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MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF THE
LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND
HELD ON JANUARY 24, 2018
LANDOVER, MARYLAND

The following persons were in attendance:

UNION TRUSTEES	EMPLOYER TRUSTEES
William Tull – Chairman	Michele Cirrincione – Secretary – via conference call
Barry English	David Ashton
Mark Poole	David King
John Reading	Tom Labadie

Also present were:
Ed Chicoski – Lakeshore Benefit Group Insurance Brokerage, LLC
Alicia Cochran – Associated Administrators, LLC
Sean Jenkins – Charles Schwab
Andrew Lin – Mooney, Green, Saindon, Murphy & Welch, P.C.
Mary Thuell – Mooney, Green, Saindon, Murphy & Welch, P.C.
Shaun Williams – Charles Schwab

I. CALL TO ORDER

A quorum being present, the meeting was called to order.

II. NEW TRUSTEE

Ms. Cochran noted the recent resignation of union Trustee Mr. Isaiah Thompson. Trustee Tull introduced Mr. John Reading as the replacement union Trustee for Mr. Thompson. Ms. Cochran said she would bring a Trustee Acceptance form for execution to the next meeting. The Trustees welcomed Mr. Reading to the meeting.

III. CHAIRMAN/SECRETARY

In accordance with the Trust Agreement, the positions for Chairperson and Secretary for the Board of Trustees are to alternate on an annual basis. On Motion made and seconded, the Board unanimously voted approval of the following resolution:

> **RESOLVED to name Michele Cirrincione as the Secretary of the Board of Trustees and William Tull as the Chairman.**

IV. CHARLES SCHWAB

The Trustees welcomed Mr. Sean Jenkins and Mr. Shaun Williams of Charles Schwab to the meeting.

Mr. Jenkins distributed and reviewed his presentation document titled, "Windhaven Annual New Performance Results." Based on the Trustees' discussion at the last meeting, he discussed Windhaven Investment Management, which offers three different investment strategies in the fixed income and equities asset allocations. He noted that the minimum investment amount with Windhaven is $100,000.

The Trustees discussed the current assets available in the money market account, as well as the maturity schedule of the Certificates of Deposit (CD).

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

> **RESOLVED to direct Charles Schwab to provide a CD recommendation in accordance with the Fund's investment policy to reinvest the Ally Bank CD maturing on March 19, 2018 and to invest $250,000 in the Diversified Growth Wrap Composite product of Windhaven Investment Management as soon as administratively possible, subject to the legal review by Fund Counsel.**

The Trustees thanked Mr. Jenkins and Mr. Williams for their report and they were excused from the meeting.

V. <u>LAKESHORE BENEFIT GROUP INSURANCE BROKERAGE, LLC – BROKER REPORT</u>

The Trustees welcomed Mr. Ed Chicoski of Lakeshore Benefit Group Insurance Brokerage, LLC (Lakeshore) to the meeting. He distributed his report titled, "Group Medical Insurance Renewal Options Report."

A. <u>Medical Renewal Options</u>

Mr. Chicoski said a Request for Proposal was submitted to Aetna, CareFirst, Cigna and United Healthcare for medical and prescription coverage. He said United Healthcare declined to provide a proposal with an explanation, while the other carriers declined to provide a proposal due to uncompetitive rates. Mr. Chicoski also reviewed four alternate plan designs provided by Kaiser. He said these were High Deductible plans and reviewed the differences in the plan designs, as well as premiums. Upon questioning by the Trustees, Mr. Chicoski said he would need to confirm with Kaiser that a fifth plan option could be added and that an additional plan would not require a current plan to be replaced.

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

> **RESOLVED to add the alternate Kaiser High Deductible Signature (Plan 11) as a fifth option effective March 1, 2018 but if a fifth option is not allowable by Kaiser, to remain with the four current benefit plans.**

B. **<u>Tiered Rates</u>**

Mr. Chicoski reviewed the Equal Single Member Contribution tiered rate calculation that was implemented during the 2017 – 2018 Plan year to determine the amount of employee contributions that should be remitted by participant for his or her benefit election.

After a discussion, on Motion made and seconded, the Board unanimously voted approval of the following resolution:

> **RESOLVED to implement the Equal Single Member Contribution tiered rate plan effective with the March 1, 2018 Plan year.**

Mr. Chicoski said that he would develop the tiered rates after the Trustees' decision regarding the 2018 administrative load.

The Trustees also discussed the waiver of employee contributions for those employers that were remitting 100% of benefit costs for the 2017 – 2018 plan year. Following discussion, on Motion made and seconded, the Board voted approval of the following resolution:

> **RESOLVED to waive employee contributions under the Equal Single Member Contribution tiered rate approach for those employers that are remitting 100% of the cost of benefits for their covered employees, for the plan year beginning March 1, 2018 Plan year.**

Trustees Tull and Labadie recused themselves from the motion.

The Trustees thanked Mr. Chicoski for his report and he was excused from the meeting.

VI. MINUTES – MEETING OF OCTOBER 25, 2017

Ms. Cochran confirmed that there were no changes to the final draft of the subject minutes circulated prior to this meeting. The Trustees reviewed the draft and,

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

> **RESOLVED that the minutes of the regular Board meeting held October 25, 2017 are approved as written.**

VII. FINANCIAL REPORT

Ms. Cochran reviewed the unaudited Financial Statements for the third quarter of the Plan year March 1, 2017 through November 30, 2017. The Fund had total income of $1,412,352 and total expenses of $1,344,955. The Fund operated in the third quarter with a surplus of $67,398.

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

> **RESOLVED to accept and approve the Financial Statements for March 1, 2017 through November 30, 2017.**

VIII. OTHER FUND BUSINESS

A. Administrative Services Contract Renewal

Ms. Cochran reported that, by Board poll, the Trustees approved an extension of the administrative services contract with Associated Administrators, LLC, for the period December 1, 2017 through November 30, 2020, with 3% fee increase each year.

B. Retirees – Medicare Rates

Ms. Cochran said that notification letters of the change in premiums to retirees buying health coverage through the Fund were mailed November 17, 2017.

C. IRS Form 5500

Ms. Cochran reported that the annual IRS Form 5500 was electronically filed on December 15, 2017 for the March 1, 2016 through February 28, 2017 Plan year.

D. IRS Form 990

Ms. Cochran reported that the Fund auditor filed the annual IRS Form 990 electronically on January 19, 2018 for the March 1, 2016 through February 28, 2017 Plan year.

E. Open Enrollment – Administrative Expense Load

Ms. Cochran reviewed an estimate for the administrative expenses for the 2018-19 Plan year. Based on current enrollment and the Plan's estimated expenses, the estimate reflected a monthly administrative cost of approximately $94.56 per employee. Ms. Cochran noted that 85% of the administrative load had been assessed to members for the 2017-2018 plan year. The Trustees discussed waiving all or a portion of the administrative expense load for the upcoming year and using Plan reserves and additional amounts received from contributing employers due to members who opted out of coverage to fund the cost of the administrative load.

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

> **RESOLVED to waive the administrative expense load for the 2018-19 Plan year.**

IX. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting to be held April 11, 2018, commencing at 10:00 A.M. in the conference room of Associated Administrators in Landover, Maryland.

X. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,

Michele Cirrincione, Secretary