



International Union of Operating Engineers
Local 487 Health & Welfare Fund
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**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
INTERNATIONAL UNION OF OPERATING ENGINEERS
HEALTH & WELFARE FUND
THURSDAY, AUGUST 12, 2021
VIA VIDEOCONFERENCE**

The following Trustees were present:

LABOR TRUSTEES

M. Schaunaman, Chairman
J. Mullen
S. Singer

MANAGEMENT TRUSTEES

J. Turk, Secretary-Treasurer
J. Epperson
M. Harrison
F. Villella

Also present were:

N. Durkin - Associated Administrators, LLC
J. Hart - SEI Global Institutional Group
J. Herron - Associated Administrators, LLC
J. Ianniello - Associated Administrators, LLC
E. Naegele - The Segal Company
K. Phillips - Phillips, Richard & Rind, PA
M. Smith - Apprenticeship Director

I. CALL TO ORDER

A quorum being present, Chairman Schaunaman called the meeting to order.

II. MINUTES

The Trustees reviewed the minutes of the regular meeting held on May 13, 2021, which were circulated to the Trustees in advance of the meeting. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

**RESOLVED to approve the minutes of the regular Board
meeting held on May 13, 2021 as presented.**

III. HEALTH CONSULTANT'S REPORT

The Trustees welcomed Mr. Ernie Naegele from The Segal Company ("Segal") to the meeting. Mr. Naegele said that he does not have a report to present at this time, but is available to answer questions if needed.

IV. ATTORNEY'S REPORT

Ms. Phillips distributed a report titled "Trustees Report" dated August 12, 2021, a copy of which is attached to and made a part of these minutes as Exhibit A.

A. Delinquency and Collections

Ms. Phillips provided an update on delinquency and collection matters involving HJ Foundation Company, Laney Directional Drilling Company, Piling Plus, Inc., and Keller North America, Inc.

Ms. Phillips noted that the suspension of assessment of late fees for delinquent contributions was approved by the Board at the prior meeting to be effective through August 12, 2021. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to continue to suspend the assessment of late fees for delinquent contributions received through November 11, 2021, in accordance with the Fund's Collection and Audit Procedures, which allow for consideration to be given to current economic conditions.

Trustee Epperson asked if data could be reported at the next Board meeting confirming the postmarked dates and actual received dates of contributions, in order to ascertain if mail delivery continues to be delayed or if it has improved. Mr. Ianniello said that he would provide the data.

B. Payroll Audits

Ms. Phillips provided the following payroll audit status report:

Central Maintenance and Welding, Inc. (Central")

The random audit of Central found that it complied with the Collective Bargaining Agreement for the period July 1, 2017 through June 30, 2019 as it related to fringe benefit contributions requirements.

Morrow Equipment Company, LLC ("Morrow")

A draft random audit of Morrow was received from the Fund auditor, finding that Morrow complied with the Collective Bargaining Agreement for the period July 1, 2017 through June 30, 2019 as it related to fringe benefit contributions requirements. Ms. Phillips said that the final report is pending issuance upon execution of the management representation letter.

Sarens USA, Inc. ("Sarens")

Ms. Phillips reported that the Fund auditor notified her that Sarens had not provided the documentation requested for the audit. A letter dated July 19, 2021 was mailed to Sarens advising that failure to comply with the audit violates the Collective Bargaining Agreement. Ms. Phillips said no response was received from Sarens. Trustee Mullen reported that Sarens finished its project, and he was not aware of any problem related to Sarens paying contributions and reporting hours to the Fund. Ms. Phillips said that she would review the matter with Trustee Mullen after the meeting and would then notify the Fund auditor of the outcome.

C. Conflict of Interest and Whistleblower Policy – Annual Certification

Ms. Phillips said that she will distribute to the Trustees via email a copy of the Fund's Conflict of Interest and Whistleblower Policy, which will include the annual certification form to be completed and signed by each Trustee. She said that she would be using Docusign, an application that facilitates the electronic signing of documents.

V. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Mr. Ianniello reviewed the Income and Expense Statement for June 30, 2021, a copy of which is attached to and made a part of these minutes as Exhibit B. He reported total assets for the month of June 2021 were \$1,350,365.09 compared to \$1,139,619.53 for June 2020. He reported that for the month of June 2021, the Fund had total receipts of \$676,006.97 and total expenses of \$687,427.31, resulting in a deficit of \$11,420.34.

B. Disbursements

Mr. Ianniello presented the expense check register for June 2021, which indicated total disbursements of \$690,095.29.

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

**RESOLVED to accept the Administrative Manager's Report
as presented.**

C. Death Benefit Claims Report

Mr. Ianniello reported that there were two death benefit claims paid to beneficiaries since the previous Board meeting.

D. Retirees Who Qualified for Free Life Insurance Report

Mr. Ianniello reviewed a list of Central Pension Fund retirees who qualified for free life insurance coverage under the Health & Welfare Plan.

VI. OTHER FUND BUSINESS

Mr. Ianniello reported the following:

A. United Healthcare ("UHC") Digital Dental Identification ("ID") Cards

United Healthcare notified the Fund office that effective October 1, 2021 printed dental ID cards will be replaced by digital ID cards. Participants will be able to access the digital ID cards through my.uhc.com online or via the UHC application. Participants who prefer a paper card will be able to request one. Chairman Schaunaman requested that Mr. Ianniello provide him with a copy of the communication UHC will be sending to participants, as the Union office may get calls from participants regarding this matter.

B. American Rescue Plan Act of 2021 ("ARPA") COBRA Subsidy

Seven COBRA participants were eligible for a 100% subsidy under ARPA for the second quarter of 2021: 4 were eligible for 6 months, 1 was eligible for 4 months, 1 was eligible for 3 months, and 1 was eligible for 2 months.

VII. MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled for Thursday, November 11, 2021 at 9 a.m., via videoconference.

VIII. ADJOURNMENT

There being no further business to come before the Board of Trustees, the meeting was adjourned.

Respectfully submitted,

Jonathan Turk, Fund Secretary

These Minutes were adopted on_____.

Attachments:

Exhibit A: Trustees Report from Fund Counsel, August 12, 2021

Exhibit B: Income and Expense Statement, June 30, 2021