



# Laborers COMBINED FUNDS OF WESTERN PENNSYLVANIA

*Serving the Laborers' District Council of Western Pennsylvania  
Pension Fund, Welfare Fund and other affiliated Funds*

FORBES-PRIDE BUILDING • 1425 FORBES AVENUE • PITTSBURGH, PENNSYLVANIA 15219-5140

PHONE: 1-412-263-0900

TO: Collective Bargaining Representatives and Participating Employers

FROM: The Board of Trustees of the Laborers' District Council of Western Pennsylvania Pension Fund

DATE: April 11, 2014

RE: Annual Funding Notice and Notice of Critical Status

2014 APR 24 PM 4: 00  
FOSSA/PUBLIC OFFICE

The Federal Pension Protection Act of 2006 ("PPA") sets forth funding requirements for pension plans like the one maintained by the Laborers' District Council of Western Pennsylvania Pension Fund. The PPA requires the Pension Fund to send out annual statements such as the enclosed Notices regarding the Fund's funding status under PPA funding standards.

In March each year, pursuant to PPA requirements, the Pensions Fund's actuary issues a Certification to the Federal government and to the Fund's Board of Trustees evaluating the Fund's long-term ability to meet its funding requirements under the PPA. As is evident in the enclosed Notices, as of the end of March, 2014, the Fund's actuary certified that the Fund is in critical status for the 2014 Plan Year. Critical status is defined very specifically under the PPA and can be triggered by the results of any one of a number of different calculations which project the assets, liabilities and funding status over the next 10 years.

**Notice of Critical Status  
for the  
Laborers' District Council of Western Pennsylvania Pension Plan  
EIN: 25-6135576  
PN: 001**

This is to inform you that in accordance with applicable Federal law, on March 24, 2014 the Pension Fund Benefit Plan actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan is in critical status for the plan year beginning January 1, 2014. Federal law also requires that you receive this notice.

**Critical Status**

A plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Pension Plan's actuary determined that the Plan is projected to have an accumulated funding deficiency for the 2012-2016 plan years.

**Rehabilitation Plan**

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The Plan was in critical status for the 2013 plan year and a rehabilitation plan was adopted on April 20, 2012. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. You are entitled to notice of any such changes in adjustable benefits. On December 7, 2010, you were notified that the Plan adopted a rehabilitation plan which reduced or eliminated certain adjustable benefits, and increased employer contribution rates. Any reduction of adjustable benefits does not reduce the level of a participant's basic benefit payable at normal retirement. You should know that whether or not the Plan reduces any adjustable benefits in the future, effective as of April 30, 2012, the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount under a single life annuity) while it is in critical status.

**Adjustable Benefits**

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the