Plumbers & Steamfitters Local 486
Pension Fund

Board of Trustees Meeting

January 28, 2016

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND

AGENDA

JANUARY 28, 2016

A. ROLL CALL

B. READING OF THE MINUTES - December 17, 2015

C. ADMINISTRATION REPORTS

1. Pension Fund Cash Balance - December 31, 2015
2. Pension Fund Schedules - December 31, 2015
3. Pension Fund Bills To Be Approved & Paid - Jan. 28, 2016
4. Administrative Cash Balance - December 31, 2015
5. Principal Account Activity - December 31, 2015
6. Investment Recap - December 31, 2015
7. Investment Analysis - December 31, 2015

D. UNFINISHED BUSINESS

1. Delinquent Contractors
2. Pension Suspensions and Unauthorized Employment
3. Co-Counsel
4. Segal Report
5. Merger – Local 486 Pension and Local 782 Pension
6. RFP/Service Providers – Custodial Services
7. Summary Plan Description
8. Columbia Partners – Closed End Private Equity Fund
9. Suspended Pensioner
10. Employee Contributions and Pension Benefit Increase

E. NEW BUSINESS

1. Deaths: Robert Lutz – 12/30/2015, age 81
   Cynthia Rohe – 1/1/2016, age 63
   Charles Cross – 1/8/2016, age 92
   Ella Stump – 1/11/2016, age 90
   Edna Schuler – 1/15/2016, age 95
2. Retirements:
3. Survivor:
4. 2016 PPA Zone Certification Data Request
5. Questions
6. Date Of Next Meetings: February 25, 2016 & March 24, 2016

Plumbers & Steamfitters Local 486
Pension Fund
911 Ridgebrook Road
Sparks, Maryland 21152-9451
Toll Free Telephone (888) 494-4443
www.associated-admin.com

A. Trustees Attending: W. Adkins, M. Jackman, G. Jackson, S. Matusky, J. Meredith, J. Moderacki, S. Weissenberger, W. Welsh

Others Attending: K. Bradley, D. Jensen, J. Mink, D. Troll

The Trustees met on December 17, 2015 at the office of the Administrative Manager.

Chairman Jackman called the regular meeting to order at 11:00 a.m.

B. The minutes of November 19, 2015 were approved as presented.

C. The Advice Forms, Investment Analysis, Fund Cash Balance, Fund Bills to be Approved and Paid, and Administration Cash Balance Report were accepted. Trustees receiving compensation recused themselves from the votes relating to their payments.

D. Unfinished Business:

1. Ms. Bradley reported on the current delinquencies. Capitol Refrigeration, South Mountain Mechanical and M&E Sales are delinquent. Counsel will follow up with those employers.

   The Trustees discussed ways to revise operating procedures and impose liquidated damages on contributing employers who are delinquent more than three (3) times in a given calendar year. The Trustees would like to discuss this issue at a future Joint Funds meeting.

2. There was nothing new to report on Pension Suspensions and Unauthorized Employment.

3. There was a hearing on December 9, 2015, between the parties related to the Trustee deadlock arbitration. At today's meeting the Trustees discussed compensation for Trustees required to attend arbitration hearings.

The Trustees approved a motion to pay current Trustees an allowance per day, as described in the trust agreement for attendance at meetings and educational conferences, as compensation for attending the hearings. Only Trustees who are eligible to receive the allowance will receive it (those Trustees who are salaried employees of the union, contributing employers or employer association are not entitled to the allowance). All others required to attend the hearings should submit invoices for the Board of Trustees' approval.

4. Ms. Goodstein from Segal Consulting was not scheduled to attend this meeting.

5. Mr. Troll reported that Associated Administrators, LLC estimates the additional one-time costs to integrate the Local 782 pension data should not exceed $3,000.00. With regard to the merger, Ms. Mink advised the Trustees that the 782 investments are managed by two different managers, Manning & Napier and Segal, Bryant & Hamill. Since the investments are being transferred in kind, Ms. Mink suggests that two new accounts be opened at the Fund's custodial bank. The Trustees approved a motion to follow IPS's advice to open two new investment accounts at PNC Bank (Trustee Weissenberger recused himself from the vote). IPS will obtain quotes and proposed agreements from three firms to provide transition asset management.

6. Investment Performance Services (IPS) sent the Request for Proposal for Custodial Services (RFP) out on September 15, 2015, to four candidates. IPS reviewed the four responses. Ms. Mink distributed and reviewed the summarized results of the IPS review of the RFPs for Custodial Services. Trustee Welsh stated he would research US Bank's build policy and Mr. Troll stated he would inquire if any other AALLC's clients use US Bank as a custodial bank.

7. The Trustees previously agreed to go forward with revising a new SPD with the required changes as a result of the Local 782 Pension Fund merger.

8. The Annual Joint Administration Meeting was held at the Plumbers and Steamfitters Local 486 Apprentice Training School, on November 16, 2015. Mr. Troll distributed and discussed the Plumbers & Steamfitters 486 Joint Funds budget for 2016 that was approved at the Joint Funds meeting.

E. New Business:

1. Deaths: Paul Gross – 11/25/2015, age 64
   Charlotte Clark – 11/27/2015, age 70

2. Trustees approved the following pensions:
   William Davis – Normal, 75% Opt, $162.00, L/S – None

3. Ms. Mink delivered the IPS Master Consulting Report for the periods ending September 30, 2015 and delivered to Mr. Troll the IPS Compliance Report dated September 30, 2015.

   Ms. Mink suggested that the maximum of 5% investment in any one company be modified only as to manager Fred Alger. Should a holding in the investment manager's benchmark represent more than 5% of the benchmark, the manager may own up to 1.0% more than the benchmark weighting. The Trustees approved a motion to accept this IPS recommendation for the Fred Alger Management, Inc. account.

   Trustee Matusky questioned if there was anything new to report on the Bernie Madoff case, or if any new assets were discovered. Ms. Mink will investigate to see if anything has happened.

4. The Trustees discussed a new closed end, private equity fund being managed by Columbia Partners. Ms. Mink stated that IPS was familiar with this Fund. The Trustees agreed to invite Steve Binder to the January 28, 2016 Trustees meeting.

5. The Trustees reviewed an appeal to reinstate a suspended pension; the retiree continues to work for the contributing employer. Ms. Bradley will write a letter to his employer requesting additional information on his work duties.

6. Trustee Welsh discussed a pension contribution rate increase to specifically fund a pension benefit increase. At four cents ($.04) per one dollar ($1.00) credit increase, at a maximum of a four dollar ($4.00) increase, for a total increase of sixteen cents ($.16), effective for pension credits earned on and after January 1, 2016. The Trustees asked that Judy Goodstein be invited

to discuss this proposal and explain the metrics involver in her calculation so the proposal may be properly considered and reviewed additionally.

7. Trustee Weissenberger brought up the idea of a new alternative benefit increase method that would limit liabilities carried "on the books." Trustee Weissenberger to get additional information for discussion.

8. Dates of the next meetings – January 28, 2016 and February 25, 2016, both at 12:00 Noon.

9. Adjournment: 3:15 p.m.

Respectfully submitted,

Dale O. Troll, CEBS
Secretary for the Meeting

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
CASH BALANCE REPORT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015

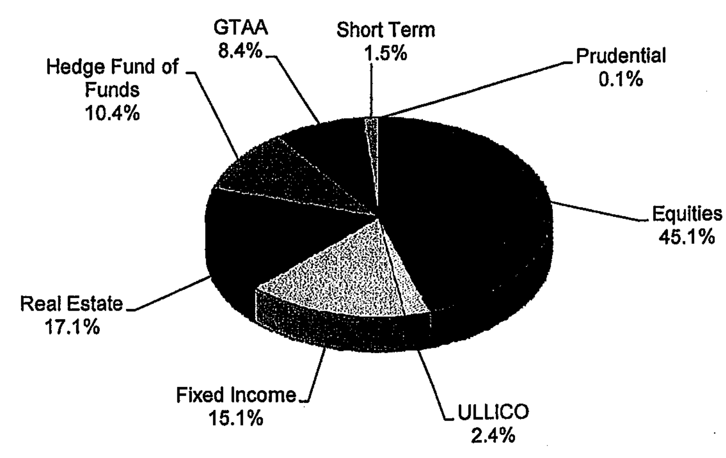
	Current Month	Year To Date
Receipts:		
Employer Contributions	$1,167,035.44	$12,470,302.46
Reciprocal Contributions	40,214.38	831,541.44
Employee Contributions	0.00	0.00
Withdrawal Income	0.00	24,678.24
Less Reciprocals Paid	0.00	(700,663.36)
Litigation Settlement	163.47	18,794.21
Interest & Liquidated Damages Revenue	0.00	0.00
Investment Income	484,511.67	10,866,264.04
	$1,691,924.96	$23,510,917.03
Pension Benefits	$1,054,383.61	$13,447,002.72
Lump Sum Benefits	0.00	331,173.73
Actuarial & Consulting - Contract	24,709.00	71,709.00
Actuarial - Additional Consulting	0.00	32,668.00
Actuarial - Withdrawal Liability Fees	0.00	0.00
SPD Publishing	0.00	0.00
Administration	9,432.05	103,048.27
Audit Fees	0.00	26,079.92
Conference Expenses	2,233.60	23,017.58
Dues	0.00	1,980.00
Fiduciary Liability Ins & Bond	0.00	26,585.54
Investment Manager Fees	11,851.00	675,435.11
Investment Performance Monitoring Fees	0.00	120,000.00
I R S Filing Fee	0.00	2,500.00
Legal Fees & Expenses	0.00	71,240.06
Medical Consulting Fees	0.00	0.00
Office Expenses	592.75	3,445.19
P. B. G. C.	0.00	66,300.00
Postage	0.00	1,358.43
Printing	0.00	2,001.18
Programming	0.00	0.00
Consulting Fees	0.00	0.00
Proxy Voting	0.00	3,000.00
Trustees Meeting Expenses	0.00	0.00
Bank Service Charges	0.00	15.00
U.A. Reciprocal Program	0.00	950.00
Mileage Reimbursement	0.00	0.00
Trustee Fees - Wayne Adkins	442.76	7,070.56
Mark Jackman	442.76	7,942.48
Total Disbursements	$1,104,087.53	$15,024,522.77
Increase (Decrease) In Cash	$587,837.43	$8,486,394.26
Balance - December 31, 2014		160,119,593.31
Local 782 Asseets Transferred In		13,033,388.38
Balance - December 31, 2015		$181,639,375.95

UNAUDITED FINANCIAL REPORT

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
CASH BALANCE REPORT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015

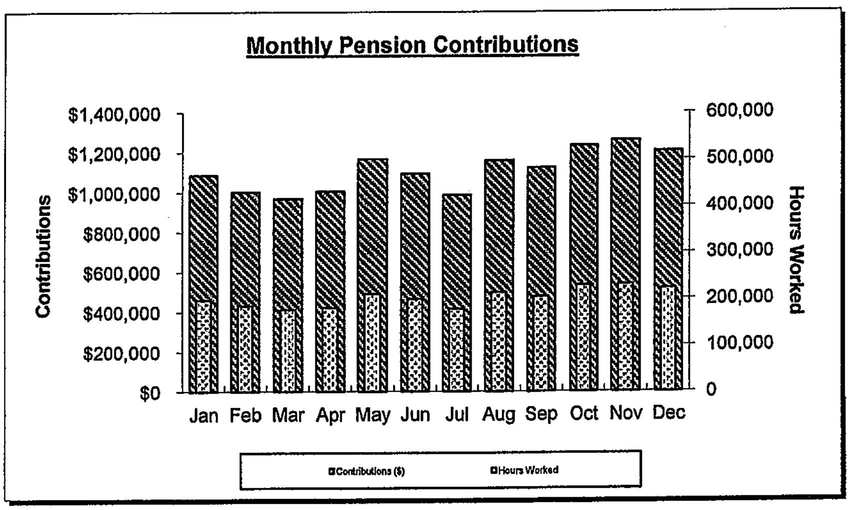
Cash Balance Consisting Of:	Market Value @ 12/31/2014	Current Market Value		Cost
Bank of America Checking	$341,543	$84,545	0.04%	$84,545.06
PNC - Cash	1,313,688	$2,630,465	1.27%	2,630,465.08
Alger - Equities	28,340,054	$26,876,147	13.00%	23,902,821.73
Columbia Partners - Fixed Income	10,056,529	$10,659,914	5.16%	10,954,055.47
Wedge Cap Mgmt. - Equities	27,436,393	$26,275,360	12.71%	24,388,373.21
First Eagle - International Value	11,387,942	$11,609,747	5.62%	9,361,532.50
Columbia Partners - Equities	8,648,569	$6,871,488	3.32%	6,409,435.95
BlackRock - GTAA	17,345,273	$17,278,427	8.36%	16,404,652.58
Multi-Employer Property Trust	12,957,250	$14,039,381	6.79%	14,039,380.62
American Realty	18,834,375	$21,232,759	10.27%	16,636,374.14
Rothschild - SMID Cap Equity	14,129,365	$14,208,760	6.87%	12,093,484.00
Meridian Capital	140,237	$110,935	0.05%	79,696.49
Penn Capital	15,636,426	$15,352,709	7.43%	9,492,039.51
Grosvenor Capital	9,996,684	$9,977,146	4.83%	7,319,682.22
Grosvenor Opportunity Fund	3,053,006	$1,357,858	0.66%	65,544.58
Grosvenor Opportunity Fund III	5,376,407	$4,970,945	2.40%	4,466,368.71
Grosvenor Opportunity Fund IV	0	$5,107,206	2.47%	5,182,736.39
Manning & Napier (782)	0	$6,170,318	2.98%	6,189,446.62
Segall Bryant & Hamill (782)	0	$6,809,895	3.29%	6,843,941.76
Prudential	107,106	$107,903	0.05%	107,903.02
ULLICO - Separate Account J	2,228,399	$2,294,784	1.11%	2,294,783.83
ULLICO - Accumulation Account	2,611,157	$2,692,112	1.30%	2,692,112.48
	$189,940,401	$206,718,806	100.00%	$181,639,375.95

Pension Fund Distribution
Based On Current Market Value



PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
SCHEDULES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015

Employer Contributions:	Current Hours	Y T D Hours	Current Month	Year To Date
Nov. 2014 & Prior	638.00	70,979	$2,561.98	$343,851.71
Dec. 2014 Hours	0.00	183,881	0.00	1,004,350.41
Jan. 2015 Hours	0.00	163,040	0.00	900,031.64
Feb. 2015 Hours	0.00	162,858	0.00	919,818.73
Mar. 2015 Hours	1,092.00	200,709	4,372.43	1,106,279.39
Apr. 2015 Hours	0.00	203,980	0.00	1,180,357.18
May 2015 Hours	0.00	203,546	0.00	1,065,134.43
June 2015 Hours	838.61	181,588	3,177.55	1,012,430.08
July 2015 Hours	246.80	214,473	1,436.20	1,179,274.93
Aug. 2015 Hours	951.60	193,060	5,042.71	1,050,305.63
Sept. 2015 Hours	3,907.76	214,177	17,944.51	1,173,789.05
Oct. 2015 Hours	8,462.50	229,694	42,600.18	1,236,106.46
Nov. 2015 Hours	205,824.52	205,825	1,130,114.26	1,130,114.26
	221,961.79	2,427,810	1,207,249.82	13,301,843.90
Average Contribution Rates			$5.43900	$5.47895
Projected Totals for 2015		2,427,810		$13,301,843.90



Investment Income:		
Distribution - Short Term Fund	$28.55	$300.67
Dividends	137,171.25	1,002,806.58
Interest	28,181.52	400,096.02
Commission Recapture	0.00	13,272.84
Realized Gain or (Loss)	(123,238.18)	7,711,789.51
Distribution - Multi-Employer Property Trust	432,385.80	1,589,860.31
Distribution - Prudential	0.00	797.17
Distribution - ULLICO	9,982.73	147,340.94
	$484,511.67	$10,866,264.04
Unrealized Gain or (Loss)	(3,104,684.99)	(4,741,377.20)
	($2,675,412.32)	$6,124,886.84

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
BILLS AND DISBURSEMENTS TO BE APPROVED AND PAID
January 28, 2016

1.	Plumbers & Steamfitters Joint Funds		
	Administration @ 19% Plus Direct Costs - December 2015	$	8,603.58
2.	Trustees Checks		
	Mark Jackman @ $442.76 - Trustees Meeting - January 28, 2016		442.76
	Wayne Adkins @ $442.76 - Trustees Meeting - January 28, 2016		442.76
	Mark Jackman 5@ $442.76 - Arbitration Meetings		2,213.80
	Wayne Adkins 5@ $442.76 - Arbitration Meetings		2,213.80
3.	Plumbers & Steamfitters Local 486 Pension Fund		
	Transfer To Investments		Blank
4.	Associated Administrators, LLC		
	Lunch - January 28, 2016		Blank
	Refreshments - January 28, 2016		Blank
5.	Abato, Rubenstein and Abato, P.A.		
	Retainer Fee For Months of Jan. Feb. & March, 2016		4,800.00
	Fees & Expenses For Months of Oct., Nov. & Dec., 2015		15,613.42
			20,413.42
6.	Fred Alger Management, Inc.		
	Investment Management For October, November & December 2015		43,704.09
7.	Columbia Partners LLC		
	Investment Management For October, November & December, 2015		15,475.08
	Investment Management For October, November & December, 2015		5,277.35
			20,752.43
8.	Investment Performance Services, LLC		
	Professional Services - Oct., Nov. & Dec., 2015		40,000.00
9.	The Segal Company		
	Actuarial & Consulting For January, February & March, 2016		11,375.00
10.	PNC Institutional Investments		
	Custody Fee for October, November & December 2015		10,058.96
11.	Weyrich, Cronin & Sorra Chartered		
	Progress Billing Services rendered related to audit - Dec. 31, 2015		1,100.00
12.	Wedge Capital Management LLP		
	Investment Counseling Fees - October, November & December 2015		32,526.10

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
BILLS AND DISBURSEMENTS TO BE APPROVED AND PAID
January 28, 2016

13.	Segall Bryant & Hamill	
	782 Investments - Oct., November & Dec. 2015	2,862.37
	782 Investments - Oct., November & Dec. 2015	4,802.50
		7,664.87
14.	Mark Eckstein	
	Billing Fee 5 days@ $442.76 - Arbitration Meetings	2,213.80
15.	Batoff Associates, P.A.	
	Professional Services Re 782 - December 2015	1,152.00
16.	Susanin Wildman & Brennan, PC	
	Professional Services Arbitration - Thru December 31, 2015	6,020.00
	Professional Services Arbitration - Thru October 31, 2015	1,824.50
17.	Beins, Axelrod, P.C.	
	Professional Services Arbitration - December 2015	6,241.60
	Professional Services Arbitration - November 2015	880.00
	Professional Services Arbitration - September & October 2015	98.52
18.	Lindabury, McCormick, Estabrook & Cooper, P.C.	
	Professional Services Arbitration - December, 2015	10,963.50
	Professional Services Arbitration - October & November, 2015	1,392.00

Accounting for December 2015 Checks

Plumbers & Steamfitters Local 486 Pension Fund	
Transfer To Investments - December 31, 2015	1,140,000.00
Associated Administrators, LLC	
Lunch - December 17, 2015	586.41
Refreshments - December 17, 2015	6.34
Reciprocal Hours	
U. A. Local Union 782 Pension Fund - November 2015 Hours	53,997.92

PLUMBERS & STEAMFITTERS LOCAL 486
M.C.A. of MD JOINT ADMINISTRATION
ADMINISTRATION CASH REPORT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015

			YTD Budget	Current Month	Year To Date	
Balance - January 1, 2015						$27,700.11
Receipts:						
Medical Fund	-	54%	$278,815	23,281.38	$275,671.82	
Pension Fund	-	19%	103,734	9,432.05	103,048.27	
Annuity Fund	-	20%	108,913	9,857.14	108,244.95	
Credit Union	-	1%	5,179	425.10	5,196.67	
Training Fund	-	4%	20,716	1,700.41	20,786.69	
Dues Fund	-	1%	5,179	425.10	5,196.67	
Industry Fund	-	1%	5,179	852.55	5,196.68	
			$527,715	$45,974		523,341.75
						$551,041.86
Expenses:						
Administration			$490,247	40,853.92	$490,247.00	
Audit			3,500	0.00	3,571.30	
Meeting Expenses			0	0.00	0.00	
Office			0	195.00	220.28	
Printing			2,700	0.00	3,259.77	
Postage			1,800	19.50	744.32	
Postage - Medical			13,200	578.58	9,670.58	
Rent			0	0.00	0.00	
Bank Service Charges			0	0.00	2,347.59	
Record Destruction			269	0.00	0.00	
Employer Audits			16,000	1,481.00	16,385.06	
Total Expenses			$527,716	$43,128.00	$526,445.90	
Interest Income			0	0.00	0.00	
Net Expenses			$527,716	$43,128.00		526,445.90
Balance - December 31, 2015						$24,595.96

UNAUDITED FINANCIAL REPORT

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
PNC BANK - ACCOUNT 6787658
SHORT TERM INVESTMENT ACCOUNT
DECEMBER 31, 2015

Balance - November 30, 2015			$0.00
			Receipts
a.	12/1	Investment Income	$28.24
b.	12/11	PNC Government Fund	1,485,759.52
c.	12/25	Cash Transferred From 3837351	75,000.00
d.	12/25	Cash Transferred From 6783824	75,000.00
e.	12/25	Cash Transferred From 6783840	75,000.00
f.	12/31	Cash Transferred From Fund Office	1,170,000.00
			$2,880,787.76
			Disbursements
a.	12/1	Benefit Payments	$893,893.49
b.	12/1	Cash Transferred To 6788751	137,793.19
c.	12/1	Cash Transferred To 6788769	4,855.00
d.	12/1	Cash Transferred To 6788777	17,497.93
e.	12/1	Cash Transferred To 5984938	97,187.20
f.	12/25	Cash Transferred To Grosvenor Opp Credit IV	335,003.95
g.	12/31	PNC Government Fund	1,394,557.00
			$2,880,787.76
Balance - December 31, 2015			$0.00

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
DECEMBER 31, 2015

	Cash Income	Realized Gains	Unrealized Gains	Total Income			Market Value
		PNC BANK PENSION PAYMENT			Begin Bal.	$	1,313,687.82
Jan.	$86.49	$0.00	$0.00	$86.49			
Feb.	7.15	0.00	0.00	7.15			
Mar.	10.31	0.00	0.00	10.31			
Apr.	17.13	0.00	0.00	17.13			
May	17.37	0.00	0.00	17.37			
June	24.79	0.00	0.00	24.79			
July	13.68	0.00	0.00	13.68			
Aug.	25.15	0.00	0.00	25.15			
Sep.	19.90	0.00	0.00	19.90			
Oct.	23.24	0.00	0.00	23.24			
Nov.	26.91	0.00	0.00	26.91			
Dec.	28.55	0.00	0.00	28.55			
Year To Date 2015	$300.67	$0.00	$0.00	$300.67	Curr Mkt.	$	2,630,465.08
		ALGER - EQUITIES 6783824			Begin Bal.	$	28,340,053.78
Jan.	$17,290.78	$321,930.43	($766,843.91)	($427,622.70)	Transfer/litig	$	(699,970.50)
Feb.	18,832.48	362,879.69	1,400,068.23	$1,781,780.40	Litig Settlement	$	13,094.19
Mar.	35,595.85	340,852.18	(333,034.83)	$43,413.20	Transfer out	$	(500,000.00)
Apr.	10,423.63	295,393.69	(565,876.18)	($260,058.86)	Litig Settlement	$	1,733.02
May	17,746.74	374,438.91	515,917.85	$908,103.50	Transfer/litig	$	(627,698.15)
June	32,983.57	309,478.53	(499,087.86)	($156,625.76)	Transfer out	$	(603,990.80)
July	14,827.39	396,440.77	357,300.40	$768,568.56	Transfer/litig	$	(310,704.56)
Aug.	15,695.94	101,568.34	(2,069,539.33)	($1,952,275.05)	Transfer out	$	(445,021.89)
Sep.	31,299.59	51,290.79	(914,940.11)	($832,349.73)	Transfer/litig	$	(74,991.77)
Oct.	20,381.41	69,681.79	2,004,219.52	$2,094,282.72	Transfer out	$	(75,000.00)
Nov.	19,938.05	77,359.08	240,870.19	$338,167.32	Transfer/litig	$	(74,893.33)
Dec.	36,031.09	6,491.63	(339,369.20)	($296,846.48)	Transfer out		(75,000.00)
Year To Date 2015	$271,046.52	$2,707,805.83	($970,315.23)	$2,008,537.12	Curr Mkt.	$	26,876,147.11
		COLUMBIA PARTNERS - BONDS 3837351			Begin Bal.	$	10,056,529.15
Jan.	$9,809.47	$4,323.12	$117,285.53	$131,418.12			
Feb.	43,703.87	(14,585.11)	(58,510.50)	($29,391.74)	Transfer in	$	585,630.33
Mar.	22,011.36	(4,359.42)	12,958.25	$30,610.19	Transfer in	$	266,424.85
Apr.	20,165.28	1,225.58	(41,919.04)	($20,528.18)			
May	32,033.10	(7,981.43)	(25,207.45)	($1,155.78)	Transfer out	$	(65,000.00)
June	26,100.60	(6,566.62)	(76,050.84)	($56,516.86)			
July	18,686.30	(300.57)	2,941.83	$21,327.56			
Aug.	52,492.80	(8,934.41)	(25,094.64)	$18,463.75			
Sep.	18,157.70	1,697.45	54,177.25	$74,032.40	Transfer out	$	(75,000.00)
Oct.	11,970.74	(2,724.71)	(29,371.43)	($20,125.40)	Transfer out	$	(75,000.00)
Nov.	42,341.86	2,453.91	(42,474.35)	$2,321.42	Transfer out	$	(75,000.00)
Dec.	15,055.06	(9,749.70)	(39,430.69)	($34,125.33)	Transfer out		(75,000.00)
Year To Date 2015	$312,528.14	($45,501.91)	($150,696.08)	$116,330.15	Curr Mkt.	$	10,659,914.48

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
DECEMBER 31, 2015

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
	WEDGE CAPITAL MANAGEMENT - EQUITIES 6783840				Begin Bal. $	27,436,392.50
Jan.	$30,717.42	$148,252.56	($928,687.49)	($749,717.51)		
Feb.	19,386.21	337,408.42	1,139,746.05	1,496,540.68	Litig Settlement $	1,441.32
Mar.	105,204.05	208,852.31	(292,079.52)	21,976.84		
Apr.	25,341.14	281,945.77	(276,281.59)	31,005.32		
May	18,168.36	364,150.55	123,594.73	505,913.64	Transfer out $	(529,366.90)
June	80,986.96	451,582.03	(730,684.16)	(198,115.17)		
July	32,344.64	831,633.33	(732,500.40)	131,477.57	Transfer out $	(411,205.00)
Aug.	19,806.34	33,930.12	(1,736,132.98)	(1,682,396.52)	Litig Settlement $	45.98
Sep.	81,299.36	(55,253.66)	(814,942.40)	(788,896.70)	Transfer out $	(75,000.00)
Oct.	28,206.94	69,971.79	1,674,581.96	1,772,760.69	Transfer out $	(75,000.00)
Nov.	26,744.48	247,887.15	(99,499.17)	175,132.46	Transfer out $	(75,000.00)
Dec.	81,463.16	(116,187.08)	(603,065.60)	(637,789.52)	Transfer/litig $	(74,839.41)
Year To Date 2015	$549,669.06	$2,804,173.29	($3,275,950.57)	$77,891.78	Curr Mkt. $	26,275,360.27
	COLUMBIA PARTNERS - SMALL/MID CAP EQUITIES 6809763				Begin Bal. $	8,648,569.30
Jan.	$5,833.86	$49,000.45	($299,424.40)	($244,590.09)		
Feb.	8,840.73	65,657.98	387,210.47	461,709.18		
Mar.	12,794.88	64,093.49	14,375.16	91,263.53		
Apr.	2,279.40	510,495.30	(718,381.91)	(205,607.21)	Transfer out $	(1,527,545.91)
May	7,295.79	(14,712.73)	212,990.21	205,573.27		
June	9,230.51	130,173.81	15,252.63	154,656.95		
July	2,514.25	129,890.47	(130,312.47)	2,092.25		
Aug.	3,344.36	151,518.33	(692,671.65)	(537,808.96)		
Sep.	11,107.51	54,659.62	(480,657.73)	(414,890.60)		
Oct.	7,373.30	97,255.46	358,588.62	463,217.38		
Nov.	3,826.83	(74,000.85)	197,836.06	127,662.04		
Dec.	13,126.46	2,063.97	(368,003.08)	(352,812.65)		
Year To Date 2015	$87,567.88	$1,166,095.30	($1,503,198.09)	($249,534.91)	Curr Mkt. $	6,871,488.48
	ROTHSCHILD - SMALL/MID CAP EQUITY				Begin Bal. $	14,129,365.00
Jan.	$7,330.00	$43,289.00	($170,309.00)	($119,690.00)	Dir. Exp. $	(11,675.00)
Feb.	24,726.00	51,647.00	721,396.00	797,769.00	Dir. Exp. $	(12,330.00)
Mar.	16,113.00	248,347.00	26,260.00	290,720.00	Dir. Exp. $	(12,562.00)
Apr.	7,945.00	107,152.00	(408,076.00)	(292,979.00)	Dir. Exp. $	(12,187.00)
May	16,131.00	63,580.00	332,214.00	411,925.00	Dir. Exp. $	(12,640.00)
June	18,392.00	89,234.00	52,822.00	160,448.00	Dir. Exp. $	(12,763.00)
July	7,341.00	117,181.00	148,007.00	272,529.00	Dir. Exp. $	(12,980.00)
Aug.	18,258.00	185,019.00	(1,212,937.00)	(1,009,660.00)	Dir. Exp. $	(12,128.00)
Sep.	16,203.00	137,669.00	(799,075.00)	(645,203.00)	Dir. Exp. $	(11,580.00)
Oct.	8,202.00	89,447.00	606,793.00	704,442.00	Dir. Exp. $	(12,157.00)
Nov.	21,773.00	(47,491.00)	278,246.00	252,528.00	Dir. Exp. $	(12,358.00)
Dec.	19,677.00	(5,857.00)	(610,043.00)	(596,223.00)	Dir. Exp. $	(11,851.00)
Year To Date 2015	$182,091.00	$1,079,217.00	($1,034,702.00)	$226,606.00	Curr Mkt. $	14,208,760.00

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
DECEMBER 31, 2015

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
			FIRST EAGLE - INTERNATIONAL VALUE		Begin Bal.	$ 11,387,941.65
Jan.	$0.00	$0.00	$329,304.83	$329,304.83		
Feb.	0.00	0.00	336,911.88	336,911.88		
Mar.	0.00	0.00	(105,164.02)	(105,164.02)		
Apr.	0.00	0.00	364,804.36	364,804.36		
May	0.00	0.00	(76,737.70)	(76,737.70)		
June	0.00	0.00	(215,666.30)	(215,666.30)		
July	0.00	0.00	(193,445.74)	(193,445.74)		
Aug.	0.00	0.00	(272,118.56)	(272,118.56)		
Sep.	0.00	0.00	(474,639.37)	(474,639.37)		
Oct.	0.00	0.00	696,644.87	696,644.87		
Nov.	0.00	0.00	0.00	0.00		
Dec.	0.00	0.00	(168,088.93)	(168,088.93)		
Year To Date 2015	$0.00	$0.00	$221,805.32	$221,805.32	Curr Mkt.	$ 11,609,746.97
			PENN CAPITAL - HIGH YIELD FIXED INCOME		Begin Bal.	$ 15,636,425.96
Jan.	$0.00	$0.00	$105,606.69	$105,606.69		
Feb.	0.00	0.00	299,559.25	299,559.25		
Mar.	0.00	0.00	(29,895.68)	(29,895.68)		
Apr.	0.00	0.00	181,783.84	181,783.84		
May	0.00	0.00	34,526.64	34,526.64		
June	0.00	0.00	(183,669.22)	(183,669.22)		
July	0.00	0.00	(7,953.13)	(7,953.13)		
Aug.	0.00	0.00	(199,579.62)	(199,579.62)		
Sep.	0.00	0.00	(284,236.65)	(284,236.65)		
Oct.	0.00	0.00	354,006.80	354,006.80		
Nov.	0.00	0.00	0.00	0.00		
Dec.	0.00	0.00	(553,866.30)	(553,866.30)		
Year To Date 2015	$0.00	$0.00	($283,717.38)	($283,717.38)	Curr Mkt.	$ 15,352,708.58
			GROSVENOR CAPITAL - HEDGE FUND OF FUNDS		Begin Bal.	$ 9,996,684.22
Jan.	$0.00	$0.00	($34,659.00)	($34,659.00)		
Feb.	0.00	0.00	154,291.00	154,291.00		
Mar.	0.00	0.00	52,702.00	52,702.00		
Apr.	0.00	0.00	13,929.00	13,929.00		
May	0.00	0.00	91,787.00	91,787.00		
June	0.00	0.00	(34,007.00)	(34,007.00)		
July	0.00	0.00	39,990.00	39,990.00		
Aug.	0.00	0.00	(147,032.00)	(147,032.00)		
Sep.	0.00	0.00	(161,863.00)	(161,863.00)		
Oct.	0.00	0.00	62,542.00	62,542.00		
Nov.	0.00	0.00	4,595.00	4,595.00		
Dec.	0.00	0.00	(61,813.00)	(61,813.00)		
Year To Date 2015	$0.00	$0.00	($19,538.00)	($19,538.00)	Curr Mkt.	$ 9,977,146.22

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
DECEMBER 31, 2015

	Cash Income	Realized Gains	Unrealized Gains	Total Income			Market Value
	GROSVENOR OPPORTUNITY FUND - HEDGE FUND OF FUNDS				Begin Bal.	$	3,053,006.24
Jan.	$0.00	$0.00	($16,795.00)	($16,795.00)			
Feb.	0.00	0.00	28,897.44	28,897.44	Transfer out	$	(326,183.44)
Mar.	0.00	0.00	16,804.85	16,804.85	Transfer out	$	(266,424.85)
Apr.	0.00	0.00	19,663.00	19,663.00			
May	0.00	0.00	12,388.89	12,388.89	Transfer out	$	(394,945.89)
June	0.00	0.00	(9,660.00)	(9,660.00)			
July	0.00	0.00	(2,423.36)	(2,423.36)	Transfer out	$	(144,165.64)
Aug.	0.00	0.00	(19,221.68)	(19,221.68)	Transfer out	$	(234,126.32)
Sep.	0.00	0.00	(20,649.63)	(20,649.63)	Transfer out	$	(199,207.37)
Oct.	0.00	0.00	3,667.00	3,667.00			
Nov.	0.00	0.00	(6,219.16)	(6,219.16)	Transfer out	$	(119,309.84)
Dec.	0.00	0.00	(17,237.00)	(17,237.00)			
Year To Date 2015	$0.00	$0.00	($10,784.65)	($10,784.65)	Curr Mkt.	$	1,357,858.24
	GROSVENOR OPPORTUNITY FUND III - HEDGE FUND OF FUNDS				Begin Bal.	$	5,376,407.09
Jan.	$0.00	$0.00	$373.00	$373.00			
Feb.	0.00	0.00	67,322.80	67,322.80	Transfer out	$	(259,446.89)
Mar.	0.00	0.00	24,355.00	24,355.00			
Apr.	0.00	0.00	64,142.00	64,142.00			
May	0.00	0.00	35,412.76	35,412.76	Transfer out	$	(130,251.76)
June	0.00	0.00	(32,680.00)	(32,680.00)			
July	0.00	0.00	29,960.00	29,960.00			
Aug.	0.00	0.00	(59,329.00)	(59,329.00)	Transfer in	$	49,090.78
Sep.	0.00	0.00	(44,686.78)	(44,686.78)			
Oct.	0.00	0.00	68,670.64	68,670.64	Transfer out	$	(143,932.64)
Nov.	0.00	0.00	(19,223.00)	(19,223.00)			
Dec.	0.00	0.00	(55,239.00)	(55,239.00)			
Year To Date 2015	$0.00	$0.00	$79,078.42	$79,078.42	Curr Mkt.	$	4,970,945.00
	GROSVENOR OPPORTUNITY FUND IV - HEDGE FUND OF FUNDS				Begin Bal.	$	-
Jan.	$0.00	$0.00	$0.00	$0.00			
Feb.	0.00	0.00	0.00	0.00			
Mar.	0.00	0.00	0.00	0.00			
Apr.	0.00	0.00	0.00	0.00	Transfer in	$	1,527,545.91
May	0.00	0.00	17,969.09	17,969.09	Transfer in	$	1,398,733.79
June	0.00	0.00	(11,256.79)	(11,256.79)	Transfer in	$	603,990.80
July	0.00	0.00	(1,400.80)	(1,400.80)	Transfer in	$	622,409.77
Aug.	0.00	0.00	(18,443.77)	(18,443.77)	Transfer in	$	312,931.11
Sep.	0.00	0.00	(22,077.11)	(22,077.11)			
Oct.	0.00	0.00	25,493.00	25,493.00	Transfer in	$	382,121.06
Nov.	0.00	0.00	0.00	0.00			
Dec.	0.00	0.00	(65,814.06)	(65,814.06)	Transfer in	$	335,003.95
Year To Date 2015	$0.00	$0.00	($75,530.44)	($75,530.44)	Curr Mkt.	$	5,107,205.95

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
DECEMBER 31, 2015

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
	MERIDIAN CAPITAL - HEDGE FUND OF FUNDS				Begin Bal. $	140,236.79
Mar	$0.00	$0.00	$13,243.77	$13,243.77	Transfer out $	(11,941.11)
June	0.00	0.00	(3,156.74)	(3,156.74)	Transfer out $	(2,315.25)
Sep.	0.00	0.00	(6,279.27)	(6,279.27)	Transfer out $	(18,852.99)
Dec.	0.00	0.00	0.00	0.00		
Year To Date 2015	$0.00	$0.00	$3,807.76	$3,807.76	Curr Mkt. $	110,935.20
	AMERICAN REALTY - REAL ESTATE				Begin Bal. $	18,834,374.56
Mar.	$0.00	$0.00	$1,082,235.55	$1,082,235.55		
June	0.00	0.00	689,439.55	689,439.55		
Sep.	0.00	0.00	626,709.78	626,709.78		
Dec.	0.00	0.00	0.00	0.00		
Year To Date 2015	$0.00	$0.00	$2,398,384.88	$2,398,384.88	Curr Mkt. $	21,232,759.44
	MULTI-PROPERTY TRUST - REAL ESTATE				Begin Bal. $	12,957,249.55
Mar.	$0.00	$792,036.76	$0.00	$792,036.76	Transfer out $	(249,152.06)
June	0.00	365,437.75	0.00	365,437.75	Transfer out $	(123,305.18)
Sep.	0.00	432,385.80	0.00	432,385.80	Transfer out $	(135,272.00)
Dec.	0.00	0.00	0.00	0.00		
Year To Date 2015	$0.00	$1,589,860.31	$0.00	$1,589,860.31	Curr Mkt. $	14,039,380.62
	BLACKROCK - GTAA				Begin Bal. $	17,345,272.82
Jan.	$0.00	$0.00	($5,905.65)	($5,905.65)		
Feb.	0.00	0.00	570,085.51	570,085.51		
Mar.	0.00	0.00	(115,955.26)	(115,955.26)		
Apr.	0.00	0.00	339,005.75	339,005.75		
May	0.00	0.00	67,202.50	67,202.50		
June	0.00	0.00	(333,896.65)	(333,896.65)		
July	0.00	0.00	17,138.22	17,138.22		
Aug.	0.00	0.00	(643,218.55)	(643,218.55)		
Sep.	0.00	0.00	(512,018.42)	(512,018.42)		
Oct	0.00	0.00	805,928.99	805,928.99		
Nov.	0.00	0.00	(85,672.45)	(85,672.45)		
Dec.	0.00	0.00	(169,540.21)	(169,540.21)		
Year To Date 2015	$0.00	$0.00	($66,846.22)	($66,846.22)	Curr Mkt. $	17,278,426.60

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
DECEMBER 31, 2015

	Cash Income	Realized Gains	Unrealized Gains	Total Income		Market Value
		MANNING & NAPIER (782)			Begin Bal. $	6,189,446.62
Dec.	$0.00	$0.00	($19,128.23)	($19,128.23)		
				0.00		
				0.00		
				0.00		
Year To Date 2015	$0.00	$0.00	($19,128.23)	($19,128.23)	Curr Mkt. $	6,170,318.39
		SEGALL BRYANT & HAMILL (782)			Begin Bal. $	6,843,941.76
Dec.	$0.00	$0.00	($34,046.69)	($34,046.69)		
				0.00		
				0.00		
				0.00		
Year To Date 2015	$0.00	$0.00	($34,046.69)	($34,046.69)	Curr Mkt. $	6,809,895.07
		ULLICO			Begin Bal. $	4,839,555.37
Jan.	$0.00	$4,964.34	$0.00	$4,964.34		
Feb.	0.00	18,203.58	0.00	18,203.58		
Mar.	0.00	7,281.89	0.00	7,281.89		
Apr.	0.00	18,427.69	0.00	18,427.69		
May	0.00	7,915.05	0.00	7,915.05		
June	0.00	13,903.58	0.00	13,903.58		
July	0.00	6,557.25	0.00	6,557.25		
Aug.	0.00	14,774.79	0.00	14,774.79		
Sep.	0.00	10,281.37	0.00	10,281.37		
Oct.	0.00	12,141.78	0.00	12,141.78		
Nov.	0.00	22,906.89	0.00	22,906.89		
Dec.	0.00	9,982.73	0.00	9,982.73		
Year To Date 2015	$0.00	$147,340.94	$0.00	$147,340.94	Curr Mkt. $	4,986,896.31
					BoA Cash $	84,545.06
					Prudential $	107,903.02
					Total Current Market Value $	**206,718,806.09**

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
INVESTMENT RECAP - STOCKS & BONDS
DECEMBER 31, 2015

	Cash Income	Realized Gains	Unrealized Gains	Total Income	Market Value
			HISTORY		
1996 TOTALS	$2,204,544.56	$5,928,732.50	$5,189,047.00	$13,322,324.06	
1997 TOTALS	$2,579,477.82	$9,183,810.63	$5,986,110.00	$17,749,398.45	
1998 TOTALS	$3,021,979.58	$12,967,748.52	($9,046,018.00)	$6,943,710.10	
1999 TOTALS	$2,987,551.15	$10,695,037.54	($12,153,635.00)	$1,528,953.69	
2000 TOTALS	$3,043,126.35	$2,493,768.87	($1,228,647.39)	$4,308,247.83	
2001 TOTALS	$2,675,739.91	($4,817,423.81)	($1,126,385.72)	($3,268,069.62)	
2002 TOTALS	$2,562,707.00	($8,481,756.10)	($10,295,919.27)	($16,214,968.37)	
2003 TOTALS	$2,483,176.83	($591,504.28)	$16,696,227.09	$18,587,899.64	
2004 TOTALS	$2,753,594.50	$4,720,120.49	$3,262,318.83	$10,736,033.82	
2005 TOTALS	$2,805,339.48	$7,712,412.23	($3,122,198.65)	$7,395,553.06	
2006 TOTALS	$2,937,686.58	$5,685,773.03	$3,594,347.77	$12,217,807.38	
2007 TOTALS	$3,121,232.26	$9,997,814.18	($6,167,404.69)	$6,951,641.75	
2008 TOTALS	$2,601,089.28	($13,881,905.90)	($20,375,925.43)	($31,656,742.05)	
2009 TOTALS	$1,773,245.10	($7,554,175.64)	$18,173,590.86	$12,392,660.32	
2010 TOTALS	$1,907,992.01	$5,409,005.96	$6,807,215.02	$14,124,212.99	
2011 TOTALS	$1,940,649.93	$6,076,101.05	($6,165,005.18)	$1,851,745.80	
2012 TOTALS	$2,172,721.47	$2,533,657.73	$9,904,080.75	$14,610,459.95	
2013 TOTALS	$1,680,945.72	$12,697,032.91	$4,082,498.12	$18,460,476.75	
2014 TOTALS	$1,400,503.61	$11,684,657.21	($523,753.38)	$12,561,407.44	
TOTALS Y T D 2015	$1,403,203.27	$9,448,990.76	($4,741,377.20)	$6,110,816.83	

PLUMBERS & STEAMFITTERS LOCAL 486 PENSION FUND
DELINQUENT CONTRACTORS
AS OF DECEMBER 25, 2015

Delinquent Contractors:	**Work Month**	**Amount**	**Date Received**
1. Capitol Refrigeration Inc	Sep-15	$4,779.10	1/4/2016
Capitol Refrigeration Inc	Oct-15	$6,683.15	1/6/2016
Capitol Refrigeration Inc	Nov-15		
2. M&E Sales, Inc.	Aug-15		
M&E Sales, Inc.	Sep-15	$12,874.51	1/14/2016
M&E Sales, Inc.	Oct-15		
M&E Sales, Inc.	Nov-15		
3. Pepco Government Services	Nov-15	$6,163.83	1/4/2016
4. RSC Electrical & Mechanical	Nov-15		
5. South Mountain Mechanical	Sep-15		
South Mountain Mechanical	Oct-15		
South Mountain Mechanical	Nov-15		
6. Statewide Mechanical Inc	Nov-15	$3,622.03	1/4/2016
7. Stone Services, Inc.	Apr-15		
Stone Services, Inc.	May-15		
Stone Services, Inc.	Nov-15		1/26/2016
8. Titan Construction LLC	Nov-15	$2,101.99	1/4/2016

PAYMENT AGREEMENT

M&E SALES, INC.

This Payment Agreement is made and entered into this ______ day of __________, 2016 by and between M&E Sales, Inc. (hereinafter "M&E Sales") and the Trustees of the Plumbers and Steamfitters Local Union No. 486 Pension Fund, Plumbers and Steamfitters Local Union No. 486 Medical Fund, Plumbers and Steamfitters Local Union No. 486 Severance and Annuity/401(k) Fund, Plumbers and Steamfitters Local Union No. 486 Joint Journeyman and Apprentice Training Fund, Mechanical Contractors Association of Maryland, Inc., International Training Fund, Point Breeze Credit Union and Plumbers and Steamfitters Local Union No. 486, United Association of Journeymen and Apprentices of The Plumbing and Pipefitting Industry of The United States and Canada (hereinafter collectively referred to as the "Funds and Related Entities"); and

WHEREAS, M&E Sales is signatory to a collective bargaining agreement (hereinafter "the CBA") that requires M&E Sales to make contributions and/or remit payroll deductions to the Funds and Related Entities; and

WHEREAS, M&E Sales acknowledges that it owes a total of $210,526.01 to the Funds and Related Entities, including, $171,140.56 in delinquent contributions due and owing to the Funds and Related Entities for the months of August, October, November and December, 2015; $35,895.98 in liquidated damages on unpaid and late-paid contributions for August, September, October, November, and December, 2015; and $3,489.47 in interest on unpaid and late-paid contributions for August, September, October, November, and December, 2015; and

WHEREAS, M&E Sales and the Funds and Related Entities wish to avoid litigation, if possible, and provide for payment of the amounts due and owing to the Funds and Related Entities by M&E Sales by the terms set out in this Payment Agreement;

THEREFORE, it is agreed by and among M&E Sales and the Funds and Related Entities, each in consideration of the promises of the other as follows:

1. The Funds and Related Entities agree to forbear from filing litigation against M&E Sales to collect the amounts due and owing for the unpaid contributions, liquidated damages and interest for periods referenced above, so long as M&E Sales fully complies with the terms of this Agreement.

2. M&E Sales agrees to pay to the Funds and Related Entities the sum of $174,630.03 plus interest at the rate of eight percent (8%) per annum to the Funds in 18 installments of $10,327.67, payable on the 1st of each month, pursuant to the payment schedule below. M&E Sales further agrees to make a 19th and final payment of $35,895.98 representing liquidated damages, due on August 1, 2017, if payments due under the CBA and this Payment Agreement are not timely.

Due Date	Payment	Principal	Interest	Balance
2/1/2016	$ 10,327.67	$9,163.47	$1,164.20	$165,466.53
3/1/2016	$ 10,327.67	$9,224.56	$1,103.11	$156,241.97
4/1/2016	$ 10,327.67	$9,286.06	$1,041.61	$146,955.91
5/1/2016	$ 10,327.67	$9,347.96	$979.71	$137,607.95
6/1/2016	$ 10,327.67	$9,410.28	$917.39	$128,197.66
7/1/2016	$ 10,327.67	$9,473.02	$854.65	$118,724.64
8/1/2016	$ 10,327.67	$9,536.17	$791.50	$109,188.47
9/1/2016	$ 10,327.67	$9,599.75	$727.92	$99,588.72
10/1/2016	$ 10,327.67	$9,663.75	$663.92	$89,924.98
11/1/2016	$ 10,327.67	$9,728.17	$599.50	$80,196.81
12/1/2016	$ 10,327.67	$9,793.02	$534.65	$70,403.78
1/1/2017	$ 10,327.67	$9,858.31	$469.36	$60,545.47
2/1/2017	$ 10,327.67	$9,924.03	$403.64	$50,621.44

3/1/2017	$ 10,327.67	$9,990.19	$337.48	$40,631.24
4/1/2017	$ 10,327.67	$10,056.80	$270.87	$30,574.45
5/1/2017	$ 10,327.67	$10,123.84	$203.83	$20,450.61
6/1/2017	$ 10,327.67	$10,191.33	$136.34	$10,259.28
7/1/2017	$ 10,327.67	$10,259.28	$68.40	$0.00
8/1/2017	$ 35,895.98	$0.00	$0.00	$0.00

3. Payments due under paragraph 2 of this Agreement shall be made by check payable to the "P&S 486 Joint Funds", and shall be delivered to their Third Party Administrator, Associated Administrators, LLC, c/o Dale O. Troll, Account Executive, 911 Ridgebrook Road, Sparks, MD 21152.

4. M&E Sales agrees to file all remittance reports in a timely manner, and to pay all amounts shown as due by those reports on a timely basis throughout the duration of this Agreement.

5. It shall constitute a breach of this Payment Agreement if any payment due under paragraph 2 of this Agreement is not made in a timely manner, or is made by check that is dishonored when presented.

6. It shall constitute a breach of this Payment Agreement if M&E Sales fails to deliver remittance reports and current contributions and payroll remittances due and owing to the Funds and Related Entities pursuant to paragraph 4.

7. In the event of any failure by M&E Sales to fulfill any obligation recited in this Payment Agreement, or in the event of any breach of this Agreement by M&E Sales, M&E Sales hereby authorizes any court of competent jurisdiction to enter a confession of judgment against M&E Sales, Inc., and in favor of the Funds and Related Entities, for the entire balance remaining under this Agreement including liquidated damages in the amount of $35,895.98, and in the amount of any contributions and payroll remittances due and owing to the Funds and Related

Entities at the time such judgment is entered, including all interest accrued on such contributions and remittances, and liquidated damages related to such contributions and admittances, and attorneys' fees and costs incurred by the Funds and Related Entities in seeking collection of such amounts, as provided by Section 502(g) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), 29 U.S.C. § 1132(g) and the Agreements and Declarations of Trust that govern the Funds and Related Entities.

8. If the payments set forth in paragraphs 2 and 4 above are made in a timely fashion as required by this Agreement and by the Collective Bargaining Agreement, the final payment of $35,895.98, representing liquidated damages due and owing on delinquent and late paid contributions and remittances referenced above, to which the Funds and Related Entities are entitled pursuant to ERISA and the Agreements and Declarations of Trust, will be waived.

9. M&E Sales acknowledges the Fund and Related Entities' right to audit M&E Sales' books and records to confirm compliance with all provisions of this Payment Agreement.

10. If the Funds and Related Entities fail to exercise any of their rights upon any failure by M&E Sales to fulfill any obligation under the terms of this Payment Agreement, such failure shall not operate as a waiver of such rights upon any other failure by M&E Sales.

11. This Payment Agreement shall be governed by the laws of the State of Maryland, to the extent not preempted by ERISA.

12. M&E Sales hereby waives and releases demand for payment, notice of nonpayment and all errors, and hereby waives the right of exemption, appeal, stay of execution and extension upon levy on real estate under the laws of the State of Maryland or any other state or territory of the Unites States now in force or which hereafter may be passed.

13. The undersigned, by signing for the parties hereby warrants that he/she is authorized to sign this Agreement on behalf of the entity, that all necessary action has been taken by the representative to bind the parties to the terms of this Agreement, that such action is properly noted in the records of the parties, and that by signing he/she binds the party to the terms of this Agreement.

IN WITNESS WHEREOF, the undersigned have placed their hands and seals on the dates noted:

PLUMBERS AND STEAMFITTERS LOCAL 486 FUNDS AND RELATED ENTITIES	**M&E SALES, INC.**
By:______________________ Dale O. Troll, Account Executive	By:______________________ Authorized Representative
Date: __________________	Date: __________________
______________________ Witness	______________________ Witness
Date: __________________	Date: __________________

Segal Consulting

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Judith Goodstein, FSA, MAAA, EA
Vice President & Associate Actuary
jgoodstein@segalco.com

MEMORANDUM

To: Board of Trustees

From: Judith Goodstein, FSA, MAAA, EA

Date: January 26, 2016

Re: Plumbers and Steamfitters Local 486 Pension Plan – Benefit Improvement Study

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As requested, we have updated our estimate of the increase in the journeyman contribution rate required to fund a $1.00 increase in the future benefit accrual rate effective January 1, 2016. We have determined the cost of the increase such that we would be able to certify that the increase satisfies the conditions for improving benefits prescribed in the Pension Relief Act of 2010 (PRA2010). **We have determined that each $1.00 increase in the future benefit accrual rate would require approximately a 3.6 cent per hour increase in the journeyman contribution rate.**

Limitations on Benefit Increases

Any plan, such as the Plumbers and Steamfitters Local 486 Pension Plan, for which funding relief has been elected under PRA2010 is subject to restrictions on improving benefits as long as that relief is in effect. Any amendments increasing benefits cannot go into effect for the two plan years immediately following a "relieved" plan year, unless the actuary certifies that the increases are (1) paid out of additional contributions not previously allocated and (2) not projected to reduce the funded percentage or credit balance for the two following plan years. A "relieved" plan year is any year in which a portion of an eligible net investment loss (2008 investment loss) is recognized by establishing an extended amortization base in the Funding Standard Account. The last extended amortization base under PRA2010 was established January 1, 2014. Therefore, restrictions on benefit improvements will be in place through the end of the 2016 Plan Year.

We have only considered a change in the future accrual rate because a change in prior accrued benefits would have immediate consequences to the Plan's funded percentage. An increase to the $88 per month multiplier that applies to service earned prior to January 1, 2016 would immediately lower the Plan's funded percentage as of the effective date.

Details of Proposed Increase

The following summarizes our understanding of the proposed Plan change.

- The increase in accrual rate will take effect January 1, 2016 for service accrued on or after that date
- The increase in contribution rates will take effect April 1, 2016
- The contribution rates for apprentices, as a percentage of the journeyman contribution rate, will not change

If any aspect of the intended change is inconsistent with our understanding, our calculations will need to be revised.

Assumptions

Our calculations were performed using the same data, methods, assumptions, and plan provisions as described in the January 1, 2015 actuarial valuation. In addition, we have incorporated the following actuarial assumptions for projections after that date:

- The net investment return during 2015 and each year thereafter was assumed to be 7.5% of the average market value of assets in all future years
- Administrative expenses were assumed to increase by 3% per year in all future years
- Future benefit payments were estimated using a closed-group projection based on the January 1, 2015 valuation
- Future normal costs were projected based on continuing level active population of 1,125 in all future years and, on average, contributions made for each active participant for 1,750 hours per year.
- For determining the average contribution rate, the distribution of journeymen and apprentices among the active population in 2016 and each year thereafter was assumed to be the same as the distribution of the January 1, 2015 actives.

This year's study does not reflect the most up to date asset information (December 31, 2015) nor the additional active participants expected due to the merger with the U.A. Local 782 Pension Plan, as this information is not yet available. However, we do not anticipate that either of these items would have a material impact on the results of this study. (A possible exception would be if funded percentage as of January 1, 2016 were to drop below 80%, but we do not anticipate such a scenario based on the year-to-date information we have received on the Plan's assets.)

Results

The increase in journeyman contribution rate (as of April 1, 2016) required to fund each $1.00 prospective increase in accrual rate (as of January 1, 2016) is approximately 3.6 cents per hour. This increase in contribution rate ensures that the projected funded percentage and credit balance during the following two plan years is at least as high as it would have been if the accrual rate had not been increased, as required under PRA2010. Furthermore, we have confirmed that the long-term funding of the Plan, as represented by the Plan's estimated Scheduled Cost margin as of January 1, 2016, would not be negatively impacted by these changes.

The cost of each $1.00 prospective increase in accrual rate is "additive". That is, each additional $1.00 increase costs approximately 3.6 cents per hour.

The Trustees will need to notify us as to what, if any, increase in accrual rate they agree to provide with the contribution rate increase effective April 1, 2016 so that we can provide the actuarial certification required by PRA2010.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards to render the actuarial opinion herein.

Please let us know if you have any questions or wish to discuss further.

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PLUMBERS AND STEAMFITTERS LOCAL 486 PENSION FUND

		Last Trustee Review	Latest Contract Start	Contract Expires	Original Scheduled		2014 Fees
PNC Institutional Investments	4	Fall 2013	Jan-13	Open	2015	Avg.	$ 44,800.00
Investment Performance Services - IPS	2	Spring 2011	Jul-11	Open	2010	Fixed	$ 160,000.00
Weyrich Cronin & Sorra	5	Fall 2013	Nov-13	Dec-15	2013	Estimated	$ 26,000.00
Abato, Rubenstein & Abato, PA	3	Fall 2012	Jan-13	Dec-15	2011	Retainer +	$ 17,200.00
Segal Company - Actuarial	1	Spring 2015	Jul-15	Jul-20	2014	Fixed +	$ 45,500.00

Johnson Controls

60 Loveton Circle • Sparks, MD 21152
ph 410-584-1160 • fax 410-527-2730

Kimberly L. Bradley
Abato, Rubenstein & Abato, P.A.
809 Gleneagles Court Suite 320
Baltimore, MD 21286

January 15, 2016

Subject: James Taylorson – Job Description

Ms. Bradley,

Per your request please find below a description of Jim Taylorson's job responsibilities. Jim's official title is Truck Based Service Manager (TBSM). A Truck Based Service Manager is responsible for service customer account leadership, including Labor and Material growth and execution of the Service business, for the team's customer base. Drives profitability and productivity of the team. Manages customer relationship development and satisfaction. Responsible for employee development and retention. Responsible for safety program compliance.

The TBSM duties include:

1. Sets and monitors goals for customer account gross margin delivery and profitability, including PSA and L&M work. Drives L&M growth through Technicians and Team Leads. Provides input to the Area business plan.
2. Leads the execution efforts of assigned Service business. Ensures consistency of delivery systems through supervision and audits of Technicians, Customer Service Agent, Customer Service Agent Assistant in the delivery of quality service to customers.
3. Approves all L&M quotations from above assigned threshold.
4. Responsible for service response to warranty-related customer issues.
5. Manages the assigned customer relationships and drives issue resolution.
6. Manages team budget and overhead accounts as assigned.
7. Coordinates with Branch Sales, Installation Manager and Service Manager to drive overall customer account profitability.
8. Maintains proper staffing levels for the team, through labor forecasting, planning, and management.
9. Approves time sheets for direct reports, and performs all other necessary management tasks related bookings, Accounts Payables and Account Receivable. .
10. Responsible for safety performance and program compliance.
11. Accountable for procuring and maintaining fleet and tools inventory.
12. Recruits, hires, and retains Technicians, Customer Service Agents, and Customer Service Agent Assistants. Works with direct reports and Team Technical Leads to create effective development plans and tracks training performance. Prepares and delivers clear performance expectations and performance reviews for direct reports.
13. Continually networks within the industry.

If you have any additional questions please feel free to contact me.

Sincerely,

John D. Prusak

General Manager
Johnson Controls Building Efficiency

Segal Consulting

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MEMORANDUM

To: Board of Trustees
Plumbers & Steamfitters Local 486 Pension Plan

From: Judith Goodstein

Date: January 5, 2016

Re: Information Requirements for 2016 Actuarial Status ("Zone") Certification

This memo summarizes the information required to complete the 2016 status ("zone") certification required by ERISA Section 305 and Internal Revenue Code Section 432 as modified by the Multiemployer Pension Reform Act of 2014 (MPRA).

For your Plan, the filing due date for the January 1, 2016 Plan Year is March 30, 2016. The zone determination will be based on the January 1, 2015 actuarial valuation, projected to the certification date and adjusted for subsequent events (if applicable), and estimated year-end asset information, as well as the other information discussed below.

In order to complete the certification timely, we ask that all the required data items be provided no later than 45 days after the start of the 2016 Plan Year (*i.e.,* **by February 15, 2016**), if available.

This year's zone certification must take into account the Plan's merger with the U.A. Local No. 782 Pension Plan effective January 1, 2016.

1. Projected Industry Activity – A projection of future **near-term and long-term** levels of industry activity is part of the certification process. Under ERISA and the Code, it is the Trustees' responsibility to provide input for a reasonable basis for performing the projections. Industry activity includes both the level of covered employment (*i.e.,* number of active participants) as well as contribution levels (man-hours).

For the 2015 certification, the industry activity assumption was that the number of active participants would increase from the January 1, 2014 valuation level of 1,181 to 1,300 as of January 1, 2015 and remain level thereafter. We were also advised for the 2015 certification to assume that, on average, contributions would be made for 1,700 hours per active employee; this would be 2.2 million total projected hours. The number of active participants in the January 1, 2015 valuation was 1,125 and each participant was assumed to work 1,750 hours per year (1.97 million total hours). Please review employment levels and provide us with your updated input for both future near-term and long-term industry active levels. Active participants from the merger with the U.A. Local No. 782 Pension Plan effective January 1, 2016 should also be included when making your decision.

In addition to providing input regarding future employment levels, please report any significant changes (besides the merger with the U.A. Local No. 782 Pension Plan effective January 1, 2016) that have occurred in the covered population since the most recent actuarial valuation, such as an increase or decrease in the number of active plan participants due to changing economic conditions, employer withdrawals, mergers, or other factors. To assist us with estimating the impact of such changes, please provide available information on contributions received, total hours of contributions, and the number of contributing participants as of the end of the 2015 Plan Year. If no such change has occurred, please provide a statement to that effect.

2. **Financial Information as of December 31, 2015** – We require information on the net assets of the Plan as of December 31, 2015 as well as information on the changes in the net assets during the year. For the 2015 certification, we received asset statements from the Fund Administrator. Similar information as of December 31, 2015 will again suffice.

In addition to the assets for the Plumbers and Steamfitters Local 486 Pension Plan, we also require similar information on the net assets of the U.A. Local No. 782 Pension Plan as of December 31, 2015.

3. **Changes in plan provisions or contribution rates** – The certification will be based on the plan provisions adopted by the certification date as well as the latest known contribution rates included in bargaining agreements (or other formal agreements such as those related to annual contribution allocations), even if those rates are not yet in effect. The Fund Administrator should supply information on such changes not already recognized in the prior actuarial valuation.

4. **Other known or likely events** – Please report any known or likely events such as an upcoming merger, the pending withdrawal of a major employer or any significant change in the plan participant population. The Fund Administrator will need to identify and formally report any known or expected event that would affect the liability or assets of the Plan.

We look forward to reviewing this memorandum with you and to answering any questions, you may have.

cc: Dale Troll
Kimberly Bradley, Esq.
Jeffrey Maygers

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