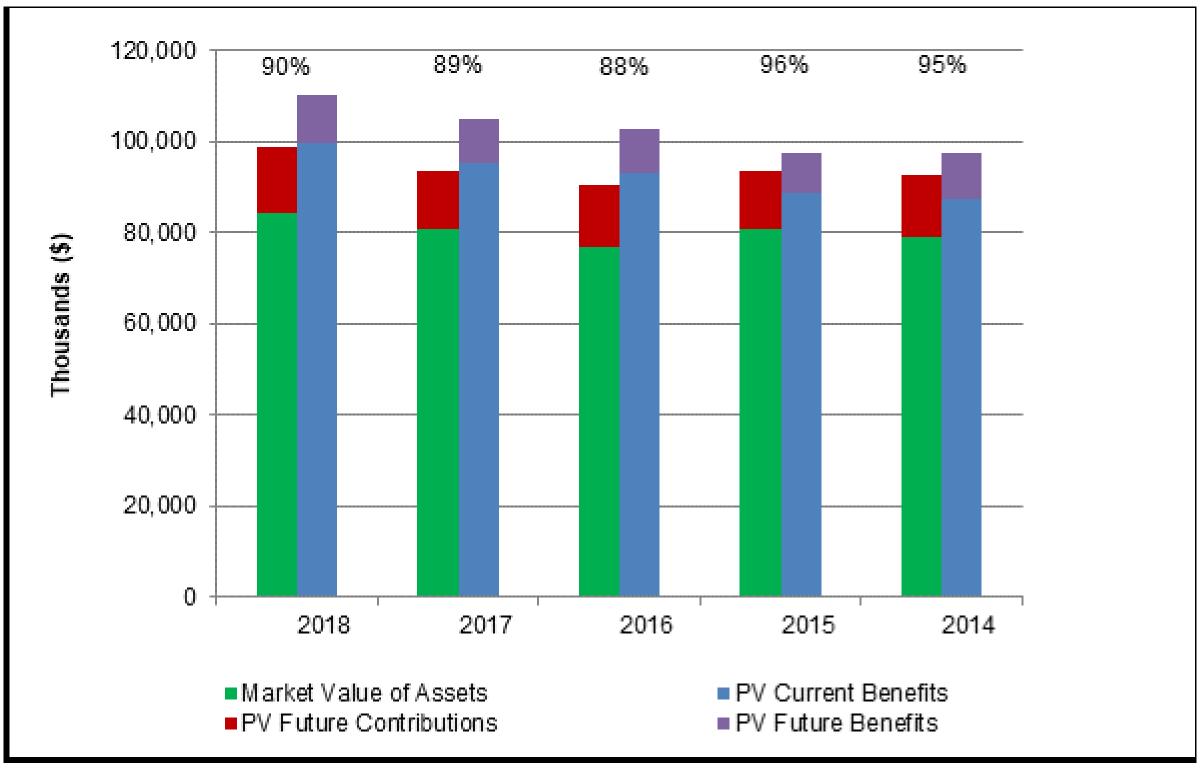


ULTIMATE FUNDED STATUS

Ultimate funded status is a snapshot measure of contribution sufficiency

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 all the future benefits the current plan participants are expected to earn through their future service. Ideally these ultimate asset and liability values will be approximately equal.

Neither of these amounts reflect the effect of future new participants or future contribution rate increases to the plan. Generally new entrants generate greater future contributions than benefits, so they represent a net positive to the actual future funding shown here.



STRESS AND SENSITIVITY ANALYSIS

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

Currently, in order to project no funding deficiencies and remain in the Safe zone in all future years, the plan would have to provide a reduced accrual rate of 1.27% as of April 1, 2019. 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 the contribution rate increase schedule. We examined future work unit assumptions equal to the baseline, 5% lower, and 5% higher. We examined asset returns for the 2018-19 plan year of 10.00%, 7.25%, 4.00%, and 0.00%. We also examined the impact of a lower asset return of 5.75% for the next 10 years at the baseline work units. Stochastic modeling is also available for a more detailed analysis of sensitivity to asset returns.

*April 1, 2019 Accrual Rate Needed to Project No Deficiencies & Remain Safe**

Annual Future Work Unit Assumptions	Return for the 2018-19 PY (7.25% Thereafter)			
	10.00%	Assumed Return**	4.00%	0.00%
5% Lower 10.5 months 1,781 hours 41 weeks $32,300 gross earnings	1.30% (No Reduction)	1.18%	0.92%	0.59%
Baseline 11 months 1,875 hours 43 weeks $34,000 gross earnings	1.30% (No Reduction)	**1.27%**	1.02%	0.71%
5% Higher 11.6 months 1,969 hours 45 weeks $35,700 gross earnings	1.30% (No Reduction)	1.30% (No Reduction)	1.12%	0.82%
Lower short-term 5.75% return for 10 yrs Baseline units	0.80%	0.52%	0.40%	0.13%

* Includes all future contribution rate increases spelled out in participation agreements as of 11/29/18.
** The assumed return for the 2018-19 plan year is 7.25% in the first three rows and 5.75% in the last row.

PART II: SUPPLEMENTAL STATISTICS

PARTICIPANT DATA RECONCILIATION

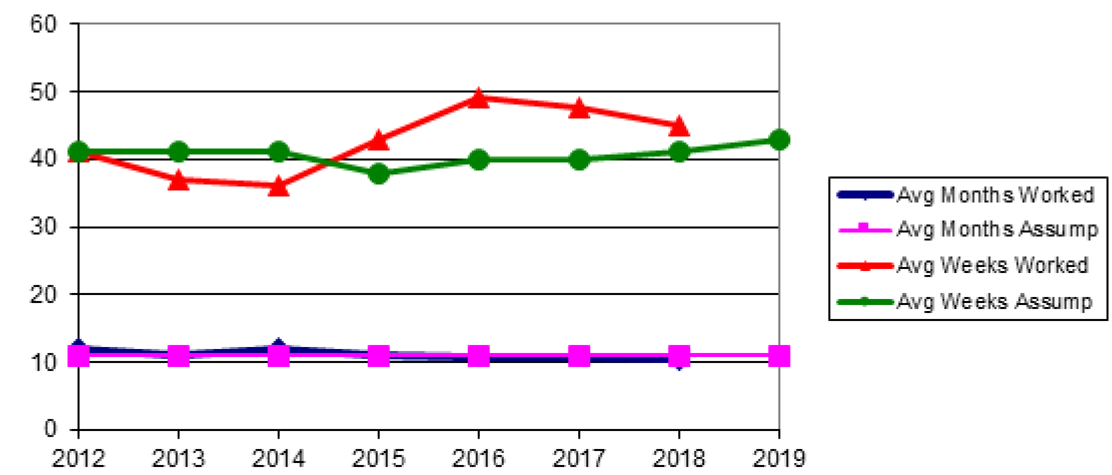
The participant data reconciliation table below provides information as to how the plan's covered population changed since the prior actuarial study. Such factors as the number of participants retiring, withdrawing and returning to work have an impact on the actuarial position of the pension fund.

Participants Valued As	Active	Inactive Vested	Receiving Benefits	Total Valued
April 1, 2017	654	655	696	2,005
Change due to:				
New hire	117	-	-	117
Rehire	39	(14)	-	25
Termination	(75)	34	-	(41)
Disablement	-	(1)	1	-
Retirement	(21)	(20)	41	-
Death	(2)	(4)	(26)	(32)
Cash out	-	-	-	-
New beneficiary	-	1	10	11
Certain pd. expired	-	-	(9)	(9)
Data adjustment	-	2	2	4
Net change	58	(2)	19	75
April 1, 2018	712	653	715	2,080

AVERAGE WORK BASIS DURING PLAN YEAR

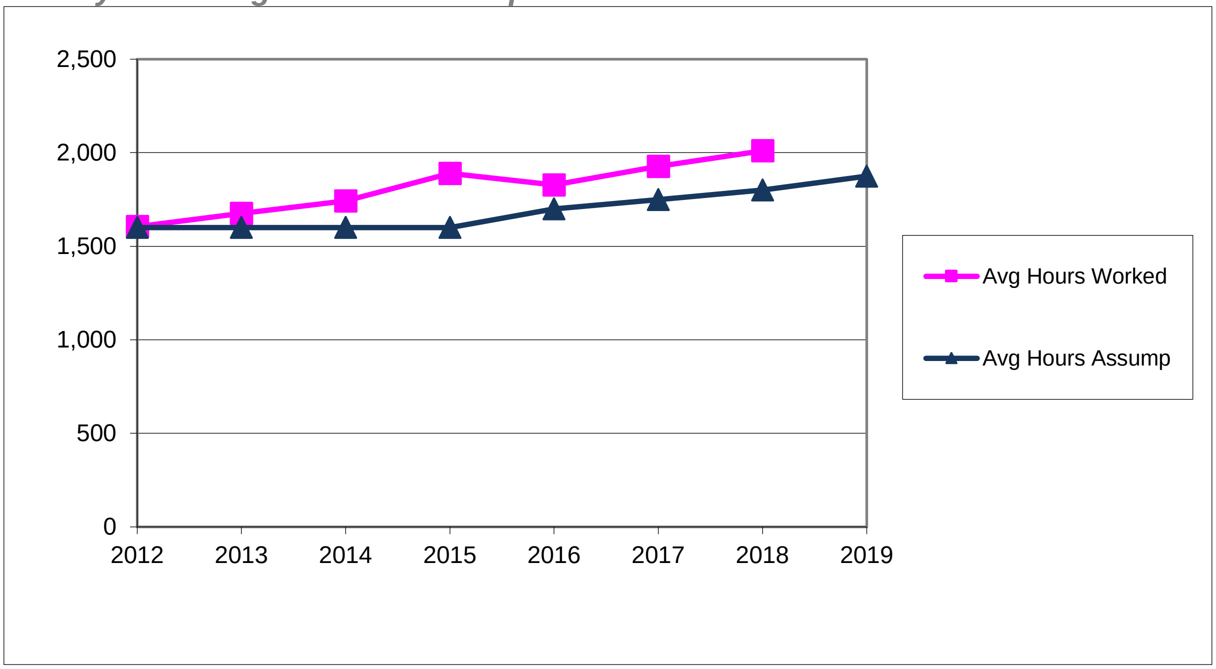
Plan Year Ending March 31, 2018	*Number*	*Average Basis for Annual Contributions*
Actives		
Months	84	10
Hours	239	2,010
Weeks	13	45
Gross Earnings	376	34,141
Total for plan year	712	

History of Average Actual and Expected Weeks and Months Worked

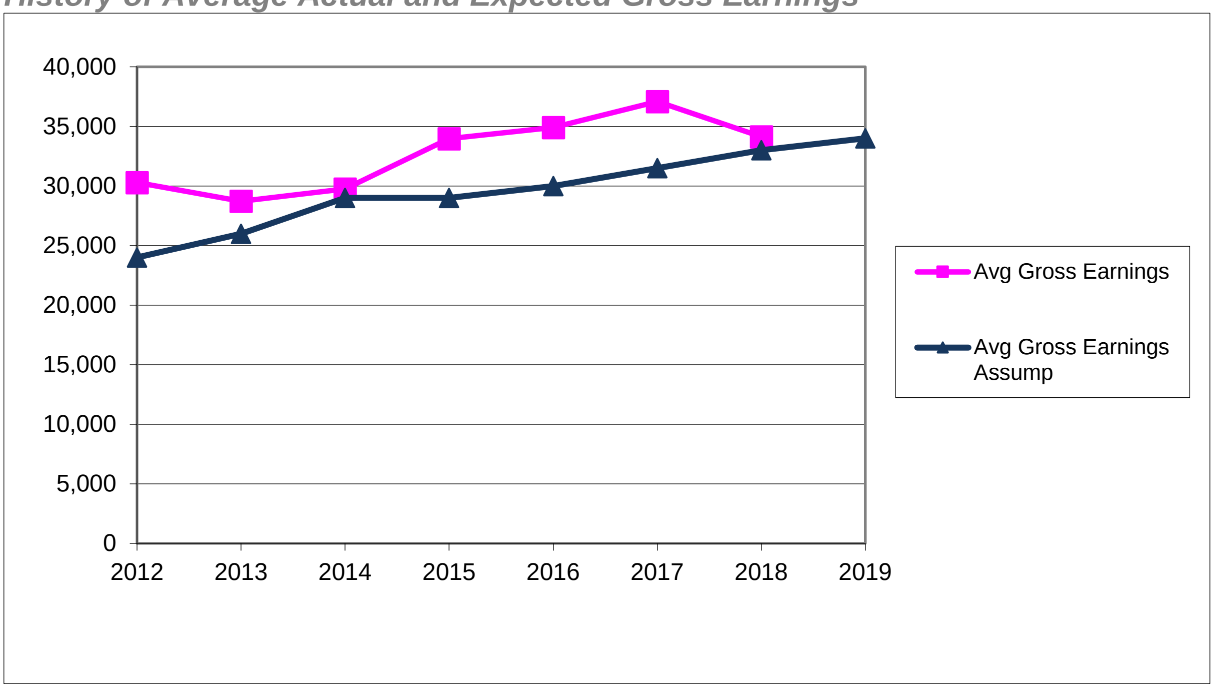


AVERAGE WORK BASIS DURING PLAN YEAR (CONT.)

History of Average Actual and Expected Hours Worked



History of Average Actual and Expected Gross Earnings



CONTRIBUTIONS MADE DURING PLAN YEAR

Employer Contributions Reported in Employee Data

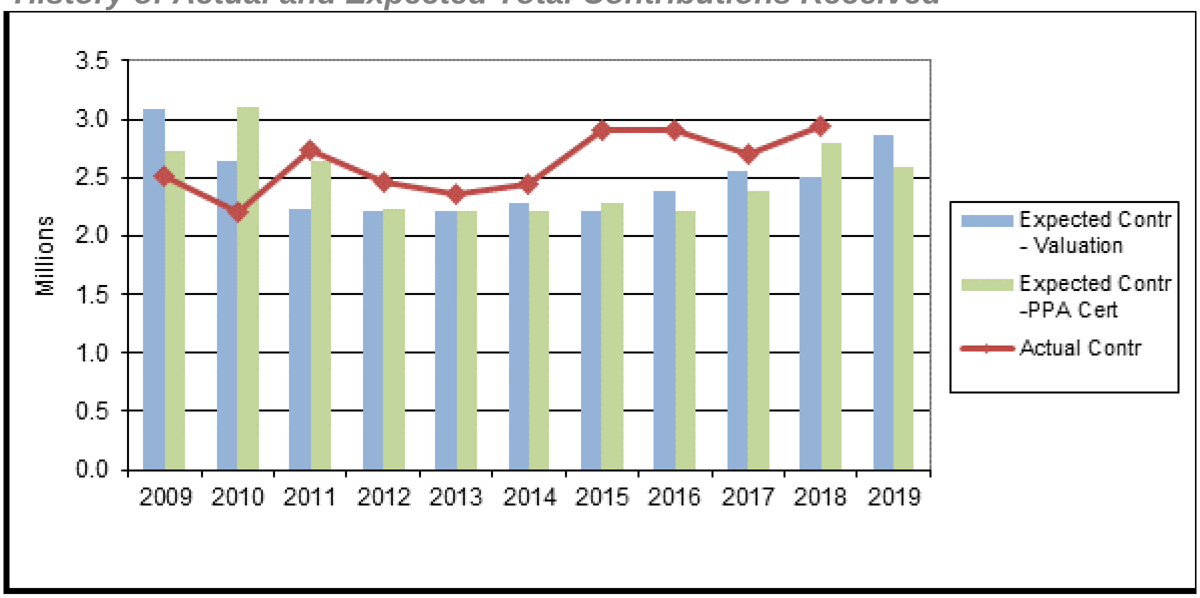
Plan Year Ending March 31, 2018	Number		Contributions Reported
Actives			
Vested	423	$	1,927,021
Non-vested, continuing	172		706,132
Non-vested, new entrant	117		252,540
Total valued as active	712		2,885,693
Others	34		95,414
Total for plan year	746	$	2,981,107

Comparison with Audited Employer Contributions

Employer contributions reported in data	$	2,981,107
Total audited employer contributions*	$	2,944,391
Percent reported		101%

* Excludes employer withdrawal liability payments.

History of Actual and Expected Total Contributions Received**



** Excludes employer withdrawal liability payments.

ACTIVE INFORMATION

Active Participants by Age and Service as of April 1, 2018

Age	Years of Service										
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total
< 25	-	11	1	-	-	-	-	-	-	-	12
25-29	-	25	2	-	-	-	-	-	-	-	27
30-34	-	25	7	-	1	-	-	-	-	-	33
35-39	-	32	12	9	2	-	-	-	-	-	55
40-44	-	35	9	20	11	3	-	-	-	-	78
45-49	-	42	18	14	16	7	2	-	-	-	99
50-54	-	40	20	22	19	20	6	3	-	-	130
55-59	-	26	16	27	25	19	16	4	-	-	133
60-64	-	20	8	16	21	5	10	5	4	1	90
65-69	-	4	4	5	7	-	-	2	-	1	23
70+	-	1	-	2	1	-	-	-	-	-	4
Totals	-	261	97	115	103	54	34	14	4	2	684
Unrecorded DOB	-	28	-	-	-	-	-	-	-	-	28
Total Active Lives	-	289	97	115	103	54	34	14	4	2	712

INACTIVE VESTED INFORMATION

Inactive Vested Participants by Age as of April 1, 2018

Age Group	Number	Estimated Monthly Deferred Vested Benefits*
< 30	1	$ 30
30-34	12	2,872
35-39	32	9,003
40-44	60	21,197
45-49	84	29,436
50-54	128	60,056
55-59	177	73,946
60-64	120	44,994
65-69	34	18,053
70+	5	2,337
Totals	653	261,924
Unrecorded birth date	-	-
Total inactive vested lives	653	$ 261,924

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

RETIREE INFORMATION

Benefits Being Paid by Form of Payment as of April 1, 2018

Form of Payment	Number	Monthly Benefits Being Paid Total	Average	Smallest	Largest
Life only*	339	$ 243,800	$ 719	$ 23	$ 5,298
Joint & survivor	221	183,932	832	41	4,518
Disability	11	3,345	304	69	500
Beneficiaries	144	56,564	393	13	3,714
Totals	715	$ 487,641	$ 682	$ 13	$ 5,298

* Includes retirees receiving life and certain benefits.

Retirees by Age and Form of Payment as of April 1, 2018

Age Group	Form of Benefits Being Paid: Life Only*	Joint & Survivor	Disability	Beneficiaries	Total
< 40	-	-	-	6	6
40-44	-	-	2	2	4
45-49	-	-	3	2	5
50-54	-	-	6	15	21
55-59	20	18	-	10	48
60-64	73	43	-	22	138
65-69	88	56	-	14	158
70-74	73	46	-	32	151
75-79	41	31	-	11	83
80-84	24	17	-	14	55
85-89	14	6	-	11	31
90-94	5	3	-	2	10
95+	1	1	-	3	5
Totals	339	221	11	144	715

* Includes retirees receiving life and certain benefits.

RETIREE INFORMATION (CONT.)

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

Age at Retirement	Plan Year Ending March 31, 2018	2017	2016	2015	2014
< 55	-	-	-	-	-
55	6	2	7	3	1
56	-	4	4	-	2
57	3	2	3	1	2
58	-	3	3	1	3
59	3	1	-	-	-
60	1	3	4	4	1
61	2	2	6	1	6
62	9	7	10	6	8
63	2	4	3	2	1
64	2	5	1	-	-
65	5	5	4	2	6
66+	8	5	1	1	3
Totals	41	43	46	21	33
Average retirement age	62.0	62.3	60.3	61.1	62.1

PART III: ASSET INFORMATION

MARKET AND ACTUARIAL FUND VALUES

Asset information extracted from the fund's financial statements audited by Pile CPAs.

Market/Actuarial Value of Fund Investments as of March 31,		*2018*		*2017*		*2016*
Invested assets						
Common stocks	$	50,232,066	$	45,322,851	$	41,278,374
Preferred stocks		3,071,197		3,916,464		3,128,443
U.S. gov't securities		2,314,629		1,614,358		1,384,680
Mortgage-backed sec.		1,699,186		2,763,979		3,233,534
Mutual funds		5,104,500		7,740,006		7,387,152
Money market funds		656,482		1,750,551		4,075,771
Municipal bonds		1,369,019		843,492		924,660
Corporate bonds		13,573,796		14,531,074		13,143,609
Foreign bonds		1,678,258		1,101,638		1,279,854
Cash		1,008,961		514,764		129,987
Convertible securities		575,239		-		-
Real estate		2,119,866		-		-
		83,403,199		80,099,177		75,966,064
Net receivables*		792,758		500,051		1,008,703
Market value	$	84,195,957	$	80,599,228	$	76,974,767
Fund assets - Actuarial value						
Market value	$	84,195,957	$	80,599,228	$	76,974,767
less*: Deferred investment gains and (losses)*		(2,591,198)		(4,378,558)		(6,716,836)
Actuarial value	$	86,787,155	$	84,977,786	$	83,691,603
Actuarial value as a percentage of market value		103.08%		105.43%		108.73%

* Equals receivables, less any liabilities

FLOW OF FUNDS

Asset information extracted from the fund's financial statements audited by Pile CPAs.

Plan Year Ending March 31,		*2018*		*2017*		*2016*
Market value at beginning of plan year	$	80,599,228	$	76,974,767	$	80,943,952
Additions						
Employer contributions		3,106,609		2,805,064		3,336,109
*Net investment income**		6,357,358		6,581,941		(1,941,404)
Other income		-		-		-
		9,463,967		9,387,005		1,394,705
Deductions						
Benefits paid		5,689,694		5,583,747		5,136,625
*Net expenses**		177,544		178,797		227,265
		5,867,238		5,762,544		5,363,890
Net increase (decrease)		3,596,729		3,624,461		(3,969,185)
Adjustment		-		-		-
Market value at end of plan year	$	84,195,957	$	80,599,228	$	76,974,767
Cash flow						
Contr.-ben.-exp.		(2,760,629)		(2,957,480)		(2,027,781)
Percent of assets		-3.28%		-3.67%		-2.63%
Estimated net investment return						
On market value		8.03%		8.72%		-2.43%
On actuarial value		5.47%		5.16%		4.78%

* Investment expenses have been offset against gross investment income.

INVESTMENT GAIN AND LOSS

Investment Gain or Loss
Plan Year Ending March 31, 2018

Expected market value at end of plan year		
Market value at beginning of plan year	$	80,599,228
Employer contributions and non-investment income		3,106,609
Benefits and expenses paid		(5,867,238)
Expected investment income (at 7.50% rate of return)		5,941,419
		83,780,018
Actual market value at end of plan year		84,195,957
less: Expected market value		83,780,018
Investment gain or (loss)	$	415,939

History of Gains and (Losses)

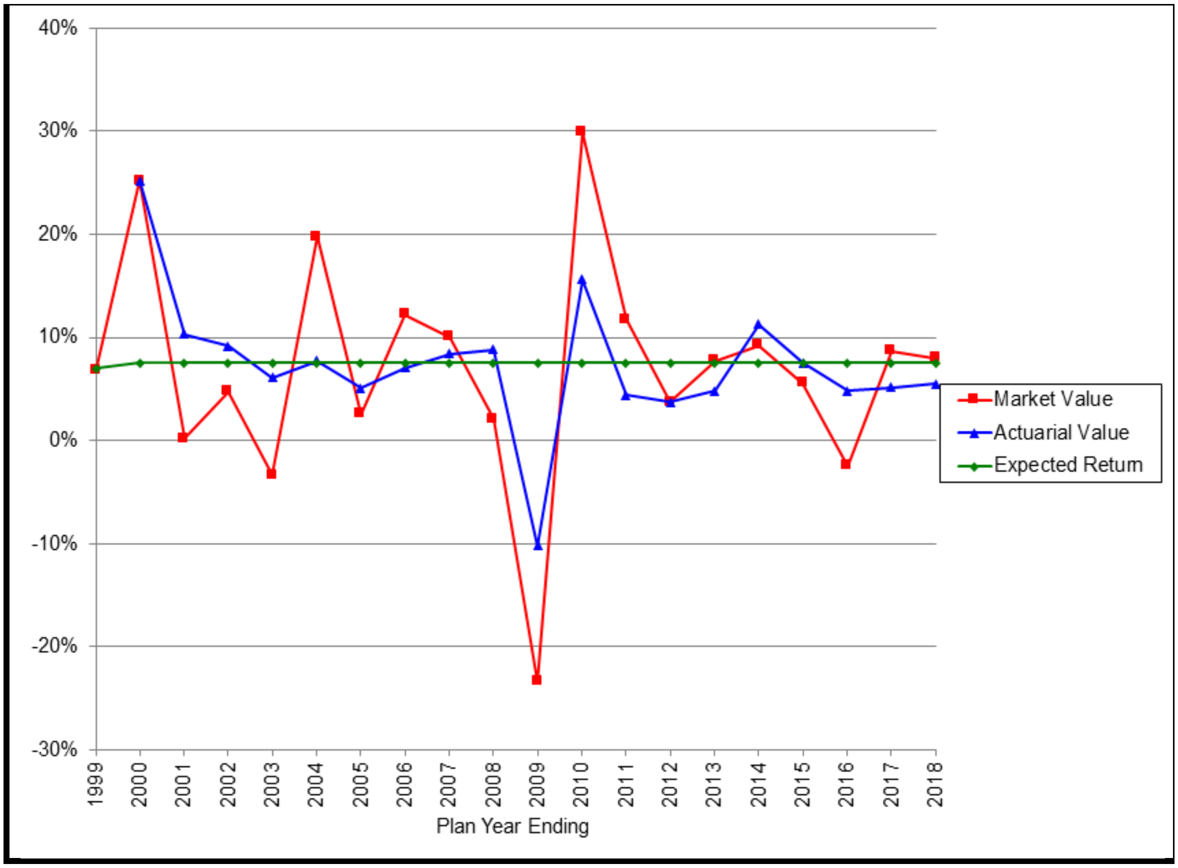
Plan Year Ending March 31,		Investment Gain or (Loss)
2018	$	415,939
2017		919,739
2016		(7,936,159)
2015		(1,506,638)
2014		1,250,004

Deferred Investment Gains and (Losses)

Plan Year Ending March 31,	Amount of Gain or (Loss) Deferred as of March 31,							
	2018		2019		2020		2021	
2018	$	332,751	$	249,563	$	166,376	$	83,188
2017		551,843		367,896		183,948		-
2016		(3,174,464)		(1,587,232)		-		-
2015		(301,328)		-		-		-
Totals	$	(2,591,198)	$	(969,773)	$	350,324	$	83,188

RATE OF RETURN ON FUND ASSETS

Historical Rates of Net Investment Return



Average Rates of Net Investment Return (dollar weighted)

Period	Return on Market Value Period Ending March 31, 2018	Return on Market Value Period Ending March 31, 2017	Return on Actuarial Value Period Ending March 31, 2018	Return on Actuarial Value Period Ending March 31, 2017
One year	8.03%	8.72%	5.47%	5.16%
5 years	5.72%	5.73%	6.90%	6.72%
10 years	4.92%	4.34%	4.94%	5.32%
15 years	6.42%	5.61%	5.83%	5.86%
20 years	6.37%	6.54%	n/a	n/a

PART IV: ENROLLED ACTUARY'S REPORT

NORMAL COST/ACTUARIAL LIABILITY

Normal Cost as of April 1,		*2018*		*2017*
Active participants	$	1,466,665	$	1,377,609
Anticipated administrative expenses (beg. of year)		173,703		192,771
Total normal cost	$	1,640,368	$	1,570,380

Unfunded Actuarial Liability as of April 1,		*2018*		*2017*
Actuarial liability				
*Participants currently receiving benefits**	$	50,071,198	$	46,549,740
Inactive vested participants		20,470,986		17,576,402
Active participants		29,223,499		31,259,066
		99,765,683		95,385,208
less: Fund assets (actuarial value)		86,787,155		84,977,786
Unfunded actuarial liability (not less than 0)	$	12,978,528	$	10,407,422

* Includes balance of benefits due and unpaid to beneficiaries of $46,556 as of 2018 and $43,715 as of 2017.

ACTUARIAL LIABILITY RECONCILIATION/PROJECTION

Reconciliation of Unfunded Actuarial Liability

Expected unfunded actuarial liability as of March 31, 2018		
Unfunded actuarial liability as of April 1, 2017	$	10,407,422
Normal cost (including expenses)		1,570,380
Actual contributions		(3,106,609)
Interest to end of plan year		781,839
		9,653,032
Increase (decrease) due to:		
Experience (gain) or loss		1,758,034
Plan amendment		-
Change in actuarial assumptions		1,567,462
Change in actuarial method		-
Net increase (decrease)		3,325,496
Unfunded actuarial liability as of April 1, 2018	$	12,978,528

Projection of Actuarial Liability to Year End

Actuarial liability as of April 1, 2018	$	99,765,683
Expected increase (decrease) due to:		
Normal cost (excluding expenses)		1,466,665
Benefits paid		(6,818,237)
Interest on above		(140,828)
Interest on actuarial liability		7,233,012
Net expected increase (decrease)		1,740,612
Expected actuarial liability as of March 31, 2019	$	101,506,295

FUNDED RATIOS

Present Value of Accumulated Benefits/ Funded Ratios Actuarial Study as of April 1,		*2018*		*2017*
Present value of vested accumulated benefits				
*Participants currently receiving benefits**	$	50,071,198	$	46,549,740
Inactive vested participants		20,042,416		17,199,083
Active participants		27,869,805		29,806,106
Total		97,983,419		93,554,929
Nonvested accumulated benefits		1,782,264		1,830,279
Present value of all accumulated benefits	$	99,765,683	$	95,385,208
Market value of assets	$	84,195,957	$	80,599,228
Funded ratios (Market value)				
Vested benefits		85.9%		86.2%
All accumulated benefits		84.4%		84.5%
Actuarial value of assets	$	86,787,155	$	84,977,786
Funded ratios (Actuarial value used for PPA)				
Vested benefits		88.6%		90.8%
All accumulated benefits		87.0%		89.1%
Interest rate used to value benefits		7.25%		7.50%

* Includes balance of benefits due and unpaid to beneficiaries of $46,556 as of 2018 and $43,715 as of 2017.

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 April 1,*		*2018*		*2017*
Unfunded actuarial liability				
Actuarial liability	$	106,505,799	$	101,899,551
less: *Fund assets (actuarial value)*		86,787,155		84,977,786
		19,718,644		16,921,765
Funds available to amortize unfunded				
Anticipated contributions (beg. of yr.)		2,762,993		2,414,323
less: *Normal cost (including expenses)*		908,466		751,636
	$	1,854,527	$	1,662,687
Funding period (years)		19		18

CURRENT LIABILITY

Current Liability as of April 1, 2018

Vested current liability		
*Participants currently receiving benefits**	$	78,372,550
Inactive vested participants		41,075,828
Active participants		59,028,696
		178,477,074
Nonvested current liability		
Inactive vested participants		334,183
Active participants		2,392,569
		2,726,752
Total current liability	$	181,203,826

* Includes balance of benefits due and unpaid to beneficiaries of $46,556.

Projection of Current Liability to Year End

Current liability as of April 1, 2018	$	181,203,826
Expected increase (decrease) due to:		
Benefits accruing		3,433,177
Benefits paid		(6,818,237)
Interest on above		717
Interest on current liability		5,399,874
Net expected increase (decrease)		2,015,531
Expected current liability as of March 31, 2019	$	183,219,357

FUNDING STANDARD ACCOUNT

Funding Standard Account *Plan Year Ending March 31,*		*2019* *(Projected)*		*2018* *(Final)*
Charges				
Prior year funding deficiency	$	-	$	-
Normal cost (including expenses)		1,640,368		1,570,380
Amortization charges (see Appendix C)		5,206,447		5,050,598
Interest on above		496,390		496,573
Total charges		7,343,205		7,117,551
Credits				
Prior year credit balance		16,799,813		13,858,596
Employer contributions		2,863,152		3,106,609
Amortization credits (see Appendix C)		5,379,938		5,391,876
Interest on above		1,711,820		1,560,283
ERISA full funding credit		-		-
Total credits		26,754,723		23,917,364
Credit balance (credits less charges)	$	19,411,518	$	16,799,813

FULL FUNDING LIMIT

Projection of Assets for Full Funding Limit		*Market Value*		*Actuarial Value*
Asset value as of April 1, 2018	$	84,195,957	$	86,787,155
Expected increase (decrease) due to:				
Investment income		5,850,521		6,038,383
Benefits paid		(6,818,237)		(6,818,237)
Expenses		(180,000)		(180,000)
Net expected increase (decrease)		(1,147,716)		(959,854)
Expected value as of March 31, 2019*	$	83,048,241	$	85,827,301

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

Full Funding Limit as of March 31, 2019		*For Minimum Required*		*For Maximum Deductible*
ERISA full funding limit (not less than 0)				
Actuarial liability	$	101,506,295	$	101,506,295
less: *Assets (lesser of market or actuarial)*		83,048,241		83,048,241
plus: *Credit balance (w/interest to year end)*		18,017,799		n/a
		36,475,853		18,458,054
Full funding limit override (not less than 0)				
90% of current liability		164,897,421		164,897,421
less: *Assets (actuarial value)*		85,827,301		85,827,301
		79,070,120		79,070,120
Full funding limit (greater of ERISA limit and full funding override)	$	79,070,120	$	79,070,120

MINIMUM REQUIRED CONTRIBUTION AND FULL FUNDING CREDIT

Minimum Required Contribution Plan Year Beginning April 1, 2018

Minimum funding cost		
Normal cost (including expenses)	$	1,640,368
Net amortization of unfunded liabilities		(173,491)
Interest to end of plan year		106,345
		1,573,222
Full funding limit		79,070,120
Net charge to funding std. acct. (lesser of above)		1,573,222
less: *Credit balance with interest to year end*		18,017,799
Minimum Required Contribution (not less than 0)	$	-

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

Full funding credit (not less than 0)		
Minimum funding cost (n.c., amort., int.)	$	1,573,222
less*: full funding limit*		79,070,120
	$	-

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 April 1, 2018

Preliminary deductible limit		
Normal cost (including expenses)	$	1,640,368
10-year limit adjustment (using "fresh start" alternative)		1,742,902
Interest to end of plan year		245,287
		3,628,557
Full funding limit		79,070,120
Maximum deductible contribution override		
140% of vested current liability projected to March 31, 2019		252,647,185
less*: Actuarial value of assets projected to March 31, 2019*		85,827,301
		166,819,884
Maximum deductible contribution*	$	166,819,884
Anticipated employer contributions	$	2,863,152

* 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

March 31,	Vested Benefits Interest Rate	Value of Vested Benefits	Asset Value*	Unfunded Vested Benefits	Unamortized Portion of VAB
1999	7.00%	30,702,110	33,538,995	(2,836,885)	
2000	7.50%	32,700,923	37,208,586	(4,507,663)	
2001	7.50%	35,413,595	41,360,316	(5,946,721)	
2002	7.50%	40,325,709	45,470,597	(5,144,888)	
2003	7.50%	43,267,162	48,117,628	(4,850,466)	
2004	7.50%	47,389,665	51,990,623	(4,600,958)	
2005	7.50%	51,086,402	54,404,605	(3,318,203)	
2006	7.50%	55,613,278	58,632,694	(3,019,416)	
2007	7.50%	60,762,688	63,764,663	(3,001,975)	
2008	7.50%	64,322,561	69,101,410	(4,778,849)	
2009	7.50%	69,025,247	60,744,017	8,281,230	
2010	7.50%	74,595,043	68,842,481	5,752,562	
2011	7.50%	74,961,616	70,453,278	4,508,338	1,556,113
2012	7.50%	79,541,394	71,294,202	8,247,192	1,496,534
2013	7.50%	82,972,016	72,554,306	10,417,710	1,432,486
2014	7.50%	86,056,205	78,301,308	7,754,897	1,363,635
2015	7.50%	86,059,558	81,852,911	4,206,647	1,289,620
2016	7.50%	90,649,128	83,691,603	6,957,525	1,210,053
2017	7.50%	93,554,929	84,977,786	8,577,143	1,124,520
2018	7.25%	97,983,419	86,787,155	11,196,264	1,032,571

* Market value as of March 31, 1999, actuarial value thereafter.

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 2.39% for the first 20 years and 2.60% for each year thereafter and the GAM 94 Basic Mortality Table projected to 2028 were used.

Illustrative Section 4281 Valuation as of March 31, 2018

Value of nonforfeitable benefits		
*Participants currently receiving benefits**	$	81,491,037
Inactive vested participants		44,191,873
Active participants		64,957,646
Expenses (per Section 4281 of ERISA)		1,299,454
		191,940,010
less: Fund assets (market value)		84,195,957
Value of nonforfeitable benefits in excess of (less than) fund assets	$	107,744,053

* Includes balance of benefits due and unpaid to beneficiaries of $46,556

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 April 1,*		*2018*		*2017**
Present value of vested accumulated benefits				
*Participants currently receiving benefits***	$	50,071,198	$	46,549,740
Expenses on parts. currently rec. benefits		1,752,492		2,676,610
Other participants		47,912,221		47,005,189
Expenses on other participants		1,676,928		2,702,798
		101,412,839		98,934,337
Present value of nonvested accumulated benefits				
Nonvested accumulated benefits		1,782,264		1,830,279
Expenses on nonvested benefits		62,379		105,241
		1,844,643		1,935,520
Present value of all accumulated benefits	$	103,257,482	$	100,869,857
Market value of plan assets	$	84,195,957	$	80,599,228
Interest rate used to value benefits		7.25%		7.50%

** Includes balance of benefits due and unpaid to beneficiaries of $46,556 as of 2017 and $43,715 as of 2017.

Changes in Present Value of Accumulated Benefits		
Present value of accumulated benefits as of April 1, 2017*	$	100,869,857
Increase (decrease) due to:		
Plan amendment		-
Change in actuarial assumptions		1,622,323
Benefits accumulated and experience gain or loss		(932,699)
Interest due to decrease in discount period		7,565,239
Benefits paid		(5,689,694)
Operational expenses paid		(177,544)
Net increase (decrease)		2,387,625
Present value of accumulated benefits as of April 1, 2018	$	103,257,482

* The 2017 present value of accumulated benefits (PVAB) column has been restated from the 2017 valuation to include an operational expense load of 5.75%. This change resulted in an increase of $5,484,649 to the 2017 PVAB.

APPENDICES

PLAN HISTORY

Origins/Purpose

The Teamsters Local Union No. 716 Pension Plan was established effective April 1, 1975, as a result of Collective Bargaining Agreements between the Cole, Ice, Building Material, Supply Drivers, Riggers, Heavy Haulers, Warehousemen & Helpers, Local Union No. 716 and the Ready Mixed Concrete Industries.

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 Survivor Benefits, Vested Benefits and Death Benefits.

Employer Contributions

The Pension Plan is financed entirely by contributions from the employers as specified in the Collective Bargaining Agreement. The current contribution rates are shown on the following page.

PLAN HISTORY (CONT.)

Employer or Employer Group	Employer Contribution Rate as of April 1, 2018
Teamsters Local Union #135	$ 338.00/week
Rigging Industry Group:	
Cardinal Contracting #225	$ 196.00/week
Underwood Machinery #275	$ 65.00/week
E.H. Hamilton #350	50¢/hour
A.J.'s Tool Rental #401	11% of gross earnings (12% of gross 6-1-2018)
Sand & Gravel Industry Group:	
A&C Trucking #405	11% of gross earnings (12% of gross 6-1-2018)
MS Transport #420	11% of gross earnings (12% of gross 6-1-2018)
Macy Inc. #445	11% of gross earnings (12% of gross 6-1-2018)
V&S Transport #480	10% of gross earnings
C.J.'s Inc. #497	11% of gross earnings (12% of gross 6-1-2018)
D Transport #415	11% of gross earnings (12% of gross 6-1-2018)
Hot Shot Transportation #424	11% of gross earnings (12% of gross 6-1-2018)
Eastside Trucking #439	11% of gross earnings (12% of gross 6-1-2018)
Wheeler Corporation #442	$ 75.00/week
Nubian Transport #462	11% of gross earnings (12% of gross 6-1-2018)
Indy Transport #463	11% of gross earnings (12% of gross 6-1-2018)
Oatt's Trucking #466	11% of gross earnings (12% of gross 6-1-2018)
Bibb's Hauling LLC #467	12% of gross earnings
Ward Trucking #469	11% of gross earnings (12% of gross 6-1-2018)
Ellington Trucking LLC #481	11% of gross earnings (12% of gross 6-1-2018)
CMG Trucking #482	11% of gross earnings (12% of gross 6-1-2018)
Choice Trucking #486	11% of gross earnings (12% of gross 6-1-2018)
DWD Company LLC #487	12% of gross earnings
Lynn Trucking #489	12% of gross earnings
Wells & Rhodes Trucking #490	11% of gross earnings (12% of gross 5-1-2018)
Ready Mix Industry Group:	
IMI – Central #520	$ 3.40/hour ($3.50/hour 6-1-2018)
IMI – Danville #521	$ 3.40/hour ($3.50/hour 6-1-2018)
IMI – Lebanon/Frankfort #522	$ 3.40/hour ($3.50/hour 6-1-2018)
IMI – Mooresville #523	$ 3.40/hour ($3.50/hour 6-1-2018)
IMI – East #524	$ 3.40/hour
Plumbing Industry Drivers Group:	
Central Supply #600	$ 344.81/month
CEP Concrete Construction #750	$ 120.00/week
Omnisource Corporation #905	$ 75.00/month ($85.00/month 6-1-2018)
City of Martinsville #920	$ 339.72/month
Martin Marietta Materials #1521	$ 1.70/hour

SUMMARY OF PLAN PROVISIONS

Plan year	The twelve-month period beginning April 1 and ending March 31.
Past service date	For each participant, the later of: a) April 1, 1975, b) the employer participation date that is associated with the employer or employer group the participant work for when contributions were first required to be made to the trust fund on such participant's behalf, or c) the first day of the month during which employer contributions were first required to be made to the fund on participant's behalf.
Past service year	Each past service year is measured over the 12 consecutive month period that starts on the first day of the same month as that month contained in a participant's past service date. Past service years are those years preceding a participant's past service date.
Past service benefit	A participant's past service years times his past service crediting rate. The participant's past service crediting rate is the rate for the employer or employer group that such participant worked for when contributions were first required to be made to the trust fund on his behalf. Current past service crediting rates are shown on page A-4.
Service:	
Past service	One year of past service is credited for each past service year during which the participant worked for an employer. Past service shall not include any years of forfeited service.
Future service	One year of future service is credited for each plan year during which employer contributions were received on a participant's behalf. Future service shall not include any years of forfeited service.

SUMMARY OF PLAN PROVISIONS (CONT.)

Employer or Employer Group	Past Service Crediting Rate as of April 1, 2018
Teamsters Local Union #135	-
Rigging Industry Group	$ 8.50
E.H. Hamilton	$ 4.50
A.J.'s Tool Rental	-
Sand & Gravel Industry Group	$ 5.50
D Transport (Big D)	$ 5.50
Hot Shot Transportation	$ 4.50
Eastside Trucking	-
Wheeler Corporation	-
Nubian Transport	-
Indy Transport	-
Oatt's Trucking	-
Bibb's Hauling LLC	-
Ward Trucking	-
Ellington Trucking LLC	-
CMG Trucking	-
Choice Trucking	-
Wells & Rhodes Trucking	-
Ready Mix Industry Group	$ 5.50
Southern Scavenger	$ 4.50
Plumbing Industry Drivers Group	$ 7.50
CEP Concrete Construction	-
Omnisource Corporation	$ 5.50
City of Martinsville	$ 5.50
Martin Marietta Materials	-

SUMMARY OF PLAN PROVISIONS (CONT.)

Break in service	Prior to participant's past service date: A past service year during which the participant did not work for an employer. After participant's past service date: A plan year during which no employer contributions were made to the fund on his behalf unless lack of contributions was due to accident, illness or service in the Armed Forces.
Forfeited service	The number of years of service as otherwise credited to a participant that becomes forfeited. All service credited to a non-vested participant is forfeited at the time such participant has suffered consecutive one-year breaks in service equaling the greater of 5 or the number of years of service credited prior to his initial break in service.
Spouse	The participant's legal spouse at the time a pre-retirement death benefit is first payable or, upon the death of the participant after retirement, his legal spouse at time of his retirement.
Normal retirement benefit	
Eligibility	Age 65 and 5th anniversary of plan participation.
Monthly amount	Past service benefit, plus $2.70 for each $100 of total contributions (employer + employee) up to September 1, 2010, plus $1.50 for each $100 of total contributions from September 1, 2010 up to July 1, 2011, plus $1.30 for each $100 of total contributions on or after July 1, 2011. Payable for life.
Early retirement benefit	
Eligibility	Age 55 and 10 years of service. Age 55 and 5 years of service if participant is active and eligible for social security disability.
Monthly amount	Normal reduced by 6% per year for each year under age 65. Payable for life.
or	
Eligibility	Age 55 and 30 years of service.
Monthly amount	100% of normal. Payable for life.

SUMMARY OF PLAN PROVISIONS (CONT.)

Optional forms of payment effective September 1, 2010	• 5 years certain and life • 10 years certain and life • Joint & 50% survivor annuity • Joint & 75% survivor annuity
Vested benefit	
Eligibility	5 years of service, termination of employment on or after April 1, 1997.
Monthly amount	100% of normal or reduced early. Commencing at age 55 or later.
Disability benefit	
Eligibility	5 years of service, disabled after April 1, 2001 and while active. Eligible for social security disability.
Monthly amount	Accrued Normal, maximum $300. Payable until age 55, recovery or death. At age 55, benefit is Early or Early Joint and 50% Survivor, if applicable.
Pre-retirement death benefit #1	
Eligibility	Death of vested participant prior to age 55. Has surviving spouse.
Monthly amount	Participant's joint and 50% survivor benefit calculated as if participant had attained age 55. Commencing immediately. 50% continuation to spouse payable for life.
Pre-retirement death benefit #2	
Eligibility	Death of participant after eligible for joint and 50% survivor, but prior to retirement. Has surviving spouse.
Monthly amount	Participant's joint and 50% survivor benefit. 50% continuation to spouse payable for life.
Pre-retirement death benefit #3	
Eligibility	Death of vested participant prior to retirement. No surviving spouse.
Monthly amount	Accrued Normal. Payable to beneficiary for 60 months.

HISTORICAL PLAN MODIFICATIONS

Retiree increase	
Effective date	April 1, 1989
Adoption date	January 26, 1989
Provisions	A 5% increase was given to the lives already receiving monthly benefits on April 1, 1989.
Future service increase	
Effective date	April 1, 1991
Adoption date	March 28, 1991
Provisions	The future service crediting rate was increased to $2.30 for each $100 of total contributions.
Retiree increase	
Effective date	April 1, 1991
Adoption date	March 28, 1991
Provisions	A 5% increase was given to the lives already receiving monthly benefits on April 1, 1991.
Future service increase	
Effective date	April 1, 1991
Adoption date	January 1, 1992
Provisions	The future service crediting rate was increased to $2.70 for each $100 of total contributions.
Retiree increase	
Effective date	April 1, 1991
Adoption date	January 1, 1992
Provisions	A 10% increase was given to the lives already receiving monthly benefits on April 1, 1991.

HISTORICAL PLAN MODIFICATIONS (CONT.)

Vesting scale

Effective date	April 1, 1997
Adoption date	January 30, 1997
Provisions	The vesting scale was changed from 100% at 10 years of service to 100% at 5 years of service.

Past service eligibility

Effective date	January 1, 1998
Provisions	Past service eligibility was granted to certain employees of new contributing employers.

Pre and post- retirement death benefits

Effective date	January 1, 2000
Adoption date	November 30, 2001
Provisions	A pre and post-retirement 60 month certain death benefit was adopted for non-married participants.

Pro rata reciprocity benefit

Effective date	January 1, 2000
Adoption date	November 30, 2001
Provision	Years with Central States Teamsters under the reciprocity agreement will count towards the 30 years of service in the age 55 and 30 years of service benefit.

Disability benefit

Effective date	April 1, 2001
Adoption date	November 30, 2001
Provision	Accrued Normal, maximum $500 to active vested participants who become disabled and are eligible for social security disability.

HISTORICAL PLAN MODIFICATIONS (CONT.)

Retiree increase

Effective date	January 1, 2002
Adoption date	November 30, 2001
Provisions	A 5% increase was given to the lives already receiving monthly benefits on January 1, 2002.

Disability benefit

Effective date	April 1, 2001
Adoption date	December 9, 2003
Provisions	Service requirement for early retirement was lowered from 10 years to 5 years for participants that are active and eligible for social security disability.

Form of benefit

Effective date	April 1, 2006
Adoption date	January 17, 2006
Provisions	The benefit form for certain retirees and spouses receiving joint & 50% survivor benefits was changed to include a 10 year guarantee.

Form of benefit

Effective date	April 1, 2008
Adoption date	March 11, 2008
Provisions	A joint & 75% survivor option with a 10 year certain guarantee was added to the plan.

Form of benefit

Effective date	September 1, 2010
Adoption date	June 8, 2010
Provisions	The unreduced 10 year certain guarantee was eliminated for retirements after July 29, 2010. 5 year and 10 year certain and life optional forms are still offered with a reduction in benefit.

HISTORICAL PLAN MODIFICATIONS (CONT.)

Death benefit	
Effective date	September 1, 2010
Adoption date	June 8, 2010
Provisions	The lump sum option payable to the participant's spouse or beneficiary in lieu of a monthly pre-retirement or post-retirement death benefit was eliminated for deaths on or after July 29, 2010.
Disability benefit	
Effective date	September 1, 2010
Adoption date	June 8, 2010
Provisions	The temporary disability benefit maximum benefit was lowered from $500 to $300 per month for disablements on or after July 29, 2010.
Future service decrease	
Effective date	September 1, 2010
Adoption date	June 8, 2010
Provisions	The future service crediting rate was changed from $2.70 to $1.50 for each $100 of total contributions made on or after September 1, 2010.
Future service decrease	
Effective date	July 1, 2011
Adoption date	June 7, 2011
Provisions	The future service crediting rate was changed from $1.50 to $1.30 for each $100 of total contributions made on or after July 1, 2011.

ACTUARIAL ASSUMPTIONS

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

Valuation date	April 1, 2018
Interest rates	
ERISA rate of return used to value liabilities	7.25% per year net of investment expenses.
Current liability	2.98% (in accordance with Section 431(c)(6) of the Internal Revenue Code)
Operational expenses	\$180,000 per year excluding investment expenses. For the present value of expenses for ASC 960, a 3.50% load was applied to the ASC 960 liabilities. This load was calculated by taking 3 years of actual expenses divided by 3 years of actual benefit payments.
Loading for reciprocity	Liabilities for non-retired (date of termination on or after January 1, 2001) participants' benefits to be paid after retirement increased 5%
Mortality	
Assumed plan mortality	125% of the RP-2014 Blue Collar Mortality Tables for employees and healthy annuitants adjusted backward to 2006 with the MP-2014 projection scale and projected forward using the MP-2017 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-7 Turnover Table from The Actuary's Pension Handbook (less GAM 51 mortality) – specimen rates shown below. Assumed rate during the second and third year of employment is 30%* and 20% for the next two years.

Age	Withdrawal Rate
25	.0967
30	.0930
35	.0871
40	.0775
45	.0635
50	.0422
55	.0155
60	.0015

* All newly reporter participants are considered to have already worked their first year of employment

Disability

Specimen rates shown below:

Age	Disability Rate
25	.0004
30	.0006
35	.0007
40	.0011
45	.0018
50	.0030
55	.0047
60	.0005

ACTUARIAL ASSUMPTIONS (CONT.)

Retirement

Active lives

According to the following schedule:

Age	Prior to 30 Years Service	After 30 Years Service*
55-58	.04	.15
59-60	.04	.05
61	.15	.05
62	.25	.20
63-64	.20	.15
65+	1.00	1.00

* At least .35 in first year eligible for unreduced benefit with 30 years of service.

Resulting in an average expected retirement age of 62.6.

Inactive vested lives

Age 55 if 30 years of service, else age 60 if eligible for early, else age 65. Current age, if older.

Basis for future annual contributions

Average:	*Months*	11
	Hours	1,875
	Weeks	43
	Gross earnings	$34,000

Future contribution rate

Applicable employer's rate as of valuation date adjusted to reflect known bargained increases effective in the upcoming plan year.

Age of participants with unrecorded birth dates

Based on average entry age of participants with recorded birth dates and same vesting status.

Marriage assumptions

75% assumed married with the male spouse 3 years older than his wife

Optional form assumption

All non-retired participants assumed to elect the life only form of benefit.

Inactive vested lives over age 70

Continuing inactive vested participants over age 70 are assumed deceased and are not valued.

ACTUARIAL ASSUMPTIONS (CONT.)

QDRO benefits	Benefits to alternate payee included with participant's benefit until payment commences
Section 415 limit assumptions	
Dollar limit	$220,000 per year
Benefits not valued	Pre-retirement death benefits following disability.

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 2018 survey of investment consultants. Based on this analysis, we selected a final assumed rate of 7.25%, which we feel is reasonable. This rate may not be appropriate for other purposes such as settlement of liabilities.
Mortality	The RP-2014 Blue Collar Mortality Tables for employees and healthy annuitants adjusted backward to 2006 with the MP-2014 projection scale and projected forward using the MP-2017 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 125% multiplier was applied in order to more closely match projected deaths to actual post-retirement death experience. The period of actual data studied to develop this multiplier was from April 1, 2013 to March 31, 2018 for this plan, blended with a study of deaths for larger plans in similar industries.
Retirement	Actual rates of retirement by age were studied for the period April 1, 2013 to March 31, 2018. The assumed future rates of retirement were selected based on the results of this study.
Withdrawal	Actual rates of withdrawal by age were last studied for this plan for the period April 1, 2013 to March 31, 2018. No further adjustments were deemed necessary at this time.
Basis for future annual contributions	Based on review of recent plan experience.

ACTUARIAL ASSUMPTIONS USED FOR PROJECTIONS

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

Assumed return on fund assets	
Current year projections	7.25% for all years
Prior year projections	7.50% for all years
Future total hours worked	
Current year average projections	
Months	11 for the plan year ending 2019 and thereafter
Hours	1,875 for the plan year ending 2019 and thereafter
Weeks	43 for the plan year ending 2019 and thereafter
Gross earnings	$34,000 for the plan year ending 2019 and thereafter
Prior year average projections	
Months	11 for the plan year ending 2018 and thereafter
Hours	1,800 for the plan year ending 2018 and thereafter
Weeks	41 for the plan year ending 2018 and thereafter
Gross earnings	$33,000 for the plan year ending 2018 and thereafter
Contribution rate increases	
Current year projections	Rates as summarized on page A-2 of this report plus all future contribution rate increases spelled out in participation agreements as of November 29, 2018.
Prior year projections	Rates as summarized on page A-2 of the April 1, 2017 actuarial valuation report plus all future contribution rate increases spelled out in participation agreements as of December 18, 2017.
Plan changes since prior year	None

ACTUARIAL ASSUMPTIONS USED FOR PROJECTIONS (CONT.)

Future new entrants for liability projection

Current year projections

Stable population assumed with new entrants replacing active participants as they withdraw, retire or die. New entrants are based upon entry age of actual new entrants over the last 5 years.

Prior year projections

The number of new entrants added annually replaces the number of actives that leave due to termination, retirement, death and retirement decrements so that a stable population of 654 active participants is maintained. The age at hire for new entrants is based on the average age at hire of the current population. Based on this distribution we assumed new entrants would enter at the following ages:

Age	Percentage of Population
20	6.3%
25	14.5%
30	18.2%
35	17.6%
40	16.5%
45	12.4%
50	6.9%
55	4.7%
60	2.9%
Total	100.0%

ACTUARIAL METHODS

Funding method	
ERISA Funding	Traditional unit credit cost method, effective April 1, 2008
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 (without phase-in) effective April 1, 2000. Each year's gain (or loss) is spread over a period of 5 years. The actuarial value can be no less than 80% or 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
Pension Relief Act of 2010	30-year amortization of net investment loss was elected with respect to the loss incurred during the plan year ended in 2009. The loss was allocated to future years using the "prospective method" of the IRS. The amount of each allocation is shown in Appendix C.

Date Established	Source of Change in Unfunded Liability	Original Amount	Original Period	Remaining Period		4/1/2018 Outstanding Balance	4/1/2018 Amortization Payment
				Years	Months		
Charges							
4/1/1979	Amendment		40	1	0	52,806	52,806
4/1/1980	Amendment		40	2	0	185,229	95,854
4/1/1989	Amendment		30	1	0	17,877	17,877
4/1/1989	Assumptions		30	1	0	39,197	39,197
4/1/1990	Assumptions		30	2	0	33,948	17,568
4/1/1991	Amendment		30	3	0	704,037	251,283
4/1/1992	Assumptions		30	4	0	84,691	23,445
4/1/1993	Assumptions		30	5	0	110,129	25,212
4/1/1994	Assumptions	332,364	30	6	0	131,291	25,881
4/1/1995	Assumptions	267,368	30	7	0	119,286	20,818
4/1/1996	Assumptions	176,956	30	8	0	87,443	13,787
4/1/1997	Assumptions	274,512	30	9	0	147,852	21,385
4/1/1998	Amendment	125,865	30	10	0	73,016	9,805
4/1/1998	Assumptions	584,856	30	10	0	339,288	45,563
4/1/1999	Assumptions	965,339	30	11	0	597,383	75,208
4/1/2000	Assumptions	1,895,667	30	12	0	1,241,596	147,700
4/1/2001	Amendment	1,672,581	30	13	0	1,150,791	130,210
4/1/2001	Assumptions	727,078	30	13	0	500,232	56,601
4/1/2002	Amendment	741,827	30	14	0	533,227	57,705
4/1/2002	Assumptions	481,998	30	14	0	346,461	37,494
4/1/2003	Amendment	31,128	30	15	0	23,258	2,419
4/1/2003	Assumptions	854,813	30	15	0	638,895	66,442
4/1/2004	Assumptions	1,450,330	30	16	0	1,122,573	112,642
4/1/2004	Experience	392,603	15	1	0	41,374	41,374
4/1/2005	Assumptions	2,957,701	30	17	0	2,362,575	229,551
4/1/2005	Experience	1,541,908	15	2	0	313,637	162,304
4/1/2006	Amendment	73,178	30	18	0	60,139	5,675
4/1/2006	Assumptions	1,790,545	30	18	0	1,471,517	138,869
4/1/2006	Experience	1,454,368	15	3	0	428,475	152,930
4/1/2007	Assumptions	1,066,818	30	19	0	899,590	82,682
4/1/2007	Experience	729,912	15	4	0	276,949	76,667
4/1/2009	Relief 09 Asset Loss	11,598,304	29	20	0	10,109,196	907,093
4/1/2010	Relief 09 Asset Loss	1,178,181	28	20	0	1,037,810	93,122
4/1/2011	Assumptions	270,413	15	8	0	179,439	28,291
4/1/2011	Relief 09 Asset Loss	2,854,997	27	20	0	2,543,863	228,259

Date Established	Source of Change in Unfunded Liability	Original Amount	Original Period	Remaining Period Years	Remaining Period Months	4/1/2018 Outstanding Balance	4/1/2018 Amortization Payment
4/1/2012	Assumptions	505,989	15	9	0	365,651	52,887
4/1/2012	Relief 09 Asset Loss	5,055,343	26	20	0	4,560,973	409,254
4/1/2013	Experience	1,995,583	15	10	0	1,551,791	208,392
4/1/2016	Assumptions	1,343,594	15	13	0	1,236,851	139,948
4/1/2016	Experience	2,730,221	15	13	0	2,513,317	284,378
4/1/2017	Experience	2,613,804	15	14	0	2,513,728	272,034
4/1/2018	Assumptions	1,567,462	15	15	0	1,567,462	163,008
4/1/2018	Experience Loss	1,758,034	15	15	0	1,758,034	182,827
				Total Charges:		**44,072,877**	**5,206,447**

Credits

4/1/2013	Combined Credits	27,202,487	7	2	0	9,221,734	4,772,164
4/1/2014	Experience	2,951,941	15	11	0	2,446,406	307,990
4/1/2015	Assumptions	505,288	15	12	0	442,788	52,674
4/1/2015	Experience	1,147,604	15	12	0	1,005,657	119,633
4/1/2017	Assumptions	1,224,847	15	14	0	1,177,951	127,477
				Total Credits:		**14,294,536**	**5,379,938**

Net Charges:	**29,778,341**	**-173,491**
Less Credit Balance:	16,799,813	
Less Reconciliation Balance:	0	
Unfunded Actuarial Liability:	**12,978,528**	

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 <u>only</u> if it is described in one of the following: • Projected funding deficiency in the current year or next 9 years (<u>including</u> 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, <u>and</u>, • No projected funding deficiencies in the current year or next 9 years (<u>including</u> amortization extensions), <u>and</u>, • 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 (<u>including</u> amortization extensions), <u>and</u>, • 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 liabilities 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."