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MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND HELD ON JANUARY 16, 2025 VIA VIDEO CONFERENCE

The following persons were in attendance:

UNION TRUSTEES
Mark Poole – Secretary
Barry English
Pete Gragnani

EMPLOYER TRUSTEES
David Ashton – Chairman
Tom Labadie
Dave King

Also present were:
Alicia Cochran – Associated Administrators, LLC
Rachel Grant – Associated Administrators, LLC
Andrew Lin – Mooney, Green, Saindon, Murphy & Welch, P.C.
Matt Walker[1] – The Philadelphia Trust Company

I. CALL TO ORDER

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

[1] Present for the investment report only

II. THE PHILADELPHIA TRUST COMPANY

The Trustees welcomed Mr. Matt Walker of The Philadelphia Trust Company to the meeting. Mr. Walker provided a brief overview of the current market, including a portfolio recap as of December 31, 2024. He reported that $80,000 out of the $100,000 that the Trustees had previously determined to place into equities had been invested. He then reviewed the Fund's current holdings and the portfolio's performance, noting that the Fund benefited from the recent improvement in performance by dividend stocks. He reminded the Trustees that dividend stocks tend to move against interest rates. He then provided an overview of recent equity acquisitions and dispositions. Mr. Walker stated that there were no changes to the investment allocations since the last meeting and that the account is yielding 5.44% returns as of December 31, 2024.

After addressing several questions from the Trustees, Mr. Walker was thanked for his report and excused from the meeting.

III. MINUTES

Ms. Cochran confirmed that there were no changes to the final draft of the October 10, 2024 minutes circulated prior to the meeting.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED that the minutes of the regular Board meeting held October 10, 2024 are approved as written.**

IV. FINANCIAL REPORT

A. Financials

Ms. Cochran reviewed the unaudited Financial Statements for the third quarter of the Plan year beginning March 1, 2024. Through the third quarter, the Fund had total income of $955,134 and total expenses of $1,077,716. The Fund operated through the third quarter with a deficit of $122,581.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED to accept and approve the third-quarter Financial Statements for the year beginning March 1, 2024 as presented.**

B. Delinquencies

Ms. Cochran reviewed the most recent report of outstanding delinquencies. Mr. Lin stated that the delinquency for Kelly Press is expected to be resolved soon.

V. COUNSEL

Mr. Lin discussed the mental health parity regulations that were finalized in 2024. He also discussed changes to the Fund's HIPAA privacy practices that may need to be implemented due to regulations promulgated by the Biden administration prior to the change in the Presidency.

VI. OTHER FUND BUSINESS

A. IRS Form 5500

Ms. Cochran reported that the annual IRS Form 5500 was electronically filed by the Fund auditor on December 9, 2024 for the March 1, 2023 through February 29, 2024 Plan year.

B. IRS Form 990

Ms. Cochran reported that the annual IRS Form 990 was electronically filed by the Fund auditor on December 9, 2024 for the March 1, 2023 through February 29, 2024 Plan year.

C. Medicare Retirees

Ms. Cochran said that the notification letters of the change in the premiums to retirees buying health coverage through the Fund were mailed November 15, 2024.

D. Positive Pay

Ms. Cochran reviewed the additional PNC positive pay service which provides ACH fraud protection against unauthorized transactions before they take place. Ms. Cochran said the monthly fee for this service is $20 per account, noting that the Fund has two accounts. She reported that the Fund's broker, Eberts and Harrison, said that while the Fund currently has theft protection under the Cyber Liability and ERISA Bond policy, it is recommended to use the best protections offered by the bank.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED to approve implementing the ACH services associated with the positive pay program with both accounts at PNC Bank, effective as soon as administratively possible.**

E. Consolidated Appropriations Act ("CAA")

Ms. Cochran reported that Associated successfully filed the CAA Gag Clause Attestation on behalf of the Fund prior to the end of the year.

F. Cyber Liability Policy

Ms. Cochran said that Chubb, the incumbent carrier for the Cyber Liability Policy issued an automatic renewal for the period January 23, 2025 through January 23, 2026 with no change in premium from the current policy.

G. Mutual of Omaha Renewal

Ms. Cochran reported a rate hold for the agreement for AD&D and Short-Term Disability for the period March 1, 2024 through February 28, 2025. She stated that the agreement for the Life insurance plan had an increase of 31.7% for a two-year period. Ms. Cochran said that the Fund's broker requested proposals from 16 carriers but none were competitive with the incumbent proposal.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED to approve the life insurance rate increase for a two-year period from the incumbent carrier, Mutual of Omaha.**

H. Vision Renewal – National Vision Association ("NVA")

Ms. Cochran reported a rate hold for the period March 1, 2025 through February 28, 2026.

I. Dental Renewal – Cigna

Ms. Cochran reported a rate hold for the period March 1, 2025 through February 28, 2026.

J. Administrative Load

Ms. Cochran reviewed an estimate for the administrative expenses for the 2025-2026 Plan year. Based on current enrollment and the Plan's estimated expenses, the estimate reflected a monthly administrative cost of approximately $195.63 per employee. Ms. Cochran noted that 0% of the administrative load had been assessed to members for the 2024-2025 Plan year. The Trustees discussed the allocation of the administrative expense load for the upcoming year and using Plan reserves to fund the cost of the administrative load.

On Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

RESOLVED to waive assessment of the administrative expense load on participants for the 2025-2026 Plan year.

K. <u>Tiered Rates</u>

The Trustees discussed using the same calculation that was performed in the prior Plan year for the tiered rates. After a discussion, the Trustees agreed to allow Mr. Chicoski to develop the tiered rates under the same approach used for the 2025 – 2026 Plan year.

VII. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting to be held April 23, 2025 commencing at 10:00 a.m. via Zoom.

VIII. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,

Mark Poole, Secretary