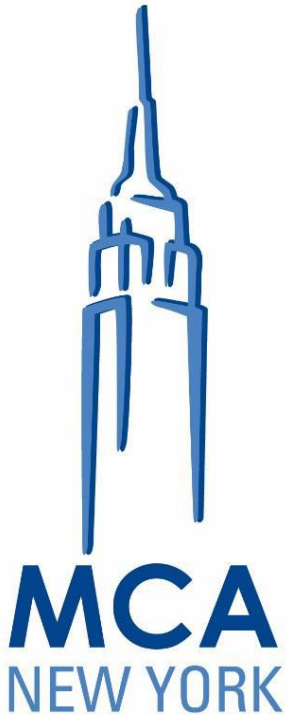


# *THE 40TH LOCAL 638 STEAMFITTERS' INDUSTRY RETIREMENT SEMINAR*





# *INTRODUCTION*

Today we will discuss the Retirement Benefits provided to you by the Metal Trades Branch Local 638 Trust Funds:

**Pension Fund**

**Welfare Fund**





# *RETIREMENT*

*THE METAL TRADES  
BRANCH LOCAL 638  
PENSION PLAN*

# *APPLYING FOR PENSION BENEFITS*

- You must participate in a Pension Interview prior to your retirement
  - Can be done in person, or virtually
  - Typically aim for 3 months prior to retirement
- Pension effective dates begin on the first of the month, every month
- Your application must be signed and notarized at least 30 days, but not more than 180 days, prior to your intended retirement date
- Contact the Pension Department at the Fund Office to schedule your interview
  - (212) 465-8888, option 3.
  - [Pension@steamny.com](mailto:Pension@steamny.com)
  - [FundOffice@steamny.com](mailto:FundOffice@steamny.com)
  - [www.steamfitters.com](http://www.steamfitters.com)

## Required Documents:

Proof of birth for you and your spouse

Birth certificate or passport  
Marriage certificate

Authorization for Direct Deposit

W4-P Federal Income Tax  
withholding election form

# *PENSION OPTIONS*



# *NORMAL PENSION*

- Must have a minimum of 5 Years of Credited Service
- Age 65+: Eligible participant may apply for pension benefit with zero reduction



# *EARLY PENSION*

- Must have a minimum of 15 Years of Credited Service
- Age 60 through 64
- Reduced pension payable between age 60 and 62 reduced by  $\frac{1}{2}$  of 1% for every month prior to age 62
- Maximum reduction is 12%
- Unreduced benefit at age 62



# *DISABILITY PENSION*

- Must be under age 65 and earned a minimum of 10 YCS in the Pension Plan
- Must have “Notice Of Award” letter from the Social Security Administration
- Must apply within 90 days of receipt of Award to be eligible for payments retroactive to your SSA Disability entitlement date
- All pension options available
- No reduction for age in calculation of pension benefit
- Pension Fund conducts annual audit of continued receipt of Social Security Disability benefits





*ALL MONTHLY OPTIONS ARE PAYABLE FOR YOUR LIFETIME AND ARE GUARANTEED FOR AT LEAST 60 PAYMENTS* \*Some Payments may require spousal consent

Option	Description
Straight Life *	Highest monthly payment option, the Plan will pay you a monthly benefit for your lifetime only.
100% Joint and Survivor	The Plan will pay you a reduced benefit for your lifetime, and after your death, the Plan will pay your surviving spouse the same amount it was paying you.
75% Joint and Survivor	The Plan will pay you a reduced benefit for your lifetime, and after your death, the Plan will pay your surviving spouse 75% of the amount it was paying you.
50% Joint and Survivor	The Plan will pay you a reduced benefit for your lifetime, and after your death, the Plan will pay your surviving spouse 50% of the amount it was paying you.
Joint and Survivor with Pop-Up 100%, 75%, 50%*	The Plan also offers a <b>"pop-up" feature</b> on each of the joint and survivor options. If you elect this feature, your monthly annuity is reduced by an additional amount, but if your spouse dies before you, your benefit "pops-up" to the straight life amount which would have been paid to you if you had not elected the Joint and Survivor benefit form.

# *PENSION CALCULATION*

If you have earned 40 continuous years of service from July 1, 1983 to June 30, 2023, your unreduced benefit would be:

Accum. Contributions	@ 6/30/1992	\$10,000 x 3%	= \$	300.00
Creditable Contributions	@ 6/30/2023	\$150,000 x 3%	= \$	4,500.00
Future Service Credit Amount	40 YCS	x \$43.00	= \$	<u>1,720.00</u>
<b>TOTAL MONTHLY BENEFIT</b>			<b>= \$</b>	<b>6,520.00</b>

**Pension benefits are taxable and reported on 1099R form at year end. You can opt to withhold income tax from your benefit. You should speak with your tax advisor prior to submitting your retirement paperwork.**

# *CALCULATION CONTINUED*

<b>Options</b>	<b>Participant (age 62)</b>	<b>Spouse (age 59)</b>
<b>Straight Life Value</b>	\$6,520	-
<b>100% Joint &amp; Survivor</b>	\$5,105	\$5,105
<b>75% Joint &amp; Survivor</b>	\$5,399	\$4,049
<b>50% Joint &amp; Survivor</b>	\$5,764	\$2,882
<b>100% J&amp;S Pop Up</b>	\$5,020	\$5,020
<b>75% J&amp;S Pop Up</b>	\$5,327	\$3,995
<b>50% J&amp;S Pop Up</b>	\$5,731	\$2,866

# *DIVORCED OR GETTING DIVORCED?*



- All divorce documentation
  - Final Judgment
  - Findings of Fact & Conclusions of Law
  - Property Settlement/Stipulation/Separation Agreement
- These documents must be reviewed by the Pension Fund to conclude if your former spouse has the right to a portion of your pension benefit.

# QDRO

- Qualified Domestic Relations Order (QDRO) refers to a court order that recognizes the existence of an alternate payee's (former spouse) right to receive all or a portion of a plan participant's benefits
- If a former spouse has been assigned a portion of your Pension Benefit, a QDRO is necessary to make payment to your ex-spouse
- A draft domestic relations order should be submitted to the Fund Office for review
- Pension Fund will determine if the order is compliant with the Pension Plan provisions before it is deemed to be a qualified order



# *POST-RETIREMENT DEATH BENEFIT*

- All participants who retire are covered by a \$10,000 pension death benefit
- Participant will name a beneficiary for this benefit at time of retirement
- Anyone can be named as beneficiary
- Multiple beneficiaries can be named
- Spousal Consent is not required



# *PRE-RETIREMENT DEATH BENEFIT*

Single  
Participants  
or less than  
5 YCS

- Minimum of 2 Years of Credited Service
- Ensure your beneficiary form on file with the Fund Office is up to date
- Must not be on Deferred Pension Status
- Lump-Sum payment equal to total employer contributions up to a maximum of \$55,000.00

# *PRE-RETIREMENT DEATH BENEFIT CONTINUED*

## Married participants

- Must be vested and married to the same spouse for at least 1 year prior to your death
- If not on Deferred Pension Status you may choose from 2 options
  - Spouse entitled to 100% Joint and Survivor beginning at earliest date you could have retired & \$8,250.00 payable immediately OR
  - Lump-Sum payment equal to total employer contributions up to a maximum of \$55,000.00
- If on Deferred Pension Status only the 100% Joint and Survivor monthly benefit is payable



# *WORK AFTER RETIREMENT?*

- The following applies if you return to work in the Industry:
- You must notify the Fund Office in writing within 7 days of commencing “Disqualifying” employment
- **Disqualifying Employment is:**
  - a trade or craft in which the Employee was employed at any time under the Plan in the geographic area covered by the Plan at the time that the payment of benefits commenced or would have commenced.
- Under the age of 65 your pension benefit will be suspended during the months you work 1 or more hours
- Age 65 to 73 your pension benefit will be suspended during the months you work 40 or more hours
- Age 73 or above, no restriction on number of hours you may work
- You must notify the Fund Office in writing when your employment has ended, and you wish to reinstate your pension payments.
- Any additional years of credited service accrued will be used to increase your original pension benefit.
- Additional contributions will be added to your pension benefit in July following the fiscal year you had benefit reported.

# *REQUIRED BEGINNING DATE*

- The Required Beginning Date is the date as of which federal law requires Participants to commence benefits under the Plan. The Required Beginning Date for all Participants is April 1<sup>st</sup> of the calendar year following the calendar year in which the Participant attains age 73





*HEALTH COVERAGE*



# *HEALTH AND LIFE INSURANCE*

## *COVERAGE AGE 62-65*

- Provided you are covered by the Welfare Fund the day before your retirement effective date, the following applies:
  - Must have earned a minimum of 15 YCS
  - Must have been covered in the Welfare Fund for a minimum of 48 out of 60 months immediately prior your effective date based on;
    - Employment
    - COBRA
    - Disability Status
- Health coverage will continue for you and your legal dependents until you are age 65 or until you become eligible for Medicare benefits, whichever is earlier
- Spouse or children may become ineligible before you depending on age or Medicare eligibility

# *RETIREE HEALTH AND LIFE INSURANCE COVERAGE AGE 62-65*

Hospital and  
Medical  
Anthem Blue  
Cross/Blue Shield  
EPO  
Co-pay \$20

Vision Care  
(\$300 per  
calendar year)



# *RETIREE HEALTH AND LIFE INSURANCE COVERAGE AGE 62-65*

<u>Prescription Drug-Express Scripts</u>		<u>Dental Coverage</u> (PDP Plus Program (with MetLife))
Co-payments:		Maximum yearly coverage
Generic	\$10	\$3,000 per person
Brand Name	\$30	Orthodontic Coverage \$3,000
Controlled Substances	\$43	Lifetime per dependent child
Mail Order	\$40	Under the age of 26

## Life Insurance

Basic (\$50,000)

Accidental (\$20,000)



# *LIFETIME RETIREE HEALTH COVERAGE*

Effective January 1, 2024

Coverage for Member and Spouse  
For the Lifetime of the Member

- When you enroll in Medicare you will be eligible for our **Anthem Medicare Preferred (PPO) plan**
- **Early, Normal, and Disability Pension Qualifications**
  - Must have earned 25 years of credited service in the Metal Trades Branch Local 638 Pension Plan; **AND**
  - Must be eligible for health coverage the day prior to your pension effective date; **AND**
  - Must have been covered in the Welfare Fund 48 out of 60 months prior to your pension effective date

# *2023 COBRA RATES*

	SINGLE	FAMILY
All Benefits (Hospital, Medical, Prescription, Dental & Vision)	\$831.35	\$2,781.16
Core Benefits (Hospital, Medical & Prescription)	\$785.94	\$2,629.25





# *THANK YOU*

William J. Turnbull – Executive Administrator

James J. Ippolito – Assistant Administrator

James C. White – Assistant Administrator

Louise Furio – Supervisor, Welfare Fund

Dennis O'Kane – Supervisor, Pension Fund

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