

**UA Local 467  
Health & Welfare Trust Fund  
Board of Trustees Meeting**

**December 9, 2014**

**Minutes**

**1. Call to Order**

The regular meeting of the Board of Trustees UA Local 467 Health & Welfare Trust Fund was called to order by Chairman Mike Swanson at the UA Local 467 Union Hall, 1519 Rollins Road in Burlingame, California. A quorum was present.

**2. Roll Call**

The following Trustees were present:

Employee

Mike Swanson, Chairman  
Mark Burri  
Chris Collins  
Gary Saunders

Employer

Dan Larratt, GBA  
Michael Vlaming, Industrial Contractors, UMIC, Inc.  
Kenneth Westphal, ACCOES

Also Present

Marci Vukson and Sid Kaufmann, Kaufmann and Goble  
Dick Grosboll, Neyhart Anderson Flynn & Grosboll  
Steven Callow, New Century Partners  
James Bishop, WhiteStar  
Melissa Evjenth, Hemming Morse  
Judy Sargent, Pam Barrett and Joan Keith, UAS

**3. Minutes of September 18, 2014**

The Trustees reviewed the Minutes. It was **M/S/C** to approve the Minutes of September 18, 2014, as submitted.

**4. Delinquency Report – Mike Swanson**

Chairman Swanson distributed the Delinquency Report dated December 9, 2014. The report indicates there are several contractors delinquent for their September 2014 fringe benefits payment due October 20, 2014.

The report lists four contractors 30 days or more past due, with whom he continues to work closely to ensure payment:

- 1) Ayoob Mechanical owes July, August and September. They will send a check on December 12, 2014 for the payment for three months.
- 2) Northern Refrigeration owes August and September.
- 3) Pro at Pro Plumbing owes September.
- 4) Matrix HG Inc. owes September.

Collections turned over to Trust Fund attorneys:

- 1) A. Bryant Plumbing Co. – Ben Lunch, Collection Counsel, has indicated that Bryant has promised to make a full payment this week.
- 2) South City Refrigeration & Air Conditioning – On a payment plan.
- 3) Peninsula Air Conditioning Co. – Out of business. In process of obtaining a Default Judgment. (Court had requested additional documentation to support certain amounts.)

5. **Report by New Century Partners – Steven Callow**

The Trustees reviewed the quarterly report ending November 30, 2014. Mr. Callow reported the portfolio continues to do well. As of November 30, 2014, the total market value for the Health & Welfare Trust Fund portfolio was \$17,224,331, with \$10,072,347 held in Mutual Funds, \$7,091,939 held in the MetLife Stable Value Funding Contracts, and \$60,045 in Cash and Equivalents.

Mr. Callow reported that interest in the amount of \$60,000 was shifted to Vanguard.

6. **Report by Kaufmann & Goble – Marci Vukson and Sid Kaufmann**

A. **Claims Experience for 2014 and 2013**

Ms. Vukson summarized the 2014 and 2013 Claims Experience Report. She reported the self-funded medical claims for active members increased by 36% in a 9-month period.

B. **Stop Loss Renewal**

Ms. Vukson reviewed the HCC Stop Loss Renewal, effective January 1, 2015. The renewal reflects a 4½% increase from \$17.24 to \$18.02. After discussion by the Board, it was **M/S/C** to approve the renewal.

C. **Retainer Increase**

Ms. Vukson presented a memo outlining the reasons for a request for a retainer increase of \$500 for Kaufmann & Goble services (to \$7,000 in 2015 and \$7,500 in 2016). Ms. Vukson explained that the increase is predicated on the additional work required (and previously unbilled) attributable to legislative and accompanying regulatory changes. The Trustees discussed that the fee is reasonable based on their experience serving on other Trust Funds and input from the providers. Moreover, the Trustees indicated that they continue to be pleased with the services provided by Kaufmann & Goble.

It was **M/S/C** to approve the requested increases.

7. **Report by Administrator – Pamela Barrett**

A. **Annual Notices**

The Trustees reviewed the Notices that were timely sent to all members as required on an annual basis. The notices sent included: Prescription Drug Coverage and Medicare Notice; Newborns' and Mothers' Health Protection Act of 1996; Women's Health and Cancer Rights Act of 1998; and, Premium Assistance under Medicaid and the Children's Health Insurance Program (CHIP).

B. **Summary Annual Report**

Ms. Barrett referenced the Summary Annual Report for the Health & Welfare Trust Fund, which was sent to all participants in early December.

C. **Update on Anthem/Stanford**

Ms. Barrett reported that Anthem Blue Cross has renewed its contract with the Stanford Health Care network with no lapse in coverage.

D. **IFEBP Annual Membership Dues**

The Trustees reviewed the IFEBP 2015 annual membership dues invoice for the period January 1, 2015 to December 31, 2015. The Trustees were in agreement that the IFEBP publications are informative and that the annual conference continues to be very educational. It was **M/S/C** to approve payment.

8. **Assets and Expenses**

A. **Financial Statements**

The Trustees reviewed the financial statements for July, August and September 2014. It was pointed out that the July financials had been revised, but the original version was in the meeting packet. Ms. Barrett indicated she will send the corrected version to the Trustees. It was **M/S/C** to accept the financials, with the correction to the July financials.

Ms. Barrett stated that in the future, when financials are revised it will be so indicated in the heading of the document.

B. **Payments of Bills**

The Trustees reviewed checks 5355-5390. The Trustees questioned a few items on the list. It was **M/S/C** to accept the payment of bills as presented.

9. **Report by Counsel – Dick Grosboll**

A. **Restated Summary Plan Description/Plan Document**

Mr. Grosboll had available for distribution for those who wished to review the new draft of the Health and Welfare Plan Summary Plan Description. He summarized the key changes. Counsel will work with UAS and Kaufmann and Goble on finalizing any final changes to the draft. He will consult with the Chair and Co-Chair if there are any changes of substance. It was **M/S/C** to approve the restated SPD with any revisions and authorize UAS to publish and distribute the SPD by the end of January 2015.

10. **New Business**

After discussion by the Trustees, a decision was made that the future Trust meeting packets will be sent electronically as well as sent via overnight mail.

Trustee Saunders requested that the consultants review other health plan options for early retirees due to the high premium cost. The consultants will review and present information at the next meeting.

11. **Executive Session**

After an executive session, the Trustees requested a report from the Administrator regarding the contribution rate that Local 38 is paying via reciprocity. Ms. Barrett will prepare a report and notify the Trustees accordingly.

12. **2015 Meeting Dates**

The 2015 meeting schedule is as follows:

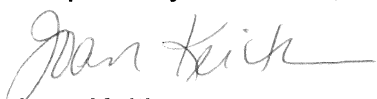
- Monday, March 23, 2015
- Tuesday, June 9, 2015
- Wednesday, September 9, 2015
- Tuesday, December 8, 2015

All meetings will begin at 9:30 am and will be held at U.A. Local 467 Union Hall, 1519 Rollins Road, Burlingame, California.

13. **Adjournment**

There being no further business, it was **M/S/C** to adjourn the Board of Trustees Health & Welfare Trust Fund meeting.

Respectfully submitted,



Joan Keith  
Recording Secretary