Industry And Local 338
Welfare Fund

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Minutes of the Meeting of the Board of Trustees

Held on January 12, 2026
Via
Zoom

The following Trustees were present:

UNION TRUSTEES	**EMPLOYER TRUSTEE**
Dan Maldonado	Chris Palmer
Lori Polesel	

Also present were:

Pat Blizzard – SEI Institutional Group
Alicia Cochran – Associated Administrators, LLC
Michele Domash – Cheiron
Rachel Grant – Associated Administrators, LLC
Peter Murray – Schultheis & Panettieri, LLP
Elizabeth O'Leary, Esq. – Kauff McGuire & Margolis LLP
Jonathan Waite – SEI Institutional Group

I. CALL TO ORDER

The meeting was called to order at 12:15 p.m.

II. INVESTMENT CONSULTANT REPORT

A. Market Commentary and Performance

Mr. Pat Blizzard reviewed SEI's report for the period ending December 31, 2025. He provided commentary on market conditions and economic trends, including the labor and financial markets. He discussed market performance across different asset classes.

Mr. Blizzard reported that the Fund's market value of assets was $6,415,165 as of December 31, 2025, and its fiscal year-to-date rate of return is 4.77%, compared to the 4.51% index return. He reviewed the Fund's asset allocation consisting of: 8.3% World Equity Ex-US Fund, 7.10% US Equity Factor Allocation Fund, 6.00% Large Cap Index Fund, 32.70% Core Fixed Income Fund, 18.90% Limited Duration Fund, 5.00% Ultra Short Duration Fund, 3.00% High Yield Bond Fund, 4.90% Real Return Fund, 3.10% Emerging Markets Debt Fund, and 11.00% Multi Asset Real Return Fund. He then reported on the performance of each asset class.

III. AUDITOR'S REPORT

Mr. Murray distributed the Financial Statements for the Plan years ended June 30, 2025 and 2024, which are attached hereto as Exhibit "A." He confirmed that the Financial Statements, in the opinion of Schultheis & Panettieri, LLP ("S&P"), present fairly, in all material respects, the financial status of the Fund. Mr. Murray reviewed the Form 5500 in detail, including Schedule C, and reported that with the extension, the Form 5500 must be filed by March 31, 2026. He stated that the Fund's administrative expenses are reasonable and that the Plan continues to operate efficiently. He noted S&P's satisfaction with Associated Administrator's internal controls.

Mr. Murray reviewed the Form 990 in detail with the Trustees.

IV. APPROVAL OF MINUTES

The minutes of the meeting held on September 8, 2025 were reviewed.

MOTION was made, seconded and unanimously adopted to approve the minutes of the meeting held on September 8, 2025.

V. ASSOCIATED ADMINISTRATORS, LLC REPORT

A. Cash Operating Statement

Ms. Cochran reviewed the Cash Operating Statement from July 1, 2025 through June 30, 2026. The report is attached hereto as Exhibit "A."

B. Claims Paid Detail Report

Ms. Cochran reviewed a report detailing medical claims paid by type of benefit from July 1, 2025 through September 30, 2025. The report showed paid claims by the following categories: anesthesia, hospital, laboratory and x-ray, medical, and surgery. The report also indicated claims paid in network and out-of-network. The report is attached hereto as Exhibit "B."

C. Disbursement Report

Ms. Cochran referred to the Authorization for Disbursements reports for July, August, September of 2025. The reports are attached hereto as Exhibit "C."

MOTION was made, seconded and unanimously adopted authorizing the disbursements listed in Exhibit "C."

D. Delinquency Report

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "D."

E. Withdrawal Liability

Ms. Cochran reviewed the report showing the status of withdrawal liability payments owed to the Pension Fund by the Welfare Fund in connection with the 2013 closing of the former Fund Office. The report is included at the bottom of Exhibit "D."

F. Employer Contribution Rate Report

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "E."

G. Active Members and COBRA Participants Receiving Benefits

Ms. Cochran referred to the report for the period from January 2025 through December 2025. The report is attached hereto as Exhibit "F."

H. Teamsters Center Services Fee Increase

Ms. Cochran presented a fee increase request of 15 cents per member per month, effective January 1, 2026. She said that the fee request included 15 cent increases for the years of 2027 ($2.45) and 2028($2.60).

MOTION was made, seconded and unanimously adopted to approve the fee increases for Teamsters Center Services effective January 1, 2026.

I. Notice of Creditable Coverage

Ms. Cochran reported that the Notice of Creditable Coverage was mailed to participants on October 7, 2025.

J. Women's Health and Cancer Rights Act ("WHCRA") Notice

Ms. Cochran reported that the WHCRA notice was mailed to participants on October 7, 2025.

K. Precast Concrete Sales Company Collective Bargaining Agreement ("CBA")

Ms. Cochran reported that Associated received the CBA for Precast Concrete Sales Company for the period January 1, 2024 through December 31, 2026. She stated that the CBA included a 9% increase to the contribution rate for the first year, a 3% increase for the second year, and a 5% increase for the third year.

L. First Student Rondout CBA

Ms. Cochran reported that Associated received the CBA for First Student, Rondout for the period September 1, 2025 through August 31, 2028. She stated that the CBA included a 7% increase to the contribution rate for each year.

M. First Student Wallkill & Valley Central CBA

Ms. Cochran reported that Associated received the CBA for First Student Wallkill & Valley Central for the period September 1, 2025 through August 31, 2028. She stated that the CBA included a 7% increase to the contribution rate for each year.

N. Precast Concrete Payroll audit

Ms. Cochran reported that the payroll auditor completed an audit for the employer Precast Concrete. She stated that there were no findings.

O. Mondelez Credit Request

Ms. Cochran reported that Mondelez requested a credit of $11,716.05 for September 2025 contributions paid in error. She stated that Associated has confirmed that the contributions were paid in error and that the employer does not have an outstanding liability to the Fund.

MOTION was made, seconded and unanimously adopted to approve the credit request of $11,716.05 for Mondelez.

P. <u>Cyber Liability Policy – INTERIM ACTION</u>

Ms. Cochran reported that the Trustees, via electronic poll, approved the renewal of the Cyber Liability Policy with Travelers based on Segal's recommendation. The policy period is October 4, 2025 through October 4, 2026.

Q. <u>Gag Clause</u>

Ms. Cochran reported on the Consolidated Appropriation Act's Gag Clause Attestation requirement pursuant to which the Fund must submit an annual attestation to CMS attesting that the Plan's contracts with certain of its service providers do not contain "gag clauses" as defined under the law. Ms. Cochran confirmed Associated would electronically sign and submit the attestation on behalf of the Fund before the deadline of December 31, 2025.

R. <u>Stop Loss Claims</u>

Ms. Cochran reported that the Fund received a stop loss reimbursement of $25,581.13 for the policy period April 1, 2024 through March 31, 2025.

S. <u>Express Scripts Rebate</u>

Ms. Cochran reported that the Fund received a Pricing Guarantee rebate in the amount of $42,623.34 and the second quarter 2025 formulary rebate of $88,792.32 from Express Scripts.

VI. CONSULTANT'S REPORT

The Trustees welcomed Ms. Michele Domash and Dr. Amul Shah of Cheiron to the meeting.

Ms. Domash presented the report titled "Actuarial Update for the Industry and Local 338 Welfare Fund" which was provided prior to the meeting. She reviewed the enrollment which showed 121 subscribers and an average age of 49, as of September 2025. She noted the decline from 135 subscribers in prior periods.

She reported that assets at the end of the September 2025 were $6.6 million compared to two years ago which was over $7 million. She explained that this was due to expenditures outpacing contributions and investment earnings. However, the last quarter did show improvement with projected assets at the end of June 2026 estimated to continue to show expenses paid by revenues and investment income.

Ms. Domash then provided two projections of how the Fund's financial status emerges if a target rate for contributions are increased at 10% and alternatively at 15% per annum for plan years 2026 onwards. A target rate assumes that all groups will contribute the same amount. She reiterated that the Fund needs to break-even for long term sustainability. With a 10% increase in contributions and combined with other assumptions, the reserve in months is projected at 19.8 months at the end of June 2028. If rates were higher at 15%, the reserve increases to over 21 months.

In summary, Ms. Domash indicated that 10% per annum based upon these projections enables the fund to continue in solid financial position, with continued declines in the number of month's reserve. The plan's financial status is reviewed at each meeting in order to consider approaches to maintain the plan for the members and their families at competitive rates.

She then provided an update of upcoming action items, including discussion with Anthem on network options and the regular stop loss renewal.

VII. NEXT MEETING DATE/ADJOURNMENT

The next regular meeting of the Board of Trustees was scheduled for April 13, 2026 immediately following the Pension Fund meeting via Zoom. With no further business to come before the Board, the meeting was adjourned at 1:25 p.m.

Exhibits

A - Cash Operating Statement

B – Claims Paid Detail Report

C – Authorization for Disbursements

D – Delinquency Report and Withdrawal Liability Report

E – Employer Contribution Report

F – Active Members and COBRA Participants Receiving Benefits