



IUOE Local 94 Presentation

May 2026

The Foundation of Retirement Security

RETIREMENT SECURITY



The “Three-legged” stool of retirement savings: (1) Social Security; (2) Defined Benefit Pension Plan; (3) Personal Savings/Defined Contribution Plan;

Between 1975 and 2019, the number of Defined Benefit Plan participants fell from 27 million to 13 million and most of those participants are in the public sector (e.g. state and local govt. retirement plans).

Retirement in America Key Data

\$955

The median amount of retirement savings across the U.S. workforce.

Source: National Institute on Retirement Security | Retirement in America

52%

of retirement income for older Americans is derived from Social Security.

Source: National Institute on Retirement Security | Retirement in America

17%

of U.S. workers had a defined benefit pension plan as of December 2022.

Source: National Institute on Retirement Security | Retirement in America

24%

of seniors have housing debt.

Source: National Institute on Retirement Security | Retirement in America

Retirement in America Key Data

Defined Benefit Plan Participation Rates

| | DB plan participation |
|----------|-----------------------|
| All | 17% |
| White | 19% |
| Black | 15% |
| Asian | 15% |
| Hispanic | 12% |

This includes both public sector and private sector workers. This data represents workers ages 21-64 in December 2022.



**National Institute on
Retirement Security**

LONGEVITY RISK

Life expectancy is a critical concern when planning for retirement:

- 65 year-old men have a 50% chance of living beyond age 85 and a 25% chance of living beyond age 92;
- 65 year-old women have a 50% chance of living beyond age 88 and a 25% chance of living beyond age 94;
- 65 year-old couples have a 50% chance that one spouse will live beyond age 92 and a 25% chance that one will live beyond age 97.

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.



Central Pension Fund Facts

- ❖ Established in 1960, the Central Pension Fund is now one of the largest and most well funded multiemployer defined benefit pension plans in the United States;
- ❖ The Central Pension Fund is administered by a joint Board of Trustees (Employee Trustees appointed by the IUOE, and Employer Trustees appointed by Participating Employers);
- ❖ The Central Pension Fund has over 93,000 active Participants and 87,000 retired Participants and Beneficiaries who receive monthly lifetime annuity benefits;
- ❖ Over 6,000 Employers located throughout the United States participate in the Central Pension Fund.

Central Pension Fund Facts (Cont.)

- ❖ Net Asset Value of the Central Pension Fund is over **\$30 billion** (current market value);
- ❖ Fund Assets are broadly diversified (e.g., equities, bonds, real estate, infrastructure, etc.) and all assets are managed by outside Investment Managers;
- ❖ Annual Employer Contributions exceed \$1 billion;
- ❖ Annual Benefit payments exceed \$1 billion;
- ❖ The Central Pension Fund is in the “Green Zone” under ERISA’s pension funding rules; for the Plan Year beginning 2/1/2025, CPF’s Funded Percentage is 111.9% (up from 109.6% for PY beginning 2/1/2024).

Local 94 Participation Stats

- ❖ Top 5 Contributing Local in 2025 (\$68,248,962.44);
- ❖ Local 94 Member Retirements in 2023, 2024, and 2025 were 219, 218, and 214, respectively.
- ❖ Overall Avg. Benefit of all Local 94 retirees: \$2,592.56;
- ❖ Avg. Retirement Benefit of Local 94 members who retired in 2025: \$3,159.14
- ❖ Avg. 2025 Early Retirement Benefit: \$1,631.78;
- ❖ Avg. 2025 Normal Retirement Benefit: \$2,662.81;
- ❖ Avg. 2025 Special Early Retirement Benefit: \$3,523.87;
- ❖ Avg. 2025 Special Normal Retirement Benefit: \$4,607.02.

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 Member**: 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.

Vesting Service and Credited Service

Remember the Difference!

- **Vesting Service** determines *whether* a Participant is entitled to a benefit at all. Once a Participant becomes Vested, his or her benefit cannot be lost, i.e., the Participant has obtained a Vested Interest in a pension.

*Thus, Vesting Service answers: “Have I worked long enough to earn a pension benefit from the Central Pension Fund?”

- **Credited Service*** determines (1) the dollar amount of a Participant’s pension benefit, and if applicable, (2) the Participant’s eligibility for a Special Retirement Benefit.

* Thus, Credited Service answers: “How much will my pension be?”

Benefit Accrual Rate

- Current accrual factor is 1.75% of total employer contributions
- Benefit formula allows for easy calculation
- Example: Participant reported for 2,080 hours of service at the rate of \$7.50 per hour
 - 10 Years: Benefit would be \$2,730 per month for life (2,080 x \$7.50 x 10 = \$156,000 total contributions; \$156,000 x .0175 = \$2,730.00)
 - 15 Years: \$4,095 per month for life
 - 20 years: \$5,460 per month for life
- April 2025 “Snapshot” retro accrual increase for hours worked from 2/1/23 through 1/1/25. For that period, accrual rate is 2.00%.
- May 2026 “Snapshot” retro accrual increase for hours worked from 2/1/25 through 1/31/26.

Summary of Basic Benefit Rights & Features

- **Normal Retirement Benefit:** Age 65 with 5 years of **Vesting Service**
- **Special Retirement Benefit:** Age 62 with 25 years of **Credited Service**; Unreduced benefit at earlier retirement date
- **Early Retirement Benefit:** 55 years or later with 10 years of **Vesting Service**; benefit reduced ¼ % per month or 3% per year

- Benefit at Normal Retirement Age (65): **\$1,000**

| Age | Reduction | Benefit |
|-----|-----------|----------|
| 62 | \$90.00 | \$910.00 |
| 60 | \$150.00 | \$850.00 |
| 58 | \$210.00 | \$790.00 |
| 55 | \$300.00 | \$700.00 |

- **Total & Permanent Disability Benefit:** payable at any age prior to age 55 with 15 years of Total **Vesting Service**, and the monthly benefit amount is same as the Early Retirement benefit payable at age 55

Benefits Payable Upon Death

Three types of Death Benefits are potentially payable upon death:

- **Qualified Pre-retirement Survivor Annuity**, equal to 50% of the participant's accrued normal retirement benefit is immediately payable for life to the qualified surviving spouse (married for at least one year) of a vested participant;
- **Return of Contributions Death Benefit**: payable to beneficiaries of non-vested participants, or vested participant not survived by qualified spouse. Note: If not vested, participant must have had contributions paid on their behalf within 24 months of the date of death;
- **Qualified Joint and Survivor Annuity** (50%; 66 2/3%; 75%; 100%)/Contingent Annuity Benefit (same percentages and available to non-married Participants).
- **QJSA Pop-up Benefit**: if you retire on or after January 1, 1990, and your spouse dies after you have begun receiving a Qualified Joint and Survivor Annuity, your monthly benefit will be increased to the amount you would have been entitled to receive under the Single Life Annuity.

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.

Important Reminders

- ***Filing Important Documents with the Fund:*** All benefit-related documents (e.g. pension and death applications, beneficiary designations, direct deposit forms, etc.) must be filed via U.S. Mail;
- ***Beneficiary Designations:*** For married participants, spouse is automatically designated as beneficiary. For divorces after 1/2024, designation is automatically revoked (different rule applies to retired participants who elected to receive their benefit in a joint and survivor annuity). If a participant fails to designate a beneficiary, default rule applies (e.g., spouse if living, children if living, parents if living, siblings if living, or if none of the foregoing, participant's estate).
- ***Semi-annual Pension Statements/Missing Hours:*** twice a year, CPF issues a pension statement, which provides an estimate of your Normal Retirement Benefit at age 65. The semi-annual statement also includes a summary of hours worked during the period covered by the statement. If you are missing hours, please send a letter listing the specific hours that are missing and include any relevant back-up (e.g. pay stubs) to the Central Pension Fund, 4115 Chesapeake Street, N.W., Washington, D.C., 20016; Attention: Missing Hours.

Application Process

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.cpfiuoe.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.

Application Process Checklist

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, 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 1 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 | You <input type="checkbox"/> Spouse <input type="checkbox"/> | You <input type="checkbox"/> Spouse ² <input type="checkbox"/> | You <input type="checkbox"/> Spouse <input type="checkbox"/> |
| Proof of marriage (if married) ³ | <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"/> or N/A <input type="checkbox"/> |
| Spouse's State certified death certificate (if widowed) | <input type="checkbox"/> or N/A <input type="checkbox"/> | <input type="checkbox"/> or N/A <input type="checkbox"/> | <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) | N/A | 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"/> | N/A |
| 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 Process



CENTRAL PENSION FUND OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS & PARTICIPATING EMPLOYERS
4115 Chesapeake Street, NW, Washington, DC 20016 Tel: (202) 362-1000

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

Special

Early

Disability Benefits

Disability

| | | | |
|--|--------|---|----------------------|
| Name of Applicant: | | | Social Security No.: |
| Address: | | | Phone No.: |
| City: | State: | Zip: | Date of Birth: |
| 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 birth certificate for their spouse, in addition to 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).

Application Process

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.

Application Process

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

If you wish to designate more than one beneficiary (e.g., two children who will share equally), please add the additional names (including address, date of birth, and SSN) on an attached sheet. Anyone wishing to designate an institution or entity (i.e., trust or estate) as a beneficiary must supply the Fund office with documentation that adequately identifies such entity, an authorized representative of that entity (e.g., trustee or executor), and a separate tax identification number (e.g., EIN) for the institution or entity.

5. Signatures

All Applicants must read and sign. Unsigned and incomplete applications will be returned and delay the start of your benefit.

I hereby certify that the foregoing statements are accurate and complete, to the best of my knowledge and belief. I understand that a false statement may disqualify me from benefits and that the Trustees have a right to recover payments made to me because of a false statement, and that an intentionally false statement may be in violation of federal law. I also understand that the Trustees may require additional information before acting on this application. I understand that I must notify the Fund office if I return to work.

Signature: _____ Date: _____

You will be hearing from the Administrative Office within 60 to 90 days following receipt of this application. If we determine that you are eligible, at that time we will provide you with the monthly amounts payable under the applicable forms of monthly benefits listed on page 3 of the application instructions. Failure to submit all required documents and information may result in a delay in the processing of your application.

Mail to: Central Pension Fund
4115 Chesapeake Street NW
Washington, DC 20016

Sample Benefit Election Letter

Married Participant

NORMAL FORM

50% Qualified Joint and Survivor Annuity

| | | |
|------------------|----------|-----------------------------|
| Participant | 3,868.56 | per month |
| Surviving Spouse | 1,934.28 | (after Participant's Death) |

OPTIONAL JOINT AND SURVIVOR ANNUITY FORMS

66 2/3% Joint and Survivor Annuity

| | | |
|------------------|----------|-----------------------------|
| Participant | 3,723.98 | per month |
| Surviving Spouse | 2,482.78 | (after Participant's Death) |

75% Joint and Survivor Annuity

| | | |
|------------------|----------|-----------------------------|
| Participant | 3,653.88 | per month |
| Surviving Spouse | 2,740.41 | (after Participant's Death) |

100% Joint and Survivor Annuity

| | | |
|------------------|----------|-----------------------------|
| Participant | 3,461.11 | per month |
| Surviving Spouse | 3,461.11 | (after Participant's Death) |

SINGLE LIFE ANNUITY*

| | | |
|-------------|----------|--|
| Participant | 4,381.15 | per month |
| Beneficiary | | Remainder of sixty (60) payments, if any** |

Post-Retirement Return to Work Rules

- ❖ **IMPORTANT:** To be eligible for a retirement benefit, you **MUST RETIRE!**
- ❖ **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).

Questions

Joseph J. Shelton, Chief Executive Officer

Central Pension Fund of the

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