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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 12, 2023
VIA WEBEX

The following persons were in attendance:

UNION TRUSTEES	EMPLOYER TRUSTEES
Mark Poole – Secretary	David Ashton – Chairman
Barry English	Dave King
Pete Gragnani	Tom Labadie

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

* Present for part of meeting

I. CALL TO ORDER

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

II. THE PHILADELPHIA TRUST COMPANY

The Trustees welcomed Mr. Matt Walker of The Philadelphia Trust Company to the meeting. Mr. Walker provided a detailed overview of the current market, including a portfolio recap as of December 31, 2022. He discussed the many countervailing factors in the current investment landscape, such as the anticipated action by the Federal Reserve, continued inflation, higher commodity costs, and the political environment. Mr. Walker then reviewed the Fund's current holdings and reviewed the portfolio's performance.

Mr. Walker proposed investment of an additional third of available cash in the market. After a discussion, on Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED to place one-third of assets available for immediate investment, approximately $375,000, under investment with The Philadelphia Trust Company to be managed in accordance with the revised Investment Policy Statement as soon as administratively possible.**

Under the terms of the Investment Policy Statement, 70% (approximately $263,000) would be invested in fixed income while 20% (approximately $112,000) would be invested in equities.

Mr. Walker informed the Trustees that a CD is scheduled to mature on January 19, 2023. He asked the Trustees to confirm that The Philadelphia Trust Company should reinvest the proceeds back into the bond market in accordance with the Investment Policy Statement. The Trustees requested that Mr. Walker notify the Trustees in advance of the CD maturity.

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

RESOLVED to provide authorization to The Philadelphia Trust Company to reinvest the proceeds from CD maturities in accordance with the Investment Policy Statement.

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

III. MINUTES– MEETING OF OCTOBER 26, 2022

Ms. Cochran confirmed that there were no changes to the final draft of the minutes circulated prior to the meeting. The Trustees discussed revising the minutes' description of the motion to invest one-third of assets in accordance with the Investment Policy Statement. Mr. Lin and Ms. Cochran agreed to revise the description of the motion for both the October 26, 2022 minutes and the July 20, 2022 minutes; the revisions will be circulated to the Trustees for approval.

IV. FINANCIAL REPORT

Ms. Cochran reviewed the unaudited Financial Statements for the third quarter of the Plan year March 1, 2022 through February 28, 2023. For the Plan year through the third quarter, the Fund had total income of $972,583 and total expenses of $1,150,792. The Fund operated through the third quarter with a deficit of $178,210.

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

RESOLVED to accept and approve the Financial Statements for March 1, 2022 through November 30, 2022 as presented.

V. COUNSEL

Mr. Lin discussed recent legislative developments. He noted that recent benefits changes enacted late in the year as part of the spending bill substantially impacted retirement funds without affecting health funds.

VI. OTHER FUND BUSINESS

A. Dental Renewal - Cigna

Ms. Cochran reported that Mr. Chicoski was able to negotiate a rate hold for the policy period March 1, 2023 through February 29, 2024.

B. Mutual of Omaha Renewal

Ms. Cochran reported that the agreement for Life Insurance, AD&D and Short-Term Disability is in the second year, March 1, 2023 through February 29, 2024 of a two-year rate hold.

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

Ms. Cochran reported that the agreement is in the second year, March 1, 2023 through February 29, 2024 of a two-year rate hold.

D. Medical Renewal – Kaiser Permanente

Ms. Cochran reported that Kaiser's original request included an 8.99% premium increase; however, Mr. Chicoski was able to negotiate a reduction to a 6.5%. She said that Mr. Chicoski submitted a Request For Proposal to Aetna, CareFirst, Cigna and United Healthcare for medical and prescription coverage. He said the carriers declined to provide proposals due to uncompetitive rates.

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

> **RESOLVED to accept the Kaiser renewal with a premium increase of 6.5%, for the policy period March 1, 2023 through February 29, 2024.**

E. Administrative Expense Load

Ms. Cochran reviewed an estimate for the administrative expenses for the 2023-2024 Plan year. Based on current enrollment and the Plan's estimated expenses, the estimate reflected a monthly administrative cost of approximately $123.55 per employee. Ms. Cochran noted that 0% of the administrative load had been assessed to members for the 2022-2023 Plan year. She said that Fund reserves as of November 30, 2022 are 17.0 months, while reserves as of November 30, 2021 were 16.4 months. The Trustees discussed allocation of the administrative expense load for the upcoming year and using Plan reserves and additional amounts received from contributing employers due to members who opted out of coverage 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 the administrative expense load for the 2023-2024 Plan year.**

F. Tiered Rates

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 2022 – 2023 Plan year.

G. Open Enrollment

Ms. Cochran said that the open enrollment materials were sent by certified mail for the 2022-2023 Plan year. After discussion, the Trustees agreed to mail the materials certified for the 2023-2024 open enrollment. Ms. Cochran said the open enrollment materials would also be electronically distributed to employers.

H. IRS Form 5500

Ms. Cochran reported that the annual IRS Form 5500 was electronically filed by the Fund auditor on December 15, 2022 for the March 1, 2021 through February 28, 2022 Plan year.

I. Cyber Liability Policy

Ms. Cochran said the current Cyber Liability Policy with Chubb will expire January 23, 2023. She said that Chubb, the incumbent carrier, issued an auto-renewal for the period January 23, 2023 through January 23, 2024 with a 3% increase in premium from the current policy; however, the broker requested an additional application to be completed in order to secure competitive proposals. Ms. Cochran said she would contact the Trustees prior to the next meeting once the additional information is available.

J. 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 29, 2022.

K. Trustee Appointment

Ms. Cochran reported that the Trustee nomination letters were sent electronically to participating employers on November 3, 2022 with no responses to date. Trustee King stated he would reach out to someone in management related to the “Joint Standing Committee” for further assistance obtaining a new nomination.

VII. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting to be held April 19, 2023 commencing at 10:00 a.m. The location will be determined at a later time.

VIII. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,

Mark Poole, Secretary