



*Enriching the lives of everyone we touch*



# Electrical Industry Trust Funds Benefit Fair

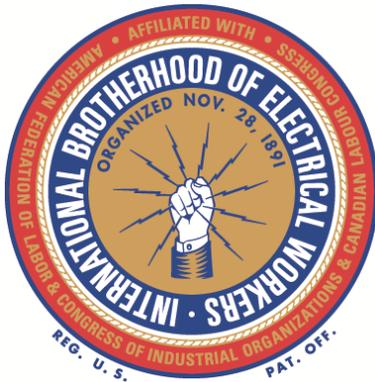
April 24, 2021

The information in this presentation is for guidance only and is not to be relied upon. Only the Trustees of the NEBF may change or interpret the rules of the Plan.



*Enriching the lives of everyone we touch*

# Plan Sponsors



**2020**

**624,894**

Participants in the NEBF

**Normal Retirement**

**28,434**

**18.3%**

**Early Retirement**

**75,025**

**48.3%**

**2020**

**155,408**

**Participants Receiving  
Benefits**

**Disability Benefit**

**23,044**

**14.8%**

**Spouse / Beneficiary**

**28,905**

**18.6%**

**2020**

NEBF is the **3<sup>rd</sup>** largest Taft-Hartley Pension Plan

**2020**

Total Employer  
Contributions were  
**\$~685.1 million**

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Total Benefit  
Payments were  
**\$~1.15 billion**

# Investment Program Objectives

Preserve and grow Fund assets

Protect against inflation  
through diversification

Invest in real estate construction  
projects employing covered  
contractors and IBEW members





As of December 31

**\$8.99 billion**



**Net Assets Available  
for Benefits**

**2020**

As of December 31

**\$~16.6 billion**

# Pension Protection Act (PPA)



**2020 “Green Zone”**

**84.2% funded  
to all accrued benefits**





# It All Starts with the Benefit Separation Calculation?

# Participant's Work History



## Rules

### 1. Good Years

- 2000 - 2021 calendar years 22
- 2005 & 2010 (less than 300 hrs) (2)

Total Good Years 20

### 2. Hours in Good Years ÷ 1,000

- 29,000 hrs ÷ 1,000 hrs = 29

### 3. Benefit Service Credits may not exceed number of Good Years.

- Entitled to 20 Benefit Service Credits

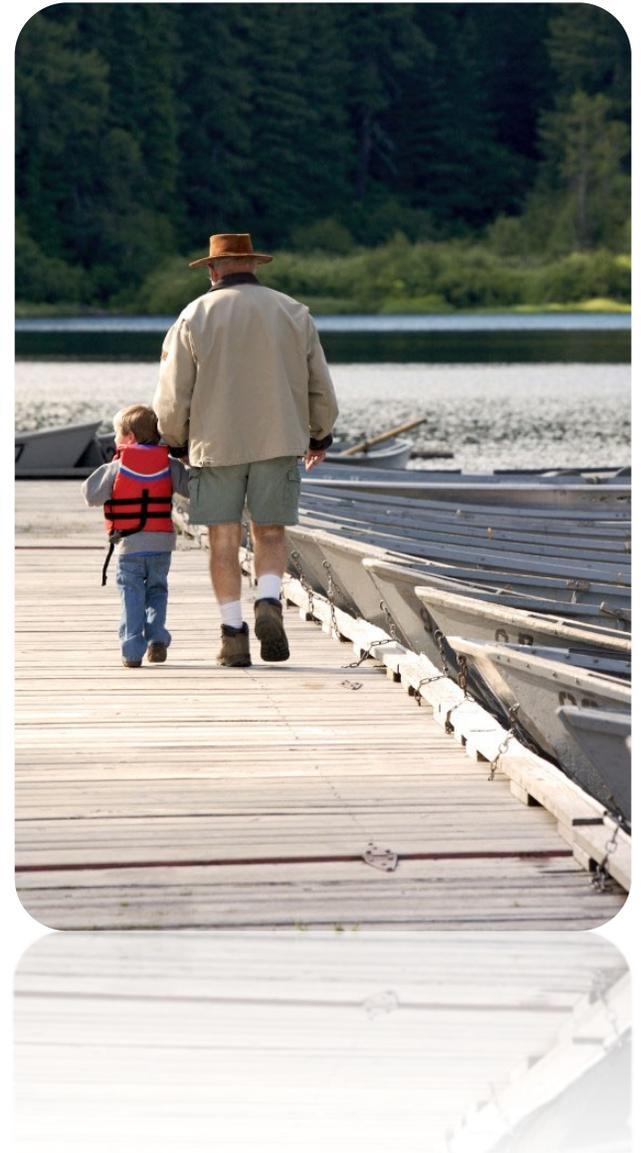
Work History			
<u>Period</u>	<u>Cal/Yrs</u>	<u>Hrs/Yr</u>	<u>Total Hrs</u>
2000-2004	5	1,500	7,500
<del>2005</del>	<del>1</del>	<del>200</del>	<del>200</del>
2006-2007	2	1,500	3,000
2008	1	300	300
2009	1	1,700	1,700
<del>2010</del>	<del>1</del>	<del>250</del>	<del>250</del>
2011-2021	11	1,500	16,500
Totals	<u>20</u>		<u>29,000</u>

# Normal Retirement Benefit

## Eligibility Requirements

28,434

- You are vested, and you are age 65 or older, and you are retired from the electrical industry.
- You are age 65 or older, and you are retired from the electrical industry.
- You are retired from the electrical industry.



## Normal Retirement Benefit:

Let's say you have earned 30 Benefit Service Credits and you do not have a break in service

<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Base "Lifetime" Benefit</u>
30	x	\$32.00	=	\$960.00

Keep in mind ... that this amount may be reduced if you elect one of the Joint and Survivor Annuity Options.

# Early Retirement Benefit

## Eligibility Requirements

75,025

Participants receiving an

- ~~Early Retirement Benefit~~  
You are vested,  
as of December 31, 2020
- You are between the ages of 60 and 64, *and*
- You are retired from the electrical industry.



# Early Retirement Benefit

## 3 Types of Early Retirement



- Reduced Benefit at 62, 63, or 64
- Unreduced Benefit at 62, 63, or 64
- Reduced Benefit at 60 or 61

# **“Reduced”** Early Retirement Benefit at age 62, 63, or 64:



Let's say you have earned 27 Benefit Service Credits and you do not have a break in service

<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Base “Lifetime” Benefit</u>
27	x	\$32.00	=	\$864.00

## Base “Lifetime” Benefit

**\$864.00**



Depending on your age, your monthly benefit would be reduced:

<u>At Age</u>	<u>% Reduced</u>		<u>“Lifetime” Early Retirement Benefit</u>
64	6.67%	=	\$806.37
63	13.33%	=	\$748.83
62	20.00%	=	\$691.20

# Early Retirement Benefit

**Unreduced Benefit at  
62, 63, or 64**

## Eligibility Requirements

- You meet the eligibility requirements for an Early Retirement Benefit – and
- You have worked 300 or more hours in covered employment in one or more of the 7 calendar years before your Pension Effective Date.



# **“Unreduced”** Early Retirement Benefit at age 62, 63, or 64:



You have earned 27 Benefit Service Credits  
and you do not have a break in service

<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Base “Lifetime” Benefit</u>
27	x	\$32.00	=	\$864.00

# Early Retirement Benefit

## Reduced Benefit at 60 or 61

### Eligibility Requirements

- You must meet all of the requirements for an Unreduced Early Retirement Benefit.



# **“Reduced”** Early Retirement Benefit at age 60 or 61:



**Base “Lifetime” Benefit = \$864.00**

<u>At Age</u>	<u>% Reduced</u>	<u>Base “Lifetime” Benefit</u>
61	9.25%	= \$784.08
60	18.50%	= \$704.16

# Disability Benefit

## Eligibility Requirements

23,044

- You are vested when you become totally disabled.  
Participants receiving a Disability Benefit as of December 31, 2020
- You are younger than age 65
- You are totally disabled, and
- You worked for a covered employer sometime within 5 years of becoming totally disabled.



# Disability Benefit:

You have earned 18 Benefit Service Credits  
and you do not have a break in service



<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Base "Lifetime" Benefit</u>
18	x	\$32.00	=	\$576.00

However ...

## Minimum Disability Benefit:

Minimum Disability Benefit is based on 20 years of service credits.



<u># of Benefit Service Credits</u>		<u>The Current Pension Rate</u>		<u>Minimum Disability Base "Lifetime" Benefit</u>
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20	x	\$32.00	=	\$640.00
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\$640.00	-vs-	<del>\$578.00</del>
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# Pre-Retirement Spouse Benefit

## Eligibility Requirements

- You are vested,
- You worked at least one hour in covered employment on or after September 1, 1984, and
- You are married to your spouse for one year prior to your death.





## **Additional Plan Features**

### **Joint and Survivor Annuity Benefits**

- Provides you with a reduced monthly benefit for your lifetime.
- At your death, provides your spouse with a lifetime monthly benefit for their lifetime.

# 50% Joint and Survivor Annuity Benefit

## Calculation

- Reduction is . . . .
  - $9\frac{3}{4}$  percent, plus or (minus)
  - $\frac{1}{2}$  percent for every year – or part of a year – the spouse is younger (older) than the participant



# 50% Joint and Survivor Annuity Benefit

## Example

- 42 service credits = \$1,344.00

Participant DOB – 1st quarter 1959

Spouse DOB – 3rd quarter 1969

- 11-year age difference = 15.25% reduction
- Participant benefit:  
    \$1,139.04 per month  
Spouse benefit (50%)  
    \$569.52 per month



# 75% Joint and Survivor Annuity Benefit

## Same “Relative Value”

- 42 service credits = \$1,344.00

Participant DOB – 1st quarter 1959

Spouse DOB – 3rd quarter 1969

- 11-year age difference
- Participant benefit:  
\$1,064.85 per month (vs. \$1,139)
- Spouse benefit (75%)  
\$798.63 per month (vs. \$569)

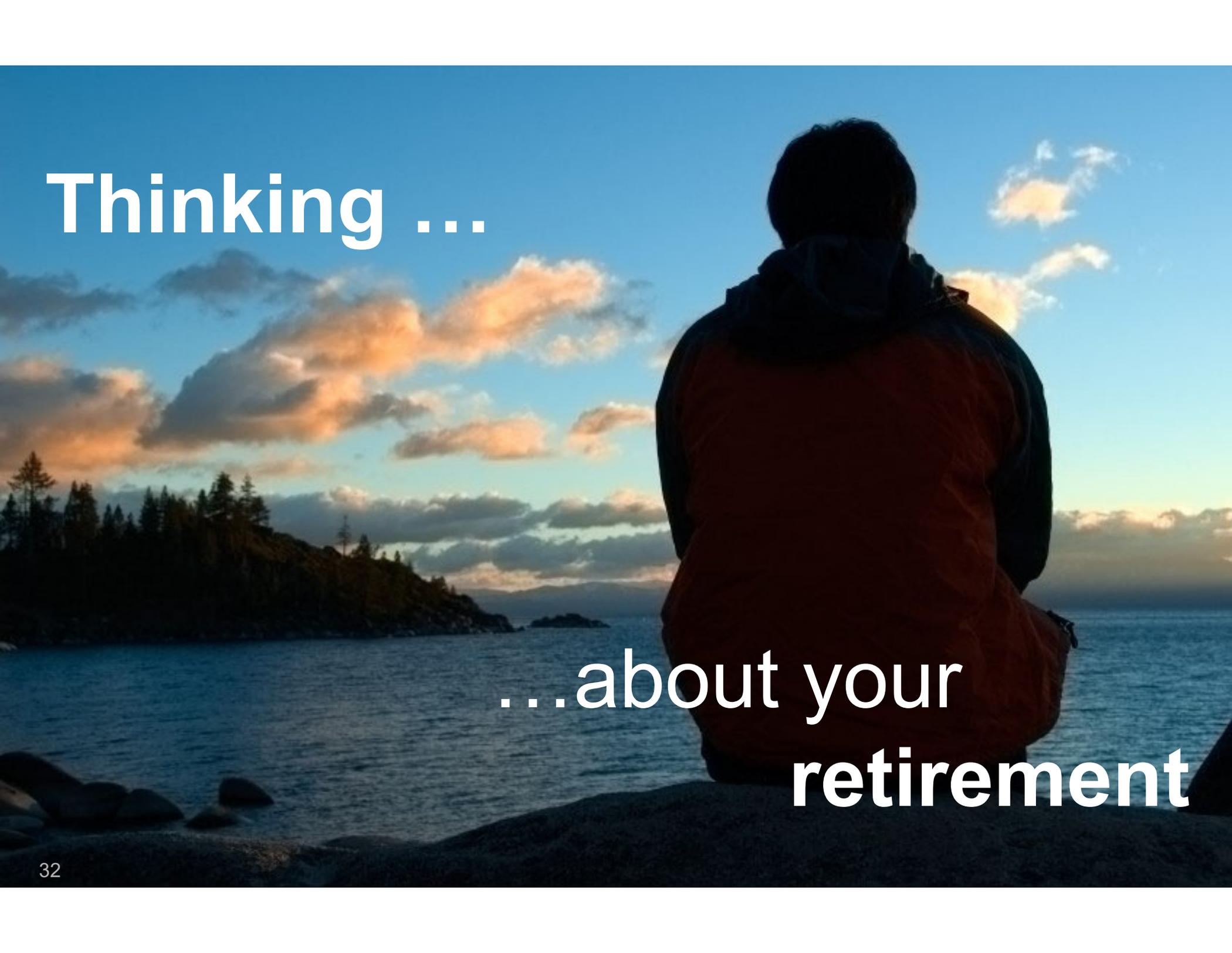


# Pop-Up Benefit

If ...

- You selected the Joint and Survivor Annuity Option
- Your spouse's date of death is July 1, 1998 or later
- Your monthly benefit will be "Popped-Up" to the Lifetime level the month following your spouse's death.



A person wearing a red jacket is sitting on a dark rock, looking out over a large body of water towards a sunset. The sky is filled with orange and yellow clouds, and the water reflects the light. In the background, there are dark silhouettes of trees and hills.

Thinking ...

...about your  
retirement

# Recommend ...



**Complete** an application.

**Sign and submit** a  
Social Security authorization form.

**Contact** NEBF one year before your  
anticipated retirement date.

# For More Information

***NEBF***  
*National Electrical Benefit Fund*



[www.nebf.com](http://www.nebf.com)

***Now, online benefits!***

**(301) 556-4300**

# NEBF Online Benefits

Participants are able to –

Welcome to Benefits Center

Fields with an \* are required.

Log in

Generate their NEBF benefit estimate

Change their address

View plan documents

Download a pension application

Receive text / email notifications

Access their 1099-R

# Your Benefit Plans ....

***NEBF***  
*National Electrical Benefit Fund*

***NEAP***  
**National Electrical Annuity Plan**

***FMCP***  
Family Medical Care Plan



# Our Mission . . .



“Provide **extraordinary service** . . .  
. . . to everyone we touch.”



*Thank you.*