



McGinn Actuaries Ltd.

AGENDA ITEM NO. 5

March 22, 2012

Board of Trustees
Western Conference of Teamsters
Pension Plan

Re: PPA Actuarial Certification for 2012

Gentlemen:

A copy of the "annual certification by plan actuary" as required by the Pension Protection Act of 2006 (PPA) is attached. This certification, which has been transmitted to the Internal Revenue Service, states that the WCT Plan is in neither endangered nor critical status. Therefore, the Plan is in the "green zone" for 2012. The key determinations are outlined on page 2 of the certification, and the key assumptions used are summarized on page 3.

The Funding Measurements on page 2 of the certification demonstrate that no accumulated funding deficiency is projected within the seven-year testing period and indicate that the projected funded percentage as of January 1, 2012 is 90.3%.

Sincerely,

J. Thomas Bolen, E.A., M.A.A.A.
Chief Actuary

Attachment



McGinn Actuaries Ltd.

March 22, 2012

Internal Revenue Service
Employee Plans Compliance Unit
Group 7602 (TEGE:EP:EPCU)
Room 1700 - 17th Floor
230 S. Dearborn Street
Chicago, IL 60604

**Re: Western Conference of Teamsters Pension Plan,
EIN/PN 91-6145047/001 – 2012 Certification by
the Plan's Enrolled Actuary**

To Whom It May Concern:

The attached certification for the Plan Year beginning January 1, 2012, as required by IRC Sec. 432(b)(3)(A), is being provided on behalf of the above referenced Plan.

Please contact me if there are any questions regarding this certification.

Sincerely,

J. Thomas Bolen, E.A., M.A.A.A.
Chief Actuary

Attachment

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN – 91-6145047 / 001

**Actuarial Certification Under IRC Section 432(b)
for the Plan Year Beginning January 1, 2012**

1. Plan Identification

Western Conference of Teamsters Pension Plan
Employer Identification Number: 91-6145047
Plan Number 001

2. Plan Sponsor

Western Conference of Teamsters Pension Trust Fund Board of Trustees
2323 Eastlake Avenue East
Seattle, WA 98102-3305
Telephone Number: (206) 329-4900

3. Enrolled Actuary Identification

John Thomas Bolen
McGinn Actuaries Ltd.
2400 East Katella Ave., Suite 660
Anaheim, CA 92806-5961
Telephone Number: (714) 634-8337
Enrollment Number: 11-00382

4. Information on Plan Status

Based on actuarial determinations and projections in compliance with IRC Sec. 432(b)(3)(B), I hereby certify that the Plan is in neither endangered nor critical status for the plan year beginning January 1, 2012. Furthermore, the Plan is not currently subject to any funding improvement or rehabilitation period or plan as described in IRC Sec. 432(c), (d), (e), and (f). Supporting information for this certification is provided on page 2, and the actuarial assumptions are summarized on page 3.

/signed/

Enrolled Actuary

3/22/2012

Date

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN – 91-6145047 / 001

Actuarial Certification Under IRC Section 432(b)
for the Plan Year Beginning January 1, 2012

IRC Section 432(b) Funding Measurements

Projection of Funding Standard Account Credit Balance

<u>Plan Year Beginning January 1</u>	<u>Projected Credit Balance at End of Year</u>
2012	\$2,131,000,000
2013	\$2,121,000,000
2014	\$2,077,000,000
2015	\$1,928,000,000
2016	\$1,634,000,000
2017	\$1,208,000,000
2018	\$645,000,000

Implication: An accumulated funding deficiency is not projected to occur at the end of the 2012 plan year or at the end of any of the next six plan years. Thus, the Plan is not in a condition described by IRC Section 432(b)(1)(B) or (2)(B) or (2)(C).

Funded Percentage

The projected funded percentage as of January 1, 2012 is 90.3%.

Implication: The funded percentage is not less than 80% as of January 1, 2012. Thus, the Plan is not in a condition described by IRC Section 432(b)(1)(A) or (2)(A).

Solvency Test

The fair market value of the Plan's assets plus the expected employer contributions exceeds expected benefit payments plus expenses for the next five years.

Implication: The Plan is not in the condition described by IRC Section 432(b)(2)(D).

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN – 91-6145047 / 001

**Actuarial Certification Under IRC Section 432(b)
for the Plan Year Beginning January 1, 2012**

Summary of Assumptions and Methods

The IRC Section 432(b) determinations are based on:

- January 1, 2011 participant data and actuarial valuation results, as described in the Plan's Actuarial Report as of January 1, 2011, dated August 31, 2011.
- An actuarial value of assets as of January 1, 2012 projected: (a) for non-dedicated assets, assuming a market value rate of return during 2011 of 4.5% based on information provided by the Plan's investment advisor, and (b) for dedicated assets, assuming that the relationship between the dedicated assets and the related liabilities would remain approximately constant and, therefore, that these dedicated assets would not produce material gains or losses. Market value rates of return for 2012 and subsequent years were assumed to be 7.0% for non-dedicated assets and, for dedicated assets, the various assumed rates specified in the January 1, 2011 Actuarial Report.
- An assumption that employer contributions for 2012 and subsequent years will remain at the 2011 level, based on information provided by the Plan Administrator.
- Recognition that the Trustees have elected, effective January 1, 2009: (i) to spread recognition of the 2008 market value loss over a period of 10 years and (ii) to apply the special (extended) amortization rule to the eligible net investment loss for 2008 using the prospective method, both as provided for in the Preservation of Access to care for Medicare Beneficiaries and Pension Relief Act of 2010 and applicable guidance.
- Plan provisions identical to those in effect as of January 1, 2011.
- Other actuarial assumptions and methods that are the same as those specified in the January 1, 2011 Actuarial Report.