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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 JULY 17, 2019
LANDOVER, MARYLAND

The following persons were in attendance:

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

Also present were:
Kristen Barshinger – Associated Administrators, LLC
Barry Bryant – Dahab Associates
Alicia Cochran – Associated Administrators, LLC
Thomas Donegan – Dahab Associates
Jeff Hamilton – PNC Investment Services, via conference call
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. INVESTMENT ADVISORS PRESENTATIONS

A. PNC Bank, N.A. (PNC)

Mr. Jeff Hamilton joined the meeting by conference call. He said that PNC reviewed the Investment Policy Statement and confirmed that the firm is able to perform the duties as outlined in the Policy. Mr. Hamilton said there are no fees associated with the firm's services related to Certificates of Deposit (CDs). He also provided information on CD products that might be appropriate for the Fund, including market-linked CDs and CDs with buffered rates. In response to questioning from the Trustees, Mr. Hamilton said he would check with his firm to see if PNC would enter an agreement with the Fund acknowledging fiduciary responsibility.

The Trustees thanked Mr. Hamilton for his presentation and he was excused from the meeting.

B. Dahab Associates ("Dahab")

The Trustees welcomed Mr. Barry Bryant and Mr. Thomas Donegan from Dahab Associates to the meeting. Mr. Bryant gave an overview of the firm, including its investment experience with other Taft-Hartley benefit funds and confirmed that it would be able to perform the services needed for the CDs. He also reviewed the firm's process for making investment recommendations and confirmed that Dahab would accept fiduciary responsibility. Mr. Donegan said the annual fee of $28,000 is all-inclusive and there are no additional fees or hidden revenues.

The Trustees thanked Mr. Bryant and Mr. Donegan for their presentation and they were excused from the meeting.

The Trustees discussed both presentations. It was noted that Dahab's fee of $28,000 would be difficult to recover on investment returns unless the Investment Policy was revised to include more risk. The Trustees directed the Administrative Manager to invite PNC to attend the next meeting for in-person questions.

III. MINUTES – MEETING OF APRIL 17, 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 April 17, 2019 are approved as written.**

IV. FINANCIAL REPORT

Ms. Cochran reviewed the unaudited Financial Statements for the first quarter of the Plan year March 1, 2019 through May 31, 2019. The Fund had total income of $314,704 and total expenses of $451,778. The Fund operated in the first quarter with a deficit of $137,074.

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, 2019 through May 31, 2019 as presented.**

V. CHARLES SCHWAB

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

Ms. Cochran reported that a CD with Goldman Sachs Bank in the amount of $145,000 matured on April 18, 2019 and was replaced with TIAA FSB Holding, a two and a half year CD at 2.45%.

VI. COUNSEL

Mr. Lin provided the Trustees with a brief update on notable legal developments relevant to the Fund. In particular, a federal district court in Texas ruled in *Texas v. Azar* in favor of a challenge to the Affordable Care Act, finding that the Act is unconstitutional as a result of Congress' repeal of the tax penalty for individuals without health insurance. The case is on appeal to the Fifth Circuit.

Mr. Lin also requested a fee increase for legal services, noting that the firm had not adjusted fees for the Fund in over ten years. Following questions from the Trustees, Mr. Lin and Ms. Thuell were excused from the room. The Trustees discussed the request and approved the fee increase effective August 1, 2019. Mr. Lin and Ms. Thuell returned to the meeting.

VII. OTHER FUND BUSINESS

Ms. Cochran reported that the Fund auditor, Calibre, selected Raff Embossing as the subject of the next payroll audit, as the last audit of this company was performed in 2014.

VIII. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting to be held October 16, 2019, commencing at 10:00 a.m. in the conference room of Associated Administrators in Landover, Maryland.

IX. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,
William Tull, Secretary