

PBGC Update

Tom Reeder, Director

NCCMP Annual Meeting

September 24, 2018



Program Comparison as of 9/30/2017

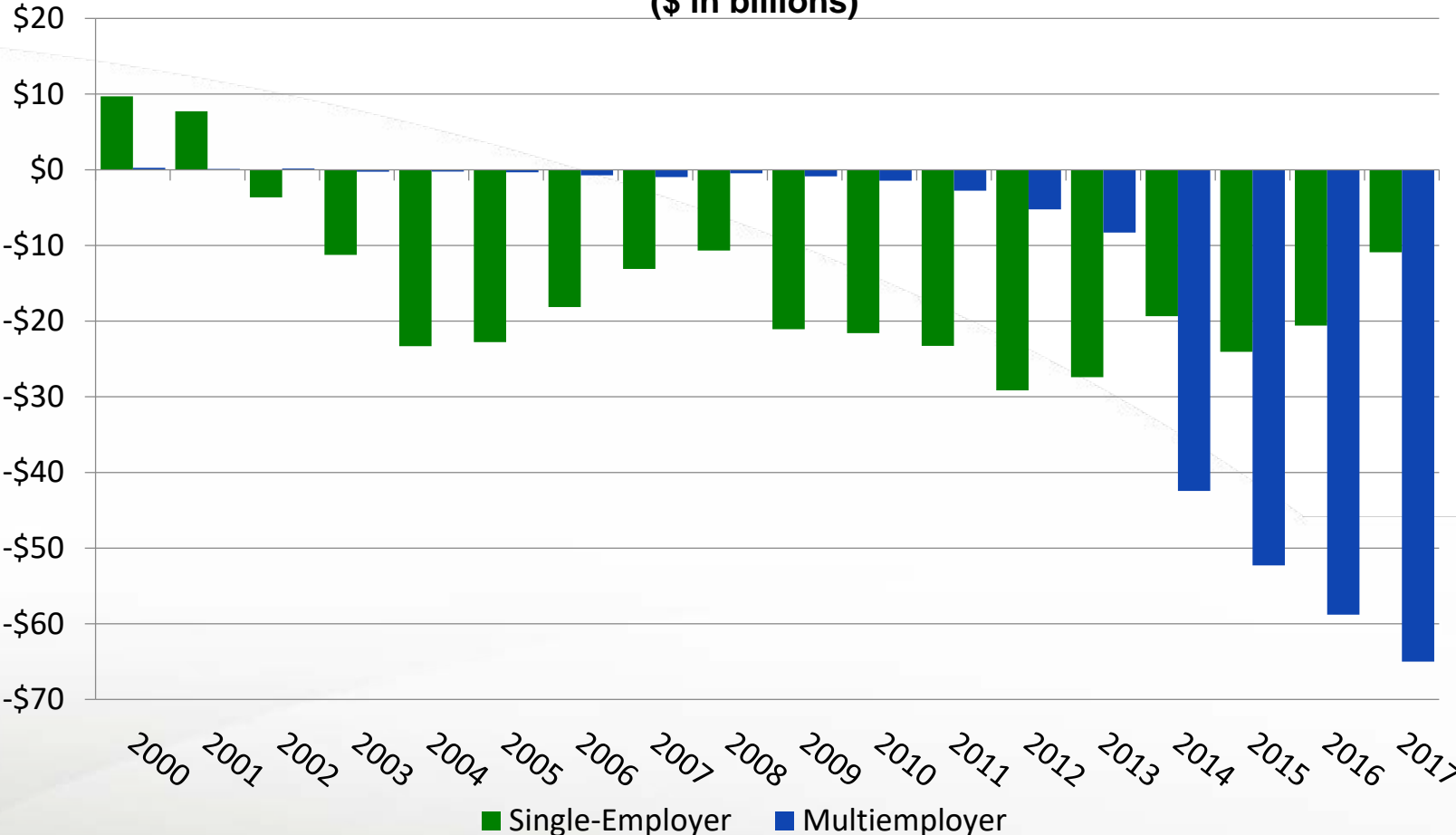
	Single-Employer	Multiemployer
FY 2017 PBGC financial position		
• Liabilities (includes “probable” losses)	\$117 billion	\$67 billion*
• Assets	\$106 billion	\$2 billion
• Net position	(\$11 billion)	(\$65 billion)
Insurable event	Plan Termination	Plan Insolvency
FY 2017 premium income	\$6.7 billion	\$291 million
2018 guaranteed annual benefit	\$65,045 for age 65 retiree, regardless of service	\$12,870** for retiree with 30 years of service, regardless of age
Number of plans	22,500	1,400
Number of participants in plans	27.5 million	10.6 million

* All but \$2B is for “probable” insolvent plans.

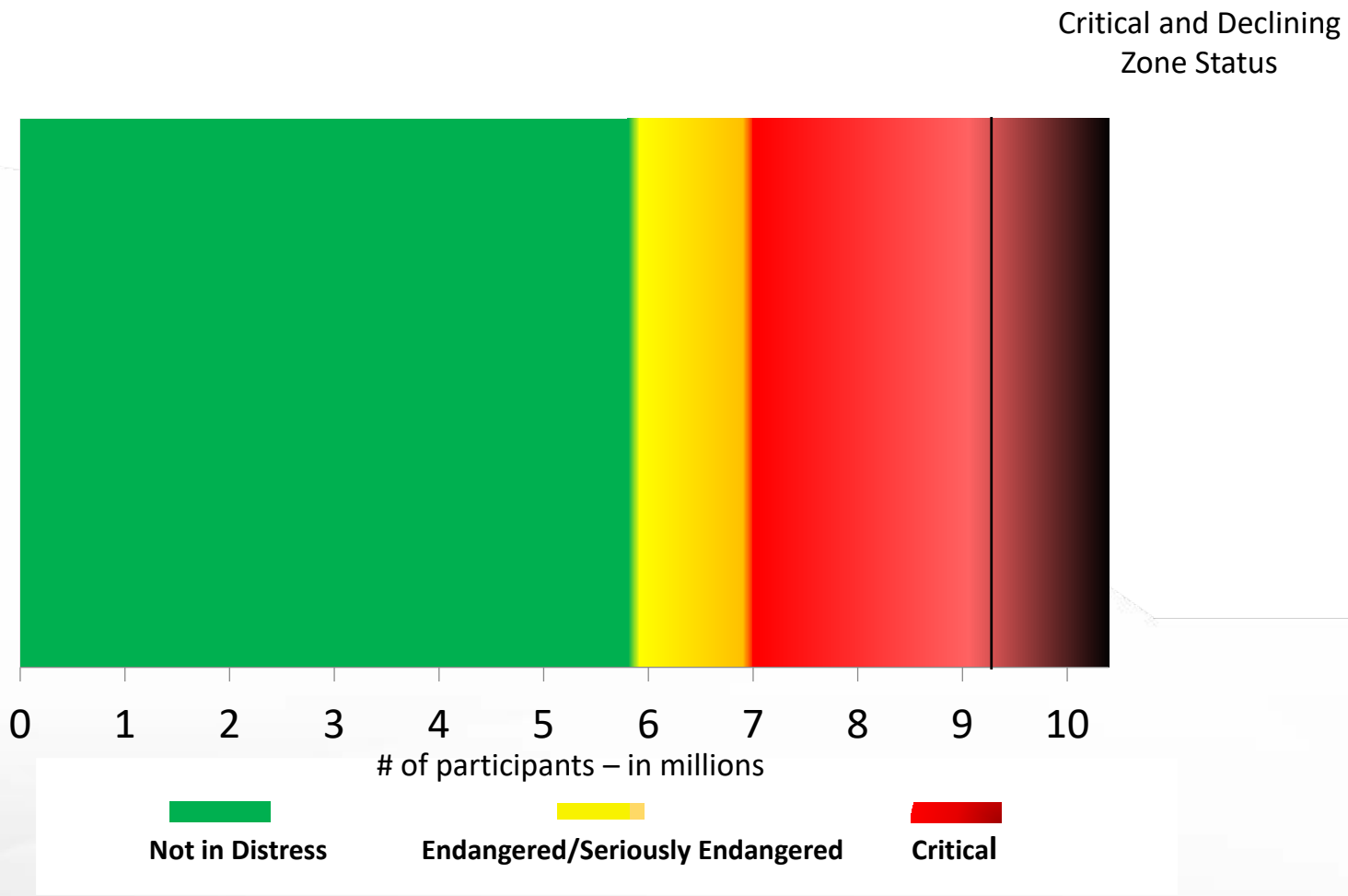
**Two-tier guarantee: 100% of the first \$3,960, 75% of the next \$11,880. Not indexed.

PBGC Net Position – Both Programs FY 2000-2017

**PBGC Single-Employer and Multiemployer Insurance Programs
Net Positions FY 2000-2017**
(\$ in billions)

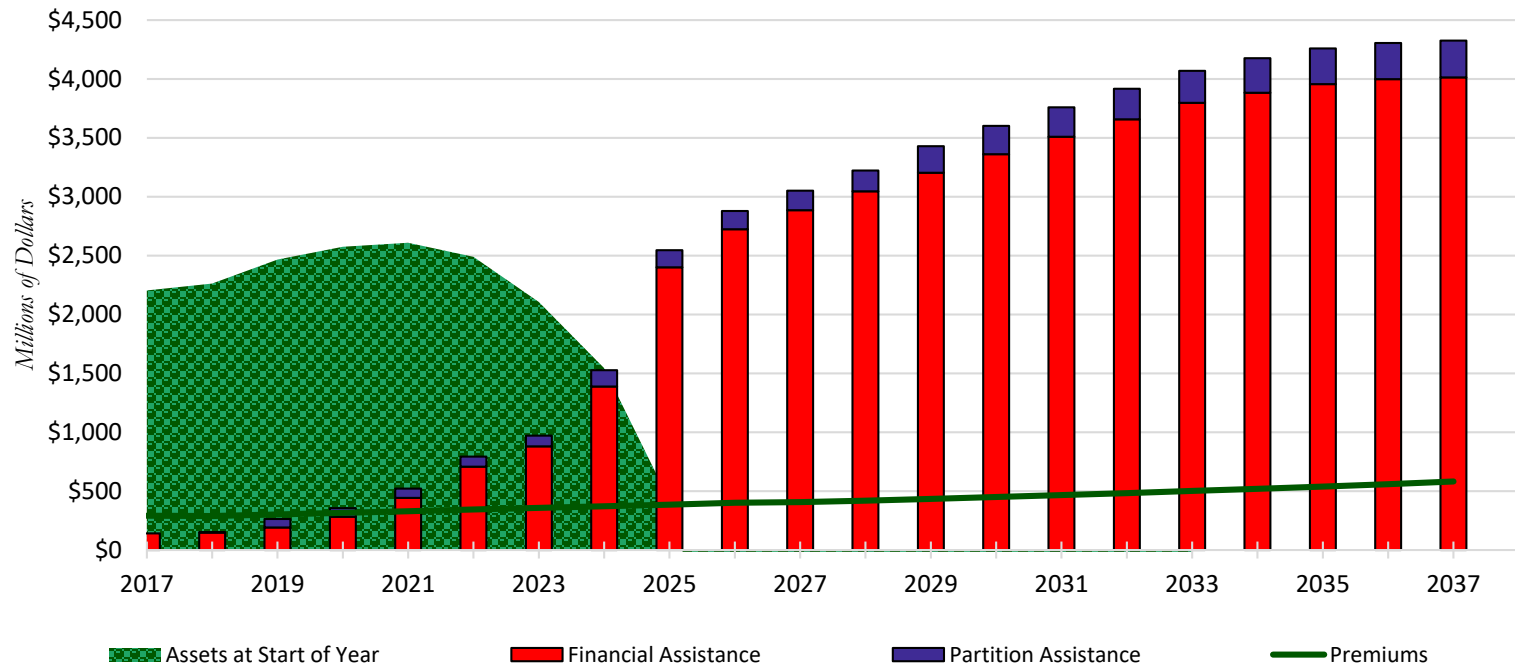


1.3 Million Participants are in Critical and Declining Zone Status Plans



Projecting Claims at Average Levels, PBGC Multiemployer Fund Still Drained in 2025

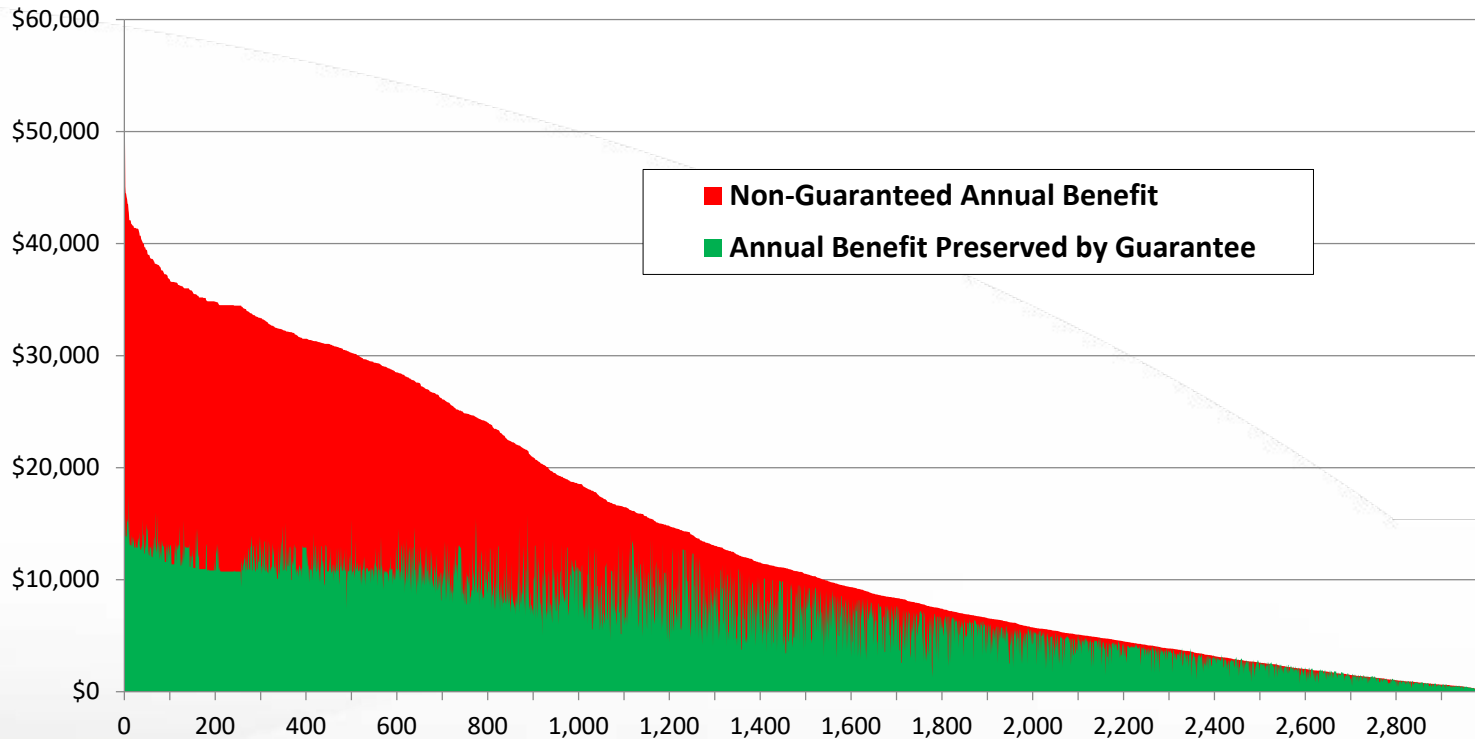
PBGC Assets, Average Assistance Payments and Premiums by Fiscal Year
 Reflecting Assumed MPRA Suspensions / Partitions
 (Projected in Nominal \$ Amounts)



About 1/3 of Retirees Experienced Benefit Cuts of Over 50 Percent in a Recent Multiemployer Plan Insolvency

CUT BACKS TO MULTIEMPLOYER GUARANTEE LIMIT AT PLAN INSOLVENCY - ROAD CARRIERS LOCAL 707 PLAN INSOLVENCY-

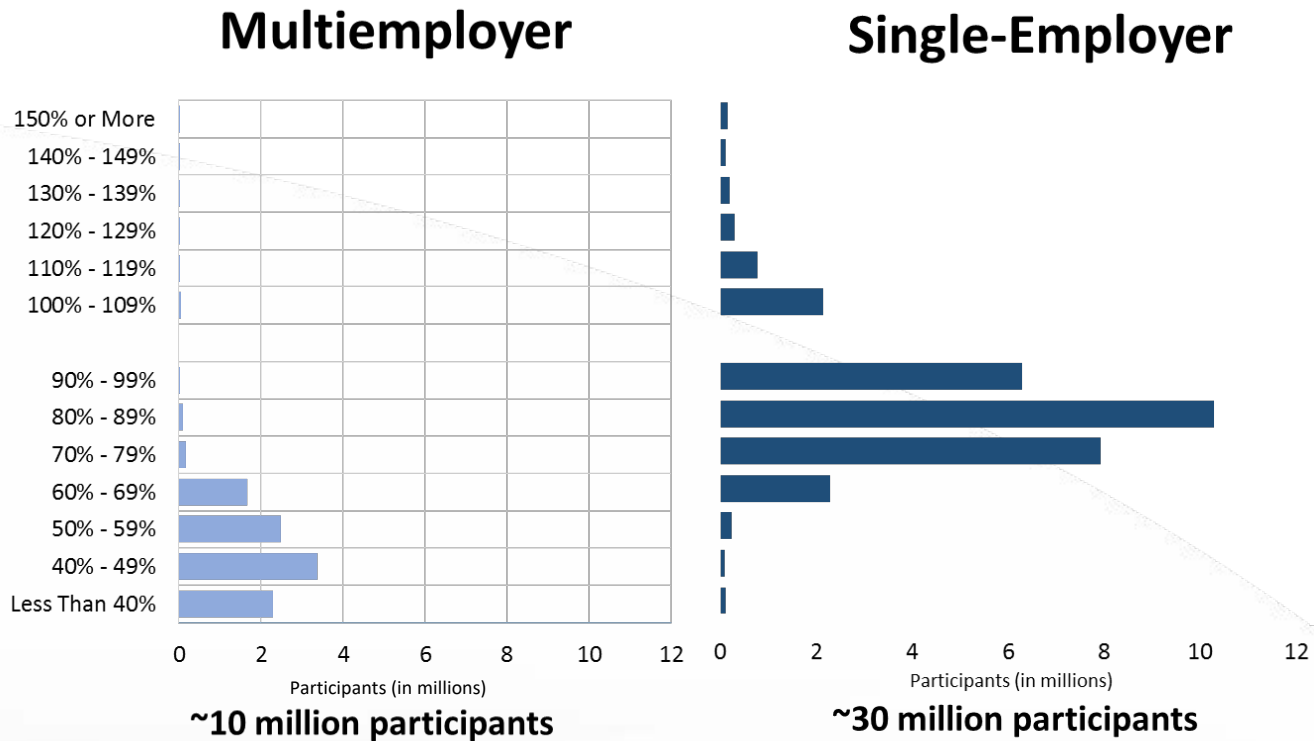
ANNUAL BENEFIT



RETIRED PARTICIPANTS

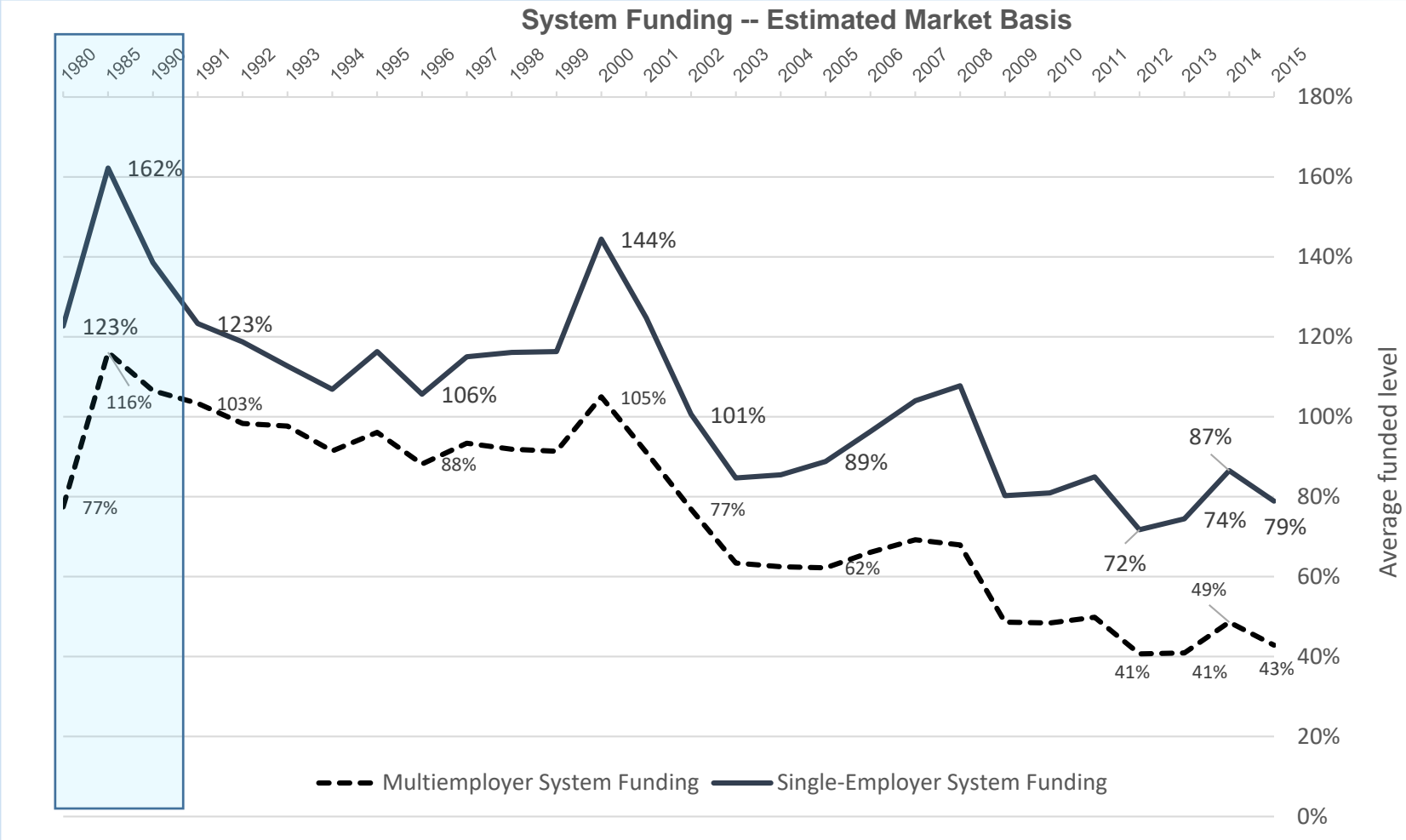
Participants by Plan Funding Ratio

(estimated market values)



Source: PBGC 2014 Databook Tables M-13 and S-48 Industry classifications are based on principal business activity codes used in the North American Industry Classification System. Participant's include actives & inactive.

Multiemployer System Less Well Funded than Single-Employer



THANK YOU!

Visit **PBGC.gov** and sign up
for our blog *Retirement Matters*



@uspbgc



facebook.com/uspbgc

