LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND

FINANCIAL STATEMENTS

FEBRUARY 28, 2022

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FINANCIAL STATEMENTS

YEARS ENDED FEBRUARY 28, 2022 AND 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Lithographers and Photoengravers Local 285 Welfare Fund

Opinion

We have audited the accompanying financial statements of the Lithographers and Photoengravers Local 285 Welfare Fund (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of February 28, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of February 28, 2022 and 2021, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets (held at end of year) and reportable transactions are presented for purposes of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Other Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of administrative expenses are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Bethesda, MD
Date

LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

FEBRUARY 28, 2022 AND 2021

	2022	2021
Assets		
Cash	$ 215,309	$ 293,588
Receivables		
Employer contributions and payroll audit collections	103,540	79,560
Other	3,138	5,058
Total receivables	106,678	84,618
Investments - at fair value	2,005,055	1,996,844
Prepaid expenses	5,145	56,172
Total assets	2,332,187	2,431,222
Liabilities		
Accounts payable	3,888	2,603
Deferred contributions	2,719	2,530
Total liabilities	6,607	5,133
Net assets available for benefits	$ 2,325,580	$ 2,426,089

See accompanying notes to financial statements.

LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED FEBRUARY 28, 2022 AND 2021

	2022	2021
Additions		
Investment income	$ 5,678	$ 26,170
Contributions		
From employers	1,266,727	1,311,808
COBRA and retiree payments	133,954	141,059
Total contributions	1,400,681	1,452,867
Other income	2,536	815
Total additions	1,408,895	1,479,852
Deductions		
Cost of benefits		
Insurance premiums	1,355,313	1,606,884
Administrative expenses	154,091	157,832
Total deductions	1,509,404	1,764,716
Net change	(100,509)	(284,864)
Net assets available for benefits		
Beginning of year	2,426,089	2,710,953
End of year	$ 2,325,580	$ 2,426,089

See accompanying notes to financial statements.

NOTE 1. DESCRIPTION OF THE PLAN

The following description of the Lithographers and Photoengravers Local 285 Welfare Fund (the Plan) provides only general information. Participants should refer to the Summary Plan Description for a complete description of the Plan's provisions. The Plan was created pursuant to an agreement and declaration of trust dated October 1, 1972.

General

The Plan covers employees in jobs covered by a collective bargaining agreement with The Graphic Communication International Union Local 285. This Plan also covers eligible dependents of active employees and retirees. Unemployed participants, retired employees, employees' widows, widowers, or orphaned children are allowed to continue their eligibility by paying their own contributions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Benefits

The Plan provides health benefits (medical, hospital, surgical, major medical, and dental), life insurance coverage, disability benefits, and accidental death and dismemberment benefits. The Plan provides these benefits through either insurance or indemnity arrangements with the following companies:

Kaiser Permanente - Medical, Hospital
Mutual of Omaha - Life, AD & D
National Vision Administrators, LLC - Vision
CIGNA Health and Life Insurance Company - Dental

Contributions

Employers subject to the collective bargaining agreement and other agreements make monthly contributions to the Plan for each covered employee employed on the first day of the month. Retirees electing coverage under this Plan self-pay monthly premiums by the first day each month for which coverage is sought. All monies are used exclusively for providing benefits and the paying of all expenses incurred with respect to the operations of the Plan.

Other

The Plan's Board of Trustees (the Board), as Sponsor, has the right under the Plan to change, modify or eliminate any of the benefits offered by the Plan at any time, subject to the provisions set forth in ERISA.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting. Under this basis, revenue is recognized when earned and expenses are recognized when incurred. The significant accounting principles and practices utilized are described as follows:

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in financial statements. Accordingly, actual results could differ from those estimates.

Employer Contributions Receivable

This amount represents contributions received shortly after the close of the plan year. It does not include any additional amounts that may be due from delinquent contributing employers. Therefore, no allowance for doubtful receivables is necessary.

Investment Valuation and Income Recognition

The investments of the Plan are reported at fair value. The fair value of a financial instrument is the amount that would be received to sell that asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date (the exit price). Purchases and sales of the investments are reflected on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Appreciation or depreciation (unrealized and realized gains and losses) in value are reported on the statements of changes in net assets available for benefits in the period in which they occur.

NOTE 3. POST-RETIREMENT BENEFIT OBLIGATIONS

The Plan's retirees pay 100% of the true cost of the insurance; therefore, no post retirement obligation exists.

NOTE 4. INVESTMENTS

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described on the following page.

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets of liabilities in active markets that the Plan has the ability to access.

NOTE 4. INVESTMENTS (CONTINUED)

Level 2 Inputs to the valuation methodology include other significant observable inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. These methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Following are the descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at February 28, 2022 and 2021.

Certificates of deposit: Approximates fair value because the instruments are liquid in nature and have short-term maturities.

Temporary investment: Valued at amortized cost, which approximates fair value.

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of February 28, 2022 and 2021:

Description	2022	Level 1	Level 2	Level 3
Certificates of deposit	$ 697,452	$ -	$ 697,452	$ -
Temporary investment	1,307,603	1,307,603	-	-
	$ 2,005,055	$ 1,307,603	$ 697,452	$ -

Description	2021	Level 1	Level 2	Level 3
Certificates of deposit	$ 1,532,989	$ -	$ 1,532,989	$ -
Temporary investment	463,855	463,855	-	-
	$ 1,996,844	$ 463,855	$ 1,532,989	$ -

NOTE 5. INCOME TAX STATUS

The Trust established under the Plan to hold the Plan's assets is intended to qualify pursuant to Section 501(c)(9) of the Internal Revenue Code (IRC), and accordingly, the Trust's net investment income is exempt from income taxes. The Trust has obtained a favorable tax determination letter from the Internal Revenue Service, and the Plan sponsor believes that the Trust, as amended, continues to qualify and to operate in accordance with applicable provisions of the IRC.

The Plan files Form 990, *Return of Organization Exempt from Income Tax*, and Form 5500, *Annual Return/Report of Employee Benefit Plan*. As of February 28, 2022, the statute of limitations for tax years 2018 through 2020 remains open with the U.S. Federal jurisdiction and the various states and local jurisdictions in which the Plan files returns.

NOTE 6. PLAN TERMINATION

The Board reserve the right to terminate or amend the Plan. In the event of the final termination of the Agreement and Declaration of Trust and the Plan, the Board may proceed with the termination of the Plan or take such other action as permitted by law. The Board shall continue to serve as trustees and the Plan's assets shall continue to be held in trust until all matters relating to termination have been completed.

Upon termination, after payment of all pending benefit claims, reasonable expenses, taxes, and proper charges, the Plan's assets shall be allocated and distributed in the manner, and to the persons, that the Board determined will best effectuate the purposes hereof, provided that such allocation and distribution shall be in the best interests of eligible employees and eligible dependents, shall not unduly impair the benefit rights of such eligible persons existing at the time of termination, and shall be consistent with the provisions of ERISA, the IRC, and other applicable law.

NOTE 7. CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the organization to credit risk include cash on deposit with any financial institution that is in excess of federally insured limits. A possible loss exists for the amount held in excess of federally insured limits. At February 28, 2022, the Plan had no cash balances that exceeded the federally insured limits. In addition, the Plan invests in a money market account that is not covered by federal insurance. The Plan's management believes it is not exposed to any significant financial risk regarding cash balances.

NOTE 8. PARTY-IN-INTEREST TRANSACTIONS

The plan pays certain administrative, investment and professional fees to various providers. these transactions are party in interest transactions under ERISA.

NOTE 9. SIGNIFICANT UNCERTAINTIES

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of the pandemic on the Plan's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Plan's employers, participants and vendors, all of which, at present, cannot be determined.

Accordingly, the extent to which the pandemic may impact the Plan's net assets available for benefits and changes in net assets available for benefits is uncertain, and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

NOTE 10. SUBSEQUENT EVENTS REVIEW

Subsequent events have been evaluated through TBD, 2022, which is the date the financial statements were available to be issued. This review and evaluation revealed no material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.

SUPPLEMENTAL INFORMATION

LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND

SCHEDULES OF ADMINISTRATIVE EXPENSES

YEARS ENDED FEBRUARY 28, 2022 AND 2021

	2022	2021
Administrative expenses	$ 104,754	$ 102,699
Audit and accounting fees	11,500	11,710
Insurance	18,759	22,637
Legal fees	16,096	13,953
Bank charges	868	1,120
Other	2,114	5,713
Total	$ 154,091	$ 157,832

LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

FEBRUARY 28, 2022

Form 5500, Schedule H, Line 4i

E.I.N.: 23-7237228
Plan No.: 501

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description Face Value/ Share	Maturity Date	Interest Rate	(d) Cost	(e) Current Value
	Temporary investment					
	Bank Sweep	N/A	N/A	N/A	$ 1,059	$ 1,059
	SEI Daily Income Treasury II Fund	N/A	N/A	N/A	1,306,544	1,306,544
					1,307,603	1,307,603
	Certificates of deposit					
	CIT Bank	50,000	7/2/2022	0.30%	50,074	50,074
	Wex Bank	100,000	10/11/2022	0.10%	100,000	99,739
	Goldman Sachs Bank USA	100,000	4/21/2022	0.10%	100,000	99,986
	New York Community Bank	100,000	11/9/2022	0.20%	100,000	99,742
	New York Community Bank	100,000	6/12/2023	0.25%	100,000	98,911
	Synovus Bank	249,000	6/12/2023	2.50%	249,000	249,000
					699,074	697,452
	Total assets (held at end of year)				$ 2,006,677	$ 2,005,055

LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND

SCHEDULE OF REPORTABLE TRANSACTIONS

YEAR ENDED FEBRUARY 28, 2022

Form 5500, Schedule H, Line 4j

E.I.N.: 23-7237228
Plan No.: 501

(a) Identity of Party Involved	(b) Description of Asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	Expenses Incurred with Transaction	(g) Cost of Asset	Asset on Transaction Date	(i) Net Gain or (Loss)
N/A	Certificate of Deposit - Beal Bank USA	N/A	$ 130,000	N/A	N/A	$ 130,000	$ 130,000	$ -
N/A	Certificate of Deposit - Safra National Bank	N/A	245,000	N/A	N/A	245,000	245,000	-
N/A	Certificate of Deposit - TIAA FSB Holding	N/A	145,000	N/A	N/A	145,000	145,000	-
N/A	Certificate of Deposit - Flagstar Bank	N/A	200,000	N/A	N/A	200,000	200,000	-
N/A	Cash Sweep - SEI Daily Income Treasury II Fund	1,106,668	N/A	N/A	N/A	1,106,668	1,106,668	N/A
N/A	Cash Sweep - SEI Daily Income Treasury II Fund	200,122	N/A	N/A	N/A	200,122	200,122	N/A