



The Central Pension Fund of the International Union of Operating Engineers and Participating Employers

Presentation to Local 94

May 23, 2022

Your Pension, Your Future

Can you still find a lifetime source of income?

YES!

The Central Pension Fund can provide you with a guaranteed, monthly income for life, which makes financial security in retirement much more achievable.



Central Pension Fund Facts

- ❖ The Central Pension Fund is the 2nd largest multiemployer defined benefit pension plan in the United States;
- ❖ The Fund is administered by a Board of Trustees (Employee Trustees appointed by the General President, and Employer Trustees appointed by Participating Employers);
- ❖ Net assets available for benefits as of January 31, 2022 was appx. \$24.7 Billion;
- ❖ Fully funded for vested benefit obligations and 102.6% funded under ERISA's multiemployer funding rules.

Local 94 Highlights

- ❖ **Local 94 Pensioners as of January 31, 2022: 3,464**
- ❖ **Total Monthly Benefits Paid as of January 31, 2022: \$6,474,219.96**
- ❖ **Average Monthly Benefit Paid: \$1,869.00**
- ❖ **Total Monthly Benefits Paid for the fiscal year ending January 31, 2022: \$74,154,567.23**



How Your Service Counts Under the Plan

- ❖ Your employment counts two ways under the Plan: toward Vesting Service and toward Credited Service (for pension calculation purposes)

- ❖ **Vesting:** refers to your entitlement to pension benefits. Once you are “Vested,” you have a guaranteed right to receive a pension, even if you stop working for a Contributing Employer.

- ❖ **Credited Service:** used to determine your eligibility and to calculate the amount of your monthly pension benefit.
 - **Minimum Hours Needed for Credit in a Calendar Year: 400.** If the hours reported for you in a year are less than 400, you do not earn any Credited Service for that year.
 - **Maximum Hours of Credit in a Calendar Year: 1,000.** However, the contributions and hours reported for you will be included in your record and used in calculating your benefit at retirement.

Participant Eligibility and Benefits

- ❖ **Normal Retirement Age: 65 with 5 years of Vesting Service.**
 - This is the lowest vesting service requirement we can offer without negative impact to our funding status.
 - A pension is a lifetime retirement income stream that is attained by giving the industry 5 years of service

- ❖ **Special Retirement Age: 62 with 25 years of Credited Service**
 - Benefit amount unreduced.

- ❖ **Early Retirement Age: 55 (or later) with 10 years of Vesting Service**
 - Benefit reduced by $\frac{1}{4}\%$ per month or 3% per year

- ❖ **Disability Benefits: Any age with 15 years of Vesting Service.**
 - If disability onset after August 1, 2005, benefit amount is Early Retirement benefit.

Benefits Payable Upon Death

If you should die before you commence benefits:

- ❖ **Eligible for Normal or Special Retirement but *not* Retired:**
 - Spouse: Eligible for a Qualified Joint and Survivor Annuity
- ❖ **Eligible for Early Retirement but *not* Retired:**
 - The Qualified Spouse (married for *at least* 1 year) would have a right to a pre-retirement death benefit, equal to 50% of the participant's accrued benefit for their life.
 - No Qualified Spouse: Your Beneficiary would have a right to the Return of Contributions benefit
- ❖ **Vested but *not* Eligible for Retirement:**
 - Qualified Spouse would have a right to the Qualified Preretirement Survivor Annuity or Return of Contributions Benefit
 - No Qualified Spouse: Your Beneficiary would have a right to the Return of Contributions Benefit

Benefits Payable Upon Death

- ❖ **If you should die after you commence benefits:**
 - **Single Life Annuity:** Any portion of your benefit earned *prior* to August 1, 2005 is subject to a 60-payment guarantee feature. Any benefits earned after August 1, 2005 would be paid only for your lifetime.

 - **Joint and Survivor Annuity:** Surviving spouse benefits may be selected at 50%, 66 2/3%, 75%, or 100% of the participant's benefit.
 - **Example (based on a Participant and Spouse at age 65):** Participant's accrued benefit is \$2,000.00 per month and payment is 50% J&S: Participant would receive \$1,802.00 for life and Surviving Spouse would receive \$901.00 for life after Participant is deceased.
 - The discount from the Single Life Annuity is 9.9% for 50% J&S
 - The discount from the Single Life Annuity is 12.7% for 66 2/3% J&S
 - The discount from the Single Life Annuity is 14.1% for 75% J&S
 - The discount from the Single Life Annuity is 17.9% for 100% J&S

Pop-Up Feature

- ❖ This benefit provides that if you retire on or after January 1, 1990, and your spouse should die after you have begun receiving a Qualified Joint and Survivor Annuity (QJSA), your monthly benefit will be increased to the amount you would have been entitled to receive under the Single Life Annuity.
- ❖ This Pop-up feature applies only in the event your spouse at retirement dies. It does not apply in any other circumstance.

Planning For Your Retirement

Applying for Benefits with CPF

- ❖ Start application process about 90-120 days before planned retirement date. Also, members can request an estimate of benefits at anytime.
- ❖ Application forms can be obtained through our CPF website, your Local Union Office or by contacting our office. Forms online are fillable PDF files.
- ❖ Documentation needed to support application can be found at Section 11 of “Guide to Your Benefits”(CPF’s Summary Plan Description).
- ❖ CPF does not accept rollover distributions from other qualified plans in which you may have also been a participant, but does have Money Follows the Man reciprocity with certain other IUOE Pension Funds.

Return to Work Rules

- ❖ **Before age 70 ½: After you have completely ceased working for at least one month and actually retired, you can return to work in a job classification which you previously worked while earning your retirement benefit and continue to receive your monthly benefit, provided you do not work more than 40 hours in a calendar month. You do not have a right to a monthly benefit for the month(s) in which you work more than 40 hours in disqualifying employment.**
- ❖ **After age 70 ½ - No restrictions on post retirement employment once you reach age 70 ½ (Plan Amended in February 2022)**

How We Keep You Informed

- ❖ **Semi Annual Participant Statements.**
 - These statements provide vested participants an estimate of their retirement benefit, and provide all participants with current service amounts and details on contributions and hours received from your employer(s).
 - The Central Pension Fund mails the statements twice each year to all active participants, as well as inactive participants with a Vested Interest.
 - The Statements are prepared for the six-month periods of January 1 through June 30, and July 1 through December 31.
- ❖ **Estimates and Plan Documents:**
 - Can be requested in writing anytime.

Keeping Your Information Up-To-Date

- ❖ Address Changes
 - **If you've changed your address, please be sure to contact us to update your address so you can continue to get any communication from us.**

- ❖ Beneficiary Designations
 - **Having an up-to-date beneficiary designation on file ensures your benefit goes to the person you want it to, with no delays. Visit our website for the form or contact the Fund Office.**



Questions?



Please don't ever hesitate to call, fax or write to us if you have a question about your benefit. We want to hear from you!

Phone: (202) 362-1000

Fax: (202) 364-2913