

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 <div style="border: 1px solid black; text-align: center; padding: 5px; font-weight: bold; font-size: 1.2em;">2019</div> This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019			
A This return/report is for:	<input checked="" type="checkbox"/> a single-employer plan	<input type="checkbox"/> a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	<input type="checkbox"/> a one-participant plan	<input type="checkbox"/> a foreign plan	
B This return/report is	<input type="checkbox"/> the first return/report	<input type="checkbox"/> the final return/report	
	<input type="checkbox"/> an amended return/report	<input type="checkbox"/> a short plan year return/report (less than 12 months)	
C Check box if filing under:	<input checked="" type="checkbox"/> Form 5558	<input type="checkbox"/> automatic extension	<input type="checkbox"/> DFVC program
	<input type="checkbox"/> special extension (enter description)		

Part II Basic Plan Information —enter all requested information			
1a Name of plan THE T.P.M. PENSION PLAN FOR EMPLOYEES OF L.D. MCFARLAND COMPANY LTD.	1b Three-digit plan number (PN) ►	001	
	1c Effective date of plan	01/01/1964	
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) MCFARLAND CASCADE POLE AND LUMBER P.O. BOX 1496 TACOMA, WA 98401-1496	2b Employer Identification Number (EIN)	65-1195441	
	2c Sponsor's telephone number	253-572-3033	
	2d Business code (see instructions)	113310	
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.	3b Administrator's EIN		
	3c Administrator's telephone number		
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name	4b EIN		
	4d PN		
5a Total number of participants at the beginning of the plan year	5a	76	
b Total number of participants at the end of the plan year	5b	75	
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	5c		
d(1) Total number of active participants at the beginning of the plan year	5d(1)	21	
d(2) Total number of active participants at the end of the plan year	5d(2)	18	
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	5e	1	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2020	DANIELLE CURTO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4237564. (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	1477120	1561633
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	1477120	1561633
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	72068	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	58583	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		130651
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	46138	
e Certain deemed and/or corrective distributions (see instructions) ...	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		46138
i Net income (loss) (subtract line 8h from line 8c)	8i		84513
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1B 3H
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		<input checked="" type="checkbox"/>	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		<input checked="" type="checkbox"/>	
c Was the plan covered by a fidelity bond?	10c	<input checked="" type="checkbox"/>		500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		<input checked="" type="checkbox"/>	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		<input checked="" type="checkbox"/>	
f Has the plan failed to provide any benefit when due under the plan?	10f		<input checked="" type="checkbox"/>	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		<input checked="" type="checkbox"/>	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h			
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 12 below..... ☒ Yes ☐ No

a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a** 0

b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

- ☐ Yes.
- ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.
- ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.
- ☐ No. Other. Provide explanation _____

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

a If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b**

c Enter the amount contributed by the employer to the plan for this plan year **12c**

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline? ☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a**

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No

c If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>THE T.P.M. PENSION PLAN FOR EMPLOYEES OF L.D. MCFARLAND COMPANY LTD.</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>MCFARLAND CASCADE POLE AND LUMBER</u>	D Employer Identification Number (EIN) <u>65-1195441</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500		

Part I	Basic Information		
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2019</u>		
2	Assets:		
	a Market value	2a	<u>1477107</u>
	b Actuarial value	2b	<u>1477107</u>
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	<u>0</u>	<u>0</u>
	b For terminated vested participants.....	<u>55</u>	<u>837474</u>
	c For active participants	<u>21</u>	<u>601442</u>
	d Total.....	<u>76</u>	<u>1438916</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b	
5	Effective interest rate	5	<u>5.71</u> %
6	Target normal cost.....	6	<u>10000</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<div style="border-bottom: 1px solid black; height: 30px; margin-bottom: 10px;"></div> <div style="text-align: center;">Signature of actuary</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">ROBERT V. ANTHONY</div> <div style="text-align: center;">Type or print name of actuary</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">NWPS</div> <div style="text-align: center;">Firm name</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">15130 MAIN STREET, SUITE 300 MILL CREEK, WA 98012</div> <div style="text-align: center;">Address of the firm</div>	<div style="border-bottom: 1px solid black; height: 30px; margin-bottom: 10px;"></div> <div style="text-align: center;">Date</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">10/08/2020</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">20-04924</div> <div style="text-align: center;">Most recent enrollment number</div> <div style="border-bottom: 1px solid black; margin-bottom: 10px;">425-742-0177</div> <div style="text-align: center;">Telephone number (including area code)</div>
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

**Schedule SB (Form 5500) 2019
v. 190130**

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	271213
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	271213
10 Interest on line 9 using prior year's actual return of <u>3.98</u> %	0	10794
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1013
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.90</u> %		60
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		1073
d Portion of (c) to be added to prefunding balance		1073
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	283080

Part III Funding Percentages		
14 Funding target attainment percentage	14	82.93 %
15 Adjusted funding target attainment percentage	15	83.80 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	86.70 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/11/2019	18017	0			
07/10/2019	18017	0			
10/15/2019	18017	0			
01/01/2020	18017	0			
Totals ▶			18(b)	72068	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	69524
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
		(4) 4th 0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 3.74 %	2nd segment: 5.35 %	3rd segment: 6.11 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	10000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	245704		58447
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	68447	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	68447	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	69524	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	1077	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	<input type="checkbox"/> 2 plus 7 years	<input type="checkbox"/> 15 years	
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008	<input type="checkbox"/> 2009	<input type="checkbox"/> 2010 <input type="checkbox"/> 2011

THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.

ACTIVE PARTICIPANTS AS OF JANUARY 1, 2019

Distribution of Considered Hours

AGE	YEARS OF VESTING SERVICE					
	Less than 2		2 - 4		5 - 9	
	NUMBER	HOURS	NUMBER	HOURS	NUMBER	HOURS
Less than 25	0	0.00	0	0.00	0	0.00
25 to 29	0	0.00	1	2,754.50	0	0.00
30 to 34	0	0.00	0	0.00	3	5,713.75
35 to 39	0	0.00	1	2,658.50	1	2,116.00
40 to 44	0	0.00	0	0.00	0	0.00
45 to 49	0	0.00	0	0.00	0	0.00
50 to 54	0	0.00	0	0.00	0	0.00
55 to 59	0	0.00	0	0.00	0	0.00
60 to 64	0	0.00	0	0.00	0	0.00
65 and over	0	0.00	0	0.00	0	0.00
TOTALS	0	0.00	2	5,413.00	4	7,829.75

AGE	YEARS OF VESTING SERVICE					
	10 - 14		15 - 19		20 - 24	
	NUMBER	HOURS	NUMBER	HOURS	NUMBER	HOURS
Less than 25	0	0.00	0	0.00	0	0.00
25 to 29	0	0.00	0	0.00	0	0.00
30 to 34	0	0.00	0	0.00	0	0.00
35 to 39	1	2,550.75	1	2,132.50	0	0.00
40 to 44	0	0.00	0	0.00	3	6,647.00
45 to 49	1	2,645.25	0	0.00	0	0.00
50 to 54	2	4,462.50	1	2,291.25	0	0.00
55 to 59	0	0.00	0	0.00	1	2,035.50
60 to 64	0	0.00	0	0.00	1	2,424.00
65 and over	0	0.00	0	0.00	0	0.00
TOTALS	4	9,658.50	2	4,423.75	5	11,106.50

		YEARS OF VESTING SERVICE					
AGE	More than 24		All Years				
	NUMBER	HOURS	NUMBER	HOURS			
Less than 25	0	0.00	0	0.00	<div>AVERAGES</div> <div>AGE: 44.62</div> <div>HOURS: 2,255.79</div> <div>SERVICE:</div> <div>VESTING: 16.810</div> <div>BENEFIT: 13.980</div>		
25 to 29	0	0.00	1	2,754.50			
30 to 34	0	0.00	3	5,713.75			
35 to 39	0	0.00	4	9,457.75			
40 to 44	0	0.00	3	6,647.00			
45 to 49	0	0.00	1	2,645.25			
50 to 54	2	4,634.33	5	11,388.08			
55 to 59	2	4,305.75	3	6,341.25			
60 to 64	0	0.00	1	2,424.00			
65 and over	0	0.00	0	0.00			
TOTALS	4	8,940.08	21	47,371.58			

**THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.**

ACTUARIAL ASSUMPTIONS

As of January 1, 2019

As prescribed by federal law the funding method used for this valuation is the "Unit Credit" funding method. For purposes of Exhibit 9, Pension Disclosures Under ASC 715, the "Projected Unit Credit" funding method was used. The requirements set forth in this report have as their basis the following valuation assumptions.

1) **INTEREST RATE**

The interest rate assumptions employed in this valuation are summarized below:

<u>Liability Measured</u>	<u>Rates</u>	<u>Date Adopted</u>
Minimum Funding (Exhibits 2 through 6)	3.74%/5.35%/6.11%	January 1, 2019
Minimum Funding Effective Rate	5.71%	January 1, 2019
ASC 960 Discount Rate (Exhibit 8)	3.90%	January 1, 2019
PBGC Premium (Appendix F) and Maximum Deductible Contribution (Exhibit 7)	2.55%/3.93%/4.49%	January 1, 2019

The *Minimum Funding Effective Rate* is used to discount receivable contributions for determining the Market Value of Assets for both Funding and PBGC Premium purposes. It is determined as the single rate that when used to determine liabilities, produces the same liability amount as the required three segment rates used for funding purposes.

The *ASC 958 Discount* rate is the single rate that is equivalent to discounting the expected benefit payment stream for expected future benefit payments using the annual spot rates from the December 2018 Citigroup Pension Discount Curve.

2) **MORTALITY**

For Funding and PBGC premium purposes, the sex-distinct RP-2014 (Combined) Mortality Table projected using the MP-2017 projection scale was used to estimate participant mortality rates (adopted on January 1, 2019). For ASC 960 purposes (Exhibit 8), the RP-2014 Mortality Table (Blue Collar) combined with the MP 2018 projection scale was used to estimate participant mortality rates.

**THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.**

APPENDIX B
(Continued)

ACTUARIAL ASSUMPTIONS

As of January 1, 2019

3) **TERMINATIONS**

Voluntary termination rates as taken from the prior actuary's report based on the 1.5 x H&H AR-Males Table were used (adopted prior to January 1, 2002):

<u>Age</u>	<u>Number Terminating Per 1,000 Covered</u>
25	15
30	11
35	8
40	5
45	2
50	0

4) **EXPENSES**

Actuarial Values increased by 5.0 % and normal cost increased by expected actuarial fees (\$10,000 assumed) for the coming year (adopted prior to January 1, 2002).

5) **VALUATION OF ASSETS**

Plan assets are valued at fair market value (adopted prior to January 1, 2002).

8) **RETIREMENT AGE**

Participants are assumed to retire at their normal retirement age of 65 except for Oregon participants with 10 years of benefit service who are assumed to retire at age 62.

CHANGES SINCE THE PRIOR YEAR AND REASONS FOR CHANGE

All actuarial assumptions described above are the same as used in the prior year's report, except for the Funding and PBGC Premium interest rate assumptions, which are mandated changes by law. The mortality table projection scale was updated to the MP-2017 scale from the MP-2016 scale for Funding purposes and the MP-2018 scale from the MP-2017 scale for ASC 960 purposes.

Finally, the ASC 960 Discount Rate was changed from 3.50% to 3.90% to reflect the expected benefit payment stream using the December 2018 Citigroup Pension Discount Curve spot rates.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>		

► **Round off amounts to nearest dollar.**

► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan THE T.P.M. PENSION PLAN FOR EMPLOYEES OF L.D. MCFARLAND COMPANY LTD.	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF MCFARLAND CASCADE POLE AND LUMBER	D Employer Identification Number (EIN) 65-1195441
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	
F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2019</u>			
2 Assets:			
a Market value.....	2a	1,477,107	
b Actuarial value.....	2b	1,477,107	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	0	0	0
b For terminated vested participants.....	55	837,474	837,474
c For active participants.....	21	601,442	602,257
d Total.....	76	1,438,916	1,439,731
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	5.71%	
6 Target normal cost.....	6	10,000	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary	<u>10/08/2020</u> Date <u>2004924</u> Most recent enrollment number <u>425-742-0177</u> Telephone number (including area code)
<u>ROBERT V. ANTHONY</u> Type or print name of actuary		
<u>NWPS</u> Firm name <u>15130 MAIN STREET, SUITE 300</u> <u>MILL CREEK WA 98012</u> Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF. **Schedule SB (Form 5500) 2019 v. 190130**

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 3.74 %	2nd segment: 5.35 %	3rd segment: 6.11 %
			<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....			21b 0
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....		31a	10,000
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		245,704	58,447
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....		34	68,447
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....		36	68,447
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37	69,524
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	1,077
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	<input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011

**THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.
2019**

Schedule SB, Line 19 - Discounted Employer Contributions

Date	Contribution Amount	Plan Year Applied	Effective Rate	Interest Adjusted Contribution
4/11/2019	\$18,017	2019	5.71%	\$17,745
7/10/2019	\$18,017	2019	5.71%	\$17,504
10/15/2019	\$18,017	2019	5.71%	\$17,247
1/7/2020	\$18,017	2019	5.71%	\$17,028
Total for 2019	\$72,068			\$69,524

**The TPM Pension Plan for Employees of
L.D. McFarland Company, Ltd.
2019**

**Attachment to Schedule B (Form 5500)
Line 22**

Weighted Average Retirement Age

Age	Group	Number Active	Retirement Rate	Number Retiring	Number Retiring x Age
62	Oregon w/10 YOS	14	100%	14	868
65	All Others	7	100%	7	455
	Total	<u>21</u>			<u>1,323</u>

Average Age = 63.00

The Average Age is determined as the total of 'Number Retiring x Age' divided by the 'Number Active' or 1323 / 21.

**THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.**

SUMMARY OF PLAN

As of January 1, 2019

1) **EFFECTIVE DATE OF PLAN**

The plan was originally effective on January 1, 1964 and was most recently amended on June 30, 2015 to freeze all benefits.

2) **FUNDING**

The plan is funded by employer contributions to a trust fund.

3) **EMPLOYEES INCLUDED**

The plan generally covers all employees who are Hourly employees anticipated to work 1,000 hours per year. Salaried employees and other employees who are covered by a collective bargaining agreement are excluded. Eligible employees enter the plan on the first of the month on or following their date of hire.

4) **PLAN YEAR**

The plan year is the 12-month period from January 1 to December 31.

5) **EMPLOYER CONTRIBUTIONS**

Amounts sufficient to maintain the trust fund at an adequate level are contributed by the employer.

6) **EMPLOYEE CONTRIBUTIONS**

Participants in the plan are not required nor allowed to make any contributions.

7) **YEAR OF SERVICE**

Benefit Service means each plan year in which an employee completes 1,000 hours of service, while an active participant in the plan. For plan years of less than 1,000 hours of service, partial credit is given in years of first hire and termination. A year of Vesting Service is earned for each plan year in which an employee completes 1,000 hours of service. Effective 6/30/2015, service was frozen for benefit and eligibility purposes.

**THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.**

APPENDIX A
(Continued)

**SUMMARY OF PLAN
As of January 1, 2019**

8) **RETIREMENT DATE**

The normal retirement date for any participant shall be the first day of the month coincident with or next following their attainment of age 65. An early retirement date is permitted provided the participant has attained age 55 and the sum of their age and completed years of Credited Service equals 70 or more.

9) **RETIREMENT BENEFIT**

Normal - The monthly normal retirement benefit is payable as a single life annuity and is equal to a participant's accrued benefit which is the accumulation of annual accruals as follows:

Idaho

\$8 for each year of Credited Service prior to January 1, 1974, plus
\$12 for each year of Credited Service subsequent to January 1, 1974 and prior to July 1, 1977, plus
\$14 for each year of Credited Service subsequent to July 1, 1977 and prior to July 1, 1979, plus
\$17 for each year of Credited Service subsequent to July 1, 1979 and prior to January 1, 1985, plus
\$25 for each year of Credited Service on or after January 1, 1985 (for employees active on January 1, 1995)

Oregon

\$15 for each year of Credited Service subsequent to January 1, 1949 and prior to July 1, 1977, plus
\$17 for each year of Credited Service subsequent to July 1, 1977 and prior to January 1, 1985, plus
\$25 for each year of Credited Service on or after January 1, 1985 (for employees active on January 1, 1995)

Effective 6/30/2015, the Plan was frozen so no additional benefits accrue after that date.

Early - The monthly early retirement benefit is payable as a single life annuity and is equal to a participant's accrued normal retirement benefit reduced 5/9 of 1% for each of the first 60 months and 5/18 of 1% for each of the next 60 months by which the actual retirement date precedes the normal retirement date. There is no reduction for Oregon participants who have attained age 62.

Deferred - The monthly deferred retirement benefit is payable as a single life annuity and is equal to the greater of 1) the participant's accrued normal retirement benefit increased actuarially from the normal retirement date to the actual retirement date, or 2) the accrued benefit based upon continuous accruals under the Plan to the actual retirement date.

**THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.**

APPENDIX A
(Continued)

SUMMARY OF PLAN

As of January 1, 2019

10) **RETIREMENT BENEFIT OPTIONS**

The following forms of payment are available to retirees:

- a) Single-Life Annuity
- b) 10 Year Certain and Life Annuity
- c) 100% Joint and Survivor Annuity
- d) 66-2/3 % Joint and Survivor Annuity
- e) 50% Joint and Survivor Annuity

11) **DEATH BENEFIT**

If death occurs prior to the commencement of benefit payments and after a participant becomes vested, a participant's spouse is entitled to receive a life annuity under the survivor portion of a 50% Joint and Survivor Annuity assuming the participant terminated the day prior to death, retired on the first eligible retirement date, and elected to receive a 50% Joint and Survivor Annuity.

12) **DISABILITY BENEFIT**

No disability benefit is available from the Plan.

13) **VESTED BENEFIT**

Terminating participants vest in their benefits according to the following:

<u>Years of Vesting Service</u>	<u>Percentage Level</u>
Less than 3	0%
3	20%
4	40%
5	60%
6	80%
7 or more	100%

Upon the attainment of normal retirement age or death a participant will become fully vested in his or her accrued benefit.

**THE TPM PENSION PLAN FOR EMPLOYEES OF
L.D. MCFARLAND COMPANY, LTD.**

**SHORTFALL AMORTIZATION CHARGES FOR MINIMUM
REQUIRED CONTRIBUTION
as of January 1, 2019**

<u>Charge</u>	<u>Date Established</u>	<u>Original Balance</u>	<u>Remaining Balance</u>	<u>Remaining Years To Fund</u>	<u>Annual Payment</u>
Shortfall	1/1/2013	\$ 81,906	\$ 13,785	1	\$ 13,785
Shortfall	1/1/2014	42,916	14,105	2	7,182
Shortfall	1/1/2015	(49,226)	(23,683)	3	(8,186)
Shortfall	1/1/2016	34,592	21,653	4	5,715
Shortfall	1/1/2017	63,213	48,290	5	10,380
Shortfall	1/1/2018	87,402	77,373	6	14,268
Shortfall	1/1/2019	94,181	94,181	7	15,303
Net Amount			\$ 245,704		\$ 58,447