

Industry and Local 338
Welfare Fund
911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

Minutes of the Special Meeting of the Board of Trustees

Held on November 4, 2022
Via
WebEx

The following Trustees were present:

UNION TRUSTEES

Dan Maldonado
Lori Polesel

EMPLOYER TRUSTEE

Chris Palmer

Also present were:

Alicia Cochran – Associated Administrators, LLC
Rachel Grant – Associated Administrators, LLC
Elizabeth O’Leary, Esq. – Kauff McGuire & Margolis LLP

I. CALL TO ORDER

The meeting was called to order at 10:03 a.m.

II. OPT OUT AND TIERED CONTRIBUTION RATES

Trustee Polesel discussed the Union’s current negotiations with Orange County Transit (“OCT”). She stated that, for employees who waive coverage, OCT currently pays the full employer contribution and the employee portion is waived. She noted that the Fund does not provide any benefits for the opt-out employees but currently receives approximately \$10,000 per year in employer contributions on their behalf. She discussed the possibility of providing the Plan’s non-medical benefits for employees who opt out of coverage. It

was noted that the non-medical benefits include short-term disability, AD&D, life Insurance, and NYS Paid Family Leave (collectively, the “Supplemental Benefits”).

After further discussion,

MOTION was made, seconded and unanimously adopted to provide Supplemental Benefits to Orange County Transit employees who opt out of full coverage.

Trustee Polesel requested that Segal calculate a contribution rate sufficient to cover the cost of the Supplemental Benefits and that, upon receipt of that information, consideration be given to offering a lower employer contribution rate for employees who opt out of coverage. Trustee Polesel said that, as is currently the case with OCT opt outs, any employee wishing to opt out must submit proof of other coverage in order to be eligible for the opt out option.

The Trustees requested that Segal also provide information regarding tiered contribution rates. Ms. Cochran said that she would notify Segal of the Trustees’ request.

III. PAYROLL AUDIT ISSUE

Trustee Palmer discussed the payroll audit findings for L.P. Transportation (the “Company”). He explained that the Company disagrees with the findings related to the first four weeks of employment for new hires. Ms. Cochran said that she had reviewed the Company’s prior audits and contributions and that there were inconsistencies with the Company’s commencement date of contribution payments for new hires. It was noted that the Collective Bargaining Agreement does not have specific language regarding a waiting period for contribution payments. It was noted that the Company has submitted payment for the findings to which it does not object.

After discussion, it was agreed that Ms. Cochran would further review the findings from previous payroll audits and discuss the matter with Ms. O'Leary. Ms. Cochran and Ms. O'Leary said they would contact Trustee Palmer once additional information is available.

Ms. O'Leary noted that, once the information is received, and in the event that a decision by the Board of Trustees' is required regarding this audit, Trustee Palmer must recuse himself from any discussion and decision by the Board of Trustees.

IV. NEXT MEETING DATE/ADJOURNMENT

The next regular meeting of the Board of Trustees is scheduled for Tuesday, November 22, 2022 by WebEx. The Trustees confirmed that Matthew Berger, counsel for Local 445 Welfare Fund, is welcome to attend the upcoming meeting. With no further business to come before the Board, the meeting was adjourned at 10:38 a.m.