



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

Presentation to Local 94

May 7, 2024

Your Pension, Your Future

Can you still find a lifetime source of income?

YES!

The Central Pension Fund provides a secure, monthly income for life, which makes financial security in retirement much more achievable.



The “Benefit” of a Defined Benefit Pension Plan

- ◆ Secure, predictable, lifetime income: CPF retirees receive a fixed monthly lifetime annuity benefit, providing financial security and protection against longevity risk.
- ◆ Portability: While some CPF Participants work for the same employer over their entire working lives, it’s not uncommon for an operating engineer to work with multiple participating employers over the course of their working lives. So long as those other employers participate in CPF, your accrued benefit continues to grow.
- ◆ Investment Risk is on the Plan not the Participant: Participants do not have individual accounts subject to investment gains and losses; the Fund bears the investment risk and is responsible for ensuring the Fund’s long-term solvency.
- ◆ PBGC Insurance: The federal Pension Benefit Guaranty Corporation (“PBGC”) insures defined benefit pension plans, such as the Central Pension Fund.

Central Pension Fund Facts

- ❖ Established in 1960 with a \$10,000 loan from the IUOE, the Central Pension Fund is now one of the largest and most well funded multiemployer pension funds in the United States.
- ❖ The Fund is administered in Washington, D.C., and is governed by a joint Board of Trustees (Employee Trustees appointed by the General President, and Employer Trustees appointed by Participating Employers);
- ❖ Fund asset value as of February 1, 2023 was appx. \$24.3 billion;

Central Pension Fund Facts

- ❖ The Central Pension Fund is one of the largest and well funded multiemployer defined benefit pension plans in the United States

Valuation Date	2023	2022	2021	2020	2019
Funded Percentage	107.7%	107.3%	102.6%	97.8%	97.5%

- ❖ The Fund is in the “Green Zone” under ERISA’s multiemployer funding rules;
- ❖ For the second consecutive year, Employer Contributions exceeded \$1 billion dollars.

Local 94 Highlights

- ❖ Local 94 Member retirements in 2021, 2022, and 2023, were 200, 253, and 193, respectively;
- ❖ Average monthly retirement benefit of all Local 94 retirees: \$2,419.68 (Plan-Wide Avg. \$1,433.75);
- ❖ Average monthly retirement benefit of Local 94 members who retired in 2023: \$3,817.42.



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: Disability Date (as determined by SSA) prior to age 55 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 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

NOTE: a larger age differential would result in a higher discount percentage.

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

- ❖ Whenever possible, start application process at least 90-120 days before planned retirement date. Also, members can request an estimate of benefits at anytime;
- ❖ Application forms can be obtained on the CPF website (www.cpfuoe.org), your Local Union Office, or by contacting our office. Forms online are fillable PDF files;
- ❖ See Section 1 of Application for documentation requirements (Proof of Age, Proof of Marriage/Divorce, Work History);
- ❖ To be eligible to retire, Participants who are under age 70 ½, must have a bona fide separation from employment and may not engage in any disqualifying employment in the month in which the Participant retires.



BENEFIT APPLICATION CHECKLIST

Congratulations on getting ready to retire. This checklist will help to ensure that your application is completed in its entirety BEFORE mailing it to the Central Pension Fund so it may be reviewed and processed in a timely manner. As noted in the Instructions to the Application for Benefits, to ensure timely payment of your retirement benefits, we recommend that you submit a **completed** Application, **which must include all required proof documents and be signed 90 to 120** days before your desired retirement date.

You can use this to check off each required item as you complete it. Please check our website, the application instructions, or call us at (800) 789-5721 or (202) 362-1000 and select option 5 if you have any questions.

	Single Life Annuity	Joint & Survivor or Contingent Annuitant	Disability
Completed application form	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Proof of Birth ¹	<input type="checkbox"/>	You <input type="checkbox"/> ² Spouse <input type="checkbox"/>	<input type="checkbox"/>
Proof of marriage (if married) ³	<input type="checkbox"/> N/A <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/>
Divorce decree, settlement agreement, QDRO (if divorced)	<input type="checkbox"/> or N/A <input type="checkbox"/>	<input type="checkbox"/> or N/A <input type="checkbox"/>	<input type="checkbox"/>
Spouse's State certified death certificate (if widowed)	<input type="checkbox"/> or N/A	<input type="checkbox"/> or N/A	<input type="checkbox"/>
Affidavit of Participant in Support of Application for Disability Benefits ⁴	N/A	N/A	<input type="checkbox"/>
SSA Disability Award Letter	N/A	N/A	<input type="checkbox"/>
CPF Statement for Permanent and Total Disability Benefits	N/A	N/A	<input type="checkbox"/>
SSA Form 3368-BK (SSA Disability Report)	<input type="checkbox"/> N/A	<input type="checkbox"/> N/A	<input type="checkbox"/>
Completed work history from 65 to retirement (include any periods you did not work too)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Provided spouse or beneficiary information (including SSN)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Signed and dated form	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

¹ If a clear photocopy of the birth certificate is not available provide NOTARIZED copies of other proofs. Check the list on page 1 of the application instructions for other acceptable proofs.

² Or Contingent Annuitant. For Participants who elect to receive a Contingent Annuitant Benefit, a Contingent Annuitant is a person other than a Qualified Spouse who would be entitled to receive a survivor benefit after your death.

³ Either a clear photocopy of your marriage certificate or a NOTARIZED copy of a Church Record showing your marriage date is acceptable. For Common-law marriages check the list of acceptable proofs on page 1 of the application instructions.

⁴ Only required if you are unable to provide your SSA BK-3368 (SSA Disability Report).



APPLICATION FOR BENEFITS
 (PLEASE PRINT OR TYPE)

To the Board of Trustees:

I hereby request the Board of Trustees authorize the commencement of benefits in accordance with the terms and provisions of the Central Pension Fund of the International Union of Operating Engineers and Participating Employers.

1. Personal Information

I am applying for:

Retirement Benefits Normal Disability Benefits Special Disability

Name of Applicant: _____ arly		Social Security No.:
Address:		Phone No.:
City:	State:	Zip:
Marital Status: <input type="checkbox"/> Single <input type="checkbox"/> Married	Date of Marriage: _____	
<input type="checkbox"/> Widowed (Submit a Death Certificate)	<input type="checkbox"/> Divorced (Copy of Divorce Decree and Property Settlement/domestic relations order, if any)	

Participants applying for benefits must submit either clear photocopies or state certified birth certificates. Married participants must also submit a clear photocopy or state certified marriage certificate. These copies will not be returned to you. A list of acceptable proofs is on page 1 of the instructions. Widowed Participants are required to submit a state certified death certificate for their deceased spouse.

2. Employment and Work History

Beginning with your current employer, if any, please list your employment for the last five (5) years (regardless of whether your employer participates in the Central Pension Fund). If more space is needed, please list additional employers on a separate sheet. If you have not been employed during the last five (5) years, please indicate that and include the start and stop date of any period you did not work. In addition, if you are over the age of 65, you must provide employment information for all jobs held after the age of 65 even if they occurred more than five (5) years ago.

Employer	Period of Employment From	Period of Employment To	Job Title/Position

If over the age of 70½, are you planning on continuing to work for your Contributing Employer without separating from employment? Please leave blank if you will be under the age of 70½ when you retire.

Yes No

(If yes, you do not need to provide your last day worked below).

Please print your name and the last 4 digits of your Social Security Number. _____

All Participants must complete the following retirement date information. Incomplete applications will be returned and delay the start of your benefit.

My last day worked was/will be: _____ I am a member of Local(s): _____

My retirement date is: _____ My Register Number(s) is: _____ (optional)

Please circle the Locals whose jurisdiction you worked and indicate the total number of years during your membership in the IUOE. Please note that only Locals who have independent pension funds and Locals who do not participate in the Central Pension Fund are listed.

3	15	37	68	137	324	487	571	701 (87)
4	18	39	77	138	370	513	612	800 (326)
12	25	57	101	150 (537)	428	520	653	825
14	30	66	132	302	478	542	675	GPP
NY Hotel Trade Council			City of Chattanooga			Canadian Locals: 115, 793, 870, 955		

3. Spouse or Contingent Annuitant Information I certify that I have a Spouse I certify that I have no Spouse

Married participants must provide the following information for their spouse. If a Contingent Annuitant (CA) type of payment (Type 3, page 4) is desired, please provide the following information for your Contingent Annuitant here.

The following data applies to my: Spouse Contingent Annuitant If the contingent annuitant is selected and you have a spouse, your spouse must sign a Spouse's Agreement form. If this applies, the fund will send you the form.

Name: _____		Social Security No.: _____
Address: _____		Relationship: _____
City: _____	State: _____	Zip: _____
Date of Birth: _____		

Participants must submit either a clear photocopy or state certified birth certificate for the above-named individual. If you are married, we will also need a clear photocopy or state certified marriage certificate. Copies will not be returned to you. A list of acceptable alternate proofs is on page 1.

4. Designation of Beneficiary

I hereby designate as my Beneficiary in the event of my death:

Multiple Beneficiaries No Yes (If yes, please read below)

Name of Beneficiary: _____		Social Security No. (Required): _____
Address: _____		Relationship: _____
City: _____	State: _____	Zip: _____

NOTE: If a Joint & Survivor benefit or Contingent Annuitant benefit is elected, the designated beneficiary becomes secondary to the Qualified Spouse or the Contingent Annuitant, whichever applies. If a Single Life Annuity is elected, the Designated Beneficiary will be the beneficiary of any benefit due.

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). In addition, effective March 2022, Participants who are over age 70 ½ may commence receiving their retirement benefits without having to separate from service (i.e., in-service distributions are permitted for Participants who are 70 ½ and older).**

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