MEBA MEDICAL & BENEFITS PLAN
MEBA PENSION TRUST
MEBA TRAINING PLAN
MEBA VACATION PLAN

BENEFIT PLANS 1007 EASTERN AVENUE, BALTIMORE, MARYLAND 21202-4345 • (410) 547-9111

Annual Funding Notice For MEBA Pension Trust

April 25, 2017

Introduction

This notice includes important information about the funding status of the MEBA Pension Trust ("the Plan") and provides general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is for the plan year beginning January 1, 2016 and ending December 31, 2016 (referred to hereafter as "Plan Year").

How Well Funded is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." This percentage is obtained by dividing the Plan's assets by its liabilities on the Valuation Date for the Plan Year. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is set forth in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage			
	2016	2015	2014
Valuation Date	January 1, 2016	January 1, 2015	January 1, 2014
Funded Percentage	100.6%	98.4%	99.7%
Value of Assets	$870,372,697	$891,647,602	$928,027,627
Value of Liabilities	$865,151,844	$906,119,349	$931,181,876

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They are also actuarial values. Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite these fluctuations, market values tend to show a clearer picture of a plan's funded status as of a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year, rather than as of the Valuation Date. Substituting the market value of assets for the actuarial value used in the above chart would show a clearer picture of a plan's funded status as of the Valuation Date. The fair market value of the Plan's assets as of the last day of the Plan Year and each of the two preceding plan years is shown in the following table:

	December 31, 2016	December 31, 2015	December 31, 2014
Fair Market Value of Assets	$848,065,234*	$837,186,973	$823,982,100

* This amount is preliminary and unaudited.

Endangered, Critical or Critical and Declining Status

Under federal pension law, a plan generally will be considered to be in "endangered" status if, at the beginning of the plan year, the funded percentage of the plan is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Rehabilitation and funding improvement plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was not in endangered or critical status in the Plan Year.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the Plan's Valuation Date was 4,832. Of this number, 1,783 were active participants, 2,272 were retired or separated from service and receiving benefits, and 777 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for benefits promised under the plan currently and over the years. The funding policy of the Plan is to maintain the Plan in a fully funded status to ensure the satisfaction of pension benefit payments and obligations to the Plan's participants and beneficiaries. This may be accomplished through a combination of contributions received from employers and investment income generated by the Plan's investments. The Plan's funding policy also is designed to comply with requirements of ERISA and the Internal Revenue Code. These requirements include maintenance of minimum funding levels and also include maximum limits on the contributions that may be deducted by employers for federal income tax purposes. The Board of Trustees creates and implements the funding policy and monitors the funding level with the assistance of the Plan's enrolled actuary and the Plan's investment consultant.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions.

The investment policy of the Plan has been adopted by the Board of Trustees with the advice of the Plan's investment consultant. The investment policy is intended to generate returns that equal or exceed the Plan's actuarial assumed rate of return of 6.75% and to control risk.. The long term assumption on return may, however, change based on asset allocation.

Based on the advice of the investment consultant, the Trustees have diversified the Plan's investments with allocations to a number of different asset classes. The Plan seeks to maximize long-term total returns within prudent levels of risk through a combination of income and capital appreciation that is appropriate for meeting the Plan's return objectives. It is intended that the risk to capital will be minimized through the diversification of the Plan's investment across asset classes and through the systematic allocation to various investment management styles within the fixed income and equity markets.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are preliminary, unaudited percentages of total assets:

Asset Allocations	**Percentage**
1. Interest-bearing cash	2.12%
2. U.S. Government securities	2.71%
3. Corporate debt instruments (other than employer securities):	
Preferred	12.40%
All other	2.60%
4. Corporate stocks (other than employer securities):	
Preferred	0.00%
Common	11.47%
5. Partnership/joint venture interests	0.00%
6. Real estate (other than employer real property)	29.21%
7. Loans (other than to participants)	0.00%
8. Participant loans	0.00%
9. Value of interest in common/collective trusts	0.00%
10. Value of interest in pooled separate accounts	16.42%
11. Value of interest in master trust investment accounts	2.01%
12. Value of interest in 103-12 investment entities	0.00%
13. Value of interest in registered investment companies (e.g., mutual funds)	8.12%
14. Value of funds held in insurance co. general account (unallocated contracts)	12.94%
15. Employer-related investments:	
Employer Securities	0.00%
Employer real property	0.00%
16. Buildings and other property used in plan operation	0.00%
17. Other	0.00%

For information about the Plan's investment in any of the following types of investments as described in the chart above – common / collective trusts, pooled separate accounts, master trust investment accounts, or 103-12 investment entities – contact the Board of Trustees, MEBA Pension Plan, 1007 Eastern Avenue, Baltimore, MD 21202 (410-547-9111).

Right to Request a Copy of the Annual Report

A pension plan is required to file with the U.S. Department of Labor an annual report called the Form 5500 that contains financial and other information about the plan. You may obtain an electronic copy of the Plan's annual report by going to www.efast.dol.gov and using the search tool. Copies of the annual report are also available from the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the Plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your Plan administrator if you want more information about your accrued benefit. Your Plan administrator is identified below under "Where to Get More Information."

The Plan is required to include the following information about the rules that apply to plans in reorganization, insolvent plans, and the PBGC guarantee. That does not mean that these rules will ever apply to the Plan.

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected as a result of the insolvency, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by the PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($600/10), which equals $60. The guaranteed amount for a $60 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified pre-retirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments. In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pbgc.gov/multiemployer. Please contact your Plan administrator for specific information about your pension plan or pension benefit. The PBGC does not have that information. See "Where to Get More Information" below.

Where to Get More Information

For more information about this notice, you may contact MEBA Plans at 1007 Eastern Avenue, Baltimore, MD 21202 (410-547-9111). For identification purposes, the official Plan number is 001, the Plan sponsor's name is the Board of Trustees of the MEBA Pension Trust Defined Benefit Plan, and the Plan sponsor's employer identification number or "EIN" is 51-6029896.