



**INTERNATIONAL UNION OF OPERATING ENGINEERS**  
**LOCAL 4**  
**Health and Welfare, Pension, and Annuity Funds**

April 30, 2025

Dear Participant:

The enclosed “Annual Funding Notice (AFN)” entitled, *2024 Annual Funding Notice for International Union of Operating Engineers Local 4 Pension Plan*, describes certain financial and other information about our Pension Plan for the Plan Year that began **January 1, 2024 and ended December 31, 2024** (referred to as the **2024 Plan Year**). It is meant to provide useful information in understanding our Pension Plan’s funded status for the 2024 Plan Year. It also contains information about the two prior plan years (2023 and 2022).

You will notice that the attached AFN looks different than AFNs you have received in prior years. This is because the attached AFN reflects changes that are required under the provisions of the SECURE 2.0 Act, enacted in December 2022, starting with the 2024 Plan Year. These required changes affect both the information provided and the format of the AFN and follow a model annual funding notice recently issued by the Department of Labor. The revised format aims to provide clearer, more comprehensive information to help participants better understand the information in the AFN.

As a reminder, our Pension Plan has been in the “Green” Zone (for pension plan funding purposes) since 2008, which is the year the original “Zones” (“Green”, “Yellow”, and “Red”) were created by federal law. The “Green” Zone means that a pension plan is well-funded under government rules. Plans that are not as financially strong as our Pension Plan are in the “Yellow” or “Red” Zones.

We encourage you to read the attached Notice in its entirety and hope you find the new format easier to read. After reviewing the Notice, if you have any questions or concerns, please feel free to contact the Fund Office for the Pension Plan:

c/o Gregory A. Geiman, Esq.  
Plan Administrator  
International Union of Operating Engineers  
Local 4 Pension Plan  
16 Trotter Drive, P.O. Box 680  
Medway, MA 02053-0680

**IUOE Local 4 Pension Plan**  
**Board of Trustees**

Michael J. Bowes, Chairman  
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# 2024 Annual Funding Notice for International Union of Operating Engineers Local 4 Pension Plan

## Introduction

This Notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning January 1, 2024 and ending December 31, 2024 (referred to in this Notice as “Plan Year”).

**This is an informational Notice. You do not need to respond or take any action.**

This Notice includes:

- Information about your Plan’s funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

## What if I have questions about this Notice, my Plan, or my benefits?

Contact your Plan Administrator:

- Gregory A. Geiman, Esq.
- **Phone:** 508-533-1400
- **Address:** International Union of Operating Engineers Local 4 Funds, 16 Trotter Drive, Medway, MA 02053
- **Email:** ggeiman@local4funds.org

To better assist you, and for identification purposes, specific information for your Plan follows:

- **Plan Number:** 001
- **Plan Sponsor Name:** Trustees of the International Union of Operating Engineers Local 4 Pension Plan
- **Employer Identification Number:** 04-6013863

## What if I have questions about PBGC and the pension insurance program guarantees?

Visit [www.pbgc.gov/prac/multiemployer](http://www.pbgc.gov/prac/multiemployer) for more information. For specific information about your Plan or your pension benefits, you should contact your Plan Administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this Notice every year regardless of funding status. This Notice does not mean your Plan is terminating.

## How Well Funded is Your Plan?

The law requires the Plan Administrator to explain how well the Plan is funded, using a measure called the “funded percentage.” The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan's funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan's assets and liabilities for those years.

Funded Percentage			
Plan Year	2024	2023	2022
Valuation Date	January 1	January 1	January 1
Funded Percentage	119%	115%	111%
Value of Assets	\$1,213,800,798	\$1,124,533,493	\$1,050,572,278
Value of Liabilities	\$1,014,992,673	\$977,883,003	\$941,426,296

## Year-End Fair Market Value of Assets

To provide further insight into the Plan’s financial position, the chart below shows the fair market value of the Plan’s assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan’s assets on January 1<sup>st</sup>.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan’s funding status.

	December 31, 2024	December 31, 2023	December 31, 2022
<b>Fair Market Value of Assets</b>	\$1,294,517,000	\$1,148,734,487	\$1,019,968,662

The December 31, 2024 fair market value of assets disclosed above is reported on an unaudited basis. This Notice is required to be distributed before the normal completion time of the Plan’s annual financial audit so this figure is subject to change once the annual audit is complete.

### Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan’s funding status determines the steps a plan must take to strengthen its finances and continue paying benefits, as follows:

- **Endangered:** The plan’s funded percentage drops below 80 percent. The plan’s trustees must adopt a funding improvement plan.
- **Critical:** The plan’s funded percentage falls below 65 percent or meets other financial distress criteria. The plan’s trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent—meaning it will no longer have enough assets to pay out benefits—within 15 years (or within 20 years under a special rule). The plan’s trustees must continue to implement the rehabilitation plan. The plan’s sponsor may seek approval to amend the plan, including reducing current and future benefits.

The Plan was not in endangered, critical, or critical and declining status in the Plan Year. For your information, the Plan’s actuary has also certified the Plan is not in endangered, critical, or critical and declining status for 2025.

### Participant and Beneficiary Information

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years. The numbers for the 2024 Plan Year reflect the Plan Administrator’s reasonable, good faith estimate.

Number of Participants and Beneficiaries on Last Day of Relevant Plan Year	2024	2023	2022
<b>1. Last day of plan year</b>	December 31	December 31	December 31
<b>2. Participants currently employed</b>	3,509	3,509	3,485
<b>3. Participants and beneficiaries receiving benefits</b>	2,832	2,780	2,727
<b>4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)</b>	918	839	838
<b>5. Total number of covered participants and beneficiaries: (Lines 2 + 3 + 4 = 5)</b>	7,259	7,128	7,050

The December 31, 2024 Participant counts are estimated from the prior year data because final data was not available before this Notice was required to be delivered. For that purpose, Participant data as of December 31, 2023 was projected forward one-year using the actuarial assumptions underlying the calculation of the January 1, 2024 liabilities in the Funded Percentage chart on page one, and assuming a stable active population during the 2024 Plan Year.

## Funding & Investment Policies

### Funding Policy

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan’s funding policy is that contributions are made to the Plan by participating employers at rates established by various Collective Bargaining Agreements, but not less than the minimum funding requirements under the Employee Retirement Income Security Act of 1974 (“ERISA”), and not more than the amount that would be deductible for federal income tax purposes.

### Investment Policy

Pension plans also have investment policies that provide guidelines for making investment management decisions. The Plan’s investment policy is to maximize the total rate of return over the long term, subject to preservation of capital, by diversifying the allocation of capital among professional investment managers with complementary or diverse investment styles in domestic equity securities, international equity securities, domestic fixed income instruments, and other asset classes as deemed prudent.

As of the end of the Plan Year, the Plan’s assets were allocated among the following investment categories as percentages of total assets. Once the annual audit is finalized these asset value percentages could change:

Asset Allocations	Percentage
1. Cash (interest and non-interest bearing)	3.88%
2. U.S. Government securities	1.67%
3. Corporate debt instruments (other than employer securities):	
Preferred	0.92%
All other	6.28%
4. Corporate stocks (other than employer securities):	
Preferred	0.03%
Common	19.98%
5. Partnership/joint venture interests	9.09%
6. Real estate (other than employer real property)	
7. Loans (other than to participants)	0.34%
8. Participant loans	
9. Value of interest in common/collective trusts	55.67%
10. Value of interest in pooled separate accounts	
11. Value of interest in master trust investment accounts	
12. Value of interest in 103-12 investment entities	
13. Value of interest in registered investment companies, like mutual funds	1.59%
14. Value of funds held in insurance co. general account (unallocated contracts)	
15. Employer-related investments:	
Employer Securities	
Employer real property	
16. Buildings and other property used in plan operation	
17. Other	0.55%
Total	100.00%

For information about the Plan’s investment in any of the types of investments listed in items #9 through #12 in the chart above, which are Direct Filing Entities, please contact Gregory A. Geiman, Esq. / Plan Administrator / I.U.O.E. Local 4 Pension Plan / 16 Trotter Drive / P.O. Box 680 / Medway, MA 02053-0680 or call (508) 533-1400.

The average return on the Plan’s assets for the 2024 Plan Year was 11.9%.

## Events Having a Material Effect on Assets or Liabilities

By law this Notice must include an explanation of any new events that materially affect the Plan's liabilities or assets. These events could affect the Plan's financial health or its ability to meet its obligations. For the plan year beginning on January 1, 2025 and ending on December 31, 2025, there is no event expected to have such an effect at the time of this Notice.

## Right to Request a Copy of the Annual Report

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit [www.efast.dol.gov](http://www.efast.dol.gov) to search for your Plan's Form 5500.
- **By Mail:** Submit a written request to your Plan Administrator.
- **By Phone:** Call [\(202\) 693-8673](tel:2026938673) to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your Plan Administrator.

## Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The Plan Administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by PBGC, below), the plan must apply to PBGC for financial assistance. PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

The above summary of rules governing insolvent plans does not reflect the provisions of the American Rescue Plan Act of 2021 ("ARPA") that specifically pertain to financially troubled multiemployer plans, allowing eligible plans to apply for and receive special financial assistance equal to the amount required to pay all pension benefits due through the last day of the plan year ending in 2021.

## Benefit Payments Guaranteed by PBGC

Only vested benefits—those that you've earned and cannot forfeit—are guaranteed.

### What PBGC Guarantees

PBGC guarantees "basic benefits" including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.
- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the date the plan terminated.

## What PBGC Does Not Guarantee

PBGC does not guarantee certain types of benefits, including:

- A participant's pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

## Determining Guarantee Amounts

The maximum benefit PBGC guarantees is set by law. Your Plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is \$35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first \$11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next \$33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

*Example 1:* Participant with a Monthly \$600 Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$600/10 = \$60$  accrual rate.
2. Apply PBGC formula:
  - a. Take 100 percent of the first \$11 = \$11
  - b. Take 75 percent of the next \$33 = \$24.75
3. Add the two amounts together:  $\$11 + \$24.75 = \$35.75$
4. Multiply by years of credited service:  $\$35.75 \times 10 \text{ years} = \$357.50$

In this example, the participant's guaranteed monthly benefit is \$357.50.

*Example 2:* Participant with a \$200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$200/10 = \$20$  accrual rate.
2. Apply PBGC formula:
  - a. Take 100 percent of the first \$11 = \$11
  - b. Take 75 percent of the next \$9 = \$6.75
3. Add the two amounts together:  $\$11 + \$6.75 = \$17.75$
4. Multiply by years of credited service:  $\$17.75 \times 10 \text{ years} = \$177.50$

In this example, the participant's guaranteed monthly benefit is \$177.50