VALMONT INDUSTRIES INC
Form 11-K
June 26, 2014
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the fiscal year ended December 31, 2013

OR

o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from TO

Commission file number

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

VALMONT EMPLOYEE RETIREMENT SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

VALMONT INDUSTRIES, INC.

One Valmont Plaza

Omaha, Nebraska 68154-5215

Valmont Employee Retirement Savings Plan

Financial Statements as of and for the Years Ended December 31, 2013 and 2012, Supplemental Schedule as of December 31, 2013, and Report of Independent Registered Public Accounting Firm

Table of Contents

VALMONT EMPLOYEE RETIREMENT SAVINGS PLAN

TABLE OF CONTENTS

NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Plan Administrator and Participants of the

Valmont Employee Retirement Savings Plan:

We have audited the accompanying statements of net assets available for benefits of the Valmont Employee Retirement Savings Plan (the Plan) as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2013 and 2012, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This schedule is the responsibility of the Plan s management. Such schedule has been subjected to the auditing procedures applied in our audit of the basic 2013 financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP
Omaha, Nebraska
June 25, 2014

Table of Contents

VALMONT EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

AS OF DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS:		
Investments at estimated fair value Wells Fargo Stable Value Fund Q	$ 67,330,633	$ 68,243,154
Investments at fair value:		
Mutual funds	295,770,291	237,760,716
Valmont Industries, Inc. common stock	35,364,119	32,836,157
Total investments	398,465,043	338,840,027
Receivables:		
Notes receivable from participants	12,220,249	11,126,154
Due from broker for securities sold	1,670	1,397
Other Receivables	29,908	
Total receivables	12,251,827	11,127,551
NET ASSETS REFLECTING ALL INVESTMENTS AT FAIR VALUE	410,716,870	349,967,578
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE STABLE VALUE FUND	(537,776)	(1,924,431)
NET ASSETS AVAILABLE FOR BENEFITS	$ 410,179,094	$ 348,043,147

See notes to financial statements.

Table of Contents

VALMONT EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	2013	2012
ADDITIONS:		
Investment income:		
Net appreciation in investments	$ 48,977,128	$ 34,854,255
Interest and dividends on investments	11,102,371	8,057,489
Net investment income	60,079,499	42,911,744
Interest income on notes receivable from participants	461,623	438,325
Contributions:		
Employer	10,390,096	9,245,339
Employee	19,113,356	16,780,425
Rollover	1,256,300	1,151,920
Total contributions	30,759,752	27,177,684
DEDUCTIONS:		
Benefits paid to participants	28,983,805	18,309,167
Administrative fees	181,122	153,267
Total deductions	29,164,927	18,462,434
CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS	62,135,947	52,065,319
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	348,043,147	295,977,828
End of year	$ 410,179,094	$ 348,043,147

See notes to financial statements.

Table of Contents

VALMONT EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

1. DESCRIPTION OF THE PLAN

The following description of the Valmont Industries, Inc. (the Company or Plan Sponsor) Valmont Employee Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more comprehensive description of the Plan s provisions.

General The Plan constitutes a qualified plan under Section 401(a) of the Internal Revenue Code (IRC) of 1986 covering regular employees, as defined in the Plan document, who have completed 90 days of service from date of hire. The Human Resources Committee of the Board of Directors of the Company oversees the operation and administration of the Plan. Fidelity Investments (Fidelity) serves as the trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions Each year, participants may contribute up to 50% of eligible compensation on a pretax basis and up to 10% on an after-tax basis, subject to certain IRC limitations. The combined total of pretax and after-tax contributions cannot exceed 50% of eligible compensation. Participants may also make roll-over contributions representing distributions from a previous employer s qualified plan or an Individual Retirement Account (IRA). The Company contributes 75% of the first 6% of eligible compensation that a participant contributes to the Plan on a pre-tax basis unless a participant is covered by a collective bargaining agreement in which case the terms of the collective bargaining agreement will apply. Upon enrollment in the Plan, a participant may direct employee and employer contributions in 1% increments into various investment options offered by the Plan. Allocation percentage and investments can be changed by the participant daily, subject to individual fund restrictions. The Plan has an automatic deferral feature in which employees that do not make an affirmative deferral election are deemed to have made a pre-tax deferral election of 3% of eligible compensation. The deferral percentage is increased by 1% annually up to a maximum of 6% of eligible compensation.

Participant Accounts Each participant s account is credited with the participant s contributions and any associated Company contributions. The participant s account is also credited with an allocation of Plan earnings or losses corresponding to the participant s investment elections and is charged certain administrative expenses. Allocations of Plan earnings and losses are based on participant account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant s vested account.

Investments Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers a common/collective trust, mutual funds, and Valmont Industries, Inc. common stock as investment options for participants. Investments in Valmont Industries, Inc. common stock are limited to 25% of a participant s account balance.

4

Table of Contents

Vesting Participants contributions and the related investment earnings are immediately vested. The Company s contributions and the related investment earnings are vested based on years of service:

Years of Service	**Vesting Percentage**
<2	%
2	25
3	50
4	75
>=5	100

Notes Receivable from Participants The loan provisions of the Plan allow participants to borrow a minimum of $1,000 and a maximum equal to the lesser of $50,000 or 50% of their vested account balance. Loans bear interest at a percentage equal to the prime rate at the beginning of the month in which the loan originates, plus 1%. Loans are secured by the participant s account balance and are scheduled for repayment by payroll deduction over a period of six months to four years. Loan transactions are treated as transfers between the investment funds and participants loan balances.

Benefit Payments On termination of service with the Company (including termination of service due to death, disability, or retirement), distributions may be made in lump-sum or installments. Distributions to non-retirees are made in one payment or are deferred until a later date.

Participants are also eligible to make hardship withdrawals from their deferred contributions in the event of certain financial hardships. Following a hardship withdrawal, participants are not allowed to contribute to the Plan for a period of six months.

Forfeited Accounts When certain terminations of participation in the Plan occur, the nonvested portion of the participant s account as defined by the Plan, represents a forfeiture. At December 31, 2013 and 2012, net assets available for benefits included forfeited nonvested accounts of $40,734 and $40,813, respectively. Forfeited accounts are used to reduce future employer contributions. During 2013 and 2012, employer contributions were reduced by $435,910 and $310,017, respectively, from forfeited nonvested accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Risks and Uncertainties The Plan invests in various investment instruments. Investment securities are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the valu