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DRAFT

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF THE
LITHOGRAPHERS AND PHOTOENGRAVERS LOCAL 285 WELFARE FUND
HELD ON APRIL 17, 2019
LANDOVER, MARYLAND

The following persons were in attendance:

UNION TRUSTEES	EMPLOYER TRUSTEES
William Tull – Secretary	David King – Chairman
Barry English	Tom Labadie
Mark Poole	

Also present were:
Alicia Cochran – Associated Administrators, LLC
Andrew Lin – Mooney, Green, Saindon, Murphy & Welch, P.C.
Mary Thuell – Mooney, Green, Saindon, Murphy & Welch, P.C.

I. CALL TO ORDER

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

II. MINUTES – MEETING OF JANUARY 9, 2019

Ms. Cochran confirmed that there were no changes to the final draft of the 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 January 9, 2019 are approved as written.**

III. FINANCIAL REPORT

Ms. Cochran reviewed the unaudited Financial Statements for the fourth quarter of the Plan year March 1, 2018 through February 28, 2019. The Fund had total income of $1,760,179 and total expenses of $1,719,190. The Fund operated in the fourth quarter with a surplus of $40,989.

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, 2018 through February 28, 2019.**

IV. CHARLES SCHWAB

Ms. Cochran noted that a copy of the Charles Schwab statement for March 2019 is contained in the meeting booklet.

Ms. Cochran reported that a Certificate of Deposit ("CD") with Wells Fargo & Co in the amount of $200,000 matured on January 22, 2019 and was replaced with another Wells Fargo & Co two-year CD at 2.65%. She said a CD with Ally Bank Corp. in the amount of $100,000 matured on March 8, 2019 and was replaced with a Sallie Mae Bank two-year CD at 2.75%.

Ms. Cochran said per the Trustees' request at the last meeting, she and Fund Counsel worked on obtaining additional options for an Investment Advisor to replace Charles Schwab. She said

PNC confirmed again that they would be able to provide the services listed in the Request For Proposal. Fund Counsel advised that Dahab Associates, Inc. was also interested in providing a proposal. The Trustees directed the Administrative Manager to invite PNC Bank and Dahab Associates, Inc. to the next Board meeting to present proposals.

V. <u>COUNSEL</u>

Mr. Lin directed the Trustees' attention to an updated projection estimating the effects of expanding availability of the Fund's option to waive coverage to all Fund participants. The projection used current enrollment figures to provide an updated projection to the report previously distributed at the October meeting. Because the actual waiver rate (23%) was lower than anticipated (28%), the effect of the expanded waiver availability was not as substantial as reflected in the prior projection. Nevertheless, the results were consistent with the prior projection: expanding the waiver option to all participants while continuing to charge the same waiver fee would financially benefit the Fund and lower the employee contributions required to cover the cost of coverage while expanding availability of the waiver without requiring employers to pay a waiver fee would result in a substantial increase in costs to be covered by employee contributions. Mr. Lin also clarified that the costs per participant reflected in the projection are somewhat elevated because they include retiree costs.

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

A. <u>Open Enrollment Recap</u>

Ms. Cochran reviewed the open enrollment process completed for the Plan year beginning March 1, 2019. She reviewed the final rates for the Fund and employer contributions as of March 1, 2019.

B. **Summary Annual Report**

Ms. Cochran said the 2017 Summary Annual Report was mailed to the Plan participants with the open enrollment materials.

C. **Forms 1099MISC**

Ms. Cochran said the Forms 1099-MISC were mailed on January 22, 2019.

D. **2018 Payroll Audit**

Ms. Cochran reported that the Fund auditor, Calibre, completed the payroll audit for the Graphic Communication International Local 285 Union for the period January 1, 2015 through December 31, 2017. She said that there were no findings in the payroll audit.

E. **Payroll Audit Engagement Letter**

Ms. Cochran reviewed Calibre's 2019 engagement letter for payroll audit services, as contained in the meeting booklet. She reported that Calibre is requesting a 10% increase in its per employer audit fee, which results in an additional $105 per audit. Ms. Cochran said that Calibre has not increased its payroll audit fee since 2010.

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

> **RESOLVED to approve the 2019 payroll audit agreement with Calibre at a per employer audit fee of $1,105.**

F. **Summary Plan Description ("SPD")**

Ms. Cochran said bids for the printing of the revised SPD were received from Kelly Press, Mosaic, and Doyle Printing. In accordance with the Fund's past practice, the lowest bidder is awarded the printing job of the SPD. Ms. Cochran said that Mosaic provided the lowest bid, and consequently the Fund will make arrangements for Mosaic to print the SPD.

VII. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting to be held July 17, 2019, commencing at 10:00 a.m. in the conference room of Associated Administrators in Landover, Maryland.

VIII. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,
William Tull, Secretary