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
SEPTEMBER 12, 2025
VIA ZOOM**

The following Trustees were present:

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

EMPLOYER TRUSTEES
J. Paradis – Chairman[1]
F. Stegman

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

I. CALL TO ORDER

Ms. Cochran noted the lack of a quorum, as only one management trustee was present. Mr. Davis called the meeting to order. All motions were later ratified by the absent Trustees.

[1]Joined meeting at 11:10 a.m.

II. MINUTES

The Trustees reviewed the minutes of the last regular meeting held June 2, 2025.

On MOTION made and seconded, the Trustees present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED that the minutes of the last regular meeting held on June 2, 2025 are approved as presented.**

III. 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 June 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 – June 30, 2025." He reviewed the financial markets generally. Mr. Sichel reported that the Fund's total market value of assets as of June 30, 2025 was $27,848,597, and the return for 2025 was 3.6%, compared to the 3.8% return for the index, gross of fees.

C. Quarterly Performance Report

Mr. Sichel reported that as of June 30, 2025 the Fund's assets were allocated as follows: 4.9% Domestic Large Cap Equity, 36.4% in Investment Grade Fixed Income, 38.8% in Short Duration High Yield, 6.4% in Real Estate – Core, 4.9% in Real Estate – Value Add, and 8.6% in cash equivalents. He noted Northern Trust held $1,355,810, Wedge Capital held $10,137,061, Chartwell Investment held $10,803,076, ARA Core Property Fund L.P. held $1,793,743, Boyd Watterson held $1,360,394, and there was

$2,398,513 in the cash account.

D. Rebalancing Recommendation

Mr. Sichel said that the allocations are expected to rebalance closer to Policy once the Domestic Large Cap Equity allocation is fully funded. He recommended the Trustees reallocate $500,000 from Chartwell (Short Duration High Yield) and $1,000,000 from cash to Northern Trust (Domestic Large Cap Equity).

On MOTION made and seconded, the Trustees present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED to accept the recommendation of IPS to rebalance assets by allocating funds to Northern Trust as follows: 1) $500,000 from Chartwell and 2) $1,000,000 from the cash account.**

E. Chartwell Short Duration High Yield Fee Amendment

Mr. Sichel reviewed the Chartwell Fee Amendment provided prior to the meeting that was previously circulated to Chairman and Secretary. He said IPS negotiated a reduced fee schedule effective July 1, 2025 on behalf of the Fund. Co-Counsel stated the Amendment is under review.

On MOTION made and seconded, the Trustees present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED to approve the Chartwell Fee Amendment pending Co-Counsel's review.**

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

IV. AUDITOR REPORT

The Trustees welcomed Ms. Marcella Pascal of Novak Francella LLC to the meeting.

Ms. Pascal reviewed the Financial Statements for the year ended December 31, 2024. She said that Novak Francella issued an unmodified opinion on the Plan's financial statements. She noted that total additions for the year ended December 31, 2024 were $6,474,465 and total deductions were $3,613,800, resulting in a net increase of Net Assets Available for Benefits of $2,860,665. As of December 31, 2024 net assets available for benefits were $26,756,705. Ms. Pascal reviewed the notes to the financial statements, the schedule of administrative expenses, the schedule of employer contributions, and the schedule of assets held for investment purposes.

Ms. Pascal stated that the Form 990 and Form 5500 were filed on July 31, 2025. The Trustees thanked Ms. Pascal for her report, and she was excused from the meeting.

V. COUNSEL REPORT

A. Subrogation Report

Ms. Saindon reviewed the status of the subrogation matters as of September 12, 2025. She reviewed the current cases and stated that there was one case requiring Trustee action at this time.

Ms. Saindon stated that the Fund received a check in the amount of $25,000 from Mr. Mansaray's attorney, though this was the settlement amount rejected by the Trustees at the previous meeting. She stated that after speaking with the attorney, he stated that the case had settled for $55,000 and that mailing the check was a mistake; he was aware that the settlement offer of $25,000 had been rejected. Ms.

Saindon informed the attorney the Fund would be offsetting the member and dependent's benefits as the full lien remains outstanding. She reminded the Trustees that the amount of the Fund's lien is $33,635.63. Ms. Saindon further reported that Mr. Mansaray's attorney stated that if the matter could not be settled, he would pursue an interpleader action. After discussion when Trustee Paradis joined the meeting, the Trustees directed Ms. Cochran to reinstate benefits for the member and dependents effective immediately. Additionally, after weighing the costs of pursuing the full amount of the lien against the likelihood of full recovery,

On MOTION made and seconded, the Trustees

> **RESOLVED to authorize Ms. Saindon to attempt to settle this matter for $30,000.**

B. <u>SAR Amendment – Cigna medical</u>

Mr. Kimble reported that Cigna had agreed to Co-Counsel's edits to the Amendment effective January 1, 2025. Ms. Cochran said she would circulate the Amendment for Trustee signature.

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

Mr. Kimble said that information was requested from Segal regarding an exit audit. Segal advised that when Cigna's pricing and contracts were reviewed in the past, they were found to be reasonable and that given the size of the Fund, the cost of an audit may outweigh the potential recoveries. The Trustees directed Ms. Cochran to request from Segal more detail regarding an audit, including the parameters and cost.

VI. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the second quarter 2025. The report showed contributions of $1,400,287, interest and dividend income of $291,922, COBRA payments of $1,220, self-payments of $1,236, and miscellaneous income of $2,222, producing a total income of $1,696,887 for the quarter. Expenses included $958,464 of benefit expenses and $107,412 of operating expenses, producing a total expense of $1,065,876. This produced a surplus of $631,011 for the quarter ended June 30, 2025. Ms. Cochran noted that contributions were made on behalf of 316 Plan participants.

VII. INVOICES

Ms. Cochran presented a list of invoices dated September 12, 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 present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED that the invoices on the list dated September 12, 2025 are approved for payment as presented.**

VIII. OTHER FUND BUSINESS

A. Trustee Nomination

Ms. Cochran reported receipt of a nomination letter from Giant Food, Inc. for Ms. Brandi Petway to replace Mr. Michael Goble as an Alternate Employer Trustee. She reported that a letter was mailed to participating employers on September 4, 2025 regarding the nomination. Ms. Cochran said that if no response is received in writing within 10 business days of the dated letter, Ms. Brandi Petway will become an Alternate Employer Trustee effective September 18, 2025.

B. Cigna PPO Savings Report

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

C. Utilization Management Provider

Ms. Cochran reported that CareAllies would be changing their name to EverNorth Health Services effective December 19, 2025. She noted that Cigna will not be communicating this information to the participants. The Trustees requested a letter be mailed to the participants regarding the name change.

On MOTION made and seconded, the Trustees present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED that a letter is sent to participants regarding the name change.**

D. Quest Diagnostics and LabCorp Subsidiaries

Ms. Cochran stated that Cigna confirmed the PPO rates of all but one of the subsidiaries of LabCorp and Quest are the same as the LabCorp and Quest Diagnostics laboratories. She said the current Fund rule excludes the subsidiaries and any claims would be denied as out-of-network. Given the rates of the subsidiary laboratories are the same with the exception of Ameripath, a subsidiary of Quest, Ms. Cochran requested Trustee guidance whether these subsidiaries should be considered in-network. She noted that Cigna would need to provide and maintain a list of subsidiaries so that the information could be programmed in the system for claims processing.

On MOTION made and seconded, the Trustees present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED to approve subsidiaries of LabCorp and Quest Diagnostics as in-network with the exception of Ameripath.**

E. <u>International Foundation of Employee Benefit Plans – Annual Membership</u>

Ms. Cochran reported receipt of the Fund's 2026 membership renewal invoice for the International Foundation of Employee Benefit Plans. The renewal fee contains a $75 increase from the prior year.

On MOTION made and seconded, the Trustees present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED to approve the Fund's 2026 renewal with the International Foundation of Employee Benefit Plans at the $1,600.00 annual fee.**

F. <u>Form 1095-B</u>

Ms. Cochran stated that the IRS no longer requires employer sponsored health plans to mail the Form 1095-B annually. She stated that the Fund could opt-out of the annual mailing. If the Trustees opt out, Associated would 1) mail a Form 1095-B within 30 days of a participant's request and 2) post a notice with instructions on how to obtain the form on the Fund's website.

On MOTION made and seconded, the Trustees present voted unanimous approval of the following recommendation, subject to final approval by the Board when a quorum is present:

> **RECOMMENDED to approve the discontinuation of the annual mailing of 1095-B forms effective with the 2025 tax year.**

G. Patient Centered Outcomes Research Institute ("PCORI")

Ms. Cochran stated the PCORI fee, imposed by the Affordable Care Act for self-insured group plans, was mailed on June 27, 2025. The amount paid was $2,047.30.

H. Stop Loss Policy – Ullico

Ms. Cochran reported that the Fund received a dividend in the amount of $1,990.00 for the January 1, 2024 through December 31, 2024 policy year. The rebate is 2% of the plan's specific gross stop loss premium.

I. Cigna Performance Guarantee Check

Ms. Cochran reported that the Fund received a check in the amount of $853.07 for the 2024 Plan Year.

J. Fiduciary Liability Policy

Ms. Cochran reviewed the INTERIM action the Trustees took to renew the Fiduciary Liability policy for the period July 26, 2025 through July 26, 2027 with the incumbent carrier, Markel American Insurance Company/Ullico ("Ullico").

Ms. Cochran said there were outstanding balances for the Trustee Waiver of Recourse premiums. The Trustees requested Ms. Cochran contact the Trustees individually and confirm whether their premium has been paid.

K. No Surprise Act and Transparency Rule

Ms. Cochran stated that Associated submitted the medical portion of the Prescription Drug and Health Care Spending Report to CMS. She said that Cigna confirmed submitting the prescription portion prior to the deadline.

L. Class Action Settlements

Ms. Cochran reported that the Fund received a check in the amount of $95.10 related to the Ranbaxy class action settlement.

Trustee Paradis joined the meeting.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected December 15, 2025 as their next regular meeting date immediately following the companion Pension Fund meeting via Zoom.

X. ADJOURNMENT

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

Respectfully submitted,

William Davis
Secretary