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MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE PRESSMEN WELFARE FUND VIA VIDEO CONFERENCE FEBRUARY 19, 2021

The following Trustees were present:

UNION TRUSTEES	**EMPLOYER TRUSTEES**
Paul Atwill - Co-Chairman	H. Beth Swanson - Chairman
Janice Bort	Jay Goldscher
Dennis Larkin	Steve Bearden

Also present were:

Ellen Boardman, Esq. - O'Donoghue & O'Donoghue, LLP
Deborah Clutts - Associated Administrators, LLC
Kathy Phillips - Associated Administrators, LLC
Dawn Welch - Associated Administrators, LLC

I. CALL TO ORDER

A quorum being present, Chairman Swanson called the meeting to order at 12:35 p.m. Due to the continuing pandemic, the Trustees met via video conference.

II. APPROVAL OF THE MINUTES

The Trustees reviewed the minutes of the regular meeting held October 16, 2020, which were circulated in advance of the meeting.

On MOTION made, seconded, and unanimously adopted, the Trustees

RESOLVED to approve the minutes of the regular Board meeting held on October 16, 2020 as written.

III. ADMINISTRATIVE MANAGERS' REPORT

A. Financial Statement

Ms. Welch reviewed the Administrative Managers' Report for December 2020. The period ending December 31, 2020 indicated a total income of $1,670,387 and total expenses in the amount of $1,922,729, resulting in a loss of $252,342. The Fund's net assets were $1,758,371.30.

B. Delinquency Report

There were no delinquent employers to report.

C. Invoices

Ms. Welch presented a list of invoices paid from September 1, 2020 through December 31, 2020. She noted that there were no additions, deletions or changes to the list. The Trustees reviewed the list and determined that all invoices represent proper Fund expenses.

On MOTION made, seconded, and adopted, the Trustees

RESOLVED to approve the invoices paid from September 1, 2020 through December 31, 2020.

D. Collective Bargaining Agreement ("CBA") Report

The Trustees reviewed the CBA Report that reflected the rate required to be paid for the last two years by each contributing employer pursuant to the applicable CBA. Trustee Bort advised that the report needed to be updated to reflect the status of Linemark Printing.

E. Investments

The Trustees reviewed the Fund's investments as of February 15, 2021. The Fund's assets include Certificates of Deposit totaling $478,451.26 and cash in the Operating Account totaling $485,371.82. The assets also include the Fidelity Spartan 500 Index Fund, with a balance of $738,258.86. The Trustees reviewed the investment return report for the Fidelity Spartan 500 Index Fund – Investor Class.

Ms. Welch noted that the Fund's asset allocation is 43.37% in the Fidelity Spartan 500 Index Fund, 28.11% in Certificates of Deposit, and 28.52% in cash.

Ms. Welch noted that via email poll on December 29, 2020 the Trustees unanimously approved a Retirement Plan Manager Agreement with Morgan Stanley to facilitate purchasing Certificates of Deposit. The investment subcommittee selected Certificates of Deposit totaling $375,000 that were purchased on February 4, 2021.

F. Fund Reserves

The Fund's reserves as of December 31, 2020 equal 10.4 months of benefit costs.

On MOTION made and seconded, and unanimously approved, the Trustees

RESOLVED to approve the December 31, 2020 Financial Report as presented.

IV. AUDITOR REPORT

A. Audit Engagement Letter

Mr. Herishen presented an Audit Engagement Letter for the year ended December 31, 2020, a copy of which is attached to these minutes. The fee will not exceed $12,900. This represents an increase of $700 (5.7%) over the prior year, partially reflecting the phased increase of Calibre rates.

On MOTION made and seconded, and unanimously approved, the Trustees

> **RESOLVED to approve the Calibre Audit Engagement letter for the 2020 Plan year as presented.**

B. <u>Payroll Audit Status Report</u>

Mr. Herishen noted the 2020 compliance audit of H&W Printing continues to be on hold. The employer reports that it can only provide paper records, which require Calibre to examine the records on-site. Due to Covid-19, Calibre will work with the employer to complete the audit when Calibre is able to do on-site visits again.

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

IV. <u>FUND COUNSEL REPORT</u>

Ms. Boardman discussed the proposed American Rescue Act stimulus package that contains an 85% COBRA subsidy. The 85% premium subsidy would be federally funded through a government subsidy which would be paid to the Plan as credit against quarterly payroll taxes to the extent that the credit exceeds the amount of payroll taxes due, the credit would be refundable and treated as an overpayment when the Plan submits a quarterly Form 941. She informed the Trustees that she would keep them informed of key changes related to the COBRA subsidy as they occur.

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

Ms. Welch presented the following:

A. <u>Group Dental Services of Maryland, Inc. ("GDS") Renewal Proposal</u>

At the Trustees' request, Ms. Welch contacted GDS to seek a reduction in their proposed fee. Ms. Welch reported that GDS has proposed a 3% decrease in the current rate of $35.24 per member per month (pmpm) to $34.18 pmpm for the January 1, 2021 to December 31, 2021 coverage period. The Trustees via email poll approved the renewal on November 26, 2020.

B. <u>Employee Premium Subsidy</u>

The Trustees via email poll on December 17, 2020 unanimously approved extending the employee premium subsidy from January 1, 2021 to March 31, 2021. The estimated cost of the premium was $20,219 per month. SMM #9 was sent to the members on December 22, 2019.

The Trustees discussed the full employee premium subsidy that is scheduled to expire on March 31, 2021. Due to the continued hardship imposed by the pandemic and given that the Fund is financially stable and able to address this need, the Trustees determined that continuation of the full employee premium for a limited period of time was financially feasible and prudent. Accordingly,

On MOTION made, seconded and unanimously approved, the Trustees

> **RESOLVED to waive the employee premium for the months of April, May, and June 2021.**

Ms. Welch will prepare SMM #10 advising the participants of this change.

C. <u>Fiduciary Liability Policy</u>

A quote was received from Segal Select for the incumbent carrier Ullico in the amount of $3,000 to renew the current Fiduciary Liability Policy for the period of December 31, 2021 to December 31, 2022, with a $1,000,000 limit of liability. There was no increase in the premium from the prior policy. Between meetings, the Trustees were e-polled and unanimously approved renewal of the Fiduciary Liability Policy. The waiver of recourse premium has been paid by the Trustees.

On Motion made and seconded, the Trustees voted to ratify the following resolution:

> **RESOLVED, to ratify the motion to renew the Fiduciary Liability Policy for a premium of $3,000 for the period of December 31, 2021 to December 31, 2022 with a limit of liability of $1,000,000.**

VI. NEXT MEETING DATE AND LOCATION

The next regular meeting of the Board of Trustees was scheduled for Friday, May 21, 2021 at 12:30 p.m., with the location to be determined.

VII. ADJOURNMENT

There being no further business to come before the Board of Trustees, the meeting was adjourned at 1:20 p.m.

Respectfully submitted,

H. Beth Swanson, Chairman	Paul Atwill, Co-Chairman