Industry And Local 338
Welfare Fund
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Minutes of the Meeting of the Board of Trustees

Held on April 13, 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
Elizabeth O'Leary, Esq. – Kauff McGuire & Margolis LLP

I. CALL TO ORDER

The meeting was called to order at 11:14 a.m.

II. INVESTMENT CONSULTANT REPORT

A. Market Commentary and Performance

Mr. Pat Blizzard reviewed SEI's report for the period ending March 31, 2026. He provided commentary on market conditions and economic trends, including the labor and financial markets and geopolitical uncertainty. He discussed market performance across different asset classes.

Mr. Blizzard reported that the Fund's market value of assets was $6,457,122 as of March 31, 2026, and its fiscal year-to-date rate of return is 5.48%, compared to the 4.10% index return. He reviewed the Fund's asset allocation consisting of: 8.20% World Equity Ex-US Fund, 6.90% US Equity Factor Allocation Fund, 5.80% Large Cap Index Fund, 32.40% 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, 3.00% Emerging Markets Debt Fund, and 11.90% Multi Asset Real Return Fund. He then reported on the performance of each asset class.

Mr. Blizzard noted the Fund did not have a negative cash flow as of April 8, 2026.

Following discussion, Mr. Blizzard concluded his report.

III. <u>APPROVAL OF MINUTES</u>

The minutes of the special meeting held on December 19, 2025 were reviewed.

MOTION was made, seconded and unanimously adopted to approve the minutes of the special meeting held on December 19, 2025.

The minutes of the meeting held on January 12, 2026 were reviewed.

MOTION was made, seconded and unanimously adopted to approve the minutes of the meeting held on January 12, 2026.

IV. 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 December 31, 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 October, November, and December 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 the Welfare Fund's withdrawal liability payments to the Pension Fund in connection with the 2013 Fund Office closing. 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. Form 5500

Ms. Cochran reported that the Form 5500 was filed on February 2, 2026.

I. Summary Annual Report ("SAR")

Ms. Cochran reported that the SAR for the Plan Year Ending June 30, 2025 was mailed to participants on February 26, 2026.

J. 2026 Summary of Benefit and Coverage ("SBC")

Ms. Cochran reported that the SBC for 2026 was mailed to participants on February 4, 2026.

K. Notice of Privacy Practices Availability

Ms. Cochran reported that the Notice of Privacy Practices Availability was mailed to participants on February 4, 2026. She stated that the revised notice includes required provisions related to Substance Use Disorder Records, effective February 16, 2026.

L. Mondelez Global LLC Payroll Audit

Ms. Cochran reported that the audit of Mondelez Global LLC found a total of $15,108.41 due to the Fund and that payment was received on February 11, 2026.

M. Express Scripts Privacy Incident

Ms. Cochran reported that the Fund was notified on March 12, 2026 that the Express Scripts vendor, Berkly Group ("BRG"), was involved in a privacy incident affecting three participants. She stated that Express Scripts confirmed BRG will notify the participants of the incident, and that Segal is reviewing whether insurance notice is required.

N. Form 1099NEC

Ms. Cochran reported that the Form 1099NEC was mailed on January 28, 2026.

O. Form 1099MISC

Ms. Cochran reported that the Form 1099MISC was mailed on January 30, 2026.

P. New York State Paid Family Leave ("PFL")

Ms. Cochran noted that the Trustees previously agreed to have the Fund provide New York State Paid Family Leave ("PFL") benefits to eligible participants, noting that the benefit became effective on January 1, 2018. It was noted that the Fund is currently not requiring contributions from the Employer if the member is collecting either PFL or Short-Term Disability benefits. Ms. Cochran requested guidance from the Trustees on whether the Employer should be required to contribute while the employee is on PFL. Ms. O'Leary stated that the law provides that an employer shall maintain any existing health benefits of the employee in force for the duration of such leave as if the employee had continued to work from the date he or she commenced PFL until the date he or she returns to employment. She stated that while the Trustees agreed to voluntarily provide the PFL coverage, there is no obligation that it provide continued health coverage without corresponding employer contributions. She added that different funds have approached this issue in different ways. She also noted that the Summary Plan Description provides that contributions are due from employers on behalf of employees who are on FMLA leave. Ms. O'Leary stated that the NY PFL law incorporates the FMLA rules with respect to health insurance during leave, which would support requiring employer contributions during PFL.

After discussion,

MOTION was made, seconded and unanimously approved that all contributions for employees receiving PFL benefits will be due from the employer.

Q. Form 1095-B

Ms. Cochran stated that the letter informing participants that the Form 1095-B Notice would no longer be automatically mailed was posted on the website and mailed to participants on January 6, 2026.

R. Fiduciary Liability Policy

Ms. Cochran reported that the Fiduciary Liability Policy expires on June 10, 2026. She stated that the Trustees will be notified of the renewal via interim action prior to the next meeting.

S. Summary Plan Description ("SPD")

Ms. Cochran reported that SPD revisions have been in progress but that the final version has been delayed for various reasons. She stated that the collaborative efforts from Associated and counsel have been productive but she believes Cheiron's assistance would be beneficial. Cheiron agreed to provide a proposal to complete the SPD revision prior to the next meeting date.

After discussion,

MOTION was made, seconded and unanimously approved to engage Cheiron to revise the SPD after review and approval of its fee proposal.

V. CONSULTANT'S REPORT

A. Stop Loss Renewal

Ms. Domash reported on the between-meeting approval of the stop loss renewal with the incumbent carrier, Tokio Marine, with an increased attachment point of $200,000 effective April 1, 2026. She reviewed the memo distributed to the Trustees in March. She said the initial rate proposal from Tokio Marine included a 24% increase in premium for the same terms with a $175,000 attachment point and no lasers. Ms. Domash said she requested other attachment points and succeeded in having Tokio Marine reduce its proposed rate to a 19% increase at the current attachment point and offer additional options which included (1) increasing the attachment point to $200,000, with an annual premium savings of $31,000 or (2) increasing the attachment point to $250,000, with savings of $89,000. Ms. Domash noted increasing the attachment point was a viable option especially since it has not been updated in recent years, and in light of the Fund's experience.

MOTION was made, seconded and unanimously adopted to ratify the interim approval of the stop loss policy on the above-described terms.

B. Amalgamated Renewal

Ms. Domash reported that, as approved between meetings, the Basic Life, Accidental Death and Dismemberment (AD&D), and Enhanced NY DBL (Disability Benefit Law) renewal memorandum from Amalgamated was approved effective

January 1, 2026. She stated the proposal included a 2-year rate guarantee with no premium increase effective January 1, 2026 through December 31, 2027.

Ms. Domash stated that the New York Department of Financial Services announced that the PFL monthly rate will decrease from 0.455% to a maximum of 0.432% of the New York State Average Weekly Wage in 2026.

Following discussion,

MOTION was made, seconded and unanimously adopted to ratify the interim approval of the Amalgamated policy renewals effective January 1, 2026.

C. Anthem Renewal – May 1, 2026

Ms. Domash reported that the Fund's Joint Administrated Arrangement (JAA) Administrative Fee with Empire BlueCross BlueShield renews each year effective May 1st. She explained that the JAA Administrative Fee covers Claims Repricing, Utilization Management services, Case Management services and a Behavioral Health utilization management program.

Ms. Domash stated that Empire had requested a 2.0% increase in the administrative fee from $18.73 per participant per month ("PPPM") to $19.10 PPPM effective May 1, 2026 through April 30, 2027. She stated that, in response to Cheiron's request, Empire agreed to hold the rate of $19.10 PPPM through December 31, 2028.

MOTION was made, seconded and unanimously adopted approving the Empire JAA Administrative Fee effective May 1, 2026 based on the contract terms set forth in the renewal offer.

D. Quarterly Financial Update

Ms. Domash reviewed the quarterly H-Scan projections, starting with a review of demographics and recent asset activity. She noted that projected assets at June 30, 2025 were $6.43 million which was better than last year's projections. She noted the assets continued to increase through December 31, 2025 to $6.7 million. She provided two scenarios with 10% and 15% contribution rate increases as the target. She stated that, given the size of the group and recent claims volatility, she recommends that the Fund consider retaining substantial reserves, from 16 to 24 months. Ms. Domash stated that Cheiron recommended a 10% increase in contributions per year, however, she added that the reserve in months would be more stabilized with 15% increases. She said that Cheiron will continue to monitor the financial status, trends and reserve outlook each meeting.

VI. NEXT MEETING DATE/ADJOURNMENT

The next meeting of the Board of Trustees was scheduled for August 17, 2026 immediately following the Pension Fund meeting via Zoom. With no further business to come before the Board, the meeting was adjourned at 12:03 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