Hod Carriers Local 166 Pension Fund (East Bay)

Actuarial Valuation as of July 1, 2016

Venuti & Associates
5050 El Camino Real, Suite 106
Los Altos, California 94022
(650) 960-5700

May 2017

May 3, 2017

Board of Trustees
Hod Carriers Local 166 Pension Fund (East Bay)

Dear Trustees:

We are pleased to present our actuarial valuation report for the Hod Carriers Local 166 Pension Fund (East Bay) as of July 1, 2016. The information in this report provides the means by which we measure the Pension Fund's ability to pay the benefits promised. The actuarial report serves three main purposes:

- Measure the funded status of the Plan by comparing Pension Fund assets to actuarial liabilities.
- Determine how the funded status changed from the prior year using what is called an "experience analysis."
- Assess the Plan's long-term funding position by projecting and comparing contributions made during the year for active members to the cost of Plan benefits earned during the year.

In summary, during the year ending June 30, 2016 the Plan had an experience loss of $1,136,707 consisting primarily of a lower than expected return on the actuarial value of assets and demographic losses offset by a gain on mortality experience. The Plan has as unfunded actuarial accrued liability of $1,994,168 and an unfunded vested benefit liability on a market value basis of $4,125,053 as of June 30, 2016.

The Hod Carriers Local 166 South Bay Pension Plan was merged into the Hod Carriers Local 166 Pension Fund (East Bay) on January 1, 2015. This valuation is the first that includes former South Bay participants for a full year.

We look forward to discussing our report with you.

Very truly yours,

David W. Venuti
President

Cc: Roberto Aliaga
Richard Grosboll
Byron Loney

EXECUTIVE SUMMARY

Actuarial value of assets increased $805,186 while market value decreased by $899,062. Return on actuarial value was (0.19%) while return on market value was 4.21%. Return on actuarial value includes a $581,110 loss being recognized this year from the continued smoothing of 2008/2009 asset losses. Asset losses from 2008/2009 and net losses after 2012 will continue to be recognized under the asset smoothing method. Fair market value is $2,715,377 less than actuarial value and this difference will flow through the asset smoothing during the next four years.

During the year the Plan had an experience loss of $1,136,707 consisting primarily lower than expected returns on the actuarial value of assets less and demographic losses. A gain from mortality experience offset the demographic losses.

The Plan's funded percentage is based on actuarial value of assets and actuarial accrued liability determined under the "unit credit" funding method. On this basis the funded percentage is 95.25% compared to 93.28% in the prior year. PPA requires that the "unit credit" liability be used to determine the PPA zone status. Therefore, the PPA funded percentage is also equal to 95.25%.

The minimum required contribution due for the plan year ending June 30, 2017 is $2,511,062 before recognition of the credit balance with interest. The credit balance in the funding standard account of $11,313,805 as of July 1, 2016 is used to cover this amount if contributions to the Plan are less than the minimum required contribution. As a result, the minimum required contribution is $0.

For withdrawal liability purposes, there is an unfunded vested benefit liability (using market value of assets) of $4,125,053 so employer withdrawal liability for the plan year ending June 30, 2017 may be assessed. Details related to the withdrawal liability calculation and methodology are presented in separate correspondence.

Expected contributions are sufficient to amortize the unfunded liability over a period of 3 years on a market value basis.

The Plan was certified "green" for the plan year ending 2016. Details of funding projections under PPA are presented in separate correspondence.

The Hod Carriers Local 166 South Bay Pension Plan was merged into the Hod Carriers Local 166 Pension Fund (East Bay) on January 1, 2015. This valuation is the first that includes former South Bay participants for a full year.

Summary Information

The following presents some of the important results of the actuarial valuation and compares this information with the prior year.

	June 30, 2016	June 30, 2015	Change
Number of Participants			
Actives			
Vested	62	53	9
Non-Vested	72	45	27
Total	134	98	36
Inactives			
Vested	120	133	(13)
Non-Vested	41	80	(39)
Total	161	213	(52)
Retirees and Beneficiaries	12	231	(219)
Total Participants	521	542	(21)

Summary Information (continued)

	June 30, 2016	June 30, 2015	Change
Liabilities			
Actuarial Accrued Liability	$42,003,176	$42,027,679	$(24,503)
Vested Benefit Liability	41,418,684	41,325,527	93,157
Assets			
Actuarial Value	$40,009,008	$39,203,822	$805,186
Market Value	37,293,631	38,192,693	(899,062)
Funded Status			
Unfunded Actuarial Accrued Liability[(1)]	$1,994,168	$2,823,857	$(829,689)
Unfunded Vested Benefit Liability[(2)]	4,125,053	3,132,834	992,219
PPA Funded Percentage[(1)]	95.25%	93.28%	1.97%
Normal Cost	$435,957	$160,340	$275,617
Hours Worked	219,919	108,404	111,515
Employer Contributions	$2,239,581	$1,037,980	$1,201,601
Benefits Paid	$3,067,626	$2,393,043	$674,583

[(1)] Based on actuarial value of assets.
[(2)] Based on market value of assets.

Funded Status

The funded status of the Plan is determined by comparing Pension Fund assets (actuarial value) to the actuarial accrued liability for benefits earned under the Plan. For purposes of determining the funded status, Pension Fund assets are determined using a smoothing technique which is designed to dampen market value volatility. Under this smoothing approach, the excess of market value earnings over the expected investment earnings is recognized in equal amounts over five years.

Actuarial accrued liabilities are determined under a method called the Unit Credit Funding Method. Under this method, the actuarial liability represents the amount required to fully pay all pension, death and disability benefits earned to date as they come due in the future assuming plan experience is exactly equal to that anticipated by the actuarial assumptions. This means that the funded status assesses the Plan's ability to pay benefits earned to date based on the current assets in the Pension Fund. If actuarial value of assets exceeds the actuarial accrued liability the Plan is in a surplus position and is said to have an "actuarial surplus." If actuarial value of assets is less than the actuarial accrued liability, the plan has an "unfunded actuarial accrued liability." In this case, the unfunded actuarial liability must be paid for by future employer contributions, favorable plan experience, or a combination of both.

As of June 30, 2016, actuarial value of assets totaled $40,009,008 and the actuarial accrued liability of the Plan was $42,003,176, resulting in an unfunded actuarial accrued liability of $1,994,168.

The vested benefit liability is the actuarial liability for vested benefits. If market value of assets is less than the vested benefit liability, the plan is said to have an unfunded vested benefit liability. Under certain conditions, an employer who withdraws from a plan with an unfunded vested benefit liability is required to pay for that employer's share of the unfunded vested benefit liability.

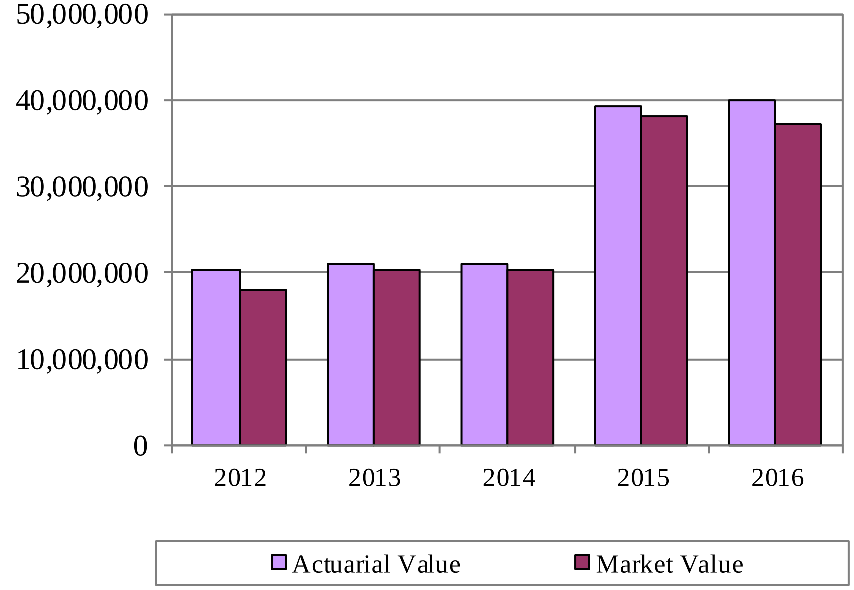
As of June 30, 2016, the vested benefit liability totaled $41,418,684, resulting in an unfunded vested benefit liability of $4,125,053.

Funded Status (continued)

Assets at June 30, 2016

Cash and Equivalents	$12,926
Mutual Funds	24,309,038
Common Collective Funds	6,525,748
Limited Partnerships	4,018,810
Mortgages	43,984
Cash Accounts	1,877,116
Contributions Receivable	222,460
Net of Other Receivables and Payables	283,549
Assets at Market Value	37,293,631
Smoothing Adjustment	2,715,377
Assets at Actuarial Value	**$40,009,008**

Asset Values at June 30 (1)



(1) Asset Values as of June 30, 2015 and June 30, 2016 include assets from the merged South Bay Plan.

Funded Status (continued)

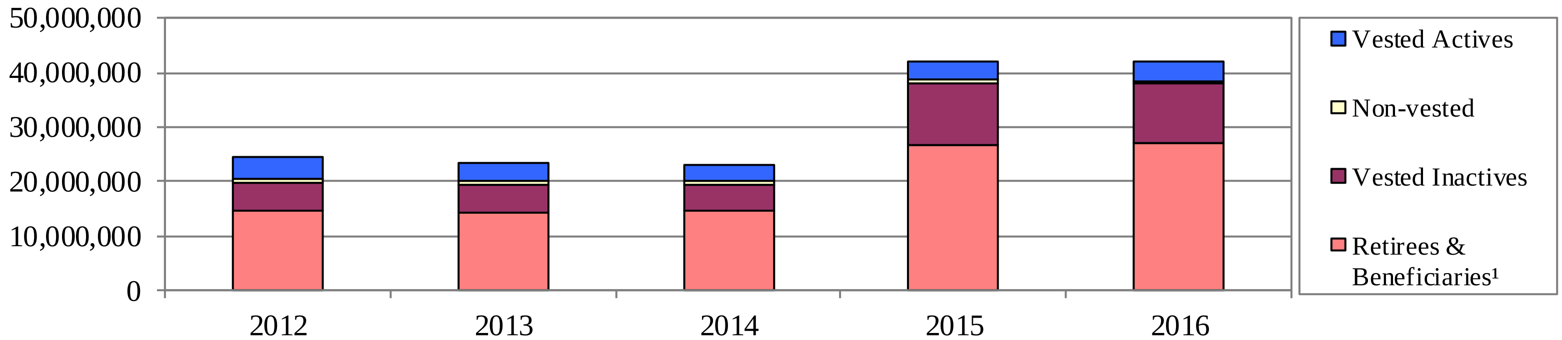
Actuarial Accrued Liability

Retirees & Beneficiaries (1)	$27,162,444	
Vested Actives	3,471,768	
Vested Inactives	10,784,472	
Vested Participants		$41,418,684
Non-Vested Actives	375,238	
Non-Vested Inactives	209,254	
Non-Vested Participants		584,492
Actuarial Accrued Liability		**$42,003,176**

Funded Status

Actuarial Accrued Liability	$42,003,176
Actuarial Value of Assets	40,009,008
Unfunded Actuarial Accrued Liability	**$1,994,168**

Liabilities (2)



(1) Includes 15 disabled participants.
(2) Liabilities as of June 30, 2015 and June 30, 2016 include liabilities from the merged South Bay Plan.

Actuarial Experience

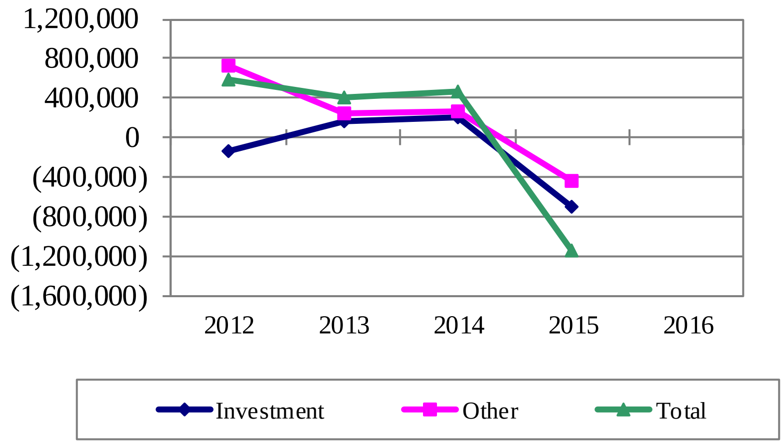
A plan's actuarial accrued liability is simply an estimate of the amount of funds required to pay benefits as they come due in the future. This estimate is based on assumptions about future events that impact the plan's funded status; events such as investment earnings on plan assets, how long retirees live, and the probability of an active member remaining in covered employment, among others. Each year the plan's funded status changes due to actual experience different from that anticipated by the actuarial assumptions. This difference is referred to as "actuarial experience."

There are two types of actuarial experience. "Actuarial gains" are generated when experience is more favorable than expected. Actuarial gains serve to improve the funded status of the plan. "Actuarial losses" occur when experience is less favorable than expected. Actuarial losses serve to lessen the funded status of the plan.

Actuarial experience is measured by performing an experience analysis. This analysis is important for two reasons. First, it tells the Trustees how and why the funded status changed from the prior year. Second, it allows the actuary to monitor whether the assumptions continue to be appropriate for valuing plan liabilities. Differences in actual experience compared to assumed are expected. However, a recurring trend of gains or losses from a particular assumption could indicate that the assumption should be modified.

During the year ending June 30, 2016, Plan experience produced a total actuarial loss of $1,136,707. Lower than expected returns on actuarial value of assets generated $758,600 of the loss with the remainder due to other demographic losses offset slightly by gains in mortality experience. The components of these gains and losses are broken out below.

The chart below shows a four year history of actuarial gains and losses broken out by investment gains (or losses), gains from other sources, and total. The remainder of this section details the experience related to each assumption used in the actuarial valuation.



Actuarial Experience: Investment Return

Investment Return

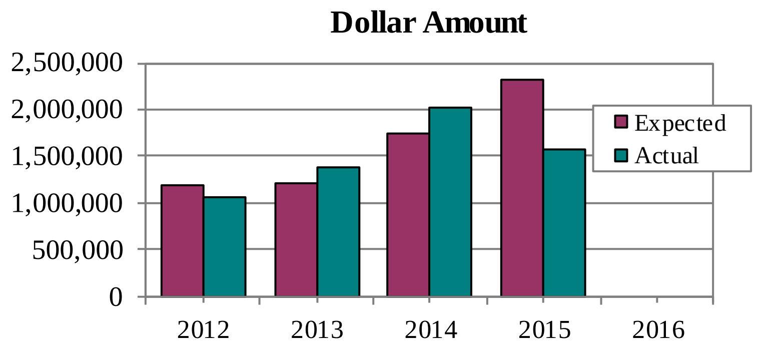
Investment experience typically has a much larger impact on plan experience than any of the other assumptions. The assumption for long-term investment return on Pension Fund assets (at Actuarial Value) is 6.00% per annum, net of investment and expected operational expenses. During the year, the investment return on an actuarial basis was less than expected, producing an actuarial loss of $758,600.

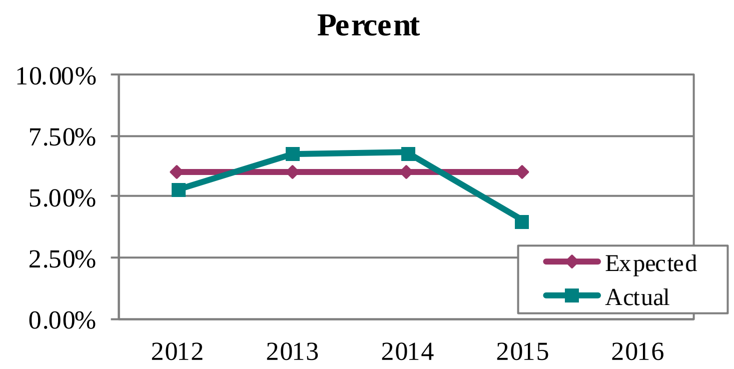
	Dollar Amount	Percent
Investment Income (Actuarial Value)	$1,941,757	5.01 %
Investment Expenses	(89,267)	(0.23)
Expected Operational Expenses	(283,340)	(0.75)
Net Recognized Income [(1)]	$1,569,150	4.03 %
Less Expected Income	2,327,750	6.00
Gain/(Loss)	($758,600)	(1.97)%

Net market value return for the year was approximately (0.19%).

Four-Year History

Over the last four Plan years, actual asset returns on an actuarial basis averaged $1,507,892 or 5.73% per year, which is $113,100 or 0.27% less than expected.



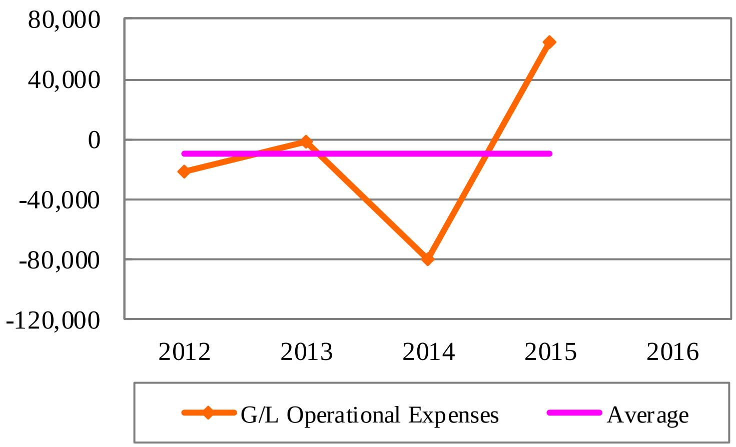


(1) Investment income and yield are based upon expected operational expenses, and do not reflect actual operational expenses paid during 2015/16. Reference page 22 for the 2015/16 investment income and yield reflecting actual expenses paid during the year.

Actuarial Experience: Other Assumptions

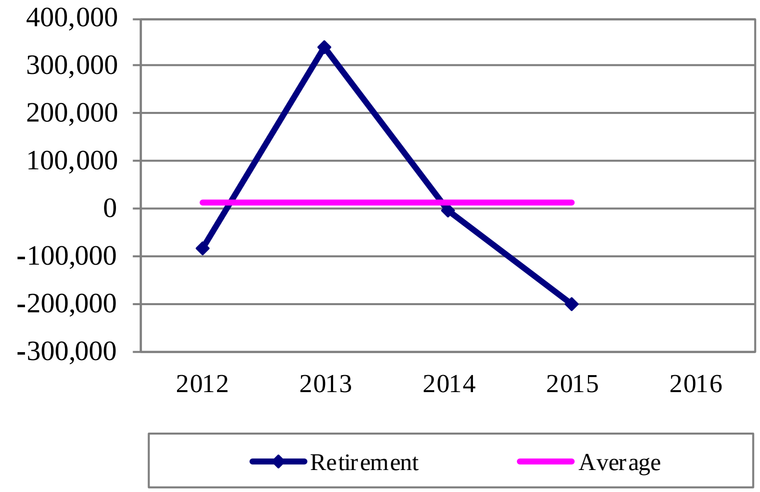
Operational Expenses

Operational expenses are assumed to be 0.75% of Pension fund assets or $283,340 for the year ending June 30, 2016. Actual operational expenses totaled $219,258 resulting in a gain of $64,082. Over the last four years, losses from this assumption have averaged approximately $10,300 per year.



Retirement

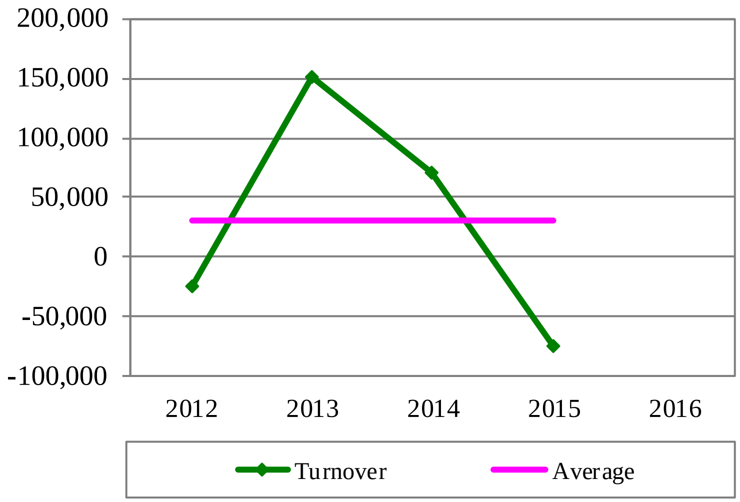
Participants are assumed to retire in accordance with the table shown in the Supplemental Information section of this report. Participants retiring after the assumed retirement age would produce a gain. There were 7 new retirements during the year, including 2 pro-rata retirees, resulting in a loss of $202,368. Over the last four years, gains from this assumption have averaged $13,000 per year.



Actuarial Experience: Other Assumptions (continued)

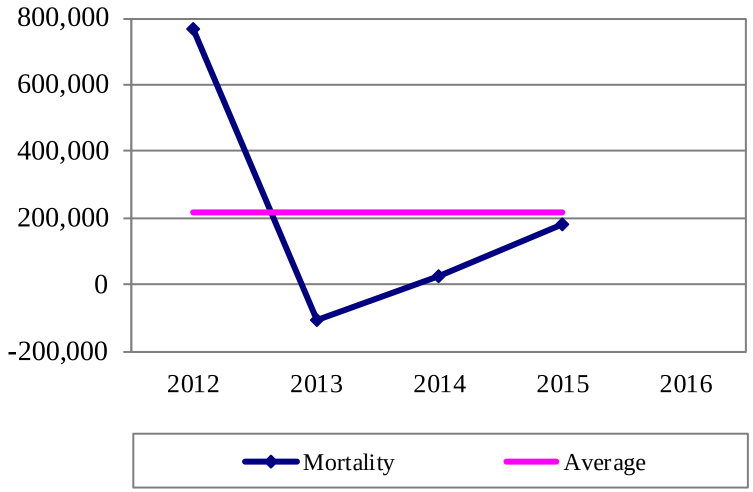
Turnover

An active participant who leaves covered employment discontinues earning benefits under the Plan. If such participant is non-vested and incurs a permanent break-in-service he forfeits his benefits earned under the Plan. To anticipate this possibility, actuarial liabilities are discounted by rates of termination shown in the Supplemental Information section of this report. Actual turnover was less than anticipated producing a loss of $74,608. Over the last four years, gains from this assumption have averaged approximately $30,900 per year.



Mortality

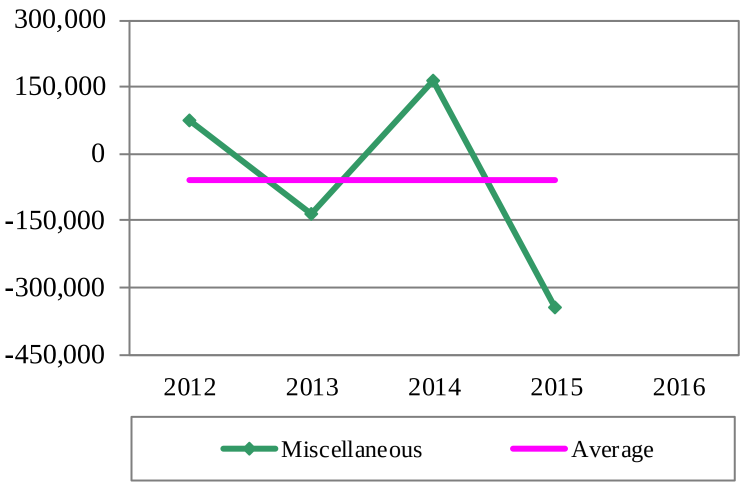
Mortality is generally assumed to be in accordance with the 1983 Group Annuity Mortality Table for Males and Females. During the year, there were 16 deaths and the mortality gain was $181,177. Over the last four years, gains from this assumption have averaged approximately $216,200 per year.



Actuarial Experience: Summary

New Entrants, Disability, and Miscellaneous

New entrants, disability, and benefit payments produced a total loss of $346,390. There were 27 new entrants during the year, producing a net loss of $58,731. This loss does not take into account the contributions made on behalf of these new entrants. Over the last four years, losses from these sources have averaged approximately $59,700 per year.

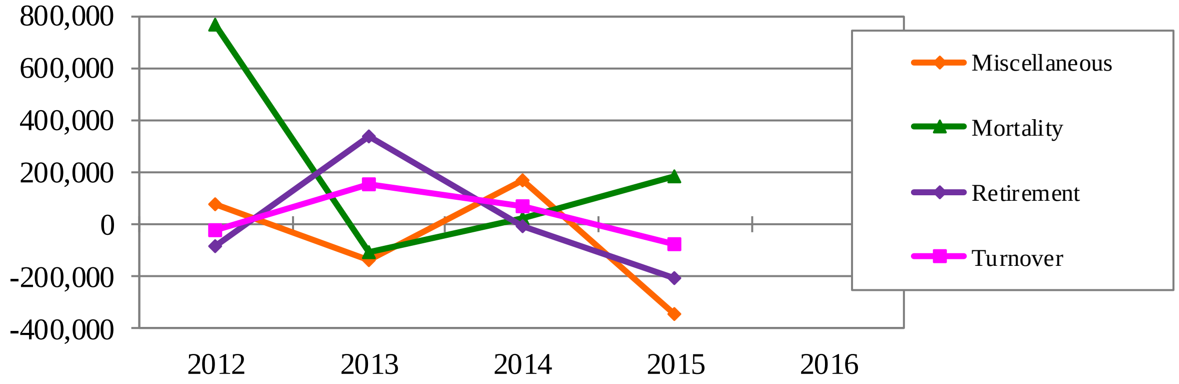


The following summarizes the actuarial experience for the year.

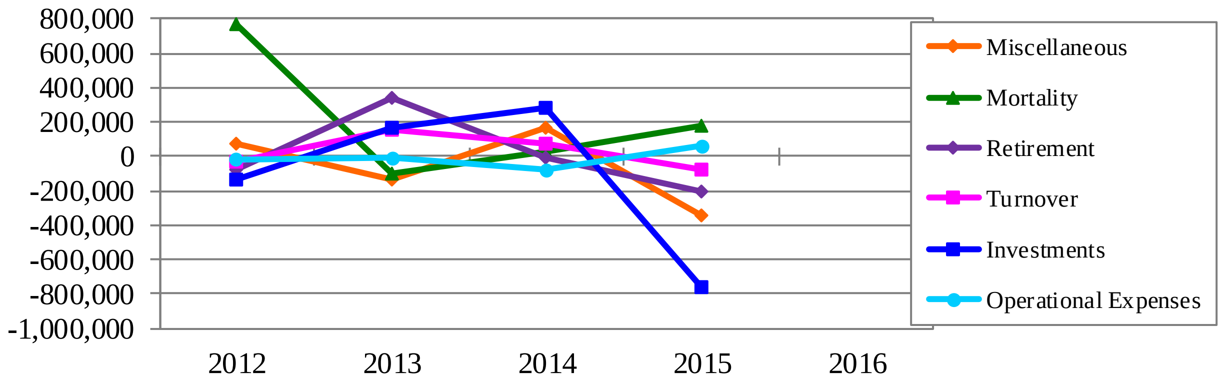
Source	
Net Investment Income	($758,600)
Operational Expenses	64,082
Retirement	(202,368)
Turnover	(74,608)
Mortality	181,177
Miscellaneous	(346,390)
Total Gain/(Loss)	**($1,136,707)**

Differences in actual Plan experience compared to assumed are to be expected. However, a recurring trend of gains or losses from a particular assumption could indicate that the assumptions should be modified. A four-year history of non-investment actuarial gains and losses and a four-year history of all gains and losses including investment returns are shown on the next page.

Non-Investment Experience



Experience from All Sources



Funding Projection and Contribution Requirements

Funding Projection

The money to pay for plan benefits and operational expenses is provided by contributions to the plan and investment earnings on pension fund assets. Contributions to the Pension Fund are based on negotiated contribution rates which range between $6.99 and $10.00 per hour (as of the valuation date) and the hours worked during the year by active participants. During the year the average contribution rate was $10.18 per hour (This is higher than the maximum contribution rate due to adjustments for late hours and contributions). Contributions totaled $2,239,581 with 219,919 contributory hours worked.

The cost of plan benefits earned during the year by active participants is called the "future service cost" or "normal cost". In the funding projection, projected contributions are first applied to pay for the normal cost. The remainder is available to amortize (meaning to pay for) the unfunded actuarial accrued liability.

Based on 219,900 hours worked, funding is projected as follows:

Contributions	$2,238,600
Future Service Cost	448,800
Available/(Deficit)	$1,789,800

Based on this projection and the other assumptions employed, the unfunded actuarial accrued liability is projected to be fully amortized in approximately 3 years on a market value basis.

Contribution Requirements

Federal statutory funding standards govern both the annual contribution amount required to meet minimum funding standards and the maximum contribution which is deductible for tax purposes by contributing employers. Based on these rules, the minimum required contribution due for the plan year ending June 30, 2017 is $2,511,062 before recognition of the credit balance with interest. The credit balance in the funding standard account of $11,313,805 as of July 1, 2016 is used to cover this amount if contributions to the Plan are less than the minimum required contribution. As a result, the minimum required contribution is $0.

The maximum deductible contribution is $46,680,715. Projected contributions fall within this range. Details on these calculations are shown in the Supplemental Information section of this report.

Comments

During the year the Plan had an experience loss of $1,136,707 primarily consisting of lower than expected returns on actuarial value of assets and demographic losses offset by a gain from mortality experience. The Plan's long-term ability to pay the benefits promised depends primarily on the ability of Pension Fund assets to earn the assumed rate of return over the long term.

The Pension Protection Act of 2006 (PPA) became effective for this Plan on June 1, 2008. In accordance with Internal Revenue Code section 432(b), the Plan was certified to be in the "green" zone for the 2016 plan year. Details of funding projections under the Pension Protection Act of 2006 are presented in separate correspondence.

Certification

This is to certify that our valuation of the Plan as of June 30, 2016 has been performed in accordance with generally accepted actuarial principles and practices. In preparing this report, we have relied on financial information contained in the Plan audit report and on participant census information supplied by the Plan administrator. We did not audit the participant census information. However, we reviewed the data for reasonableness and internal consistency. Because of the transition of administrators, there were some inconsistencies that were not resolved, however, reasonable assumptions were made regarding the outstanding data questions and we found no reason to doubt its substantial accuracy.

To the best of our knowledge, the information supplied in this report is complete and accurate. Each prescribed assumption was applied in accordance with applicable laws and regulations. In our opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer our best estimate of anticipated experience under the plan.

This report has been prepared for the Board of Trustees of the Hod Carriers Local 166 Pension Fund (East Bay) to provide information on the Plan's funded status, to review the experience under the Plan, and to assess the Plan's long-term funding position. Given the ongoing and long-term nature which is the intent of the Board of Trustees, we believe the funded status measure in this report is appropriate for assessing the need for and the amount of future contributions.

We have determined that the contributions to the Plan under the applicable collective bargaining agreements are sufficient to meet the minimum required and maximum deductible contribution amounts and that contributions are sufficient to pay down the Plan's unfunded actuarial liability over a reasonable period of time.

Certification (continued)

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. Due to the nature of this assignment, we did not perform an analysis of the potential range of such measurements.

The funded status measures presented in this report are for long-term planning and are not appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the Plan's benefit obligations. In preparation of this report and the actuarial findings contained herein, we are not aware of any conflict of interest between any relevant parties. We are not aware of any events subsequent to the date of this valuation that would have a material effect on the actuarial findings presented herein.

This report has been prepared exclusively for the Trustees of the Hod Carriers Local 166 Pension Fund (East Bay) for the purposes stated herein and should not be relied upon for any other purposes.

We, David W. Venuti and Nancy Teague Lee, are members of the American Academy of Actuaries and meet the Qualifications of the American Academy of Actuaries to render the actuarial opinions contained herein.

Nancy Teague Lee

_____________________________ A.C.A., M.A.A.A

Nancy Teague Lee
Consulting Actuary
Enrolled Actuary No. 17-07500

_____________________________ F.C.A., M.A.A.A

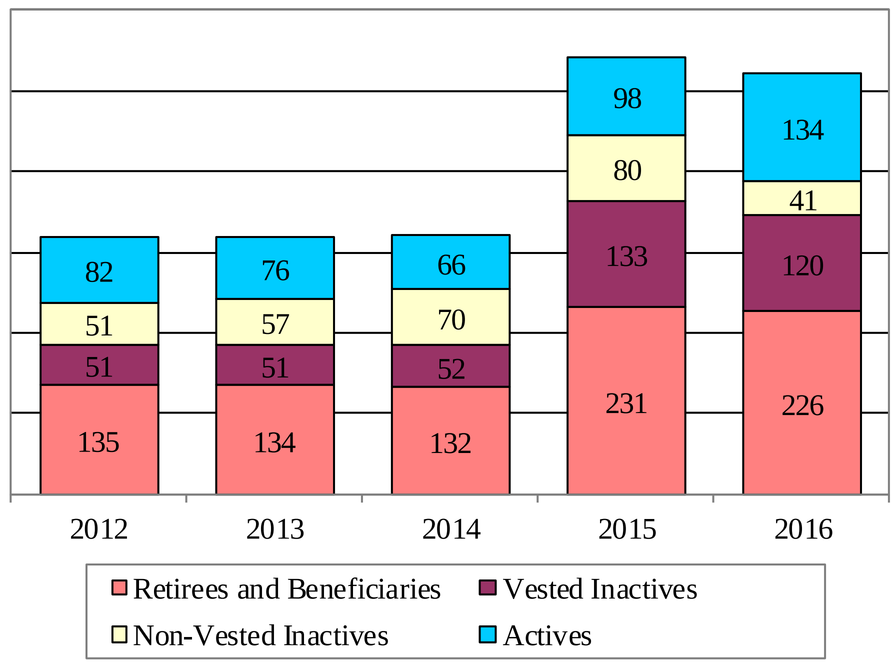
David W. Venuti
President and Actuary
Enrolled Actuary No. 17-03959

Supplemental Information

Participant Reconciliation

Active at June 30, 2015	98
Non-Vested Termination	(8)
Vested Termination	(7)
Retired/Disabled	(2)
New Active	27
Re-Entered Covered Employment	27
Data Adjustment	(1)
Active at June 30, 2016	134
Non-Vested Inactive at June 30, 2015	80
Non-Vested Terminations	8
Re-Entered Covered Employment	(12)
Forfeited	(35)
Non-Vested Inactive at June 30, 2016	41
Retired at June 30, 2015	231
New Retiree	5
New Beneficiary/Alternate Payee	2
New Disabled	1
Died / Expired	(15)
New Pro-Rata Retiree	2
Retired at June 30, 2016	226
Vested Inactive at June 30, 2015	133
Vested Termination	7
Re-Entered Covered Employment	(15)
Retired	(4)
Died	(1)
Vested Inactive at June 30, 2016	120

Participant Count



Active Participant Data

Hours Worked	Number
300 to 399	1
400 to 499	3
500 to 599	3
600 to 699	4
700 to 799	4
800 to 899	7
900 to 999	3
1,000 to 1,099	7
1,100 to 1,199	15
1,200 to 1,299	10
1,300 to 1,399	11
1,400 to 1,499	5
1,500 to 1,599	12
1,600 to 1,699	9
1,700 to 1,799	8
1,800 to 1,899	15
1,900 to 1,999	7
2,000 or more	10
Total	134

Avg. Hrs. Worked During Year 1,396

Benefit Earned	Number
Under $10	8
10 to 19	4
20 to 29	4
30 to 39	7
40 to 49	9
50 to 59	8
60 to 69	22
70 to 79	16
80 to 89	14
90 to 99	13
100 to 109	13
110 to 119	8
120 to 129	8
130 to 139	0
140 to 149	0
150 or more	0
Total	134

Average Benefit Earned in Year $70.61

Accrued Benefit	Number
Under $100	26
100 to 199	27
200 to 299	20
300 to 399	13
400 to 499	4
500 to 599	3
600 to 699	8
700 to 799	2
800 to 899	3
900 to 999	5
1,000 to 1,099	3
1,100 to 1,199	2
1,200 to 1,299	4
1,300 to 1,399	4
1,400 to 1,499	0
1,500 to 1,599	3
1,600 to 1,699	0
1,700 to 1,799	0
1,800 to 1,899	1
1,900 or more	6
Total	134

Average Accrued Benefit $518.96

Active Participant Data (continued)

	Credited Service										
Age [1]	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 or over	Total
Under 20	0	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0	0
25 to 29	2	8	1	0	0	0	0	0	0	0	11
30 to 34	1	7	2	0	0	0	0	0	0	0	10
35 to 39	0	13	6	2	1	0	0	0	0	0	22
40 to 44	6	14	5	5	1	0	1	0	0	0	32
45 to 49	0	10	4	6	3	0	2	0	0	0	25
50 to 54	1	11	4	2	1	2	0	0	0	0	21
55 to 59	0	2	1	0	2	1	1	0	0	0	7
60 to 64	0	3	0	1	1	1	0	0	0	0	6
65 to 69	0	0	0	0	0	0	0	0	0	0	0
70 or over	0	0	0	0	0	0	0	0	0	0	0
Total	10	68	23	16	9	4	4	0	0	0	134

Average Age: 44.20 years
Average Credited Service: 4.03 years

[1] Ages include assumed age for 8 records with no reported date of birth.

Vested Inactive Data

Accrued Benefit	Number
Under $100	3
100 to 199	3
200 to 299	3
300 to 399	12
400 to 499	13
500 to 599	5
600 to 699	10
700 to 799	11
800 to 899	3
900 to 999	8
1,000 to 1,099	4
1,100 to 1,199	5
1,200 to 1,299	5
1,300 to 1,399	3
1,400 to 1,499	11
1,500 to 1,599	2
1,600 to 1,699	1
1,700 to 1,799	2
1,800 to 1,899	1
1,900 or more	15
Total	120

Average Accrued Benefit $1,038.01

Age [(1)]	Number
Under 20	0
20 to 24	1
25 to 29	0
30 to 34	5
35 to 39	10
40 to 44	12
45 to 49	9
50 to 54	25
55 to 59	26
60 to 64	15
65 to 69	9
70 or over	8
Total	120

Average Age 53.90

[(1)] Ages include assumed age for 2 records with no reported date of birth.

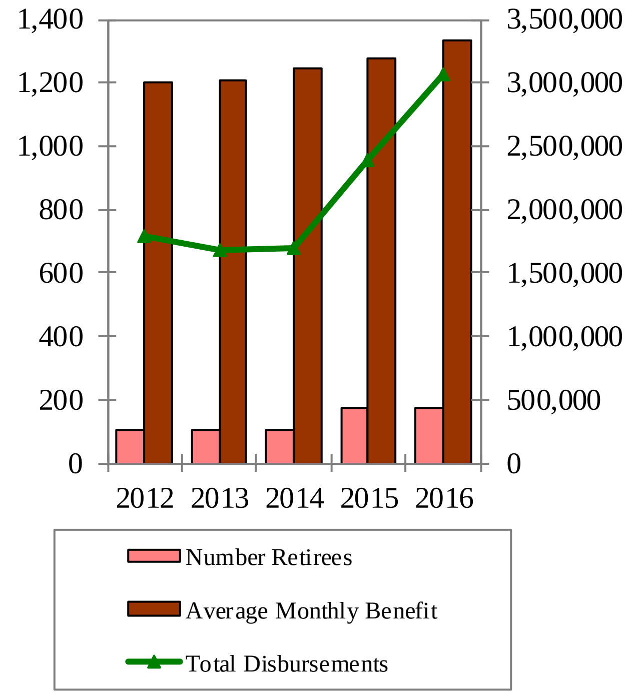
Retiree Data

Benefit[(1)]	Number
Under $100	9
100 to 199	7
200 to 299	8
300 to 399	9
400 to 499	13
500 to 599	9
600 to 699	2
700 to 799	8
800 to 899	5
900 to 999	6
1,000 to 1,099	10
1,100 to 1,199	7
1,200 to 1,299	7
1,300 to 1,399	5
1,400 to 1,499	7
1,500 to 1,599	3
1,600 to 1,699	4
1,700 to 1,799	9
1,800 to 1,899	4
1,900 or more	41
Total	173

Average Benefit: $1,331.68
New Retirees: $1,764.25

Age[(1)]	Number
Under 55	1
55 to 59	14
60 to 64	24
65 to 69	33
70 to 74	25
75 to 79	26
80 to 84	26
85 to 89	13
90 or over	11
Total	173

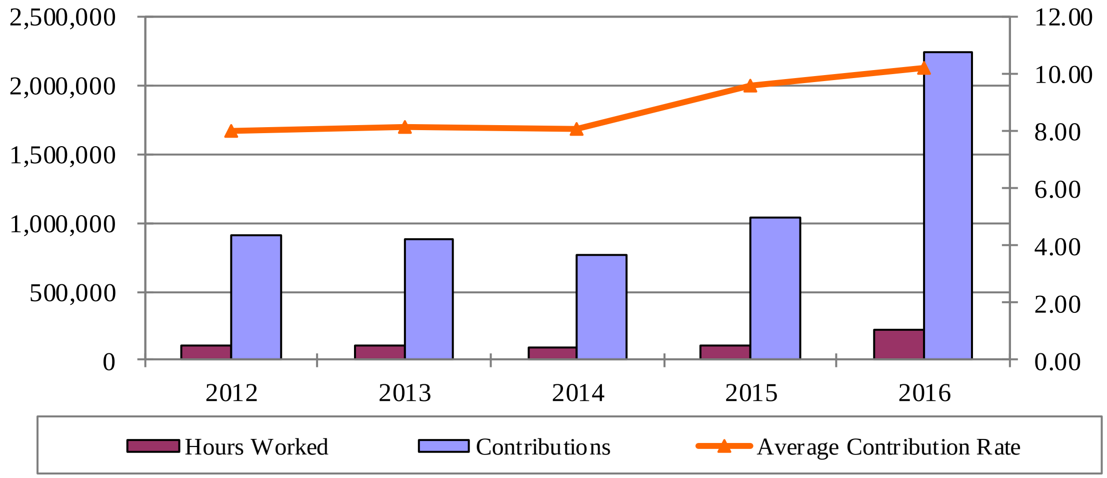
Average Age: 73.61 years
New Retirees: 63.29 years



(1) Excludes 41 beneficiaries and 12 alternate payees who are included in plan liabilities.

Employment & Contribution History

June 30	Hours Worked	Contributions[1]	Avg. Contribution Rate
2004	82,888	419,809	5.06
2005	97,817	508,986	5.20
2006	102,012	561,593	5.51
2007	104,521	569,142	5.45
2008	109,840	663,908	6.04
2009	99,102	582,147	5.87
2010	88,838	636,635	7.17
2011	68,284	479,909	7.03
2012	114,050	913,593	8.01
2013	108,968	884,534	8.12
2014	93,916	760,701	8.10
2015 [2]	108,404	1,037,980	9.58
2016 [2]	219,919	2,239,581	10.18



[1] 2013 contributions were revised due to a revision in the 6/30/2013 assets.
[2] 2015 and 2016 hours and contributions include South Bay amounts due to the merger (1/2 year for 2015 and full year for 2016).

Asset Information

	Market Value of Assets		Actuarial Value of Assets	
	Actual	Expected at 6.00%	Actual	Expected at 6.00%
Value of Assets at Beginning of Year	$38,192,693	$38,192,693	$39,203,822	$39,203,822
Non-Investment Cash Flows During Year				
Employer Contributions	2,239,581	2,239,581	2,239,581	2,239,581
Benefit Payments	(3,067,626)	(3,067,626)	(3,067,626)	(3,067,626)
Total Cash Flow	($828,045)	($828,045)	($828,045)	($828,045)
Net Investment Income				
Investment Income	237,508			
Investment Expenses	(89,267)			
Operational Expenses	(219,258)			
Total	($71,017)	$2,267,082	$2,267,082	$2,327,750
Total Recognized Excess During Year (details on page 23)			($633,851)	
Adjustment due to 20% Corridor	N/A	N/A	$0	$0
Total Recognized Investment Income	(71,017)	2,267,082	1,633,231	2,327,750
Value of Assets at End of Year	**$37,293,631**	**$39,631,730**	**$40,009,008**	**$40,703,527**
Excess Investment Income (Deficit)	(2,338,099)			
Annualized Rate of Return	-0.19%	6.00%	4.21%	6.00%

Asset Information (continued)

Plan Year Ending June 30	Excess Investment Income (Deficit)	Amount Recognized in: Current Year	Future Years
2009	($5,811,099)	($581,110)	($1,162,219)
2012	(410,193)	(82,038)	-
2013	2,268,272	453,654	453,655
2014	1,330,632	266,126	532,253
2015	(1,114,313)	(222,863)	(668,587)
2016	(2,338,099)	(467,620)	(1,870,479)
Total	($6,074,800)	($633,851)	($2,715,377)

Assets at Market Value	$37,293,631
Amount to Be Recognized in Future Years [1]	$2,715,377
Total Assets at Actuarial Value	$40,009,008

[1] Subject to 20% corridor around Market Value.

Funding Standard Account Reconciliation

	Estimated July 1, 2016 - June 30, 2017	July 1, 2015 - June 30, 2016
Beginning of year Credit Balance	$11,313,805	$10,573,977
Charges		
Beginning of year funding deficiency	0	0
Normal Cost	435,957	160,340
Amortization of Charges	3,243,146	3,295,951
Interest	220,746	207,377
Total Charges	$3,899,849	$3,663,668
Credits		
Employer Contribution	TBD	2,239,581
Amortization of Credits	1,310,176	1,380,441
Interest	757,439	783,474
Total Credits	$2,067,615	$4,403,496
End of Year Credit Balance [1] (Beginning of year Credit Balance - Charges + Credits)	$9,481,571	$11,313,805

[1] The estimated end of year credit balance as of July 30, 2017 does not include contributions for the 2016/17 Plan Year.

[2] The June 30, 2016 credit balance was revised from what was shown on the 2015 Form 5500 Schedule MB to account for a $212 contribution discrepancy after issuance of the final audit report.

RPA '94 Current Liability

	July 1, 2016	July 1, 2015
Retirees and Beneficiaries	$36,511,203	$35,231,586
Vested Inactive Participants	17,855,650	18,302,091
Active Participants		
Vested	6,555,911	6,041,454
Non-vested	775,386	468,969
Total Actives	$7,331,297	$6,510,423
Total Current Liability	$61,698,150	$60,044,100
Market Value of Assets	$37,293,631	$38,192,693
Current Liability Funded Percentage	60.4%	63.6%
Expected Increase in Current Liability	$912,261	$338,843
Expected Release from Current Liability	$3,443,692	$3,352,109
Expected Plan Disbursements	$3,443,692	$3,352,109
Current Liability Interest Rate	3.18%	3.34%

Information Required for ASC 960

Reconciliation of Actuarial Present Value of Accumulated Plan Benefits

Actuarial Present Value of Accumulated Plan Benefits at June 30, 2015		$42,027,679
Benefits Accumulated and Actuarial Experience During the Year	$612,151	
Increase for interest	2,430,972	
Benefits Paid	(3,067,626)	
Change in Assumptions	0	
Net Increase/(Decrease)		(24,503)
Actuarial Present Value of Accumulated Plan Benefits at June 30, 2016		$42,003,176

Actuarial Present Value of Vested and Non-Vested Accumulated Plan Benefits

Vested Benefits		
Participants Currently Receiving Benefits	$27,162,444	
Other participants	14,256,240	
Vested Benefits		$41,418,684
Non-Vested Benefits		584,492
Actuarial Present Value of Accumulated Plan Benefits at June 30, 2016		$42,003,176

Summary of Plan Provisions

Plan Type: Qualified defined benefit plan.

Plan Effective Date: July 1, 1967.

Plan Year: July 1 – June 30.

Monthly Regular Retirement Benefit: \$75 per month for each Plan Year on and after July 1, 2007 in which 1,250 hours are worked adjusted for hours worked over 1,250 up to 2,000, plus \$90 per month for each Plan Year in which 1,250 hours are worked from July 1, 1978 through June 30, 2007, plus 2% of contributions made on the employee's behalf from July 1, 1967 through June 30, 1978, plus \$11.50 per month for years prior to July 1, 1967. South Bay Mason Tenders entered the plan July 1, 2009. The monthly benefit amount is reduced proportionately to reflect the lower contribution rate. Benefits accrued in the South Bay Plan as of December 31, 2014 by former South Bay participants will be payable from the Plan and will be added to any benefits accrued on and after January 1, 2015.

Normal Form of Benefit: Life Annuity with 60 months guaranteed.

Normal Retirement Age: Age 62 and vested or Age 65 and attainment of the 5th anniversary of participation in the plan.

Early Retirement Age: Age 55 and vested. Accrued benefits as of December 31, 2012 from the South Bay Plan are payable at age 53 with 10 years of credited service (with at least ½ year of future service credit) or 5 years of credited service after January 1, 1998.

Early Retirement Benefit: Accrued benefit reduced by 1/2 of 1% for each month preceding age 62. Accrued benefits as of December 31, 2012 from the South Bay Plan are reduced 1/2 of 1% for each month preceding age 61 and 1/4 of 1% for each month between ages 61 and 62. South Bay Plan benefits accrued as of December 31, 2012 are unreduced if the participant has 25 years of credited service and is active (250 hours in a year) in 1998 or later.

Disability Retirement: Under age 62 with at least 10 Benefit Credits and Vested Credits, eligible for Social Security Disability and unable to engage in any occupation.

Disability Retirement Benefit: 2/3 of accrued benefit until Normal Retirement Age. At Normal Retirement Age benefit increases to the accrued benefit without reduction.

Vesting Credit: 0.1 years for 300 – 399 hours plus 0.1 years for each additional 100 hours. One year of vesting credit is earned for each Plan Year in which 1,000 or more covered hours are worked. Five vesting credits are required to be fully vested. Vesting service as of December 31, 2014 in the South Bay Plan is counted as vesting credit in the Plan.

Benefit Credit: One year of benefit credit is earned for each Plan Year in which 1,250 covered hours are worked. Partial credit is given for hours over 300 up to 2,000 resulting in Benefit Credits ranging from 0.1 to 1.6 in a given year.

Summary of Plan Provisions (continued)

Participation: First day of the month following the 12-consecutive month period during which a participant worked at least 1,000 covered hours. Active participants in the South Bay Plan as of January 1, 2015 entered the Plan immediately.

Break-in-Service: Fewer than 300 covered hours in a Plan year.

Permanent Break-in-Service: Five consecutive one-year breaks-in-service.

Pre-Retirement Death Eligibility: Vested.

Pre-Retirement Death Benefit: Upon the death of a vested married participant, the survivor portion of the joint and 50% survivor annuity commencing at the later of the participant's death or when the participant would have attained earliest retirement. An unmarried participant's beneficiary is entitled to cash death benefit equal to $1,000 times the number of future service benefit credits or 60 payments of their accrued benefit if greater.

Post-Retirement Death Benefit: Survivor benefit, if any, based on the form of payment in effect at time of death.

Optional Forms: 50% Joint & Survivor, 66-2/3% Joint & Survivor, 75% Joint & Survivor, 100% Joint & Survivor, and 5 and 10 Year Certain & Life.

Plan Provisions Excluded from Measurement: None.

History of Plan Changes

January 1, 2015: The Hod Carriers Local 166 South Bay Pension Plan was merged into the Plan.

July 1, 2005: Accrual rate lowered from $90 per month to $75 per month.

July 1, 1999: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1999 received a 10% increase to their accrued benefit.

July 1, 1997: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1997 received a 4% increase to their accrued benefit. Retirees and beneficiaries in pay status on June 30, 1997 received a 1.5% increase in their monthly pension payment.

July 1, 1993: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1993 received a 6% increase to their accrued benefit.

July 1, 1992: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1992 received a 12% increase to their accrued benefit. Retirees and beneficiaries in pay status on June 30, 1992 received a 6% increase in their monthly pension payment.

July 1, 1991: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1991 received an 18% increase to their accrued benefit.

July 1, 1990: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1990 received a 5% increase to their accrued benefit.

July 1, 1989: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1989 received a 10% increase to their accrued benefit. Retirees and beneficiaries in pay status on June 30, 1989 received a 10% increase in their monthly pension payment.

July 1, 1988: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1988 received a 10% increase to their accrued benefit. Retirees and beneficiaries in pay status on June 30, 1988 received a 10% increase in their monthly pension payment.

January 1, 1988: Retirees and beneficiaries in pay status on December 31, 1987 received a 15% increase in their monthly pension payment.

July 1, 1987: Participants who worked at least 300 hours in Covered Employment during the Plan Year ending June 30, 1987 received a 15% increase to their accrued benefit.

Actuarial Method and Assumptions

Actuarial Cost Method: Unit Credit Cost Method.

Actuarial Assumptions:

Interest Discount Rate: For funding: 6.00% compounded annually.

For current liability: 3.18% compounded annually.

Investment Yield: 6.00% compounded annually, net of expenses, and 0.75% for operational expenses.

Mortality: For funding: Healthy participants: 1983 Group Annuity Mortality Table for Males and Females. Disabled participants: Disabled Life Mortality per Rev. Rul 96-7.

For current liability: RP-2000 (separate for annuitants and nonannuitants) projected forward to valuation year plus 7 years for annuitants and 15 years for nonannuitants. Disabled participants: Disabled Life Mortality per Rev. Rul 96-7.

No future mortality improvement is assumed.

Retirement: Active Participants

Age	Rate
55-60	5%
61	10%
62	40%
63-64	20%
65-66	50%
67+	100%

Term Vested Participants are assumed to retire at age 62.

Actuarial Method and Assumptions (continued)

Disability Incidence: Disablement: 1975 Social Security Disablement Rates.

Employment: Future benefit accruals are based on actual hours worked in the prior plan year.

Marital Status: 80% of non-retired participants are assumed to be married. Wife is assumed to be three years younger than the husband.

Termination before Retirement: Sample rates are shown below:

Age	Withdrawal Rate
20	7.94%
25	7.72
30	7.22
35	6.28
40	5.15
45	3.98
50	2.56
55	0.94

Form of Payment: It is assumed that all participants elect a life annuity with 60 months guaranteed.

Unknown Data: Participants with unreported data, such as missing birthdates, are assumed to have the same characteristics as similar participants. If not specified, participants are assumed to be male.

Withdrawal Liability: The present value of vested benefits for withdrawal liability determination uses an interest rate of 6.00% along with all other valuation assumptions. Assets used to determine the unfunded amount of vested benefit liability is the market value.

Actuarial Method and Assumptions (continued)

Asset Valuation Method:	Adjusted market value. Difference between actual investment return and expected return on the market value is recognized over a five-year period (10 years for the June 30, 2009 loss in accordance with PRA 2010). Actuarial value may not be less than 80%, or more than 120% of market value.
Changes in Actuarial Assumptions:	To comply with IRC Sections 412(b)(5)(B) and 412(l)(7)(C), the current liability interest rate was changed from 3.34% to 3.18%.