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, FEBRUARY 12, 2026
VIA VIDEOCONFERENCE
(DRAFT)

The following Trustees were present:

LABOR TRUSTEES	MANAGEMENT TRUSTEES
W. Utreras, Chairman	S. Alfele
J. Junecko	D. Short
C. Potter	
R. Sanders	

Also present were:

R. Ducharme – Brown & Brown Insurance
T. Dubose – Legacy Wealth Management
J. Herron - Associated Administrators, LLC
J. Ianniello - Associated Administrators, LLC
E. Naegele - Segal
K. Phillips - Phillips, Richard & Rind, PA
M. Smith - Apprenticeship Director
B. Sudler – Brown & Brown Insurance

I. CALL TO ORDER

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

II. MINUTES

The Trustees reviewed the minutes of the regular meeting on November 13, 2025, and the special meeting on January 13, 2026, 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 on November 13, 2025, and the special meeting on January 13, 2026.**

III. <u>HEALTH CONSULTANT'S REPORT</u>

A. <u>Brown & Brown Insurance</u>

The Trustees welcomed Mr. Bob Sudler and Richard Ducharme from Brown & Brown Insurance to the meeting.

Mr. Sudler reported that renewal negotiations for the International Union of Operating Engineers Local 487 Health and Welfare Fund were completed, effective April 1, 2026. Mr. Sudler held several discussions with UHC regarding shock claims. UHC agreed to renew this year at 3.7% plus, with the same benefits, and 3.5% for dental, with no increase to vision.

After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to approve the renewal rate of 3.7% for medical, 3.5% for dental, and no increase for dental with UHC, effective April 1, 2026.**
>
> **<u>United/NHP HMO</u>**
> **Employee Only: $740.99**
> **Employee plus one: $1,574.86**
> **Family: $2,201.23**
>
> **United/ Out of State**
> **Employee Only: $861.54**
> **Employee plus one: $1,831.07**
> **Family: $2,559.34**

The Trustees thanked Mr. Sudler and Mr. Ducharme for their report and excused them from the meeting.

B. <u>Segal Health Benefits Report</u>

The Trustees welcomed Mr. Ernie Naegele from The Segal Company ("Segal") to the meeting.

Mr. Naegele reviewed information in the report on the Fund's experience and budget projections, a copy of which is attached and made part of these minutes as Exhibit A.

Based on current income and expense calculations and Segal's standard forecasting assumptions, the Fund is projected to have 5.6 months of reserves at the end of 2026 and 5.6 months at the end of fiscal year 2027. Mr. Naegele calculated a break-even Health & Welfare Contribution rate of $7.70 for fiscal year 2026. The projected break-even contribution rate for the year ending March 31, 2027, is $7.74, based on projected expenses and hours.

The Trustees thanked Mr. Naegele for his report and excused him from the meeting.

IV. INVESTMENT CONSULTANT'S REPORT

The Trustees welcomed Mr. Tony Dubose of Legacy Wealth Management to the meeting.

A. Performance Report

Mr. DuBose reviewed the report titled "Portfolio Review," which is attached to and made part of these minutes as Exhibit B. Mr. DuBose discussed the report's contents with the Trustees. As of January 30, 2026, the portfolio's market value was $2,186,597. The portfolio generated an investment gain of $46,070 from November 1, 2025, through January 30, 2026.

Mr. DuBose said that the asset allocation as of January 30, 2026, was 79.89% in bonds, 12.15% in US stocks, 6.95% in cash, 0.22% in non-US stocks, and 0.78% in other.

Mr. Dubose reported that Legacy Wealth Management would merge with Modern Wealth Management, effective March 20, 2026. Mr. Dubose advised that the only change affecting the Fund would be the replacement of LPL Financial as Custodian of Assets with Fidelity Financial.

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

> **RESOLVED, to retain Mr. Dubose through the transition to Modern Wealth Management and beyond.**

The Trustees thanked Mr. Dubose for his report and excused him from the meeting.

V. ATTORNEY'S REPORT

A. Delinquency and Collections

Ms. Phillips provided an update on delinquency and collections.

B. Rate Request – Phillips, Richard & Rind, PA

Ms. Phillips proposed increasing the fee arrangement for Phillips, Richard, and Rind with the Fund from $350.00 per hour to $390.00 per hour.

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

> **RESOLVED to approve Phillips' Richard and Rind's proposed fee increase to $390.00 per hour.**

C. Payroll Audit Selection

Five companies were randomly selected for this year's payroll audits. They will receive letters notifying them of this.

1. **Sarens Nuclear & Industrial**
2. **Kiewet Business Center**
3. **Fuse Equipment**
4. **Allied Power**
5. **PCI Energy Services, LLC**

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Mr. Ianniello reviewed the Income and Expense Statement for December 31, 2025, a copy of which is attached to and made a part of these minutes as Exhibit C. He reported that total assets for December 2025 were $4,572,868.32, up from $3,651,634.29 in December 2024. He noted that for December 2025, the Fund had total receipts of $1,241,585.42 and total expenses of $1,029,098.24, resulting in a gain of $212,487.18.

B. Disbursements

Mr. Ianniello presented the expense check register for December 2024, which showed total disbursements of $942,891.09.

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 two death benefit claims had been filed since the previous Board meeting.

D. Retirees Who Qualified for Free Life Insurance Report

Mr. Ianniello reported that one member qualified for free life insurance under the Health & Welfare Plan.

VII. OTHER FUND BUSINESS

A. Conflict of Interest Forms

Conflict of Interest forms were sent to the Trustees via DocuSign on January 28, 2026.

VIII. MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled for Thursday, May 14, 2025, at 9 a.m., via videoconference.

IX. ADJOURNMENT

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

Respectfully submitted,

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Jonathan Turk, Fund Secretary

These Minutes were adopted on ________________________.

Attachments:

Exhibit A: Health Benefits Report, February 12, 2026
Exhibit B: 2024 Legacy Wealth Management Investment Report February 12, 2026
Exhibit C: Income and Expense Statement, December 31, 2025