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, MAY 14, 2026
VIA VIDEOCONFERENCE
(DRAFT)

The following Trustees were present:

LABOR TRUSTEES	**MANAGEMENT TRUSTEES**
W. Utreras, Chairman	J. Turk, Secretary-Treasurer
J. Junecko	S. Alfele
C. Potter	D. Short, Jr
R. Sanders	

Also present were:

T. Dubose – Legacy Wealth Management
J. Herron - Associated Administrators, LLC
J. Ianniello - Associated Administrators, LLC
A. Perrotta – Segal Consulting
K. Phillips - Phillips, Richard & Rind, PA
M. Smith - Apprenticeship Director

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 held on February 14, 2026, which had been 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, that the minutes of the regular Board meeting held on February 14, 2026, be approved.**

III. INVESTMENT CONSULTANT'S REPORT

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

1. Performance Report

Mr. DuBose reviewed the "Portfolio Review" report, which is attached to and made part of these minutes as Exhibit A. He discussed the report's contents with the Trustees. As of May 4, 2026, the portfolio's market value was $2,187,140.66. The portfolio recorded an investment gain of $15,522.85 for the period from February 2, 2026, through May 4, 2026.

Mr. DuBose said that as of May 4, 2026, the asset allocation was 34.2% in bonds, 25.9% in Strategic Income, 18.6% in Intermediate/Long-Term High-Quality Bond, 11.4% in Large Cap U.S. Blend Equity, 5.0% in Securitized Bond, 4.0% in Multi-Strategy, and 1.0% in cash and equivalents. He also said the Fund's investments comply with its Investment Policy Statement.

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

IV. CONSULTANT REPORT

The Trustees welcomed Mr. Andrew Perrotta of The Segal Company ("Segal") to the meeting.

Mr. Perrotta reviewed the report's information on the Fund's experience and budget projections, a copy of which is attached and included in the minutes as Exhibit B.

The report shows that raising the assumed medical and prescription drug trend from 8% to 9% leads to progressively weaker operating results over the projection period. At a 9% trend, the projected break-even contribution rate for fiscal year 2029 is $8.21, a 1.77% increase from the 2027 projected break-even contribution rate of $7.74.

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

V. ATTORNEY'S REPORT

Ms. Phillips distributed the "Trustees Report" dated May 14, 2026, a copy of which is attached to and made a part of these minutes as Exhibit C.

A. Legacy Wealth Management Merger

Ms. Phillips reported that she had been working with Mr. Dubose on the transfer from Legacy Wealth Management to Modern Wealth Management. At this time, she has reviewed all documents, and everything appears to be in order for the Fund.

B. Delinquency and Collections

Ms. Phillips provided an update on delinquency and collection matters involving Energy Solutions - Wiliams; Satellite Services, Inc.; Curbside Mobile Welding; Zeiger Crane Rental, Inc.; BrandSafway Industries, LLC.; Sarens Nuclear & Industrial Services; Concrete Erectors, Inc.; Michels Corporation; and Thalle Construction Co., Inc.

1. **Energy Solutions - Williams** – Owe late payment and Attorney's fee.
2. **Satellite Services, Inc.** – owes late payments and Attorney's fees.
3. **United Excavations, Inc.** – owes late payments and Attorney's fees.
4. **Curbside Mobile Welding** - made all outstanding payments, and no money is due.
5. **Zeiger Crane Rental** - made all outstanding payments, and no money is due.
6. **BrandSafway Industries LLC.** - made all outstanding payments, and no money is due.
7. **Sarens Nuclear & Industrial Services** - made all outstanding payments, and no money is due.
8. **Concrete Erectors** - made all outstanding payments, and no money is due.
9. **Michels Corporation** - made all outstanding payments, and no money is due.
10. **Thalle Construction Co., Inc.** - made all outstanding payments, and no money is due.

C. Requests for Waivers

Ms. Phillips provided a list of employers who requested a waiver of the late fees for the quarter and would need approval from the Trustees. She reported that each of these employers met the eligibility requirements for fee waiver of the Collection Policy.

1. **Allied Power Services, LLC** – Approved
2. **Silva Structures Inc.** – Approved
3. **Malcolm Drilling Company, Inc.** – Approved
4. **M.J. Harrison Leasing, Inc**. – Approved
5. **Florida Rigging & Crane** - Approved

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

RESOLVED, to approve the waiver of fees requested by the employers for late contribution payments.

D. Payroll Audits

Ms. Phillips provided an update on the current list of Payroll Audits. Correspondence has been mailed to the employers advising them that Bellows Associates is conducting a payroll audit.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Mr. Ianniello reviewed the Income and Expense Statement for March 31, 2026, a copy of which is attached to and made a part of these minutes as Exhibit D. He reported that total assets for March 2026 were $6,176,226.89, compared with $4,644,276.81 for March 2025. He also reported that for March 2026, the Fund had total receipts of $2,465,644.59 and total expenses of $1,087,400.95, resulting in a gain of $1,378,243.64.

B. Excess Reserves

The Trustees reviewed the Health and Welfare Fund reserves and transferred $500,000.00 from the checking account into the investment accounts.

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

RESOLVED, to transfer $500,000.00 from the checking account to the investment accounts.

C. Disbursements

Mr. Ianniello presented the March 2026 expense check register, showing total disbursements of $1,029,202.07.

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

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

D. <u>Death Benefit Claims Report</u>

Mr. Ianniello reported that five death benefit claims had been filed since the previous Board meeting.

E. <u>Retirees Who Qualified for Free Life Insurance Report</u>

Mr. Ianniello reported that no members have qualified for free life insurance under the Health & Welfare Plan since the last board meeting.

VII. <u>OTHER FUND BUSINESS</u>

A. WHCRA, Summary Annual Report, and SBCs were mailed on March 13, 2026.

B. Creditable Coverage notice was filed with CMS on April 21, 2026.

C. <u>Engagement Letters</u>

Mr. Ianniello reported that he had received the Engagement Letters from Bellows & Associates for the annual audit and tax forms for the years 2026-2028.

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

> **RESOLVED, to approve the Engagement Letters, including $10,500 for the financial audits, $3,500 for the preparation and filing of the Form 5500, and $150 per hour for the payroll audits, and to have Chairman Utreras sign them.**

D. <u>Banking Change</u>

Mr. Ianniello reported that there was some interest in switching from Truist Banking after complications in changing the Fund's signers. The Fund received quotes from PNC Bank and Bank of Labor. After discussion, On Motion made and seconded, the Trustees voted unanimous approval of the following:

> **RESOLVED, to approve hiring PNC Bank to replace Truist Banking for the Fund.**

E. Appeal E26/100-1700

The Trustees reviewed Appeal E26/100-1700 and its related file. The participant is appealing to enroll their spouse for dependent coverage.

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

> **RESOLVED, that appeal E26/100-1700 is approved.**

VIII. MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled for Wednesday, August 13, 2026, at 9 a.m. via videoconference.

IX. ADJOURNMENT

With 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: Legacy Wealth Management Investment Report May 5, 2026
Exhibit B: Updated Medical/RX Cost Projections, May 14, 2026
Exhibit C: Trustees' Report from Fund Counsel, May 14, 2026
Exhibit D: Income and Expense Statement, March 31, 2026