

This Form is required to be filed under Internal Revenue Code (IRC) Section 432(b)(3)
Complete all entries in accordance with the instructions

For calendar plan year 2024 or fiscal plan year beginning _____ and ending _____

Part I – Basic Plan Information

1a. Name of plan Western Conference of Teamsters Pension Plan	1b. Three-digit plan number (PN) 001
1c. Plan sponsor’s name Western Conference of Teamsters Pension Trust Fund Board of Trustees	1d. Employer identification number (EIN) 91-6145047
1e. Plan sponsor’s telephone number (206) 329-4900	1f. Plan sponsor’s address, city, state, ZIP code 2323 Eastlake Avenue East, Seattle, WA 98102-3305

Part II – Plan Actuary’s Information

2a. Plan actuary’s name Kenneth Grant Camp	2b. Plan actuary’s firm name Milliman, Inc.
2c. Plan actuary’s firm address, city, state, ZIP code 19200 Von Karman Ave, Suite 950, Irvine, CA 92612	
2d. Plan actuary’s enrollment number 23-07456	2e. Plan actuary’s telephone number (714) 634-8337

Part III – Plan Status

3. Check the appropriate box to indicate the plan’s IRC Section 432 status

<input checked="" type="checkbox"/> Neither endangered nor critical	<input type="checkbox"/> Not endangered due to special rule in IRC Section 432(b)(5)
<input type="checkbox"/> Endangered	<input type="checkbox"/> Critical due to election under IRC Section 432(b)(4)
<input type="checkbox"/> Seriously endangered	<input type="checkbox"/> Plans that are not currently in critical status, but are projected to be in critical status within the next five years under 432(b)(3)(D)(v)
<input type="checkbox"/> Critical	
<input type="checkbox"/> Critical and declining	

Part IV – Scheduled Progress in Funding Improvement Plan or Rehabilitation Plan

4. Check the appropriate box to indicate whether the plan is making the scheduled progress in meeting the requirements of an applicable funding improvement plan (FIP) or rehabilitation plan (RP)

	Yes	No	N/A
Funding Improvement Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rehabilitation Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Part V – Sign Here

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. As required by IRC Section 432(b)(3)(B)(iii), the projected industry activity is based on information provided by the plan sponsor. The projections are based on reasonable actuarial estimates, assumptions and methods that (other than projected industry activity) offer my best estimate of anticipated experience under the plan.

Actuary’s signature <div style="text-align: center; font-size: 1.2em;">[signed]</div>	Date <div style="text-align: center; font-size: 1.2em;">03/29/24</div>
--	---



19200 Von Karman Avenue
Suite 950
Irvine, CA 92612
USA

Tel +1 714 634 8337

milliman.com

March 29, 2024

Department of the Treasury
Internal Revenue Service
Employee Plans
CHI-7602 – 25th Floor
230 S. Dearborn Street
Chicago, IL 60604

Board of Trustees
Western Conference of Teamsters Pension Plan
2323 Eastlake Avenue East
Seattle, Washington 98102-3305

**Re: Pension Protection Act (PPA) Actuarial Certification –
Western Conference of Teamsters Pension Plan**

In accordance with IRC Section 432(b)(3)(A), I have prepared the attached actuarial certification for the plan year beginning January 1, 2024 for the Western Conference of Teamsters Pension Plan.

In my opinion, the assumptions used for the actuarial certification are individually reasonable based on the experience of the plan and on reasonable expectations of anticipated experience under the plan. The projections in this certification are dependent on the assumptions used. Differences between these projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. It is certain that actual experience will not conform exactly to the assumptions to be used in this analysis. Actual amounts will differ from projected amounts to the extent that actual experience is better or worse than expected.

I am a member of the American Academy of Actuaries (AAA) who meets the Qualification Standards of the AAA to render the actuarial opinion contained herein, I hereby certify that, to the best of my knowledge and belief, this certification is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

Sincerely,

[signed]

Grant Camp, FSA, EA, MAAA
Principal and Consulting Actuary

encl.

cc: Plan Administrator
Plan Counsel
Plan Auditor
Plan Investment Consultant

Western Conference of Teamsters Pension Plan

Actuarial Certification Under PPA for Plan Year Beginning January 1, 2024

Plan Identification

Plan Name: Western Conference of Teamsters Pension Plan
Plan Sponsor: Western Conference of Teamsters Pension Trust Fund Board of Trustees
Plan Year: Plan Year beginning January 1, 2024
EIN/PN: 91-6145047/001
Address: 2323 Eastlake Avenue East
Seattle, Washington 98102-3305
Telephone Number: (206) 329-4900

Enrolled Actuary Identification

Name: Kenneth Grant Camp
EA Number: 23-07456
Firm: Milliman, Inc.
Address: 19200 Von Karman Avenue
Suite 950
Irvine, California 92612-8553
Telephone Number: (714) 634-8337

Information on Plan Status

Based on the actuarial assumptions and methods, financial and participant data, and Plan provisions, as described in the actuarial report for the plan year ended December 31, 2023, except as noted below, I hereby certify that the Western Conference of Teamsters Pension Plan is not “endangered”, “seriously endangered”, “critical”, or “critical and declining” status for the plan year beginning January 1, 2024 as those terms are defined in Internal Revenue Code Section 432. Furthermore, I certify that the Plan is not projected to be in “critical” status in any of the succeeding five plan years. In addition, 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).

I hereby certify that to the best of my knowledge and belief, the actuarial assumptions used in preparing this certification are individually reasonable and represent my best estimate of future experience. Supporting information for this certification is provided on the following pages.

[signed]

Kenneth Grant Camp, FSA, EA, MAAA
Enrolled Actuary #23-07456

March 29, 2024
Date

Western Conference of Teamsters Pension Plan

Actuarial Certification Under PPA for Plan Year Beginning January 1, 2024

Summary of Assumptions/Methods

- The IRC Section 432(b) funding measurements are based on:
 - Participant data and plan provisions as stated in the January 1, 2023, Actuarial Valuation report, dated August 25, 2023 except as follows:
 - i. The benefit accrual rate for 2024 and 2025 is 1.60%.
 - ii. Effective July 1, 2024, the Child Survivor Benefit will be extended to include dependent children up to age 22. Units with a basic contribution rate between \$0.10 and \$0.99 qualify for a survivor benefit of \$1,000 per month. Units with a basic contribution of \$1.00 or more qualify for a survivor benefit of \$2,000 per month.
 - iii. Effective January 1, 2024, the mortality and interest rates used to determine the Employee and Spouse optional form factors were updated to use the mortality specified by the Internal Revenue Service pursuant to section 417(e) of the Code for the Calendar Year and 5%, respectively.
 - The estimated January 1, 2024, unaudited market value of assets of approximately \$55.4 billion as reported by the Plan's investment consultant.
 - The estimated 2023 investment return on the Plan's Discretionary and Non-Discretionary assets of 12.1% and 6.3% respectively, as reported by the Plan's investment consultant.
 - The summary of contributions received for the year ended December 31, 2023, provided by the Plan Administrator.
 - An actuarial value of assets as of January 1, 2024, projected:
 - i. for non-dedicated assets, assuming a market value rate of return during 2023 of 12.0% based on information provided by the Plan's investment consultant, and
 - ii. for dedicated assets, assuming that the internal rates of return would remain constant, therefore, that these dedicated assets would not produce material gains or losses.
 - Market value rates of return for 2024 and subsequent years were assumed to be 6.50% for non-dedicated assets and, for dedicated assets at December 31, 2023, the assumed rates specified in the January 1, 2023 Actuarial Report. No future asset gains or losses other than the gains or losses related to the asset smoothing method are reflected.
 - The active population is assumed to remain stable as used in the January 1, 2023 actuarial valuation for each plan year after December 31, 2023.
 - Based on input from the Plan Administrator, the projected annual contributions for 2023 and all subsequent years will be \$2.590 billion. Future annual contributions do not include ERISA 4235 funding only contributions and withdrawal liability payments.

Western Conference of Teamsters Pension Plan

Actuarial Certification Under PPA for Plan Year Beginning January 1, 2024

- The assumptions and methods used in this analysis are the same as those specified in the January 1, 2023 Actuarial Valuation except as follows:
 - i. Retirement Probabilities – The retirement probability assumptions were updated based on a study of 2013 – 2022 experience as follows:

Active Participant Retirement Probabilities

Age	PEER - Before Contributory Service Requirement	PEER - After Contributory Service Requirement	Non-PEER - Before Contributory Service Requirement	Non-PEER - After Contributory Service Requirement
<= 48	0.00	0.00	0.00	0.00
49	0.00	0.10	0.00	0.05
50	0.00	0.10	0.00	0.05
51	0.00	0.10	0.00	0.03
52	0.00	0.10	0.00	0.03
53	0.00	0.10	0.00	0.03
54	0.01	0.10	0.01	0.03
55	0.01	0.10	0.01	0.03
56	0.01	0.10	0.02	0.03
57	0.01	0.10	0.02	0.03
58	0.01	0.10	0.02	0.03
59	0.03	0.15	0.02	0.03
60	0.03	0.15	0.02	0.05
61	0.20	0.20	0.15	0.15
62	0.20	0.20	0.15	0.15
63	0.15	0.15	0.10	0.10
64	0.55	0.55	0.50	0.50
65	0.55	0.55	0.50	0.50
66	0.40	0.40	0.30	0.30
67	0.30	0.30	0.30	0.30
68	0.30	0.30	0.30	0.30
69	0.40	0.40	0.40	0.40
>= 70	1.00	1.00	1.00	1.00
Average Retirement Age	62.9	55.5	63.5	61.1

Western Conference of Teamsters Pension Plan

Actuarial Certification Under PPA for Plan Year Beginning January 1, 2024

Vested Terminated Participant Retirement Probabilities

Age	Less than 25 years of Contributory Service	25 or more years of Contributory Service*	PEER Eligible on Valuation Date
<= 48	0.00	0.00	0.00
49	0.00	0.10	0.50
50	0.00	0.10	0.50
51	0.00	0.10	0.40
52	0.00	0.10	0.35
53	0.00	0.10	0.35
54	0.04	0.10	0.35
55	0.04	0.05	0.25
56	0.03	0.05	0.20
57	0.03	0.05	0.20
58	0.03	0.05	0.20
59	0.04	0.05	0.20
60	0.04	0.05	0.15
61	0.10	0.20	0.22
62	0.10	0.15	0.22
63	0.08	0.10	0.15
64	0.35	0.35	0.45
65	0.35	0.35	0.50
66	0.20	0.20	0.25
67	0.10	0.10	0.25
68	0.10	0.10	0.25
69	0.15	0.20	0.25
>= 70	1.00	1.00	1.00
Average Retirement Age	63.2	55.4	50.5

*or otherwise locked-in

- ii. A dedicated bond portfolio was established effective January 1, 2024. The portfolio is designed to provide cash flows beginning in 2024 that match 30 years of benefit payments equal to those anticipated for all retirees and beneficiaries in pay status as of January 1, 2023, based on the Actuarial Valuation as of that same date. The assumed future net internal rate of return for this portfolio is 5.125%. For purposes of calculating the actuarial value of assets for plan years after 2024, this dedication will be treated the same as the prior dedication, as outlined in the January 1, 2023 actuarial valuation report.

Western Conference of Teamsters Pension Plan

Actuarial Certification Under PPA for Plan Year Beginning January 1, 2024

- iii. Post-retirement Mortality Rates – the projection scale was updated from Scale MP-2019 to Scale MP-2021.
- iv. The 2024 417(e) mortality table and 5.0% were used to determine the Employee and Spouse optional form factors.
- v. The family composition of covered employees was assumed to be similar to that tabulated in the 27th Actuarial Valuation published by the Railroad Retirement Board (Table S-15). Notably, this family composition published by the Railroad Retirement Board primarily focuses on minor children. To account for the characteristics of the Survivor Benefit, where children up to age 22 are considered eligible, the family composition was adjusted as follows:
 - For ages 35 and over, the percentage of employees with an eligible child was setback by 4 years. For example, rather than 31.3%, 60.0% of employees aged 50 are assumed to have an eligible child.
 - For ages 50-54, the average age of the eligible child was increased from 12 years old to 14 years old.
 - For ages 55-64, the average age of the eligible child was increased from 13 years old to 15 years old.

This assumption was used to estimate the probability that an employee will be survived by a beneficiary eligible for a survivor benefit and to establish the probable duration of the benefit. The probable duration of the benefit is then converted to a period certain factor.

At each age, a present value factor is established that is the product of the probability that an employee at that age is survived by an eligible beneficiary and the period certain factor.

- The actuarial certification is based on: 1) the proposed Multiemployer Plan Funding Guidance provided by the IRS on March 18, 2008, 2) the December 2007 Practice Note issued by the Multiemployer Plans Subcommittee of the Pension Committee of the American Academy of Actuaries, 3) the “Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010” (PRA 2010), and 4) IRS Notice 2010-83, 5) the “Multiemployer Pension Reform Act of 2014” (MPRA), and 6) action taken by the Board of Trustees prior to the mailing of this certification.
- Section 6 of the January 1, 2023 actuarial valuation includes a risk assessment, disclosure, and key plan maturity metrics applicable to these calculations.
- The valuation results were developed using models intended for valuations that use standard actuarial techniques.

Western Conference of Teamsters Pension Plan
Actuarial Certification Under PPA for Plan Year Beginning January 1, 2024

IRC Section 432(b) Funding Measurements

Projection of Credit Balance (millions)

<u>Plan Year Beginning</u>	<u>Contribution</u>	<u>Credit Balance at End of Year</u>
1/1/2023	\$2,590	\$ 6,401
1/1/2024	2,590	6,371
1/1/2025	2,590	6,343
1/1/2026	2,590	6,779
1/1/2027	2,590	7,106
1/1/2028	2,590	7,510
1/1/2029	2,590	7,934
1/1/2030	2,590	8,381
1/1/2031	2,590	8,848
1/1/2032	2,590	9,340
1/1/2033	2,590	9,858

An accumulated funding deficiency is not projected to occur at the end of the 2024 plan year nor at the end of the next-following nine plan years.

Funded Percentage

The funded percentage as of January 1, 2024 is projected to be 95.2%.

Solvency Tests

The Plan is projected to pass the “solvency tests” to determine whether the Plan is critical as required under IRC Section 432(b)(2) for the current Plan Year and the next following five Plan Years (refer to attached appendix).

Conclusion

The Plan is not in “endangered”, “seriously endangered”, “critical”, or “critical and declining” status for the Plan Year beginning January 1, 2024 as those terms are defined in Internal Revenue Code Section 432. Furthermore, the Plan is not projected to be in “critical” status in any of the succeeding five plan years.

Western Conference of Teamsters Pension Plan

Actuarial Certification Under PPA for Plan Year Beginning January 1, 2024

Summary of Zone Status Definitions under PPA as Amended by MPRA

Critical (“Red Zone”) Status - IRC Section 432(b)(2) and 432(b)(4)

Any one of four “solvency” tests under IRC Section 432(b)(2):

- Test 1 Less than 65% funded and market value of assets plus contributions for current year plus next following 6 plan years is less than present value of projected benefit payments and administrative costs over that 7-year period or
- Test 2 Projected funding deficiency in current year or next following 3 plan years (4 plan years if 65% funded or less)¹ or
- Test 3 Present value of vested benefits (actives) is less than present value of benefits (inactives), and present value of projected contributions is less than the unit credit normal cost plus interest on the unfunded present value of accrued benefits and projected funding deficiency in current or next 4 plan years¹ or
- Test 4 Market assets plus projected contributions over current year plus next 4 plan years is less than the present value of benefit payments plus administrative costs over same 5 year period.

Within 30 days after the date of this certification, a plan that is not in critical status but is projected to be in critical status in any of the succeeding 5 plan years *may* elect under IRC Section 432(b)(4) to be in critical status effective for the current plan year.

Critical and Declining (“Deep Red Zone”) Status – IRC Section 432(b)(6)

In critical status and either:

- Projected insolvency in current year or any of the 14 following plan years or
- Projected insolvency in current year or any of the 19 following plan years if:
 - Ratio of ratio of inactive participants to active participants exceeds 2 to 1 or
 - Less than 80% funded

Endangered (“Yellow Zone”) Status – IRC Section 432(b)(1)

Not in critical status and either:

- Less than 80% funded or
- Projected funding deficiency in current plan year or next following 6 plan years²

Seriously Endangered (“Orange Zone”) Status - IRC Section 432(b)(1)

Not in critical status and both:

- Less than 80% funded and
- Projected funding deficiency in current plan year or next following 6 plan years²

¹ Not taking into account an extension of amortization periods under IRC Section 431(d), if any

² Taking into account an extension of amortization periods under IRC Section 431(d), if any