



Teamsters Pension Trust Fund

of Philadelphia and Vicinity

2500 MCCLELLAN AVE, SUITE 140 • PENNSAUKEN, NJ 08109 • (856) 382-2400
TOLL-FREE (800) 523-2846 • FAX (856) 382-2401 • www.teamsterfunds.com

Union Trustees

William T. Hamilton
Howard W. Wells
Robert "Rocky" Bryan, Jr.

Employer Trustees

Daniel Schmidt
William J. Einhorn
David Evans

TO: Participants and Employers

FROM: Board of Trustees

DATE: April 30, 2025

RE: **Important Information about Your Pension Plan**

This packet contains important information about the financial status of the Teamsters Pension Plan of Philadelphia & Vicinity, including the Annual Funding Notice for the 2024 Plan year, which is a legally required notice.

We know that technical, required notices about benefits can be difficult to understand. This cover letter is intended to explain what the enclosed notice means to you in easy-to-understand terms.

Background

Pension plans like the Teamsters Pension Plan of Philadelphia & Vicinity are designed to accumulate contributions and invest them so that sufficient assets are available to pay participant pensions at retirement. It is critical that the plan be funded properly to continue providing benefits for participants. The Trustees of the plan engage consultants, including actuaries, who certify that the plan is properly funded under federal law using a series of commonly used assumptions such as mortality rates and long-term interest rates that predict future investment performance.

About the Annual Funding Notice

The enclosed Annual Funding Notice provides detailed information about the status of the plan for the year beginning January 1, 2024. Federal law requires pension plans to share this financial information with participants every year.

Our Continuing Commitment

The Teamsters Pension Plan of Philadelphia & Vicinity has been providing benefits for plan participants without interruption for over 68 years. In 2024, benefit payments totaling over \$211 million were paid to over 12,000 retired participants and beneficiaries. The Trustees will continue to work with the plan's professional advisers to carefully monitor the plan's investments and benefit structure in an effort to provide benefits for years to come. The Trustees are committed to operating the plan on a financially sound basis and meeting applicable federal funding requirements.



www.facebook.com/TeamsterFunds

Where to Get More Information

Please submit any questions in writing addressed to the Teamsters Pension Plan of Philadelphia & Vicinity at 2500 McClellan Avenue, Suite 140, Pennsauken, NJ 08109. The Administrative Office may refer technical questions to the plan's actuary but will reply to all questions received in writing.

**Annual Funding Notice
For
Teamsters Pension Plan of Philadelphia & Vicinity**

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 (“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 at:

- Teamsters Pension Plan of Philadelphia & Vicinity
- **Phone:** (800) 523-2846 or (856) 382-2400
- **Address:** Kevon Office Center, 2500 McClellan Avenue, Suite 140, Pennsauken, NJ 08109

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Board of Trustees of Teamsters Pension Trust Fund of Philadelphia & Vicinity
- **Employer Identification Number:** 23-1511735

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

Visit www.pbgc.gov/prac/multiemployer for more information. For specific information about your pension plan or pension benefits, you should contact your employer or 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’s 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.

**Annual Funding Notice
For
Teamsters Pension Plan of Philadelphia & Vicinity**

	Funded Percentage		
	2024	2023	2022
Valuation Date	January 1	January 1	January 1
Funded Percentage	87%	83%	83%
Value of Assets	\$2,304,538,344*	\$2,188,576,799	\$2,094,400,724
Value of Liabilities	\$2,662,600,414	\$2,651,212,646	\$2,532,677,941
* estimated			

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.

- **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.

	12/31/2024	12/31/2023	12/31/2022
Fair Market Value of Assets	\$2,475,962,594	\$2,210,199,806	\$1,990,966,061

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:

- **Endangered:** The plan's funded percentage at the beginning of the plan year is less than 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage at the beginning of the plan year is less than 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 it is 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 trustees may seek approval to amend the plan, including reducing current and future benefits.

Funding improvement and rehabilitation plans establish the steps and benchmarks for a plan to improve its funding status over a specified period. The Plan was not in endangered, critical, or critical and declining status for the Plan Year.

If the Plan is endangered, critical, or critical and declining status for the plan year ending December 31, 2025, a separate notification of that status has or will be provided.

**Annual Funding Notice
For
Teamsters Pension Plan of Philadelphia & Vicinity**

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 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
1. Last day of plan year	December 31	December 31	December 31
2. Participants currently employed	8,189	8,608	10,032
3. Participants and beneficiaries receiving benefits	12,063	12,105	12,657
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	4,555	4,553	4,591
5. Total number of participants covered and beneficiaries (<i>Lines 2 + 3 + 4 = 5</i>)	24,807	25,266	27,280

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 to maintain a balance such that plan resources will fund plan obligations. Plan resources include accumulated plan assets plus expected future contributions and investment income. Plan obligations are benefit payments to current and future retirees and beneficiaries, including benefits earned to date as well as benefits expected to be earned in the future. Plan obligations also include expected expenses paid from plan assets. In implementing this funding policy, the Plan's trustees will work with professional advisors to adopt a prudent investment policy and to determine the actuarial value of plan obligations. Over time, the Plan's trustees may adjust plan benefits in response to investment returns and other plan experience or seek additional contributions from the Plan's contributing employers.

Investment Policy

Pension plans also have investment policies that provide guidelines for making investment management decisions. The Plan's investment policy has a target allocation among asset categories of 33% domestic equity, 7% international equity, 40% fixed income, 5% real estate, and 15% in private equity.

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

**Annual Funding Notice
For
Teamsters Pension Plan of Philadelphia & Vicinity**

Asset Allocation	Percentage
Public Equity	45.6%
Private equity	14.0%
Investment grade debt instruments	32.2%
High-yield debt instruments	2.1%
Cash and cash equivalents	1.6%
Real Estate	4.5%
Other	0.0%

The average return on assets for the Plan Year was 14.4%.

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. No such events have occurred with respect to the Plan.

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 a pension plan.

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

- **Online:** Visit www.efast.dol.gov to search for the 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.

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 several 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

Annual Funding Notice
For
Teamsters Pension Plan of Philadelphia & Vicinity

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.

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 earlier date the plan terminated or the sponsor’s bankruptcy date.

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.

**Annual Funding Notice
For
Teamsters Pension Plan of Philadelphia & Vicinity**

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