

**BRICKLAYERS AND ALLIED CRAFTSMEN LOCAL 7 PENSION FUND  
APPLICATION TO THE PENSION BENEFIT GUARANTY CORPORATION  
FOR A PARTITION ORDER**

**EXHIBIT 7B**



**United Actuarial  
Services, Inc.**  
Actuaries and Consultants

July 29, 2019

Board of Trustees  
Bricklayers and Allied Craftsmen Local No. 7 Pension Plan  
Austintown, OH

**Re: 2019 Actuarial Certification under the Pension Protection Act**

Dear Trustees:

The following information is intended to comply with the annual certification requirements of IRC section 432, with respect to the funded status of the Bricklayers and Allied Craftsman Local No. 7 Pension Plan.

**Identifying Information**

Plan Name: Bricklayers and Allied Craftsman Local No. 7 Pension Plan  
 EIN/Plan #: 34-6666798/001  
 Plan year of Certification: year beginning May 1, 2019  
 Plan Sponsor: Board of Trustees of Bricklayers and Allied Craftsman Local No. 7 Pension Plan  
 Sponsor Address: 33 Fitch Blvd Austintown, OH 44515  
 Sponsor Telephone: (248) 813-9800  
 Enrolled Actuary Name: Kathryn A. Garrity, FSA, EA, MAAA  
 Enrollment Number: 17-05379  
 Actuary Address: 11590 N. Meridian St., Suite 610, Carmel, IN 46032  
 Actuary Telephone: (317) 580-8688

**Certification of Plan Status**

I certify that the above-named Plan is in the following status(es) as of May 1, 2019 (all that apply are checked):

- Safe--Neither Endangered nor Critical Status \_\_\_\_\_
- Safe--Neither Endangered nor Critical Status  
Due to Special Rule \_\_\_\_\_
- Endangered Status \_\_\_\_\_
- Seriously Endangered Status \_\_\_\_\_
- Projected to be in Critical Status within 5 years \_\_\_\_\_
- Critical Status \_\_\_\_\_
- Critical and Declining Status     X

This certification is based on the following results:

- Projected funded ratio as of May 1, 2019: 24.4%
- Previously emerged from critical status using IRC Section 432(e)(4)(B)(ii)(I) special emergence rule?: No
- First projected deficiency: Existing deficiency, FSA projected to remain negative as of April 30, 2020
- At least 8 years of benefit payments in plan assets?: No
- Plan year of projected insolvency: 2022-23 plan year
- Ratio of inactive to active participants: 2.835

### **Certification of Scheduled Progress**

I certify that the above-named Plan has made scheduled progress as of May 1, 2019 as outlined in the 2008 rehabilitation plan, which was updated on December 8, 2017. Projections indicate that the Plan is not projected to emerge from Critical status at the end of the rehabilitation period as specified in the rehabilitation plan. This rehabilitation plan, however, includes the use of the “exhaustion of all reasonable measures” clause of IRC Section 432(e)(3)(A)(ii). Therefore, we interpret scheduled progress for this Plan to mean continuing to use all reasonable measures to forestall insolvency and it is my understanding that such consideration was made in the past year.

### **Basis for Result**

The certification utilizes the assumptions, methods, plan provisions and demographic data as disclosed in the May 1, 2018 actuarial valuation report with the following exceptions:

- Based on the April 30, 2019 unaudited financial statements provided by the plan administrator, the asset return for the 2018-19 plan year is assumed to be 3.94%. We also updated the contributions, benefit payments, and expenses for the 2018-19 plan year based on these financial statements.
- For the period May 1, 2019 through April 30, 2028, plan assets were assumed to return 6.00% per year, with 7.00% per year assumed thereafter.]

- No adjustments were made to the contribution rate assumption.
- Based on information provided by the Trustees regarding projection of future industry activity, the following hours were assumed: 90,000 for the plan year beginning in 2019; and for each plan year thereafter. For the 2018-2019 plan year, our projections used actual hours of 110,535.

I am a member of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. This certification is intended to be in good faith compliance with the necessary disclosures for certification and represents my best estimate of the Plan's funded position. We are available to answer questions regarding this certification.

Sincerely,



Kathryn A. Garrity, FSA, EA, MAAA  
Chief Actuary  
EA number: 17-05379

Date of Signature: 7/29/2019

cc: Secretary of the Treasury  
Susan Cunningham, BeneSys  
Timothy P. Piatt, Fund Counsel  
David Eyster, Fund Auditor

m:\docs\brick7\db 28244\valuations\20190501\ppa\20190501 ppa certification-final.docx