Sheet Metal Workers Local Pension Plan

May 1, 2016 Actuarial Valuation

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May 1, 2016 Actuarial Valuation of the Sheet Metal Workers Local Pension Plan

The actuarial valuation of the Sheet Metal Workers Local Pension Plan (the "Plan") for the plan year beginning May 1, 2016 has been completed in accordance with our understanding of the minimum funding requirements under ERISA and the Pension Protection Act of 2006 as well as the applicable sections of the Internal Revenue Code (IRC), including all regulations and guidance issued to date. It also has been completed in accordance with our understanding of FASB ASC Topic 960 for determining plan accounting requirements. The valuation results contained in this report are based on the actuarial methods (Appendix A), actuarial assumptions (Appendix B), and principal plan provisions (Appendix C) summarized in the appendices.

Purpose of the Valuation

In general, the actuarial valuation determines the current level of employer contributions that, taking into account prior funding, will accumulate assets sufficient to meet benefit payments and administrative expenses when due under the terms of the Plan. This report has been prepared for the Sheet Metal Workers Local Pension Plan as of May 1, 2016 to:

- Calculate the Minimum Required Contribution for the plan year beginning May 1, 2016.
- Calculate the Maximum Deductible Contribution for the 2016 fiscal year.
- Determine the actuarial Present Value of Accumulated Plan Benefits as of April 30, 2016 for purposes of disclosing the Plan's liabilities under FASB ASC Topic 960.
- Determine the Plan's unfunded vested benefit liability as of April 30, 2016 for withdrawal liability purposes calculated in accordance with the requirements of the Multiemployer Pension Plan Amendments Act of 1980.
- Review the Plan's funded status.
- Review the experience for the plan year ending April 30, 2016, including the performance of the Plan's assets during the year and changes in the Plan's participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

Limited Distribution

Milliman's work is prepared solely for the internal business use of the Board of Trustees Sheet Metal Workers Local Pension Plan (the "Plan Sponsor") and the Plan's Trustees and may not be provided to third parties without our prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a release, subject to the following exceptions:

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- The Plan Sponsor may distribute certain work product that Milliman and the Plan Sponsor mutually agree is appropriate as may be required by the Pension Protection Act of 2006.

Any third party recipient of this work product who desires professional guidance should not rely upon Milliman's work product, but should engage qualified professionals for advice appropriate to its own specific needs.

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Reliance

In preparing this report, we relied, without audit, on information (both written and oral) supplied by the Plan Sponsor and the Plan's Trustees. This information includes, but is not limited to, plan documents and summaries, participant data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is incomplete or inaccurate, our results may be different and our calculations may need to be revised.

Limited Use

Actuarial computations for purposes other than determining the contribution requirements for an ongoing plan (such as for assessing benefit security upon potential plan termination) may yield significantly different results from those shown in this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, 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 plan funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurements.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

Certification

In our opinion, each assumption used, other than those assumptions mandated directly by the Internal Revenue Code and regulations thereon, is individually reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, such other assumptions offer our best estimate of anticipated experience under the Plan.

On the basis of the foregoing, we hereby certify that to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States promulgated by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Respectfully submitted,

[redacted]

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August 17, 2017
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Table of Contents

Summary of Results **1**

A. Overview 2

B. Purpose of this Report 3

C. Actuarial Methods and Assumptions 3

D. Plan Provisions 3

Exhibits **4**

Summary of Income and Disbursements 5

Asset (Gain) / Loss for Prior Plan Year on Market Value of Assets 6

Actuarial Value of Assets 7

Actuarial Balance Sheet 8

Normal Cost and Unfunded Actuarial Accrued Liability 9

Current Annual Cost and Minimum Required Contribution 10

Actuarial (Gain) / Loss for Prior Plan Year 11

Charges and Credits for Funding Standard Account 12

Current Liability 14

Full Funding Limitation 15

Maximum Deductible Contribution under IRC Section 404 16

Present Value of Accumulated Plan Benefits 17

Change in Present Value of Accumulated Plan Benefits 18

Unfunded Vested Benefit Liability for Withdrawal Liability Calculations 19

Summary of Participant Data 20

Change in Participant Counts 21

Active Participants by Age and Service 22

Appendices **23**

Appendix A – Summary of Actuarial Methods 24

Appendix B – Summary of Actuarial Assumptions 25

Appendix C – Summary of Principal Plan Provisions 27

Summary of Results

A. Overview

	Actuarial Valuation for Plan Year Beginning	
	5/1/2015	5/1/2016
Assets		
Market Value of Assets (MVA)	$41,508,264	$39,751,795
Investment yield in prior plan year (MVA)	7.35%	0.07%
Actuarial Value of Assets (AVA)	$47,518,829	$45,566,573
Investment yield in prior plan year (AVA)	1.82%	(0.36%)
Valuation Liabilities		
Valuation interest rate	8.00%	8.00%
Normal Cost	$259,615	$259,615
Present value of benefits (PVB)	83,884,650	84,852,149
Actuarial Accrued Liability (AAL)	83,884,650	84,852,149
Unfunded Actuarial Accrued Liability (AAL - AVA)	36,365,821	39,285,576
Present Value of Accrued Benefits (PVAB)	83,884,650	84,852,149
Funded percentage (PVAB)		
▪ Based on Market Value of Assets (PVAB ÷ MVA)	49.48%	46.85%
▪ Based on Actuarial Value of Assets (PVAB ÷ AVA)	56.65%	53.70%
Present Value of Vested Benefits (PVVB)	$82,614,505	$83,407,813
Funded percentage (PVVB)		
▪ Based on Market Value of Assets (PVVB ÷ MVA)	50.24%	47.66%
▪ Based on Actuarial Value of Assets (PVVB ÷ AVA)	57.52%	54.63%
Credit Balance and Contribution Information		
Credit Balance at end of prior plan year	($2,245,624)	($2,148,983)
Minimum Required Contribution	6,117,091	6,139,842
Maximum Deductible Contribution	161,374,247	173,641,330
Withdrawal Liability		
Present Value of Vested Benefits for withdrawal liability	$82,614,505	$83,407,813
Value of assets used for withdrawal liability	47,518,829	45,566,573
Unfunded Present Value of Vested Benefits	35,095,676	37,841,240
Withdrawal liability interest rate	8.00%	8.00%
Participant Data		
Active participants	648	634
Terminated vested participants	373	379
Retired participants	418	415
Disabled participants	5	6
Beneficiaries	101	101
Total participants	1,545	1,535
Certification Status	Critical & Declining	Critical & Declining

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B. Purpose of this Report

This report has been prepared for the Sheet Metal Workers Local Pension Plan as of May 1, 2016 to:

- Calculate the Minimum Required Contribution for the plan year beginning May 1, 2016.
- Calculate the Maximum Deductible Contribution for the 2016 fiscal year.
- Determine the actuarial present value of accumulated plan benefits as of April 30, 2016 for purposes of disclosing the Plan's liabilities under FASB ASC Topic 960.
- Determine the Plan’s unfunded vested benefit liability as of April 30, 2016 for withdrawal liability purposes calculated in accordance with the requirements of the Multiemployer Pension Plan Amendments Act of 1980.
- Review the Plan’s funded status.
- Review the experience for the plan year ending April 30, 2016 including the performance of the Plan’s assets during the year and changes in the Plan’s participant demographics that impact liabilities.
- Provide operational information required for governmental agencies and other interested parties.

C. Actuarial Methods and Assumptions

The methods and assumptions used in this valuation are the same as those used in the prior valuation except as follows:

- For Current Liability purposes, the interest rate was changed from 3.37% to 3.22% in accordance with IRS guidance. (The statutory mortality tables also have been updated as required by law).

Please see Appendix A and Appendix B for a complete summary of all methods and assumptions used in this valuation.

D. Plan Provisions

This valuation reflects the plan provisions in effect on May 1, 2016, which are the same provisions that were valued in the May 1, 2015 actuarial valuation report.

Please see Appendix C for a detailed summary of plan provisions.

Exhibits

Exhibit 1

Summary of Income and Disbursements

The change in the Market Value of Assets from May 1, 2015 to May 1, 2016 is shown below.

1.	Market Value of Assets as of May 1, 2015	$41,508,264
2.	Income	
	a. Employer contribution for plan year	3,815,488
	b. Dividends and interest	502,687
	c. Net appreciation / (depreciation) in fair value of investments	(357,806)
	d. Insurance company experience credit and other income	30,370
	e. Total	3,990,739
3.	Disbursements	
	a. Benefit payments to participants	5,265,389
	b. Investment expenses	148,360
	c. Administrative expenses	333,459
	d. Total	5,747,208
4.	Net increase / decrease [(2e) - (3d)]	(1,756,469)
5.	Market Value of Assets as of May 1, 2016 [(1) + (4)]	39,751,795

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Exhibit 2

Asset (Gain) / Loss for Prior Plan Year on Market Value of Assets

The Asset (Gain) / Loss is the difference between the expected and actual values of the Market Value of Assets. An asset gain is negative because it represents a decrease from the expected unfunded Actuarial Accrued Liability. The Asset (Gain) / Loss for the plan year ending April 30, 2016 is determined below.

1.	Expected Market Value of Assets	
	a. Market Value of Assets as of April 30, 2015	$41,508,264
	b. Employer contributions for plan year	3,815,488
	c. Benefit payments	5,265,389
	d. Administrative expenses	333,459
	e. Expected investment return based on 8.00% interest rate	3,253,635
	f. Expected Market Value of Assets as of April 30, 2016 [(a) + (b) - (c) - (d) + (e)]	42,978,539
2.	Market Value of Assets as of April 30, 2016	39,751,795
3.	Asset (Gain) / Loss [(1f) - (2)]	3,226,744
4.	Estimated investment return on Market Value of Assets	0.07%

Exhibit 3

Actuarial Value of Assets

The Actuarial Value of Assets is the Market Value of Assets less a weighted average of asset gains / (losses) over a four-year period (five-year smoothing), but it must be within 80% to 120% of the Market Value of Assets. The investment loss for the plan year ending May 1, 2009 is being recognized over 10 years as elected under the Pension Relief Act of 2010. The Actuarial Value of Assets as of May 1, 2016 is determined below.

1.	Market Value of Assets as of April 30, 2016			$39,751,795
2.	Unrecognized asset gains / (losses) for the plan years ending			
	Plan Year Ending	Gain / (Loss) for Year	Percent Unrecognized	Amount Unrecognized
	a. April 30, 2016	($3,226,744)	80%	(2,581,395)
	a. April 30, 2015	(254,824)	60%	(152,894)
	b. April 30, 2014	969,977	40%	387,991
	c. April 30, 2013	815,275	20%	163,055
	d. April 30, 2009	(18,157,673)	20%	(3,631,535)
	e. Total			(5,814,778)
3.	Preliminary Actuarial Value of Assets as of May 1, 2016 [(1) - (2e)]			45,566,573
4.	Actuarial Value of Assets as of May 1, 2016 [(3), but not < 80% x (1), nor > 120% x (1)]			45,566,573

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Exhibit 4

Actuarial Balance Sheet

The total plan requirements compared to the total value of plan resources as of May 1, 2016 is shown below.

Plan Requirements		
1.	Present value of active participant benefits	
	a. Retirement	$23,843,902
	b. Termination	1,354,948
	c. Death	371,576
	d. Disability	0
	e. Total	25,570,426
2.	Present value of inactive participant benefits	
	a. Retired participants	41,422,160
	b. Terminated vested participants	13,713,977
	c. Beneficiaries	3,485,589
	d. Disabled participants	659,997
	e. Total	59,281,723
3.	Total plan requirements [(1e) + (2e) + (3)]	84,852,149
Plan Resources		
4.	Actuarial Value of Assets	$45,566,573
5.	Unfunded Actuarial Accrued Liability	39,285,576
6.	Total plan resources	84,852,149

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Exhibit 5

Normal Cost and Unfunded Actuarial Accrued Liability

The Normal Cost is the amount allocated to the current plan year under the Plan's actuarial cost method. The Actuarial Accrued Liability is the accumulation of all prior Normal Costs. The unfunded Actuarial Accrued Liability is the excess (deficiency) of the Actuarial Accrued Liability over the Actuarial Value of Assets. The employer Normal Cost and the unfunded Actuarial Accrued Liability as of May 1, 2015 and May 1, 2016 are determined below.

		5/1/2015	5/1/2016
1.	Normal Cost		
	a. Beginning of year Normal Cost	$0	$0
	b. Beginning of year loading for administrative expenses	259,615	259,615
	c. Total	259,615	259,615
2.	Actuarial Accrued Liability		
	a. Active participants	24,548,489	25,570,426
	b. Terminated vested participants	13,340,432	13,713,977
	c. Participants in pay status	45,995,729	45,567,746
	d. Total	83,884,650	84,852,149
3.	Actuarial Value of Assets	47,518,829	45,566,573
4.	Unfunded Actuarial Accrued Liability [(2f) - (3)]	36,365,821	39,285,576

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Exhibit 6

Current Annual Cost and Minimum Required Contribution

The Current Annual Cost is the Plan's cost under the minimum funding requirements prior to the recognition of the full funding limitation and any Credit Balance. The Minimum Required Contribution is the amount needed to avoid a funding deficiency in the Funding Standard Account. These amounts for the plan year beginning May 1, 2016 are determined below.

1.	Charges for plan year		
	a.	Funding deficiency as of May 1, 2016	$2,148,983
	b.	Normal Cost	259,615
	c.	Amortization charges (on $58,393,499)	8,803,908
	d.	Interest on (a), (b), and (c) to end of plan year	897,000
	e.	Additional funding charge	0
	f.	Total	12,109,506
2.	Credits for plan year		
	a.	Amortization credits (on $21,256,906)	5,527,467
	b.	Other credits	0
	c.	Interest on (a) and (b) to end of plan year	442,197
	d.	Total	5,969,664
3.	Current Annual Cost for plan year [(1f) - (2d)]		6,139,842
4.	Full funding credit for plan year		
	a.	Full funding limitation	96,183,290
	b.	Full funding credit [(3) - (4a), but not < $0]	0
5.	Credit Balance for plan year		
	a.	Credit Balance as of May 1, 2016	0
	b.	Interest on (a) to end of plan year	0
	c.	Total	0
6.	Minimum Required Contribution for plan year [(3) - (4b) - (5c), but not < $0]		6,139,842

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Exhibit 7

Actuarial (Gain) / Loss for Prior Plan Year

The Actuarial (Gain) / Loss for the prior plan year is the difference between the expected and actual unfunded Actuarial Accrued Liability as of the beginning of the current plan year. The Actuarial (Gain) / Loss for the plan year ending April 30, 2016 is determined below.

1.	Unfunded Actuarial Accrued Liability as of May 1, 2015	$36,365,821
2.	Normal Cost as of May 1, 2015	259,615
3.	Interest on (1) and (2) to end of plan year	2,930,031
4.	Subtotal [(1) + (2) + (3)]	39,555,467
5.	Employer contributions for plan year	3,815,488
6.	Interest on (5) to end of plan year	152,620
7.	Subtotal [(5) + (6)]	3,968,108
8.	Changes in Actuarial Accrued Liability	
	a. Plan amendments	0
	b. Changes in actuarial assumptions	0
	c. Changes in cost method	0
	d. Total	0
9.	Expected unfunded Actuarial Accrued Liability as of May 1, 2016 [(4) - (7) + (8d)]	35,587,359
10.	Actual unfunded Actuarial Accrued Liability as of May 1, 2016	39,285,576
11.	Actuarial (Gain) / Loss on Actuarial Value of Assets	3,903,376
12.	Actuarial (Gain) / Loss on Actuarial Accrued Liability [(10) - (9) - (11)]	(205,159)
13.	Total Actuarial (Gain) / Loss for prior plan year [(11) + (12)]	3,698,217

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Exhibit 8

Charges and Credits for Funding Standard Account

The amortization charges and credits for the Funding Standard Account for the plan year beginning May 1, 2016 are determined below.

1. Charges as of May 1, 2016

	Date Established	Description	Amortization Amount	Years Remaining	Outstanding Balance
a.	5/1/1978	Initial UAL	$188,600	2.00	$363,237
b.	5/1/1979	1979 Plan Amendment	29,566	3.00	82,291
c.	5/1/1987	1987 Plan Amendment	179,024	1.00	179,024
d.	5/1/1988	1988 Assumption Change	23,793	2.00	45,844
e.	5/1/1990	1990 Plan Amendment	238,529	4.00	853,269
f.	5/1/1991	1991 Assumption Change	30,663	5.00	132,221
g.	5/1/1992	1992 Assumption Change	62,278	6.00	310,930
h.	5/1/1994	1994 Assumption Change	86,304	8.00	535,629
i.	5/1/1994	1994 Plan Amendment	41,025	8.00	254,619
j.	5/1/1995	1995 Assumption Change	71,707	9.00	483,781
k.	5/1/1996	1996 Assumption Change	402,641	10.00	2,917,895
l.	5/1/1997	1997 Assumption Change	119,240	11.00	919,361
m.	5/1/1997	1997 Plan Amendment	86,887	11.00	669,919
n.	5/1/1998	1998 Assumption Change	225,355	12.00	1,834,184
o.	5/1/1998	1998 Plan Amendment	62,455	12.00	508,321
p.	5/1/1999	1999 Assumption Change	185,150	13.00	1,580,441
q.	5/1/1999	1999 Plan Amendment	88,361	13.00	754,270
r.	5/1/2001	2001 Assumption Change	102,262	15.00	945,337
s.	5/1/2002	2002 Actuarial Loss	347,477	1.00	347,477
t.	5/1/2002	2002 Assumption Change	25,749	16.00	246,160
u.	5/1/2002	EGGTRA	782	16.00	7,466
v.	5/1/2003	2003 Actuarial Loss	686,105	2.00	1,321,391
w.	5/1/2003	2003 Assumption Change	303,392	17.00	2,988,834
x.	5/1/2004	2004 Actuarial Loss	432,275	3.00	1,203,143
y.	5/1/2004	2004 Assumption Change	134,879	18.00	1,365,191
z.	5/1/2005	2005 Actuarial Loss	325,005	4.00	1,162,589
aa.	5/1/2006	2006 Actuarial Loss	261,989	5.00	1,129,740
bb.	5/1/2007	2007 Actuarial Loss	113,519	6.00	566,761
cc.	5/1/2008	2008 Actuarial Loss	221,137	7.00	1,243,424
dd.	5/1/2008	2008 Assumption Change	511,436	7.00	2,875,743
ee.	5/1/2009	2009 Actuarial Loss	176,119	8.00	1,093,053
ff.	5/1/2009	2009 Funding Relief	1,220,305	22.00	13,443,862

SMW0481

	Date Established	Description	Amortization Amount	Years Remaining	Outstanding Balance
gg.	5/1/2010	2010 Assumption Change	3,893	9.00	26,263
hh.	5/1/2010	2010 Funding Relief	28,216	22.00	310,857
ii.	5/1/2011	2011 Assumption Change	38,035	10.00	275,641
jj.	5/1/2011	2011 Funding Relief	48,914	22.00	538,871
kk.	5/1/2012	2012 Actuarial Loss	717,515	11.00	5,532,103
ll.	5/1/2012	2012 Assumption Change	11,048	11.00	85,177
mm.	5/1/2012	2012 Funding Relief	26,968	22.00	297,095
nn.	5/1/2013	2013 Funding Relief	134,048	22.00	1,476,780
oo.	5/1/2014	2014 Funding Relief	59,537	22.00	655,910
pp.	5/1/2015	2015 Actuarial Loss	346,115	14.00	3,081,726
qq.	5/1/2015	2015 Assumption Change	5,554	14.00	49,452
rr.	5/1/2016	2016 Actuarial Loss	400,056	15.00	3,698,217
ss.	Total		8,803,908		58,393,499

2. Credits as of May 1, 2016

	Date Established	Description	Amortization Amount	Years Remaining	Outstanding Balance
a.	5/1/2009	2009 Combined Bases	$3,424,466	2.00	$6,595,271
b.	8/1/2009	2009 Plan Amendment	718,328	8.25	4,572,323
c.	5/1/2010	2010 Actuarial Gain	691,917	9.00	4,668,112
d.	5/1/2011	2011 Actuarial Gain	318,604	10.00	2,308,888
e.	5/1/2013	2013 Actuarial Gain	183,632	12.00	1,494,576
f.	5/1/2013	2013 Plan Amendment	21,541	12.00	175,321
g.	5/1/2014	2014 Actuarial Gain	156,785	13.00	1,338,329
h.	5/1/2014	2014 Assumption Change	562	13.00	4,794
i.	5/1/2014	2014 Plan Amendment	11,632	13.00	99,292
j.	Total		5,527,467		21,256,906

2.	Net outstanding balance [(1ss) - (2j)]	37,136,593
3.	Credit Balance as of May 1, 2016	(2,148,983)
4.	Waived funding deficiency	0
5.	Balance test result [(3) - (4) - (5)]	39,285,576
6.	Unfunded Actuarial Accrued Liability as of May 1, 2016	39,285,576

Exhibit 9

Current Liability

In accordance with IRS requirements, the Current Liability has been calculated at 3.22%. The Current Liability as of May 1, 2016 is determined below.

		Count	Vested Benefits	All Benefits
1.	Current Liability			
	a. Active participants	634	$55,351,886	$57,250,529
	b. Terminated vested participants	379	28,914,493	28,914,493
	c. Retirees, beneficiaries, and disabled participants	522	69,325,487	69,325,487
	d. Total	1,535	153,591,866	155,490,509
2.	Expected increase in Current Liability for benefit accruals during year			259,615
3.	Expected release from “RPA 94” Current Liability			5,747,611
4.	Expected distributions during year			5,745,325
5.	Market Value of Assets			39,751,795
6.	Current Liability funded percentage [(5) ÷ (1d)]			25.57%

Exhibit 10

Full Funding Limitation

The full funding limitation (FFL) for the plan year ending April 30, 2017 and the tax year ending April 30, 2017 is determined below.

	Minimum Required Contribution	Maximum Deductible Contribution
1. 100% Actuarial Accrued Liability (AAL) FFL		
a. AAL as of 05/1/2016	$84,852,149	$84,852,149
b. Normal Cost to end of year	259,615	259,615
c. Value of assets as of 05/1/2016		
i. Lesser of actuarial and market value	39,751,795	39,751,795
ii. Credit Balance	0	n/a
iii. Undeducted employer contributions	n/a	0
iv. Plan assets [(i) - (ii) - (iii)]	39,751,795	39,751,795
d. Interest to 04/30/2017 at 8.00% on (a), (b), & (civ)	3,628,797	3,628,797
e. 100% AAL FFL [(a) + (b) - (civ) + (d), but not <$0]	48,988,766	48,988,766
2. Estimated Current Liability as of 04/30/2017		
a. Current Liability as of 05/1/2016	155,490,509	155,490,509
b. Normal Cost to end of plan year	259,615	259,615
c. Estimated benefit disbursements to 04/30/2017	5,757,241	5,757,241
d. Interest to 04/30/2017 at 3.22% on (a), (b), & (c)	4,923,197	4,923,197
e. Estimated EOY Current Liability [(a) + (b) - (c) + (d)]	154,916,080	154,916,080
3. Estimated assets for Current Liability FFL		
a. Actuarial Value of Assets as of 05/1/2016	45,566,573	45,566,573
b. Estimated employee contributions to 04/30/2017	0	0
c. Estimated return to 04/30/2017 at 8.00% on (3a), (1ciii), (2c), & (3b)	3,645,326	3,645,326
d. Estimated assets as of 04/30/2017 [(3a) - (1ciii) - (2c) + (3b) + (3c)]	43,241,182	43,241,182
4. 90% Current Liability minimum funding limitation		
a. 90% EOY RPA Current Liability [90% x (2e)]	139,424,472	139,424,472
b. 90% Current Liability FFL [(a) - (3f), but not < $0]	96,183,290	96,183,290
5. Full funding limitation [maximum of (1e) and (4b)]	96,183,290	96,183,290

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Exhibit 11

Maximum Deductible Contribution under IRC Section 404

The Maximum Deductible Contribution under IRC Section 404 for the tax year beginning May 1, 2016 is determined below.

1.	Minimum Required Contribution for plan year beginning May 1, 2016	$6,139,842
2.	Preliminary Maximum Deductible Contribution under IRC Section 404 for tax year	
	a. Normal Cost	259,615
	b. 10-year amortization of unfunded Actuarial Accrued Liability	5,421,027
	c. Interest to earlier of tax year end or plan year end	454,451
	d. Total	6,135,093
3.	Full funding limitation for tax year	96,183,290
4.	Unfunded 140% of Current Liability as of April 30, 2017	
	a. Current Liability (for IRC Section 404 purposes) projected to end of year	154,916,080
	b. Actuarial Value of Assets (for IRC Section 404 purposes) projected to end of year	43,241,182
	c. Unfunded 140% of Current Liability [140% × (a) - (b), but not < $0]	173,641,330
5.	Maximum Deductible Contribution under IRC Section 404 for tax year [maximum of (1) and (2d), but not > (3), nor < (4c)]	173,641,330

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Additionally, deductibility of contributions to a defined contribution plan maintained for the same employees may be affected by the 25% of pay limitation for defined benefit and defined contribution plans combined. Employers should consult their tax advisors regarding the deductibility of contributions.

Exhibit 12

Present Value of Accumulated Plan Benefits

Accumulated Plan Benefits are benefits earned to date, based on pay history and service rendered to date, expected to be paid in the future to retired, terminated vested, and active participants, and beneficiaries of active or former participants. The Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) as of May 1, 2015 and May 1, 2016 is shown below.

	5/1/2015	5/1/2016
1. Present Value of vested Accumulated Plan Benefits		
a. Participants currently receiving benefits	$45,995,729	$45,567,746
b. Other participants	36,618,776	37,840,067
c. Total	82,614,505	83,407,813
2. Present Value of non-vested Accumulated Plan Benefits	1,270,145	1,444,336
3. Present Value of all Accumulated Plan Benefits [(1f) + (2)]	83,884,650	84,852,149
4. Market Value of Assets	$41,508,264	$39,751,795
5. Funded percentage on Market Value of Assets		
a. Vested benefits [(4) ÷ (1f)]	50.24%	47.66%
b. All benefits [(4) ÷ (3)]	49.48%	46.85%
6. Actuarial Value of Assets	$47,518,829	$45,566,573
7. Funded percentage on Actuarial Value of Assets		
a. Vested benefits [(6) ÷ (1f)]	57.52%	54.63%
b. All benefits [(6) ÷ (3)]	56.65%	53.70%

Exhibit 13

Change in Present Value of Accumulated Plan Benefits

The change in the Present Value of Accumulated Plan Benefits (determined on a plan continuation basis in accordance with FASB ASC Topic 960) from May 1, 2015 to May 1, 2016 is shown below.

1.	Present Value of all Accumulated Plan Benefits as of May 1, 2015		$83,884,650
2.	Changes		
	a.	Reduction in discount period	6,504,208
	b.	Benefits accumulated plus Actuarial (Gain) / Loss	(271,320)
	c.	Benefit payments	(5,265,389)
	d.	Plan amendments	0
	e.	Change in assumptions	0
	f.	Total	967,499
3.	Present Value of all Accumulated Plan Benefits as of May 1, 2016 [(1) + (2f)]		$84,852,149

SMW0487

Exhibit 14

Unfunded Vested Benefit Liability for Withdrawal Liability Calculations

Withdrawal liability payments are based on unfunded vested benefit liability. Vested benefit liability is the present value of benefits earned to date, excluding benefits for non-vested participants and certain benefits such as death and disability benefits which are not considered vested. These liabilities have been determined as of April 30, 2015 and April 30, 2016. However, if there is a termination by mass withdrawal during the year, a separate calculation has to be performed.

	4/30/2015	4/30/2016
1. Present Value of Vested Benefits		
a. Participants currently receiving benefits	$45,995,729	$45,567,746
b. Other participants	36,618,776	37,840,067
c. Total vested benefits	82,614,505	83,407,813
2. Actuarial Value of Assets	$47,518,829	$45,566,573
3. Funded ratio [(2) ÷ (1f)]	57.52%	54.63%
4. Unfunded vested benefit liability [(1f) - (2), but not < $0]	$35,095,676	$37,841,240
5. Unamortized Portion of Value of Affected Benefits Disregarded under Code Section 432(e)(9)(A)*	$2,514,163	$2,340,612
6. Total Effective unfunded vested benefit liability for Withdrawal Liability Calculations [(4) + (5)]	$37,609,839	$40,181,852

* Initial amount subject to amortization as of April 30, 2010 under "simplified method" pursuant to PBGC Technical Update 10-3 is $3,207,104.

SMW0488

Exhibit 15

Summary of Participant Data

A summary of participant data for the plan years beginning May 1, 2015 and May 1, 2016 is shown below.

	5/1/2015	5/1/2016
1. Active participants		
a. Count	648	634
b. Average age	42.8	43.2
c. Average years of service	13.2	13.1
d. Prior year hours	1,050,190	1,070,884
e. Average prior year hours	1,621	1,689
2. Retired participants		
a. Count	418	415
b. Average age	71.0	71.2
c. Total annual benefits	$4,812,480	$4,845,288
d. Average annual benefit	11,513	11,675
3. Terminated vested participants		
a. Count	373	379
b. Average age	49.5	49.9
c. Total annual benefits	$2,498,314	$2,514,710
d. Average annual benefit	6,698	6,635
4. Beneficiaries		
a. Count	101	101
b. Average age	72.2	72.6
c. Total annual benefits	$415,983	$439,193
d. Average annual benefit	4,119	4,348
5. Disabled participants		
a. Count	5	6
b. Average age	54.6	56.5
c. Total annual benefits	$62,844	$61,824
d. Average annual benefit	12,569	10,304

SMW0489

Exhibit 16

Change in Participant Counts

The change in participant counts from May 1, 2015 to May 1, 2016 is shown below.

	Active	Terminated Vested	Retired	Beneficiary	Disabled	Total
As of 5/1/2015	648	373	418	101	5	1,545
Retired	(5)	(12)	17	0	0	0
Received lump sum distribution	0	0	0	0	0	0
Terminated non-vested	(32)	0	0	0	0	(32)
Terminated vested	(24)	24	0	0	0	0
Disabled	0	0	0	0	0	0
Died with beneficiary	0	(2)	(7)	9	0	0
Died without beneficiary	0	(1)	(13)	(11)	0	(25)
Rehired	3	(3)	0	0	0	0
New during plan year	44	0	0	0	0	44
Net data adjustments	0	0	0	2	1	3
As of 5/1/2016	634	379	415	101	6	1,535

The above participant counts include 16 alternate payees entitled to benefits under Qualified Domestic Relations Orders.

SMW0490

Exhibit 17

Active Participants by Age and Service

The number of active participants summarized by attained age and years of credited service as of May 1, 2016 is shown below.

	Years of Credited Service										
Age	**0**	**1–4**	**5–9**	**10–14**	**15–19**	**20–24**	**25–29**	**30–34**	**35–39**	**40+**	**Total**
0–24	0	29	3	0	0	0	0	0	0	0	32
25–29	0	29	23	3	0	0	0	0	0	0	55
30–34	0	33	26	14	2	0	0	0	0	0	75
35–39	0	16	18	32	17	0	0	0	0	0	83
40–44	0	16	19	17	23	17	0	0	0	0	92
45–49	0	12	8	13	18	25	22	0	0	0	98
50–54	0	5	3	15	21	19	21	16	1	0	101
55–59	0	6	7	2	14	5	11	9	22	0	76
60–64	0	1	3	2	3	1	3	1	4	2	20
65–69	0	0	0	0	0	0	1	0	0	1	2
70+	0	0	0	0	0	0	0	0	0	0	0
Total	0	147	110	98	98	67	58	26	27	3	634

SMW0491

Appendices

Appendix A – Summary of Actuarial Methods

The ultimate cost of a pension plan is the excess of actual benefits and administrative expenses paid over actual net investment return on plan assets during the plan's existence until the last payment has been made to the last participant. The plan's "actuarial cost method" determines the expected incidence of actuarial costs by allocating portions of the ultimate cost to each plan year. The cost method is thus a budgeting tool to help ensure that the plan will be adequately and systematically funded and accounted for. There are several commonly-used cost methods which differ in how much of the ultimate cost is assigned to each prior and future year.

Actuarial Cost Method

The actuarial cost method used for determining the plan's ERISA funding requirements is the unit credit cost method. Under this method, an accrued benefit is determined for each participant. The plan's normal cost is the sum of the present value of the accruals that each active participant is expected to earn during the year. The plan's accrued liability is the sum of the present value of the accrued benefit for each participant.

The actuarial cost method used for determining the plan sponsor's FASB ASC Topic 960 accounting requirements and for current liability purposes (RPA '94) is the unit credit method.

Asset Valuation Method

Five-year smoothing method. The actuarial value of assets is equal to the market value of assets adjusted to recognize differences between the expected value of assets and the actual market value of assets over 5 years at a rate of 20% per year. The expected value of assets for the year is the market value of assets at the valuation date for the prior year brought forward with interest at the valuation rate to the current year plus contributions minus administrative expenses and benefit payments, all adjusted with interest at the valuation rate to the valuation date for the current year. The actuarial value of assets cannot be less than 80% or more than 120% of the market value of assets.

Appendix B – Summary of Actuarial Assumptions

- **Minimum funding:** 8.00% per year net of investment-related expenses.
- **FASB ASC Topic 960 plan accounting:** Same as minimum funding.
- **Withdrawal liability:** Same as minimum funding.
- **Current liability (RPA '94):** 3.22% per year.

Mortality

- **Minimum funding:** RP 2000 Combined Healthy Generational Mortality Table using scale AA with blue collar adjustment, set forward 1 year for males and females.
- **FASB ASC Topic 960 plan accounting and withdrawal liability:** Same as minimum funding.
- **Current liability (RPA '94):** IRS RP-2000 annuitant and non-annuitant mortality tables (male and female rates) with projection for mortality improvement, updated annually, as mandated by the IRS.

Termination

Sample rates used are shown below. Rates are based on a select rates of 30% for the first two years of service then 15% for the next two years of service, and an ultimate rates based on age after four years of service. Ultimate rates are based on the T-5 Table.

Age	4 or More Years of Service: Ultimate Rates
20	7.88%
30	7.11
40	4.93
50	2.41
60	0.00

Retirement from Active Service

Rates as shown below:

Age	Active Service Rates
55 – 60	10%
61	20
62 – 64	50
65 and over	100

The weighted average retirement age using the retirement rates above is 60.5.

SMW0494

Commencement of Deferred Benefits

If a participant terminated before May 1, 1999, assumed to retire at 62. If a participant terminated on or after May 1, 1999, assumed to retire at 60.

Disability

None assumed.

Form of Payment

Single life annuity

Load for Pop-up

Liabilities for retired participants with a joint and survivor pop-up option are increased 1.40%.

Marital Status

100% of non-retired participants are assumed to be married. Males are assumed to be three years older than females.

Administrative Expenses

$270,000 payable mid-year.

Future Hours

Vested active participants are assumed to work 1,650 hours per year. Non-vested active participants are assumed to work 1,250 hours per year.

Terminated Vested

Termianted vested participants over age 70 at the valuation date are assumed to be deceased with no beneficiary payable.

Changes in Assumptions from prior Valuation

- For current liability purposes, the interest rate was changed from 3.37% to 3.22% in accordance with IRS guidance. (The statutory mortality tables also have been updated as required by law).

Appendix C – Summary of Principal Plan Provisions

This summary of plan provisions is intended to only describe the essential features of the plan. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself.

Definitions

Effective Date: January 1, 1961. The plan was last restated as of May 1, 2010.

Plan Year: Twelve month period beginning May 1st and ending the following April 30th.

Union: The Sheet Metal Workers Union No. 33 of Northern Ohio and West Virginia

Employers Included:

- The Akron-Canton-Mansfield Sheet Metal and Roofing Contractors Association
- The Wheeling/Stuebenville Area Sheet Metal and Roofing Contractors Association.
- Any employer that is performing work in the sheet metal trade and has entered into a collective bargaining agreement with the Union.
- Any employer that makes contributions on former collectively bargained employees and has entered into a collective bargaining agreement with the Trustees.

Employees Included: Any person covered by collective bargaining agreements between the Employer and the Union who is engaged in employment with respect to which the Employer is obligated to make contributions to the Pension Fund.

All Employees shall become participants when they first perform an hour of work while employed by an Employer for which the Employer is obligated to make contributions to the Pension Fund.

Years of Service

Service prior to May 1, 1976:

- *Past Service* is earned for each Plan Year from May 1, 1946 to May 1, 1961 that the employee worked in the jurisdiction of the Union.
- *Future Service* is earned for each Plan Year after May 1, 1961 during which an Employer contributes to the Fund on the participant's behalf.

Service from and after May 1, 1976: One year of service shall be granted for each Plan Year during which an Employee has at least 435 hours worked.

Accrued Benefit

The accrued benefit is the monthly benefit equal to the sum of the Past Service Benefit and Future Service Benefit defined as follows:

- Past Service Benefit is equal to the Years of Service during May 1, 1946 to May 1, 1961 multiplied by:
  - $3.50 if the Participant is not eligible for pension benefits under the Sheet Metal Workers National Pension Plan
  - $2.00 if the Participant is eligible for pension benefits under the Sheet Metal Workers National Pension Plan

- Future Service Benefit is equal to a percentage of the Employer contributions on the Participant's behalf after May 1, 1961 according to the following schedule:

Retirement Date	Percentage of Employer Contributions
Prior to May 1, 1982	2.20%
May 1, 1982 through April 30, 1983	2.40
May 1, 1983 through April 30, 1984	2.60
May 1, 1984 through April 30, 1987	2.80
May 1, 1987 through April 30, 1990	3.00
May 1, 1990 through April 30, 1994	3.50
May 1, 1994 through April 30, 2003	3.65
May 1, 2003 through April 30, 2006	2.20
May 1, 2006 and after	0.36

Notwithstanding the above, an active participant that retires on or after May 1, 2006, the Future Service Benefit shall be equal to 3.65% of Employer contributions made on the Participant's behalf for hours worked prior to May 1, 2003, plus 2.20% of Employer contributions made on the Participant's behalf for hours worked between May 1, 2003 and April 30, 2006, plus 0.36% of Employer contributions made on the Participant's behalf for hours after May 1, 2006.

Effective August 1, 2013, accruals were suspended as part of the Rehabilitation Plan.

Effective May 1, 1998 each retired Participant, Beneficiary, spouse of a deceased retired Participant, or disabled Participant in pay status at May 1, 1998 received a 6% increase in monthly benefit.

Employer contributions were required to be raised 10% in 2009, 2010, and 2011, and 14% in 2012 as part of the Rehabilitation Plan.

Normal Retirement

Eligibility for Normal Retirement occurs at the earlier of:

(1) The attainment of age 62 with at least 5 years of Vesting Service, or
(2) The later of age 65 or the age of the participant as of the 5th anniversary of participant in the Plan.

Eligibility for Normal Retirement for Active participants who retire on or after January 1, 1999 occurs at the earlier of:

(1) The attainment of age 61 with at least 5 years of Vesting Service, or
(2) The later of age 65 or the age of the participant as of the 5th anniversary of participant in the Plan.

Participants who retire after Normal Retirement eligibility will receive the greater of the accrued benefit earned at the time of retirement or the actuarial equivalent of the accrued benefit earned at Normal Retirement age.

Normal Form of Annuity and Options

The normal form is a 5-year certain and life annuity.

Effective August 1, 2009, the normal form was changed to a single life annuity without a certain period as part of the Rehabilitation Plan.

The other available optional forms of payment are: 50% joint and survivor annuity with and without pop-up feature, 75% joint and survivor annuity with and without pop-up feature, and a 10-year certain and life annuity. A mandatory lump sum will be paid for lump sum values not in excess of $5,000.

Effective August 1, 2009, the pop-up subsidy was eliminated as part of the Rehabilitation Plan.

Early Retirement

Eligibility occurs upon termination after five or more years of service and attainment of age 55.

A participant's Early Retirement benefit is based on a single-life annuity computed in the same manner as for Normal Retirement reduced by 3% for each year the commencement date precedes Normal Retirement.

Effective August 1, 2009, the early retirement subsidy was eliminated as part of the Rehabilitation Plan.

Total and Permanent Disability Benefit

Eligibility occurs upon total and permanent disability at any age prior to 55, after ten or more years of benefit eligibility service, has at least one year of service in the prior three Plan Years, and is eligible for a Social Security disability benefit.

A participant's Disability Retirement benefit is equal to 80% of the Accrued Benefit. The benefit is payable beginning on the first day of the month following receipt of disability application by the Trustees and ending on the earlier of death, recovery, or age 55.

Effective September 1, 2013, the disability benefit was eliminated as part of the Rehabiliation Plan.

Vested Benefit

Eligibility occurs upon termination after five or more Years of Service and the participant has ceased to be employed by an Employer within the same geographic area covered by the Fund as when such benefits commence.

A participant's Vested Benefit is equal to either the Normal Retirement or Early Retirement benefit depending on the age of the participant on the date of retirement and payable in any of the optional forms.

Death Benefit

Eligibility occurs upon being eligible for a Vested Benefit and death prior to the first month of receiving a pension benefit.

<u>Death Prior to Age 55</u>

> <u>Married Participant</u> – The monthly benefit will be equal to the benefit if the participant had terminated employment on the earlier of the date of death or actual date of termination, retired upon reaching age 55

SMW0498

with a 50% joint and survivor benefit, then died on the last day of the month in which age 55 was reached. The benefit will be payable for the spouse's lifetime. The spouse may also elect to receive the benefit for unmarried participants under age 55.

Unmarried Participant – If the participant was not receiving the Disability Benefit at the time of death, the beneficiary will receive an amount equal to the Normal Retirement Benefit for 60 months payable the first of the month following death.

Death At or After Age 55

Married Participant – The monthly benefit will be equal to the benefit if the participant had retired on the day prior to death with a 50% joint and survivor benefit. The benefit will be payable for the spouse's lifetime. The spouse may also elect to receive the benefit for unmarried participants under age 55.

Unmarried Participant – The beneficiary will receive an amount equal to the Normal Retirement Benefit for 60 months payable the first of the month following death.

Effective August 1, 2009, the 60 month pre-retirement benefit was eliminated as part of the Rehabilitation Plan.

Changes in Plan Provisions During Year

There were no plan changes that affected the liability during the year.

Significant Events

To the best of our knowledge, no significant events occurred during the year.