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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 29, 2015
LANDOVER, MARYLAND

The following persons were in attendance:

UNION TRUSTEES	EMPLOYER TRUSTEES
William Tull - Chairman	Michele Cirrincione - Secretary
Barry English	David Ashton
Isaiah Thompson	David King
Edward Williams	

Also present were:

Alicia Cochran – Associated Administrators, LLC
Paul Green – Mooney, Green, Saindon, Murphy & Welch, P.C.
Brian Davis – Associated Administrators, LLC
Dwight Hyman – Group Dental Services
Joan Stewart – Group Dental Services

I. CALL TO ORDER

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

II. CHAIRPERSON/SECRETARY

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

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

III. MINUTES – MEETINGS OF OCTOBER 2, 2014 AND NOVEMBER 13, 2014

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 drafts and,

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

> **RESOLVED that the minutes of the regular Board meeting held October 2, 2014 and the special Board meeting held November 13, 2014 are approved as written.**

IV. FINANCIAL REPORT

Ms. Cochran reviewed the unaudited financial statements for the third quarter of the plan year March 1, 2014 through February 29, 2015. The Fund had total income of $1,770,055 and total expenses of $1,861,578. The Fund operated in the third quarter with a deficit of $91,523.

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

RESOLVED to accept and approve the financial statements for September 1, 2014 through November 30, 2014.

V. CAPITAL FINANCIAL, LLC

Ms. Cochran reviewed the Investment Portfolio as of December 31, 2014. The statement showed a balance of $1,831,400.15 as of December 31, 2014. This total included a money market holding of $34,420.15 and Certificates of Deposit ("CDs") of $1,796,980.00.

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

RESOLVED to accept and approve the Capital Financial, LLC reports for September 2014 through December 2014.

VII. GROUP DENTAL SERVICES

The Trustees welcomed Mr. Dwight Hyman and Ms. Joan Stewart of Group Dental Service ("GDS") to the meeting.

Mr. Hyman reviewed a utilization report for the period November 2013 through December 2014 detailing the Fund's claims experience. He said claims paid were $96,851.78 for the period versus $119,253.26 in premiums, a 81.2% loss ratio. Mr. Hyman said the GDS loss ratio target is in the low to mid 70's. It was noted by the Trustees that GDS did not provide any utilization data for prior periods to be used for comparison.

Mr. Hyman reviewed a renewal proposal for the program that reflected a 3.0% increase in premiums, from $35.86 per employee per month to $38.43, effective March 1, 2015.

The Trustees thanked Mr. Hyman and Ms. Stewart for their report and they were excused from the remainder of the meeting.

Ms. Cochran was directed by the Trustees to counter with an offer proposing a 1% decrease in premium based on the following: 1) according to the reports provided, the most recent 9 months of data utilization shows a loss ratio of approximately 70% and the utilization is trending down, 2) there were no utilization reports provided for comparison from last year and 3) the timing of the renewal is very late and does not give the Trustees time to make a decision before open enrollment materials need to be mailed.

VII. OTHER FUND BUSINESS

A. Retirees – Medicare Rates

Ms. Cochran reported that letters describing the new rates for Kaiser and the Graphic Communications National Plan had been mailed to all retirees buying health coverage through the Fund.

B. IRS Form 5500

Ms. Cochran said the annual IRS Form 5500 was filed timely in December 2014 for the March 1, 2013 through February 28, 2014 plan year.

C. IRS Form 990

Ms. Cochran said the annual IRS Form 990 was filed timely in January 2015 for the March 1, 2013 through February 28, 2014 plan year.

D. International Foundation of Employee Benefits

Ms. Cochran reported receipt of the 2015 membership invoice from the International Foundation of Employee Benefit Plans. She said the fee is $945.00. The Trustees approved the 2015 renewal.

E. Certification of Group Health Plan Coverage

Ms. Cochran said that final regulations had been released that eliminate the requirement to provide creditable coverage certificates, also known as “HIPAA Certificates,” effective December 31, 2014. Fund Counsel had no objection to the elimination of the notices effective December 31, 2014 and the Trustees approved.

F. Three-Tier Rate Structure

Ms. Cochran noted that she had requested alternate rates from Kaiser to charge premiums on a 3-tier basis (single, single plus one, and family) instead of the current composite basis. The Trustees agreed to discuss this change at the next scheduled meeting and directed Ms. Cochran to provide the information to Mr. Ed Chicoski and to request his attendance at the next meeting to discuss this project.

G. Administrative Services Contract Renewal

Ms. Cochran reported that, by Board Poll, the Trustees had approved an extension of the administrative services contract with Associated Administrators, LLC, for the period December 1, 2014 through November 30, 2017, with 4% fee increases in the first two years and a 3% increase in the third year.

H. <u>Open Enrollment</u>

The Trustees discussed the upcoming enrollment period and decided to table their discussion until the GDS rate for the March 1, 2015 through February 29, 2016 plan year is finalized and additional details on the Fund's annual administrative costs are available.

VIII. <u>NEXT MEETING DATE AND LOCATION</u>

The Trustees scheduled a special Board meeting to be held February 6, 2015, commencing at 10:00 A.M, in the conference room of Associated Administrators in Landover, Maryland, to review and discuss open enrollment for the 2015 – 2016 plan year.

IX. <u>ADJOURNMENT</u>

There being no further business, the meeting was adjourned.

Respectfully submitted,

Michele Cirrincione, Secretary