



Laborers Funds Administrative Office of Northern California, Inc.
220 Campus Lane, Fairfield, CA 94534-1498 • Telephone: (707) 864-2800

September 25, 2012

Certified Mail – Return Receipt
7010 0290 0001 7190 4135

PBGC
Attn: Multiemployer Data Coordinator
1200 K Street NW., Suite 930
Washington, DC 2005-4026

RE: Laborers Pension Trust Fund for Northern California
EIN 94 6277608

To Whom It May Concern:

Enclosed are the following:

- Annual Funding Notice (2011)
- Notice of Funded Status of the Pension Plan (2012)

These Notices were mailed to all interested parties on September 24, 2012.

Sincerely,

Debbie Bounds

Encl

cc: Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210
(W/Enclosures)

Certified Mail – Return Receipt 7010 0290 0001 7190 4142
Notice of Funded Status only (EIN 94 6277608)

LABORERS FUNDS ADMINISTRATIVE OFFICE
2012 OCT 22 PM 4:34





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**NOTICE OF FUNDED STATUS OF THE PENSION PLAN
FOR THE JUNE 1, 2012 THROUGH MAY 31, 2013 PLAN YEAR**

DATE: September 24, 2012

TO: Participants, Beneficiaries, Contributing Employers, Employer Associations, Local Unions, and the Northern California District Council of Laborers

FROM: Board of Trustees
Laborers Pension Trust Fund for Northern California

SUBJECT: Notice of Endangered Status for the 2012 Plan Year

The Pension Protection Act of 2006 added requirements for measuring the financial health of multiemployer defined benefit plans, such as the Laborers Pension Trust Fund for Northern California.

Since the 2008 plan year, pension plan actuaries have been required to annually determine each plan's status under the Pension Protection Act rules and to certify that status to the Internal Revenue Service and the plan's sponsor (board of trustees). If the actuary determines that a plan is in "endangered" status (often referred to as the "yellow zone") or in "critical" status (often referred to as the "red zone"), the plan sponsor must notify all plan participants, contributing employers, the union and other stakeholders. In addition, the plan sponsor must take corrective actions to restore the financial health of the plan.

ENDANGERED STATUS

This is to inform you that on August 29, 2012, the Plan actuary certified to the U.S. Department of the Treasury and to the Board of Trustees that the Laborers Pension Trust Fund for Northern California (the "Plan") is in "endangered" status for the plan year beginning **June 1, 2012**. This is based on the Plan's funded percentage being less than 80% for the **2012 plan year**.

FUNDING IMPROVEMENT PLAN

Under the Pension Protection Act, endangered status plans must adopt a funding improvement plan. A funding improvement plan is an action plan designed to restore a plan to financial health, improve the balance of assets and liabilities and avoid any accumulated funding deficiency. It contains one or more schedules, each consisting of employer contribution increases and/or reductions in benefits based on future hours worked. Renewed or new collective bargaining agreements must contain the provisions consistent with one of the schedules or the provisions of a designated default schedule will automatically be imposed on that employer's employees. Each year, the funding improvement plan and its schedules are reviewed by the plan sponsor and updated as needed.

The Laborers Pension Trust Fund for Northern California (the "Plan") has been in endangered status since 2008. The Board of Trustees adopted a funding improvement plan on April 24, 2009, has reviewed the Plan's progress annually and has updated the schedules as needed with the most recent update adopted on June 11, 2012 (2012 plan year). Updated schedules were provided to the bargaining parties on June 26, 2012.

In the event that benefits must be modified, the changes will only affect benefits that are based on future hours worked or possibly disability benefits for future disabilities. You will be notified in advance of any benefit changes.

QUESTIONS?

We understand that legally required notices like this one can create anxiety and concern about the Pension Fund's future. The Board of Trustees remains confident that the Fund will continue to provide our participants and their families with secure retirement benefits.

In the event you have questions or would like additional information, you may contact the Board of Trustees or Edward Smith, the Fund Manager, at:

Laborers Pension Trust Fund for Northern California
220 Campus Lane
Fairfield, California 94534-1498
Telephone: 1-707-864-2800 or Toll Free 1-800-244-4530

Upon request, you may obtain a copy of the funding improvement plan.

The Notice of Funded Status is also being sent to:

- Pension Benefit Guaranty Corporation (PBGC)
- Department of Labor