



ROOFER TO ROOFER

BY INTERNATIONAL PRESIDENT KINSEY M. ROBINSON

Good News for the New Year

Most of us recall the devastating stock market losses of 2008 and the negative impact it had on the American economy and all pension plans. No industry was spared, including the roofing industry.

Effective January 1, 2014, the “ratchet” system of calculating pension benefits will be terminated, and 100% of all future employer contributions will be calculated at 1.15%.

In the aftermath of the financial market downturn, the National Roofing Industry Pension Plan (NRIPP) Trustees reviewed a number of changes, with the goal of protecting the Plan and securing the benefits that had been promised to our members, retirees and their widows and beneficiaries.

One of the options adopted by the Trustees was to lower the “ratchet,” which reduced benefits that would be earned in the future. By doing so, the Trustees were able to protect all existing earned benefits, both for current retirees and our working members.

Since 2008, the funded percentage has improved and the Plan is now fully funded on an ongoing basis, allowing the Trustees to adopt important changes to the Plan, effective January 1, 2014. The “ratchet” system of calculating benefits will be terminated, and 100% of all future employer contributions will be calculated at 1.15%.

This means that not only will the “ratchet” go away for all accruals on or after January 1, 2014—making it easier for every participant to understand how benefits are calculated—but also, every participant will be credited with the first five cents of accrual for each hour worked on or after January 1, 2014.

In addition, participants who retire on or after December 31, 2013, and do not have a break-in-service in 2013, will receive an increase in the “ratchet” from 25% to 35% during the period January 1, 2010, through December 31, 2013. This equates to a 40% increase in incremental plan pension benefits for the period.

And, if you retired before December 31, 2013, and had contributions credited on your behalf during the

period January 1, 2010, through December 31, 2013, you will receive a one-time lump-sum payment equal to 10% of the contributions credited on your behalf in excess of five cents per hour, for each year from 2010 through 2013 in which you worked at least 450 hours. For full details, please read the notice from the NRIPP concerning the Plan changes beginning on page 34.

The long-term goal of the Trustees is to work toward a funded percentage of 125%, which is the historic norm for the Plan and will provide an appropriate safety net for participants. You should feel confident knowing that your benefits are well funded and that policies are in place to reach an achievable long-term goal of 125% funded.

As 2013 draws to a close and the holiday season nears, we are reminded of all we have been able to achieve this year because of the strong and unyielding union beliefs and exceptional work ethic of each member of our union. I wish to take this opportunity to thank the membership and local leaders for their dedication to our great organization and express my gratitude for your support. The officers and staff of the International Union extend to you and your families our best wishes at this special time of year. May the love of family and friends bring you warmth, peace and happiness this holiday season. ■