

PENSION WEST

A newsletter for participants in the Western Conference of Teamsters Pension Plan
Your Employer-Union Jointly Administered Pension Plan

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Go to: www.wctpension.org

See how easy it is to have 24-hour access to Plan information!



EARNING YOUR TRUST

Never has your Pension Plan protected you more than in these challenging economic times both at home and on the job. While the U.S. economy has faced major slowdowns in recent years, the Western Conference of Teamsters Pension Plan helps you build secure benefits for your future with every covered hour you work...day after day and year after year. ★ Over the past three years, your Plan has made significant improvements. They include higher and extended pension bonuses, increased minimum disability benefits and child survivor benefit maximums. New safeguards were locked in for long-service participants under the Program for Enhanced Early Retirement (PEER). Certain hours forfeited under pre-1976 break-in-service rules were restored for eligible long-term participants. ★ In 2002, a few less-expensive changes were made that also benefit new and current participants and retirees in meaningful ways. ★ This issue of *Pension West* shows how some of the recent improvements make your Plan even better. Take a moment to learn all you can about your pension benefits...and how they continue to earn your trust both now and in the future.

42 Years...and Still Going



Forklift driver Robert Anderson just loves to work. He works hard. He volunteers for overtime. His co-workers like him. And a few more things: Robert hasn't missed a day of work in 42 years...and he's never been late!

What's his secret? He says: "I don't drink. I'm faithful to my wife of 36 years. And I've never been sick. It's a blessing from the Lord."

That means doing the same job for 23 years with Kent H. Landsberg Co. at the company's warehouse in Montebello, California and before that for 19 years at Wilson Paper, acquired by Landsberg. "He's a role model and we all look

Robert Anderson (Local 578—Orange, California) is "still going" at age 62. He hasn't missed a single day of work in 42 years!

up to him," says his supervisor Bob Gonzales, who's known Robert for 22 years. "Some say we should paint his forklift pink. Like the Eveready® Bunny, he's still going...and going!"

"Retirement is not part of his vocabulary," says his wife Earlean. "He just loves to work. And the way he's going, he may need to. He wants to live forever!"

Unlike the 40% of Americans over 50 who expect they'll have to work during retirement out of necessity, Robert works because he wants to. Frugal planners, he and his wife already (Continued on page two)

Survivors: Then and Now

Julia Corbett was just 40 in 1998 when she died suddenly from a blood clot to her heart. Her husband John and their family and friends were devastated by her death. Julia Corbett (Local 582, Spokane) worked in Customer Service at the nearby Consolidated Freightways terminal for 13 years.

When tragedy strikes, your Plan can provide monthly income security to your surviving spouse and minor children—plus substantial lump sum benefits to the beneficiary of your choice.

Since Julia was vested and had Recent Coverage when she died, John received 66 2/3% of the Employee and Spouse Pension that Julia would have earned if she had stayed in covered work and retired at age 55. (Without Recent Coverage, John would have received less—just 50% of that same monthly pension. In this case, payments would begin 15 years later—effective after Julia's 55th birthday.)

John had no idea that his wife's pension would provide him with monthly survivor benefits immediately. "Many folks from Local 582 told me about the death and survivor benefits and helped me get them started."

In general, you have recent coverage if you worked at least 1,500 covered hours during the 60-month period ending with the month of your death (or retirement). If you have recent coverage when you complete 25 years of contributory service, it's yours for good. That's how to "lock in" your recent coverage protection.

Active participants don't even have to be vested for their children under 18 to qualify for these valuable benefits—as long as they have Recent Coverage at death and meet other Plan rules.

The Corbett children qualified for child survivor benefits calculated from their mother's date of death to age 18. There was an initial lump sum payment. Then they received \$384 per month based on the per-family ceiling in place when Julia died.

In January 2000, John had a big surprise. "All of a sudden, my children's benefit nearly tripled. I called the local union figuring the \$1,000 deposit was a mistake," he said.

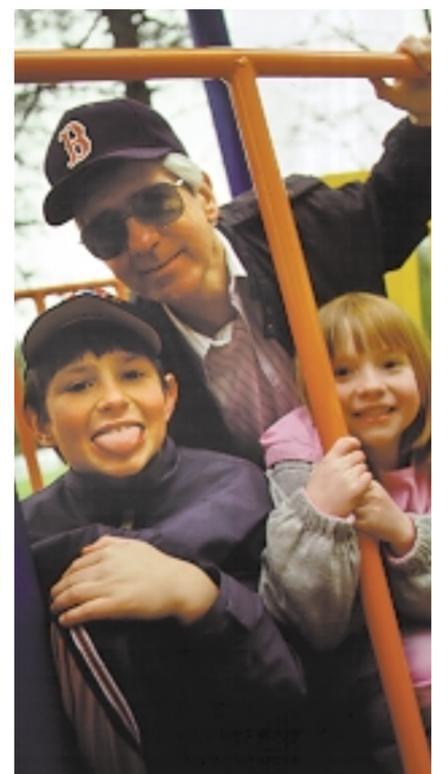
What John didn't know is that your Plan had raised the ceiling so qualified child survivors could build up higher benefits. (That change also increased benefits for eligible children whose

Teamster parents died before 2000.)

John has invested all the children's Plan benefits for their education. "We do pretty well on my salary. I save my surviving spouse benefits for emergencies. By investing their child survivor benefits for college, Julia will still be there for them...helping them build a secure future." ●

TIP

Whether you're married or single, tell your beneficiaries about your Plan's death and survivor benefits. The web site helps you access the *Plan Summary* (see page 3). You can go to the *What's New?* page to find the tables that show the improved child survivor benefits. You can also print *Change of Address* and *Beneficiary Designation* forms from the web site's *Contact* page and send them to the Plan.



Surviving spouse John Corbett enjoys time at the park with son Patrick (10) and daughter Colleen (6). Their Mother Julia died four years ago at age 40 following an injury. Julia Corbett (Local 582, Spokane) worked in Customer Service at the nearby Consolidated Freightways terminal for 13 years.

42 Years...and Still Going

(Continued from page one)

paid for their home and another rented house. They own three apartment buildings that they also manage. And they've put two daughters through higher degrees at top universities.

Robert may call it quits at 65 but it's too soon to tell. He can work as long as he wants.

Your Teamster pension plan is "still going" for Robert, too. If he decides to work longer, it rewards extra service. There are no maximums for benefits earned under the contribution account benefit formula. (However, government regulations may limit amounts some participants can receive.)

Your Plan is flexible. As Robert reaches age 65, he can continue to earn

pension benefits even if he keeps working. His total benefits are multiplied by a late retirement factor that gives him an even higher amount for each month he waits to retire. That's in addition to amounts he earns for covered employment each year. At age 70, the post-65 percentage hits 48%. (To meet federal requirements, he must start drawing benefits by age 70—working or not.)

But thanks to recent changes in Plan rules, Robert can receive benefits after age 65 even if he's working! He can receive both his pay and his pension. So for him, the Plan can provide extra financial security for whatever use he wants to make of it. The box to the right explains the new rules. ●

HERE'S NEWS YOU CAN USE

Important changes in Plan rules on how your work can affect your retirement status.

Recent Plan changes are good news for older participants. Once you reach age 65, if you're already retired, you can work as much as you want in any kind of job and still receive your pension (starting with the month after your 65th birthday).

Beginning in 2003, once you reach age 65, if you're not retired, all you have to do to start your benefits is file the necessary forms with your Area Administrative Office. You no longer need to stop working to collect your benefits. But under some collective bargaining agreements, your seniority rights may be lost if you apply for and receive pension benefits. Check with your local union if you are age 65 or older and want to continue at your same job after you start your pension.

The rules on how much you can work

after retirement and collect your monthly pension still apply to retirees under age 65. But there are some new changes for retirees age 60 and older. Up to now, you lost your right to receive your early retirement benefit for any month when you worked 50 or more hours in suspendible employment. Beginning in 2003, if you are age 60 and older, you will not lose benefits unless you work 85 or more suspendible hours in a month. This rule applies through the month you turn age 65. After that, there is no limit on how much you can work. The current 50-hour rule still applies to retirees under age 60—through the month they turn age 60.

Remember to get written verification from the Plan in advance to learn whether your work will be suspendible and how many hours you can work without losing your monthly benefit.



Like many women, Carolyn Duffy entered the workforce late—after

Right Place Right Time

Newlyweds Carolyn and Fred Burkhardt (Local 599, Tacoma) met while hiking near Gig Harbor, Washington. For years, they worked at opposite ends of Tacoma's SuperValu warehouse.

raising a family as a full-time homemaker. Suddenly single at age 40, she started a Teamster warehouse job at Tacoma's West Coast Grocery, now SuperValu.

"Back then, my number one goal was security. I wanted to earn good pay and build a secure pension that would be payable for life."

"With just a few months of college and no work experience, I lucked into a 20-year Teamster career for good pay. I liked the warehouse work and the people. I was in the right place at the right time," she reflects.

Carolyn thought she'd have to work 25 years to retire at 65. "I wanted to go out as soon as I had enough money to be comfortable—without having to work part-time or sell my house. When I got the nitty-gritty from my pension representative, I learned my pension was higher than I thought! Thanks to the bonus years (see Pension Basics article at left) and increases in my employer contributions, I retired at age 62—three years sooner than I planned."

Carolyn stopped work the day after her 62nd birthday—as soon as she was eligible for unreduced benefits under PEER 84. She decided to collect Social Security early for a reduced amount. "At age 62, that cost me 20%. But I was ready to start a new life...even though I didn't know what path I'd take...or that I'd marry Fred."

When the couple was introduced after Fred's divorce five years ago, he'd

been a Teamster electrician at the same SuperValu warehouse for many years. They met at a hiking club. Now married, they say they've been "hiking ever since."

Unlike Carolyn, Fred hit a few bumps along the retirement trail. "I had nearly as many Teamster years as she did...but I forfeited some credit when I took a non-union job after military service. I could have counted some early Teamster years if I had gone back to covered work sooner," he says. "I learned about that too late."

People don't always know they can lose valuable Plan benefits if they have an interruption of service. This can also happen if you don't maintain Recent Coverage, or if you leave covered employment before you qualify under a PEER program. Your Area Administrative Office can help you know if time away will affect your benefits.

"I need to work a few more years until age 60 under PEER 80," Fred adds. "I don't want to walk away from any more benefits."

"For us, security comes first," Carolyn says. "We're starting a new life and hope to have many years together. There's a lot to consider with 'blended' pensions, Social Security and savings," Fred concludes. "We're taking the time to make my retirement decisions based on our future goals. Right now, it looks like I'll work longer to build a bigger pension. A few more years of covered work will make a huge difference in our security down the road!" ●

Pension Basics:

Pension Bonus

Since 1992, your Plan uses special pension bonuses to increase the monthly benefit you earn—even if your employer's basic contributions stay the same. The pension bonuses were going to expire at the end of 2002. However, based on your Plan's strong financial performance in 1997 and 1998, the pension bonuses were extended through 2005. The bonus percentage that applies to covered work from 2000 through 2002 was also increased.

Here's how the bonus percentages work:

- Your Plan's basic contribution account benefit percentage was increased by 35% for the calendar years 2000 through 2002.
- Your Plan's basic contribution account benefit percentage was increased by 10% for the calendar years 2003 through 2005.

In the chart below, the benefit percentages are higher for bonus years 2000 through 2005. For example, look up the Year 2000. If you had less than 20 years of service at the beginning of that year, your benefit percentage for covered hours in that year is 2.7% (rather than 2.0%). If you had 20 or more years of service, your benefit percentage is 3.58% (rather than 2.65%).

Since bonus percentages change, your Personal Benefit Statement won't show the extra pension amounts you earn during bonus years. Your Plan's web site (see page 3) has examples on the What's New? page that show how the pension bonuses add to your monthly benefits. ●

CONTRIBUTION ACCOUNT BENEFIT PERCENTAGES			
Calendar Year	If the calendar year begins BEFORE you earn 20 years of service, then the benefit percentage for the calendar year is:	If the calendar year begins AFTER you earn 20 years of service, then the benefit percentage for the calendar year is:	
1987 through 1991	2.00%	2.65%	
1992 through 1996-15% Bonus	2.30%	3.05%	
1997 through 1999-23% Bonus	2.46%	3.26%	
2000 through 2002-35% Bonus	2.70%	3.58%	
2003 through 2005-10% Bonus	2.20%	2.92%	
2006 and Beyond	2.00%	2.65%	

Special Vesting Rule Encourages New Groups

Effective January 1, 2002, a new vesting rule ensures that older participants in new groups can receive Plan benefits even if they retire soon. New groups revitalize the Plan and broaden the age and experience of the participant base. The special vesting rule adds to the already generous past service rules that let participants in new groups earn "two for one" benefit credit in certain situations.

The new rule lets those who are age 52 or older count up to four years of past employment to meet the Plan's five-year vesting requirements. Depending on your age when your group comes into the Plan, you need to complete one or more years of vesting service to be vested. Those closer to retirement age can be vested faster and still earn greater pension benefits by working longer. The change especially appeals to public sector groups with more workers near retirement age.

For example, let's say you've been with your employer at least four years and are age 55 when your group is first covered. If you work just one more year under the Plan, you'll have met the Plan's five-year vesting schedule and can retire whenever you want. Of course, the longer you work under the Plan, the larger your benefit when you retire. (Remember, under the "two for one" rule, unless you stay in the Plan for five years, you may not receive benefit credit for all your past service years—up to 10.)

Similarly, if you've been with your employer at least three years and are age 54 when your group joins the Plan, you'll vest once you've worked an additional two years under the Plan.

This change benefits participants all the way down to age 52. Younger workers will have plenty of time to get their five vesting years after they've joined the Plan. ●

Welcome to Your Pension Web Site

Your Plan Trustees recently launched a web site to give you 24-hour access to pension topics of interest. Go to www.wctpension.org to find exactly what you need to know about your pension and print out details and forms quickly and conveniently. Here's how to take advantage of the site's main features.

Go to the web site at www.wctpension.org. Remember to bookmark the location so it's easy to find in the future.

You can always click on this Plan logo to go back to the Welcome page.

The Participant page gives the most information for active and "vested" participants.

The Plan Summary is the most comprehensive look-up source about your Plan benefits. Go there via the Plan Benefits tab or the Participant home page.

Click the red bars in the margin to go straight to your topics of interest. The red bars turn blue to show which section you clicked.



Charts and examples pop up right where you need them.

A click on the "Contact" link gives you Plan addresses and phone numbers – and directions to the Area Administrative Offices.

Your Plan's privacy policies explain that the web site does not track visitors or collect personal data. Nor does it place text files (called cookies) on a user's hard drive to monitor traffic. Visitors can't gather information about a person's benefit records from the web site.

It's easy to print out forms you need online! To name a Plan beneficiary or change a prior designation, print out a form from the contact page and mail it back to your Area Administrative Office.

The site index gives you a quick overview of web site topics. Click any topic to go there directly.

Area Administrative Offices:
Write or Call Toll-Free

Moved Lately? Send Address Changes to ONE of these Locations. Always Provide Your Social Security Number.

Northwest/Rocky Mountain Area

Area Administrative Office:
(206) 329-4900
or (800) 531-1489
2323 Eastlake Avenue East
Seattle, WA 98102-3393

Northern California Area

Area Administrative Office:
(650) 570-7300
or (800) 845-4162
355 Gellert Blvd., Suite 100
Daly City, CA 94015-2666

Southwest Area

Area Administrative Office:
(626) 284-4792
or (800) 845-0571
1000 South Fremont Ave.,
Suite 9101 W
Alhambra, CA 91803-8839

PENSION WEST
A Special Publication for Participants in the Western Conference of Teamsters Pension Plan—Founded 1955

Pension West is sent to about 320,000 participants who work for more than 4,800 employers in 13 Western states.

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YOU GET IT IN WRITING

How Much Are Your Pension Benefits... Exactly?

Your Personal Benefit Statement shows how much your pension grows each year based on your covered hours.

What's the most important thing about your Pension Plan? That it promises a sure thing. And you get it in writing year after year.

Take out your *Personal Benefit Statement*. It was mailed to you in June if you worked at least 250 covered hours last year. This example shows where to find the annual pension dollars you've earned so far.

\$4,327.68 Let's say "Bob Jackson" worked 2,060 covered hours in 2001 at his employer's basic contribution rate of \$2.10. (Your own rate is probably different.) Here Bob can see exactly how much his employer paid into the Plan last year on his behalf. It's based on his hours of covered work shown in his statement's top section. The more covered hours Bob works, the more his employer contributes. He can count on it!

\$1,859.17 This number shows how much bigger Bob's annual pension got in just one year.

YOUR PLAN BENEFITS

	ACTUAL	PROJECTED
Annual Benefit Earned During 2001	\$4,327.68	\$1,859.17
Total Accrued Annual Benefit	\$21,206.82	\$1,335.60
Projected Annual Benefit At Age 65		\$40,114.38

Each year, he can see exactly how much his pension grows just by looking at this number. Check out the number in this same box on your own statement.

\$21,206.82 This number shows you the money. Here Bob can see how much he has already earned in annual pension benefits based on his total covered hours of work through 2001. If he stopped working last December 31 and draws benefits at age 65, he would get exactly this

much each year.

Bob is 52 years old and joined the Plan at age 21. His annual pension will be greater if he stays in covered employment 13 more years until age 65. As the projections on his statement show, if he keeps working 2,000 covered hours each year at his employer's current rate, his age 65 pension would almost double.

CHECK IT OUT
Most people just look at the bottom

line when they get their statements. It's good to pay attention to the other numbers explained here. Check your own statement for your *total accrued annual benefits*. This amount shows exactly how much pension you've earned to date. It does not fluctuate with the economy. It can't go down in value. You can count on it.

Remember, your pension grows based on all your covered employment. The more hours and years of covered work you have, the bigger your pension will be. ●

ask us.

Do you have questions or ideas for an article? Send them to Pension West, P.O. Box 1020, Palm Desert, CA 92261. If your questions involve your personal benefits, send them directly to your Area Administrative Office. Plan representatives respond to all letters that include a signature, Social Security number and address.

Q: The Enron, WorldCom and other disasters make me wonder: Can I lose my Teamster pension?

A: The Teamster pension benefits you earn can't go down in value or be taken away. They don't fluctuate with the economy. Nor do they depend on ONE employer. Your Plan is a multiemployer defined benefit pension plan qualified under federal tax law. More than 4,800 employers contribute to the Pension Trust on behalf of their covered workers. Your benefits are based on a set formula that determines your future benefit.

The number one priority of your

Plan's Board of Trustees is the security of benefits for Plan participants, retirees and beneficiaries. The funding policies require that adequate financial assets be built up to provide lifetime benefits to all current and retired participants and their eligible survivors. Since 1988, vested benefits have been 100% fully funded as attested by two of the nation's finest actuarial firms.

Q: The Pension West newsletter states "pension benefits are not affected by Social Security." But if my wife and I choose the benefit adjustment option, my pension drops about \$300 per month after my Social Security checks begin. Which is correct?

A: The benefit adjustment option helps you get a more level income stream by receiving more pension dollars up front—before you start collecting Social Security benefits. To be fair, it drops down at whatever age you choose as Social Security kicks in. No matter which option you choose, amounts you receive from Social Security do not affect the pension benefits you earn through the Plan. For details, check your 1998 Summary Plan Booklet. Or go to www.wctpension.org and click the Participant page under the Plan Summary topic "Receiving Plan Benefits."

Q: I'm deciding about direct deposit for my pension checks. How safe is it?

A: Direct deposit is the fastest and safest way to get your benefits to your bank, savings and loan or credit union. The Plan automatically sends an electronic message depositing the exact amount of your benefit into your bank account. Since a check is not printed or mailed, it cannot be lost or stolen. Your benefits are deposited on the first business day of the month regardless of the weather or your schedule. If you have questions, contact your Area Administrative Office. ●