Warehouse Employees Union Local No. 730
Health and Welfare Trust Fund

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DRAFT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 HEALTH AND WELFARE TRUST FUND

DECEMBER 15, 2025
VIA ZOOM

The following Trustees were present:

UNION TRUSTEES
W. Davis – Secretary
R. Brooks
S. Clark

EMPLOYER TRUSTEES
J. Paradis – Chairman
F. Stegman
B. Petaway – Alternate

Also present were:
A. Cochran – Associated Administrators, LLC
R. Grant – Associated Administrators, LLC
J. Kimble – Morgan, Lewis & Bockius, LLP
M. Petrovic – Morgan, Lewis & Bockius, LLP
B. Saindon – Mooney, Green, Saindon, Murphy & Welch, P.C.
R. Sichel – Investment Performance Services, LLC
M. Vallario – NFP

I. CALL TO ORDER

A quorum being present, the meeting was called to order.

II. TRUSTEE APPOINTEMENT

Ms. Cochran introduced Ms. Brandi Petaway who replaced Mr. Mike Goble as an Alternate Employer Trustee. She reported that a letter was sent to participating employers on September 4, 2025 regarding the replacement of Mr. Mike Goble. Ms. Cochran said no responses were received regarding the nomination. The Trustees welcomed Ms. Petaway to the meeting.

Ms. Cochran informed the Trustees that she instructed the broker to add Ms. Petaway to the fiduciary insurance policy.

III. MINUTES

The Trustees reviewed the minutes of the last regular meeting held September 12, 2025. Ms. Cochran noted the lack of a quorum during the September 12, 2025 Board meeting, as only one management trustee was present.

On MOTION made and seconded, the Trustees present voted unanimous approval of the following resolution:

> **RESOLVED to ratify the motions made and seconded at the September 12, 2025 meeting as presented in the minutes.**

On MOTION made and seconded, the Trustees present voted unanimous approval of the following resolution:

> **RESOLVED that the minutes of the last regular meeting held on September 12, 2025 are approved as presented.**

IV. FINANCIAL REPORT

A. Custodian Bank – PNK Bank, NA

Ms. Cochran noted a copy of the PNC Summary of Activity report for the period January 1, 2025 through September 30, 2025 is contained in the meeting booklet.

B. Investment Performance Services, LLC ("IPS")

The Trustees welcomed Mr. Rich Sichel of IPS to the meeting.

Mr. Sichel distributed his report titled, "Master Consulting Services Report – September 30, 2025." He reviewed the financial markets generally. Mr. Sichel reported that the Fund's total market value of assets as of September 30, 2025 was $28,643,960, and the return for 2025 was 5.0%, compared to the 5.7% return for the index, gross of fees.

C. Quarterly Performance Report

Mr. Sichel reported that as of September 30, 2025 the Fund's assets were allocated as follows: 10.4% Domestic Large Cap Equity, 36.0% in Investment Grade Fixed Income, 36.5% in Short Duration High Yield, 6.3% in Real Estate – Core, 4.8% in Real Estate – Value Add, and 6.0% in cash equivalents. He noted Northern Trust held $2,975,611, Wedge Capital held $10,297,923, Chartwell Investment held $10,463,925, ARA Core Property Fund L.P. held $1,808,148, Boyd Watterson held $1,375,478, and there was $1,722,876 in the cash account.

D. Chartwell Short Duration High Yield Fee Amendment

Mr. Sichel reported a memo was sent to Chair and Secretary regarding a fee reduction effective July 1, 2025. He said IPS negotiated a reduced fee schedule on behalf of the Fund. The current management fee is 0.50% on all assets and the newly negotiated fee is 0.40% on the first $20 million invested and 0.30% on all assets over $20 million. Mr. Sichel said the Addendum was reviewed by Fund Counsel and executed by Chair and Secretary.

The Trustees thanked Mr. Sichel for his report and he was excused from the meeting.

V. COUNSEL REPORT

A. Subrogation Report

Ms. Saindon reviewed the status of the subrogation matters as of December 15, 2025. She reviewed the current cases and stated that there are no cases that require Trustee action at this time.

Ms. Saindon stated that the Fund received a check in the amount of $5,000 from Mr. Mansaray's attorney, which was the remaining balance owed after the Trustees authorized a settlement of $30,000, noting that the Fund previously received a check in the amount of $25,000. **This matter is now closed.**

B. Mooney, Green, Saindon, Murphy & Welch P.C. Fee Increase

Ms. Saindon . presented a new three-year engagement letter requesting a 3% increase each year beginning January 1, 2026.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve the Mooney, Green, Saindon, Murphy & Welch, P.C. three-year engagement letter effective January 1, 2026 through December 31, 2028.**

VI. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the third quarter 2025. The report showed contributions of $1,388,693, interest and dividend income of $231,143, COBRA payments of $0, self-payments of $0, and miscellaneous income of $95, producing a total income of $1,619,931 for the quarter. Expenses included

$1,019,389 of benefit expenses and $109,518 of operating expenses, producing a total expense of $1,128,907. This produced a surplus of $491,024 for the quarter ended September 30, 2025. Ms. Cochran noted that contributions were made on behalf of 314 Plan participants.

VII. INVOICES

Ms. Cochran presented a list of invoices dated December 15, 2025 for the Trustees' review. It was noted that there were no additions, deletions, or changes to the list.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED that the invoices on the list dated December 15, 2025 are approved for payment as presented.**

VIII. PARTICIPANT APPEAL – M25/118-5181

The participant's spouse appealed for payment of claims for outpatient laboratory services that were denied because the services were not provided at a Quest Diagnostics ("Quest") and/or Laboratory Corporation of America Holdings ("LabCorp") as the Plan document requires. It was noted that effective January 1, 2022 the Plan was amended to specifically exclude lab services performed anywhere other than Quest or LabCorp. The spouse had an office visit with an in-network provider but because the labs were performed in the office rather than at a Quest or LabCorp facility as the Plan requires, the claim was denied.

The Trustees noted that the spouse went to an in-network provider and the claim was related to a preventative service.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve appeal #M25/118-5181 and pay the claim in accordance with the limits of the Plan and to have Fund Counsel review with Segal potentially amending the Plan to pay laboratory services of in-network provider office visits.**

IX. PROVIDER REPORT – NFP

The Trustees welcomed Mr. Matt Vallario of NFP to the meeting. He distributed his report titled "Warehouse Employees Union Local 730 – 2026 Stop Loss Renewal."

A. Stop Loss Renewal

Mr. Vallario noted that the current stop loss policy will expire December 31, 2025. He stated that Ullico, the incumbent carrier, proposed a 2.2% increase if the dividends the Fund is eligible to receive are factored into the renewal. He said the following carriers declined to provide quotes: Berkshire, Crum & Forster, East Coast Underwriters, Evolution Risk, Swiss Re, HM Life, SunLife, and Voya.

Mr. Vallario reviewed the proposals submitted by Ullico and Symetra. He recommended the Trustees renew the policy with Ullico, with a $500,000 specific deductible, and a $50,000 aggregating deductible, for an annual premium of $121,003. He said while Symetra's annual premium was less, if the group has one stop loss claim next year it will erode any savings provided this year. Due to recent trends with high costs, the financial savings they provide this year does not warrant a change.

After a discussion, on MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the recommendation of NFP and accept the proposed stop loss renewal with Ullico for the period January 1, 2026 through December 31, 2026.

Mr. Paradis asked that Segal be engaged to help determine whether the Fund is sufficiently reserved so as to "self-insure" for stop loss coverage.

B. Life Insurance Renewal

Mr. Vallario noted that the current life insurance and AD&D policy will expire December 31, 2026 and no action was needed from the Trustees at this time.

The Trustees thanked Mr. Vallario for his report and he was excused from the meeting.

C. Gene Therapy

Mr. Kimble discussed gene therapy and its high costs and how it relates to stop loss coverage.

After a discussion, on MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the exclusion of coverage for gene therapy effective December 1, 2025.

X. OTHER FUND BUSINESS

A. Summary of Material Modification ("SMM")

Ms. Cochran presented a draft SMM related to self-pay benefits, COBRA continuation coverage, and Independent Medical Examiner rules.

The draft SMM included information specific to COBRA coverage which requires a participant to return to work and satisfy the initial waiting period after a loss of eligibility including after remitting COBRA payments. This requirement would not permit Accident and Sickness credited hours to reinstate eligibility.

She said the SMM includes language regarding a self-pay restriction, limiting self-payments to a lifetime maximum of 10 quarters per participant.

Ms. Cochran said the SMM includes information related to the Fund's right to require the participant to submit their medical records to an Independent Medical Examiner to determine whether disability coverage should continue. This rule would apply at the discretion of the Trustees, to any participant with an injury or illness that extends beyond 16 weeks.

After a discussion, on MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve the benefit changes in the draft SMM 1) loss of coverage, including after COBRA continuation coverage, 2) self-pay lifetime maximum of 10 quarters per participant, and 3) ability to require a participant's medical records to be submitted to an Independent Medical Examiner if the illness or injury extends beyond 16 weeks, effective January 1, 2026.**

B. <u>Pharmacy Benefit Manager ("PBM") Exit Audit – Cigna RX</u>

Ms. Cochran said that Segal provided more detail regarding an exit audit, including the parameters and cost. The estimated cost for the exit audit would be $45,000 - $60,000. Mr. Kimble noted that there is a conflict between the date by which the Fund would need to conduct the audit and the notice provision to initiate an audit. Segal is not recommending an exit audit and does not believe it would provide significant cost savings compared to the cost to perform the audit. After discussion the Trustees opted not to conduct an exit audit of Cigna.

C. <u>2026 COBRA Rates</u>

Ms. Cochran presented the 2026 COBRA rates. The Trustees reviewed the rates.

On MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve the 2026 COBRA rates as contained in the meeting booklet.**

D. <u>2026 Summary of Benefits & Coverage ("SBC")</u>

Ms. Cochran reported that Associated will mail the 2026 SBC Notice for the period January 1, 2026 through December 31, 2026 to active participants as presented in the meeting booklet.

E. <u>2024 Summary Annual Report</u>

Ms. Cochran reported that Associated mailed the 2024 Summary Annual Report to Plan participants on September 22, 2025.

F. <u>Women's Health and Cancer Rights Act ("WHCRA")</u>

Ms. Cochran reported that Associated mailed the WHCRA notice to participants on September 22, 2025.

G. <u>Notice of Creditable Coverage</u>

Ms. Cochran reported that Associated mailed the Notice of Creditable Coverage to Plan participants on September 22, 2025.

H. <u>Cigna PPO Savings Report</u>

The Trustees reviewed a copy of the CIGNA PPO Savings Report for the period January 1, 2025 through September 30, 2025.

I. <u>Group Vision Services ("GVS") Report</u>

Ms. Cochran noted a copy of the report provided by GVS regarding utilization for the period January 1, 2025 through December 31, 2025 is contained in the meeting booklet.

J. <u>Fiduciary Liability Policy</u>

Ms. Cochran reported that all outstanding balances for the Trustee Waiver of Recourse premiums were received for the Fiduciary Liability policy for the period July 26, 2025 through July 26, 2026.

XI. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected March 16, 2026 as their next regular meeting date immediately following the companion Pension Fund meeting via Zoom.

XII. ADJOURNMENT

There being no further business to come before the Trustees, the meeting was adjourned.

Respectfully submitted,

William Davis
Secretary