

Western States Insulators & Allied Workers' Pension Plan

HEAT & FROST LOCAL 16

Pre-Retirement Seminar

September 21, 2024

Presented by: Kim Gould, Senior Plan Manager

1

Western States Insulators & Allied Workers' Pension Plan

Participant/Participation:

- ▶ You are eligible to participate in the Plan if your employer is required by a collective bargaining agreement with a Local Union affiliated with the Western States Conference of Insulators and Allied Workers to contribute to the Plan on your behalf as an Insulator and Allied Worker.

Vested Benefit:

- ▶ If you have five years of Total Credited Vesting Service, you become Vested (prior to January 1, 1998, 10 years of Total Credited Vesting Service to become Vested.) Once you become Vested, your right to a benefit cannot be forfeited.

Credited Vesting Service:

- ▶ On or after January 1, 1976: 1,000 hours in a calendar year equals one year of Credited Vesting Service for purposes of determining total years of service.

If you work at least 700 hours but less than 1,000 hours in a calendar year you will receive .50 of a year of Credited Vesting Service.

If you work at least 350 hours but less than 700 hours in a calendar year, you will receive .25 of a year of Credited Vesting Service.

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Credited Benefit Service

- ▶ **Hours Worked Prior to January 1, 1998:** Earn 1.0 Credited Benefit Service for each calendar year (CY) that you work minimum of 1,400 hours (under a collective bargaining agreement).
 - Work minimum of 1,050 hours but less than 1,400 hours in a CY you earn .75 of a year of Credited Benefit Service.
 - Work minimum of 700 hours but less than 1,050 hours in a CY you earn .50 of a year of Credited Benefit Service.
 - Work minimum 350 hours but less than 700 hours in a CY, you earn .25 of a year of Credited Benefit Service.
- ▶ **Hours Worked on or after January 1, 1998:** You earn a full year of Credited Benefit Service for each year that you work at least 1,400 hours in a calendar year. However, if you work at least 350 hours but less than 1,400 hours in a calendar year, the reduced pension credit is based on a ratio of your actual hours worked divided by 1,400 annual maximum.
- ▶ **Examples:** Worked 800 hours in a CY, you'd earn .57 of a year of Credited Benefit Service. (800 divided by 1,400)
 - Worked 1,000 hours in CY, you'd earn .71 of a year of Credited Benefit Service (1,000 divided by 1,400)

Can I Lose My Service?

- ▶ You could lose your service and incur a Permanent Break in Service, if the number of successive CYs are not credited with at least 350 Plan Year Credited Vesting Service Hours equals or exceeds the greater of 5 years or the number of your prior accumulated years of Total Vesting Service.
- ▶ **Example:** If you earned 4.50 years of Credited Vesting Service for the plan years ending 12/31/2007 through 12/31/2011 and left the Industry, you would incur a Permanent Break in Service as of 12/31/2016.

Reciprocal Service

- ▶ The Plan has reciprocity agreements other pension plans. The agreements allow the contributions you earn as a traveler to be transferred back to your home plan. Contributions received by your home plan are credited under the rules of that plan.
- ▶ If you work outside your normal area and want your hours credited to your home pension plan, you should notify both plans as soon as possible so that both plans can check their records to determine if there is a reciprocity agreement on file.

Please do not wait until you are ready to retire before requesting a reciprocal transfer, as it may be impossible to make a transfer at a later time. Contact the Trust Fund office.

Types of Retirement Benefits

- ▶ **Unreduced Pension:** is available to you at any age if you have at least 30 years of Credited Benefit Service (35 years for retirements prior to January 1, 1997) or you're obtained **Normal retirement** at age 62 are vested in the Plan and have 1 hour of credited vesting service after December 31, 1997.
- ▶ **Benefit Calculation for an Unreduced Pension Benefit:** For retirements on or after January 1, 2024, the amount of Unreduced Pension payable is \$77 per month for each year of Credited Benefit Service.
- ▶ **Example:** A member with 30 years of Credited Benefit Service years would be eligible for an Unreduced Pension of \$2,310.00 per month.

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Types of Retirement Benefits (continued)

- ▶ **Postponed Pension:** is calculated in the same manner as an Unreduced Pension. This permits members to retire after their Normal Retirement Age if they chose to. See prior examples of an Unreduced Pension. Benefits must begin no later than April 1st following the calendar year in which you attain age 70 ½ or retire. If your Postponed Pension is delayed beyond the April 1st following your attainment of age 70 ½, your benefit will be paid retroactively to that date.
- ▶ If you are eligible for an Unreduced Pension, but delay filing your pension application and retire after your Normal Retirement Age, you are entitled to back payments or an actuarial increase in your monthly benefit.

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Types of Retirement Benefits (continued)

- ▶ **Early Retirement Pension:** is available at age 55 with 10 years of total Credited Vesting Service. The amount of your Early Retirement depends upon whether or not you retire directly from active service. You retire directly from active service if you have worked at least 350 hours of service during the Plan year in which you retire or in the prior Plan Year.
- ▶ **Example:** If you retire directly from active service the amount of the Early Retirement Pension is the Unreduced Pension amount reduced by 1/8 of 1% for each month (1.5% per year) the early retirement date precedes your Unreduced Retirement Date. For example, if you retire at age 57 with 10 years of Total Credited Benefit Service, the monthly benefit is reduced by 7.5% (60 months before your 62nd birthday, times 1/8%). The pension amount would be \$712.25. This is calculated by multiplying $10 \times \$77.00 = \770.00 less $\$57.75$ ($7.50\% \times \$770.00$) = $\$712.25$.
- ▶ **Example:** If you do not retire directly from active service the amount of the Early Retirement Pension is the Unreduced Pension amount reduced by 1/2 of 1% for each month (6% per year) the early retirement date precedes your Unreduced Retirement Date. For example, if you retire at age 57 with 10 years of Total Credited Benefit Service, the monthly benefit is reduced by 30% (60 months before your 62nd birthday, times 1/2%). The pension amount would be \$539.00. This is calculated by multiplying $10 \times \$77.00 = \770.00 less $\$231.00$ ($30\% \times \$770.00$) = $\$539.00$.

Retirement Payment Forms

Once your payment begins, you cannot change the form of the payments.

- ▶ **Joint and Survivor Pension Benefits:** A Joint and 50% Survivor Pension Benefit - this is the standard form of benefit payable if you are married. Unless you and your spouse elect otherwise, the Plan will pay a reduced pension benefit during your lifetime and a 50% continuing pension benefit to your surviving spouse. If your spouse dies before you, your monthly benefit will revert back to the higher unreduced amount payable for your life-time. A Joint and 100% Survivor Benefit and a Joint and 75% Survivor Benefit are also available. You must be married to your spouse for 1 year prior to your death, for the Joint and Survivor Benefit, if not then the benefit reverts to the Five-Year Certain Benefit.
- ▶ **Five-Year Certain Death Benefit:** If you are single or if you are married and you and your spouse reject in writing the Joint and Survivor Pension Benefit, you will receive the Five-Year Certain Death Benefit. If you die before you have received 60 monthly payments, monthly benefit payments will continue to any beneficiary you select for the remainder of the 60 months.

Disability Benefit

There are two types of Disability Benefits Plan "A" and Plan "B".

- ▶ **Plan "A":** Attained age 50 and at least 10 years of Total Credited Vesting Service or, regardless of age, at least 20 years of Total Credited Benefit Service, Plan "A" Disability Benefit will be a monthly amount determined in the same way as the Unreduced Pension.
- ▶ **Plan "B":** At least 5 years of Total Credited Vesting Service. The Plan "B" Disability Benefit will be \$1,750.00 per month less the amount of any other benefits payable solely by reason of the same disability, whether or not you have applied for such benefits. Qualify for Social Security Disability (SSDA) benefits, Plan "B" Disability Benefit start the same date Social Security Disability benefits first become payable to you. If no, SSDA and the Plan determined you were disabled, your Plan "B" Disability Benefit starts the first day of the seventh calendar month after the month in which your disability began.

Eligibility requirements for disability pension page 7 of the SPD.

Presented by: John Gould, Plan Manager

Cessation of Disability Benefit

Your Plan “A” or Plan “B” Disability Benefit will stop at the end of the first month in which one of the following events occurs:

- ▶ You attain age 62 (Applicable only to Plan “A” Disability Benefits)
- ▶ You die
- ▶ You refuse to submit to reasonable requirements to prove your continued disability
- ▶ You recover from our disability, whether or not you return to work
- ▶ You become eligible for an Unreduced Pension (Applicable only to Plan “B” Disability Benefits)
- ▶ You apply for and receive an Early Retirement Pension

Suspension of Benefits

- ▶ Must notify the Plan in writing within 15 days after you return to work. Your monthly benefit will be suspended if you work 40 hours or more, in a month, in the industry. The Board of Trustees has allowed retirees to work an unlimited number of hours for up to three (3) months for an employer that contributes to the Plan without having the benefits suspended. Any month the employee works forty or more hours shall be counted toward this three-month limit.
- ▶ Working in the Industry means any covered employment in the area that is covered by the Plan and covered by a Collective Bargaining Agreement ("CBA").
- ▶ **NEW INFO:** Between August 1, 2024 and July 31, 2025, an employee is permitted to work unlimited number of hours, so long as the work is for a contributing employer, the employer has not made contributions to the Plan for that position, the employee has had at least a 90 day separation from service, the employee's work is in the position of sales, estimating, superintendent or any other office work position as approved by the Board of Trustees, and the employee has notified the Administrative Office prior to taking the position.

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11

Death Benefits

*Pre-Retirement Death Benefits

- ▶ **Spouse's Death Benefit** - Vested and married for at least one year at the time of your death, your surviving spouse will receive a death benefit. The benefit amount is 50% of the applicable retirement benefit, actuarially reduced and payable during your surviving spouse's lifetime. Benefit begins when Member would have attained age 55.
- ▶ **Five-Year Certain Death Benefit** - If at the time of your death, you are not Vested or you are not married for at least 1 year, a Five-Year Certain Death Benefit will be paid to your eligible spouse or beneficiary. You must have earned at least 3 or more years of Total Credited Benefit Service.
- ▶ **Lump Sum Death Benefit** - A Lump Sum Death Benefit of \$10,000.00 is paid to your eligible spouse or beneficiary, provided that at least 350 hours of employer contributions made to the Plan on your behalf in either the calendar year of death or the prior calendar year.

**Pre-Retirement Death Benefits are different if you die while receiving Disability "A" or Plan "B" benefit.*

Post Retirement Death Benefits

Death benefits payable after your retirement depends upon the form of retirement payment that you selected at retirement.

When should I apply for my Pension Benefit?

- ▶ Apply at least 30-60 days prior to your expected retirement date.
- ▶ Provide all of the required information below with your application

What information should I include with my Pension Application?

- ▶ Copy of your and your Spouse's birth certificate, if applicable.
- ▶ Copy of your marriage certificate, if applicable.
- ▶ Copy of your final court-filed dissolution of marriage (divorce decree).

Pension benefits shall commence once you have retired from employment for a period of at least three (3) consecutive calendar months. Payment is retroactive to the first of the month in which you retired. (Article 3, Section 3.8(a)) For example, if you retire effective October 1st, then after the three-month period, on January 1st you will be issued payment retroactive from October 1st.

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Successful Planning and Smooth Transition to Retirement

Call, email, fax, and mail information to the Trust Fund Office when you have a life changing event and/or any of the following events or if you have any questions:

- ▶ Beneficiary Designation Forms - Important to complete this form!
- ▶ Divorce - this is the most important item to provide to the Trust Fund Office! Do not wait until Retirement to provide a complete court-filed copy to the Trust Fund Office.
- ▶ Marriage - new spouse
- ▶ Death (spouse or yourself) - make sure your family knows how to get in touch with the Trust Fund Office
- ▶ Reciprocal Service - Travelers need to complete the Travel Authorization Form
- ▶ Address Change
- ▶ Review the Participant Website (check your work history, contributions, dependent information and report any and all discrepancies to the Trust Fund office)

Participant Website: www.WSIAWbenefits.org

Email: staff@insulators16benefits.org

Call: (925) 398-7046 or Toll Free (800) 320-0184; Fax (925) 462-0108

Write: 7180 Koll Center Parkway, Suite 200, Pleasanton, CA 94566

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Western States Insulators & Allied Workers' Individual Account Plan

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Western States Insulators and Allied Workers' **Individual Account Plan**

If you are working under a collective bargaining agreement between unions affiliated with the Western States Conference of Insulators and Allied Workers and employer members of the Western Insulation Contractors Association and other employers, you are eligible to participate in this Plan.

If your employer is delinquent in payment contributions on your behalf, the Plan will still credit your account with the contributions that should have been paid for the hours you worked.

Therefore, it is important that you keep a good record of the hours you work and notify the Trust Fund office if you believe your employer is not correctly reporting your work hours.

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2

Vested:

You are 100% vested in your Individual Account once you have worked at least 350 hours under a collective bargaining agreement or participation agreement requiring contributions to this Plan.

Investment of your Account:

You determine how your account is invested. You can change the way your account balance is invested and/or change the way new contributions are being invested. Changes can be made online, at www.RetireSmart.com, or by calling Empower at (800) 743-5274.

Statement of your Account:

Empower provides a quarterly statement of your account. Your most recent quarterly statement can also be viewed online at www.RetireSmart.com.

When Should I apply for my IAP benefit?

At least two weeks prior to your expected payment. Provide all of the information listed below with your IAP application, this will expedite the process so that Empower can issue the payment.

What information should I send with my IAP application?

Your birth certificate and a copy of your spouse's birth certificate, if applicable.
Your marriage certificate, if applicable.
Your final court-filed dissolution of marriage(s) (divorce decree).

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IAP - Benefit Distribution Dates

- **At Retirement** - You must be receiving a pension from the Western States Insulators and Allied Workers' Pension Plan or have attained age 62 and ceased work in the Industry for at least 3 consecutive months.
- **Age 73** - your benefits under the Plan must begin by April 1 of the calendar year following the year during which you reach age 73 or by April 1 of the year following the year you retire, if later.
- **At Early Retirement** - you must have attained age 55, have ceased work in the Industry for at least 3 consecutive months and be **ineligible** for a pension from the Western States Insulators and Allied Workers' Pension Plan. There are only certain forms of payment under this choice. Refer to "Restrictions on Payment Form Choice" on pages 8 and 9 of the SPD.
- **Partially Disabled** - (regardless of age) Page 6 of the SPD; a disability that leaves you permanently incapable of working in the Industry; you have at least 10 years of total Credited Vesting Service under the Pension Plan; you have earned at least 350 hours of covered employment during the year in which your disability commenced; and, you make a written request to the Trust Fund Office. The Board of Trustees will determine your partial disability based on available medical and other evidence. See "Restrictions on Payment Form Choice" on pages 8 and 9 of the SPD.

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4

Important Forms to Complete and Contact Information

You can obtain the following forms below at:

www.WSIAWbenefits.org or contact the Trust Fund Office at (800) 320-0184

and select the Pension Department Option 2.

- ▶ Beneficiary Designation form - If you have not completed this form, please complete one as soon as possible!
- ▶ Application Form - please complete this form when you are eligible to apply for benefits
- ▶ Western States Insulators and Allied Workers' Individual Account Plan - SPD

Please submit a copy of yours and your spouse's birth certificates and marriage certificate and/or a complete copy of your divorce decree/dissolution of marriage, if applicable. By submitting a complete court-filed copy of your divorce decree/dissolution of marriage ***prior*** to applying for your IAP benefit, our office will be able to expedite your portion of your benefit.

Managing your Individual Account Plan account balance:

www.RetireSmart.com, or by calling (800) 743-5274 Empower

Western States Insulators & Allied Workers' Health Plan

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1

Western States Insulators & Allied Workers' Health Plan

The Western States Insulators and Allied Workers' Health Plan provides free medical examinations and optional CT scans (as part of the examination) to eligible employees and retirees.

How do I become Eligible for the free examinations?

“Who is eligible to participate in the Plan?

You are eligible for the medical examination program if (1) you worked at least 350 hours in covered employment during the current or two preceding calendar years, or (2) you are retired and receiving pension benefits from the Western States Insulators and Allied Workers' Pension Plan. Covered employment means work under a collective bargaining agreement requiring contributions to this Plan.

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2

How do I become Eligible for the free examinations? (continued)

- ▶ Children born to a participant before January 1, 1986, or a current spouse of a participant married before January 1, 1986, are eligible for a medical examination and optional CT Scan, to the same extent as a current participant, through December 31, 2027.
- ▶ To be eligible, the participant must have begun participation in the Plan prior to January 1, 1986. If such benefit coverage for eligible children exceeds 3% of the annual Plan benefits in any applicable calendar year from 2020 to 2022, then their examination will be deferred to the following calendar year.

As a reminder, the process begins with the member, spouse or child contacting Lily at WorkCare, the number is 833-893-0522, extension 2201 and then Lily contacts the Trust Fund Office. If the benefit is for the spouse, Lily will need a copy of the marriage certificate and if the benefit is for the child, Lily will need a copy of the child's birth certificate.

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3

How often can I receive an examination under this program?

The frequency of examination is:

Ages 20-39: every 3 years

Ages 40-49: every 2 years

Age 50 and older: every year

The Plan will not cover examinations received more frequently than this schedule permits.

If you have questions about the benefit and to schedule an appointment, please call WorkCare between the hours of 7:00 a.m. and 4:00 p.m. at (833) 893-0522, extension 2201.

If you need a copy of the SPD, please contact the Trust Fund office at (800) 320-0184 or (925) 398-7046, or the participant website at www.WSIAWbenefits.org.

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4