

**Industry And Local 338
Welfare Fund**
911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

AGENDA

August 1, 2024

- I. CALL MEETING TO ORDER
- II. SEI REPORT
- III. APPROVAL OF MINUTES – April 19, 2024
- IV. FUND MANAGER’S ADMINISTRATIVE REPORT
 - a. Fund Financial Matters
 - b. Changes in Employer Contribution Rates
 - c. Delinquent Employer Report
 - d. Participant Report
 - e. Other Fund matters
- V. CONSULTANT REPORT
- VI. COUNSEL REPORT
- VII. NEXT MEETING DATE
- VIII. ADJOURNMENT

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Minutes of the Meeting of the Board of Trustees

Held on April 19, 2024
Via
WebEx

The following Trustees were present:

UNION TRUSTEES
Lori Polesel

EMPLOYER TRUSTEE
Chris Palmer

Also present were:

Pat Blizzard – SEI Institutional Group
Alicia Cochran – Associated Administrators, LLC
Kayla Davis – The Segal Company
Rachel Grant – Associated Administrators, LLC
Elizabeth O’Leary, Esq. – Kauff McGuire & Margolis LLP
John Urbank – The Segal Company
Jon Waite– SEI Institutional Group

I. CALL TO ORDER

The meeting was called to order at 11:20 a.m. It was noted that Trustee Maldonado was absent due to illness.

II. INVESTMENT CONSULTANT REPORT

Mr. Patrick Blizzard and Mr. Jon Waite reviewed the SEI report for the period ending March 31, 2024. Mr. Blizzard led a conversation regarding SEI’s Outsourced Chief

market conditions and economic trends, including inflation and Federal fund rates. He also discussed the market performance across different asset classes.

Mr. Blizzard reported that the Fund's market value of assets was \$6,417,687 as of March 31, 2024, and its fiscal year-to-date rate of return is 6.82%, compared to the 6.20% index return. Mr. Blizzard reviewed the Fund's asset allocation: 9.00% World Equity Ex-US Fund, 6.10% US Equity Factor Allocation Fund, 6.10% Large Cap Index Fund, 15.90% Core Fixed Income Fund, 40.80% Limited Duration Fund, 3.00% High Yield Bond Fund, 8.00% Real Return Fund, 3.00% Emerging Markets Debt Fund, and 8.10% Multi Asset Real Return Fund. He then reported on the performance of each asset class.

Mr. Waite reviewed the asset allocation chart which listed three scenarios for the Trustees' consideration. He reviewed the scenarios and recommended Portfolio A which consists of the following changes: (a) decreasing the World Equity ex-US from 9.00% to 8.00%, (b) increasing the US All Cap Factor Equity from 6.00% to 7.00%, (c) increasing Short Term Corporate Fixed Income from 0.00% to 11.00%, (d) decreasing Limited Duration Fixed Income from 41.00% to 20.00%, and (e) increasing Core Fixed Income from 16.00% to 26.00%.

After discussion,

MOTION was made, seconded and unanimously adopted to approve SEI's recommendation of Portfolio A as outlined in SEI's report.

Mr. Blizzard stated that the change will likely be implemented mid-May. The Trustees thanked Messrs. Blizzard and Waite for their report.

III. APPROVAL OF MINUTES

The minutes of the meeting held on January 26, 2024 were reviewed.

MOTION was made, seconded and unanimously adopted to approve the minutes of the meeting held on January 26, 2024.

IV. ASSOCIATED ADMINISTRATORS, LLC REPORT

A. Cash Operating Statement

Ms. Cochran reviewed the Cash Operating Statement from July 1, 2023 through June 30, 2024. The report is attached hereto as **Exhibit "A."**

B. Claims Paid Detail Report

Ms. Cochran reviewed a report detailing medical claims paid by type of benefit from July 1, 2023 through December 31, 2023. The report showed paid claims by the following categories: anesthesia, COVID-19 testing, hospital, laboratory and x-ray, medical, surgery, and COVID-19 vaccine. The report also indicated claims paid in network and out-of-network ("OON"). The report is attached hereto as **Exhibit "B."**

C. Disbursement Report

Ms. Cochran referred to the Authorization for Disbursements reports for October, November, and December 2023. The reports are attached hereto as **Exhibit "C."**

MOTION was made, seconded and unanimously adopted authorizing the disbursements listed in Exhibit "C."

D. Delinquency Report

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "D."

E. Withdrawal Liability

Ms. Cochran reviewed the report showing the status of withdrawal liability payments owed to the Pension Fund by the Welfare Fund in connection with the 2013 closing of the former Fund Office. The report is included at the bottom of Exhibit "D."

F. Employer Contribution Rate Report

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "E."

G. Active Members and COBRA Participants Receiving Benefits

Ms. Cochran referred to the report for the period from January 2023 through December 2023. The report is attached hereto as Exhibit "F."

H. Subrogation Report

Ms. Cochran stated that Anthem has reported that there are no open cases.

I. Form 1099NEC

Ms. Cochran reported that the Form 1099NEC was mailed to participants on January 26, 2024.

J. Form 1099MISC

Ms. Cochran reported that the Form 1099MISC was mailed to participants on January 29, 2024.

K. Precast Concrete Sales Company Contribution Rate Increase

Ms. Cochran reported on the receipt of a letter from the employer regarding its agreement to increase the contribution rate. A copy of the letter was included in the meeting booklet. The letter states that, effective May 1, 2024, the contribution rate will increase to \$419.22. Ms. O’Leary noted that a new Collective Bargaining Agreement is required to memorialize the increased rate.

V. CONSULTANT’S REPORT

A. Anthem Renewal – May 1, 2024

Ms. Davis reported that the Fund’s Joint Administrated Arrangement (JAA) Administrative Fee with Empire BlueCross BlueShield renews each year effective May 1, 2024. She explained that the JAA Administrative Fee covers Claims Repricing, Utilization Management services, Case Management services and a Behavioral Health utilization management program.

Ms. Davis stated that Empire had requested a 3.0% increase in the administrative fee from \$17.91 per participant per month (“PPPM”) to \$18.45, which amounts to an increase of \$0.54 PPPM, and that, based on the Fund’s total individuals covered of approximately 302 (or 126 member contracts), the current annual fee of \$64,900 would increase to \$66,900, or by \$2,000 annually. Ms. Davis stated that, in response to Segal’s request, Empire has reduced the requested increase to a 2.5% increase, which results in an administrative fee of \$18.36 PPPM and an annual savings of \$326. Ms. Davis indicated that the increase is Empire’s usual request and is reasonable.

MOTION was made, seconded and unanimously adopted approving the Empire Blue Cross Blue Shield Joint Administrated Arrangement Administrative Fee effective for the year beginning May 1, 2024 based on the contract terms set forth in the renewal offer.

B. Stop Loss Renewal

Ms. Davis reported on the Fund's stop loss policy renewal effective April 1, 2024. She reviewed a memorandum detailing the stop loss renewal and RFP process that was undertaken by Segal. She explained that the incumbent, HCC Life, proposed an initial increase of 15.2% and a specific stop loss laser at \$230,000. She advised that, assuming 43 singles and 81 families, the annual premium would increase by approximately \$35,600 under this renewal offer.

Ms. Davis stated that Segal proceeded with requesting bids from competing stop loss carriers, Liberty Mutual, CM Risk, IOA Re, Berkshire Hathaway, and ULLICO, and that the most favorable bid was from Liberty Mutual which proposed a 6.0% increase from the current policy with no lasers. She stated that Segal leveraged this proposal with HCC Life and that, after negotiations, HCC Life revised its best and final offer (BAFO) which lowered the 15.2% increase to a 6.0% increase, reducing the increase in annual premiums by \$21,500 to \$14,100. Ms. Davis stated that, within the revised best and final offer, HCC Life agreed to remove the \$230,000 laser which relieves the Fund of \$55,000 in potential claims liabilities during the upcoming policy period.

Ms. Davis explained that Liberty Mutual's proposal and HCC Life's revised BAFO are identical, with both offers providing the same contract terms. She stated that Segal can recommend both for the Trustee's consideration.

Following discussion,

MOTION was made, seconded and unanimously adopted approving the HCC Life stop loss insurance policy effective for the year beginning April 1, 2024 based on the contract terms set forth in the proposal.

C. Staffing

Mr. Urbank reported on his upcoming retirement. He stated that Ms. Davis will continue to work on the Fund's account along with another consultant. The Trustees congratulated Mr. Urbank on his retirement and thanked him for his many years of service to the Fund.

VI. COUNSEL

A. Draft Amended and Restated Agreement and Declaration of Trust

Ms. O'Leary referred the Trustees to the updated draft Trust Agreement that was circulated by email on April 18, 2024. After discussion,

MOTION was made, seconded and unanimously adopted to adopt the Trust Agreement, as presented, with an effective date of June 1 2024, subject to any further comments or questions received before June 1, 2024.

B. CSEA Westchester Local 860 Payroll Audit

Ms. O'Leary reported on the efforts to have CSEA Westchester Local 860 pay the outstanding audit findings. It was agreed that if payment is not received, Ms. O'Leary should send the Employer a draft complaint and that, if that still does not result in payment, the Trustees can consider at the next meeting whether to commence litigation.

VII. NEXT MEETING DATE/ADJOURNMENT

It was agreed that the next regular meeting of the Board of Trustees was scheduled for August 1, 2024 immediately following the Pension Fund meeting in Rock Tavern, New

York. With no further business to come before the Board, the meeting was adjourned at 12:03 p.m.

Exhibits

A – Financial Statements

B - Cash Operating Statement

C – Claims Paid Detail Report

D – Authorization for Disbursements

E – Delinquency Report and Withdrawal Liability Report

F – Employer Contribution Report

G – Active Members and COBRA Participants Receiving Benefits

INDUSTRY & LOCAL 338 WELFARE FUND
JULY 1, 2023 THROUGH JUNE 30, 2024
CASH OPERATING STATEMENT

	OCTOBER	NOVEMBER	DECEMBER	OCTOBER- DECEMBER	YEAR TO DATE
Remittances					
Employer Contributions *	84,910.55	259,844.40	147,793.89	492,548.84	997,270.50
COBRA	0.00	0.00	0.00	0.00	0.00
Payroll Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audit Interest	0.00	0.00	0.00	0.00	952.76
Interest- Delinquent Employer	55.95	413.81	0.00	469.76	469.76
Dividend Income	25,189.44	15,444.81	64,396.70	105,030.95	149,608.04
SEI Investments Realized G/L	(2,587.36)	(2,918.11)	48,037.23	42,531.76	37,055.07
SEI Investments Unrealized G/L	(78,273.19)	210,817.66	59,056.31	191,600.78	86,480.68
SEI Fund Rebate	0.00	0.00	0.00	0.00	0.00
Stop Loss Reimbursement	0.00	154,807.58	0.00	154,807.58	154,807.58
Prescription Rebate	0.00	37,064.18	32,284.52	69,348.70	98,468.70
IRS Interest	0.00	0.00	0.00	0.00	0.00
Class Action Proceeds	0.00	0.00	0.00	0.00	0.00
Total Income	29,295.39	675,474.33	351,568.65	1,056,338.37	1,525,113.09
Benefit Expenses *					
Benefits Paid	0.00	(22.80)	0.00	(22.80)	508.22
Anthem- Medical	243,064.30	173,706.79	224,992.69	641,763.78	1,147,612.16
Anthem- Retention	5,140.17	5,426.73	6,322.23	16,889.13	32,685.75
Anthem- NY Taxes	777.73	785.33	849.73	2,412.79	4,796.77
Medco Claims	40,387.01	14,986.56	41,408.16	96,781.73	259,643.49
Admin. Fee	381.88	1,160.64	368.62	1,911.14	28,282.38
ASO Dental Claims	4,866.00	1,888.00	5,106.00	11,860.00	17,599.00
Admin. Fee	273.05	290.25	283.80	847.10	1,668.40
NVA Optical Claims	690.00	207.00	194.00	1,091.00	2,080.00
Admin. Fee	63.56	32.60	32.49	128.65	258.58
Amalgamated: Life Insurance	447.68	475.88	465.30	1,388.86	2,735.41
Paid Family Leave	4,227.83	4,494.15	4,394.28	13,116.26	25,833.04
Disability	864.24	918.68	898.26	2,681.18	5,280.69
Teamster Center Services	270.90	273.05	290.25	834.20	1,636.15
Stop Loss Insurance	19,982.18	21,240.90	20,768.88	61,991.96	122,095.84
Total Benefit Expenses	321,436.53	225,863.76	306,374.69	853,674.98	1,652,715.88
Administrative Expenses *					
AA, LLC- Admin. Fees	6,963.00	6,963.00	6,963.00	20,889.00	41,778.00
Legal Fees	2,000.00	0.00	0.00	2,000.00	2,000.00
Consulting Fees	12,500.00	0.00	0.00	12,500.00	25,000.00
SEI Invest./Custody Fees	0.00	4,454.72	0.00	4,454.72	4,454.72
Fiduciary Liability Insurance	0.00	0.00	0.00	0.00	3,196.98
Actuary Fees	0.00	0.00	0.00	0.00	0.00
Year End Audit	0.00	0.00	18,000.00	18,000.00	18,000.00
Payroll Audits	0.00	0.00	0.00	0.00	0.00
Fidelity Bond Insurance	0.00	0.00	0.00	0.00	139.16
Convention & Seminars	0.00	0.00	0.00	0.00	0.00
Printing & Stationery	179.23	0.00	204.12	383.35	433.65
Postage	0.00	0.00	126.44	126.44	126.44
Office Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Bank Charges	121.84	136.10	122.68	380.62	790.50
Travel Expenses	0.00	0.00	0.00	0.00	0.00
Meeting Expenses	0.00	0.00	0.00	0.00	0.00
Dues & Membership	0.00	0.00	0.00	0.00	448.11
Withdrawal Liability	1,479.58	1,479.58	1,479.58	4,438.74	8,877.48
NY Labor Health Care Dues	0.00	0.00	0.00	0.00	500.00
PCORI Fee	0.00	0.00	0.00	0.00	0.00
Transitional Reinsurance Fee	0.00	0.00	0.00	0.00	0.00
Cyber Liability	3,390.52	0.00	0.00	3,390.52	3,390.52
Total Admin. Expenses	26,634.17	13,033.40	26,895.82	66,563.39	109,135.56
TOTAL EXPENSES	348,070.70	238,897.16	333,270.51	920,238.37	1,761,851.44
INCREASE/(DECREASE)	(318,775.31)	436,577.17	18,298.14	136,100.00	(236,738.35)

FUND RESERVE AS OF 12/31/23: \$6,638,698.79

* Cash to Accrual

INDUSTRY AND LOCAL 338 WELFARE FUND

2ND QUARTER 2023 (OCTOBER, NOVEMBER, DECEMBER)

	Anthem Network		
Benefit	Out-of-Network	In-Network	Grand Total
ANESTHESIA	\$0.00	\$21,119.72	\$21,119.72
COVID-19 TESTING	\$0.00	\$220.09	\$220.09
HOSPITAL	\$0.00	\$432,596.57	\$432,596.57
LABORATORY & X-RAY	\$0.00	\$61,356.61	\$61,356.61
MEDICAL	\$852.00	\$137,931.77	\$138,783.77
SURGERY	\$0.00	\$18,005.88	\$18,005.88
COVID-19 VACCINE	\$0.00	\$17.90	\$17.90
	\$852.00	\$671,248.54	\$672,100.54

1ST QUARTER 2023 (JULY, AUGUST, SEPTEMBER)

	Anthem Network		
Benefit	Out-of-Network	In-Network	Grand Total
ANESTHESIA	\$0.00	\$10,236.31	\$10,236.31
COVID-19 TESTING	\$0.00	-\$5.00	-\$5.00
HOSPITAL	\$0.00	\$91,922.42	\$91,922.42
LABORATORY & X-RAY	\$162.32	\$49,219.03	\$49,381.35
MEDICAL	\$2,738.65	\$185,416.61	\$188,155.26
SURGERY	\$0.00	\$11,585.40	\$11,585.40
COVID-19 TREATMENT	\$0.00	\$117.54	\$117.54
	\$2,900.97	\$348,492.31	\$351,393.28

**INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
OCTOBER 31, 2023**

WELFARE FUND CHECKING	
DESCRIPTION	AMOUNT
NVA OPTICAL CLAIMS 10/23	228.00
ANTHEM EMPIRE- MEDICAL CLAIMS 9/23-10/23	189,479.42
MEDCO RX CLAIMS 10/23	40,768.89
ASO DENTAL CLAIMS 10/23	1,149.05
TOTAL PAYMENTS	231,625.36

**INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
NOVEMBER 30, 2023**

WELFARE FUND CHECKING	
DESCRIPTION	AMOUNT
NVA OPTICAL CLAIMS 10/23-11/23	1,016.56
ANTHEM EMPIRE- MEDICAL CLAIMS 11/23	248,479.49
MEDCO RX CLAIMS 11/23	16,147.20
ASO DENTAL CLAIMS 10/23-11/23	6,168.25
TOTAL PAYMENTS	271,811.50

**INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
DECEMBER 31, 2023**

WELFARE FUND CHECKING		
CHECK	DESCRIPTION	AMOUNT
	NVA OPTICAL CLAIMS 11/23-12/23	260.60
	ANTHEM EMPIRE- MEDICAL CLAIMS 12/23	200,567.34
	MEDCO RX CLAIMS 12/23	41,776.78
	ASO DENTAL CLAIMS 12/23	3,319.80
	TOTAL PAYMENTS	245,924.52

Local 338 Delinquency Log

Delinquencies as of 12/31/23

Employer	Month(s) Delinquent
Paraco Gas Corp.	11/23 *
Orange County Transit (Valley & Wallkill)	11/23 **

Late Fees

Employer	Welfare	Total Balance Owed	Month(s) Owed
First Student (Roundout)	\$11.20	\$11.20	11/19, 8/21
Orange County Transit (Valley & Wallkill)	\$94.40	\$94.40	12/23

Status of Withdrawal Liability Payments as of 9/30/23

Employer	Start Date	Amount of W/L Pymt Mthly	Total # of Pymts Required	Pymts Made to Date	Past Due?	Employer ID#	Date of withdrawal
Local 338 Welfare Fund	3/1/2014	\$1,479.58	240	118	No	36	6/30/2013

* Paraco Gas Corp. paid November contributions on 1/18/24

** Orange County Transit paid November contributions on 1/2/24

Local 338 Welfare Fund Employer Contribution Rates							
Employer	Employer #	*Wel Count	Contract Effective Date	Contract Expiration Date	Current Weekly Welfare Rate	Current CBA on file	Which Union?
First Student (Kingston)	59	7	1/1/2019 1/1/2020 1/1/2021 9/1/2021 1/1/2022 1/1/2023 1/1/2024	8/31/2024	284.80 293.20 294.80 312.00 332.00 360.00 376.00	Yes	445
First Student (Rondout)	65	4	9/1/2022 1/1/2023 1/1/2024 1/1/2025	8/31/2025	332.00 360.00 376.00 396.00	Yes	445
First Student (Wallkill and Valley Central)			9/1/2022 1/1/2023 1/1/2024 1/1/2025	8/31/2025	332.00 360.00 376.00 396.00	Yes	445
L.P. Transportation	43	34	8/16/2022 8/16/2023 8/16/2024	8/15/2025	332.00 376.00 396.00	Yes	445
Mondelez International was Kraft Foods Global Inc.	49	59	9/1/2019 9/1/2020 9/1/2021 9/1/2022 9/1/2023	8/31/2024	294.80 296.00 296.00 296.00 296.00	Yes	445

* Participant Count as of 2/27/24

Local 338 Welfare Fund Employer Contribution Rates							
Employer	Employer #	*Wel Count	Contract Effective Date	Contract Expiration Date	Current Weekly Welfare Rate	Current CBA on file	Which Union?
Orange County Transit (includes Wallkill and Valley Central)	70	18	9/1/2022	8/31/2027	296.00	Yes	445
			3/1/2023		325.60		
			1/1/2024		358.00		
			1/1/2025		384.80		
			1/1/2026		384.80		
			1/1/2027		396.00		
Orange County Transit - Opt Out			3/1/2023		81.60		
			1/1/2024		89.50		
			1/1/2025		96.20		
			1/1/2026		96.20		
			1/1/2027		99.00		
Paraco Gas Corp.	54	8	2/1/2021	1/31/2025	312.00	Yes	445
			2/1/2022		332.00		
			2/1/2023		360.00		
			2/1/2024		376.00		
PreCast Concrete <i>Currently in negotiations</i>	55	3	7/1/2016	12/31/2017	266.40	No	445
			1/1/2017		290.40		
			1/1/2018		290.40		
Westchester Local 860	21	1	10/1/2021	9/30/2025	312.00	Yes	445
			10/1/2022		332.00		
			10/1/2023		360.00		
			10/1/2024		376.00		

* Participant Count as of 2/27/24

INDUSTRY AND LOCAL 338 WELFARE FUND NUMBER OF ACTIVE MEMBERS RECEIVING BENEFITS JANUARY 2023 - DECEMBER 2023		
MONTH	WELFARE	COBRA
January-23	124	0
February-23	122	0
March-23	121	0
April-23	122	1
May-23	128	0
June-23	123	0
July-23	124	0
August-23	128	0
September-23	131	0
October-23	136	0
November-23	137	0
December-23	138	0

INDUSTRY & LOCAL 338 WELFARE FUND
JULY 1, 2023 THROUGH JUNE 30, 2024
CASH OPERATING STATEMENT

	JANUARY	FEBRUARY	MARCH	JANUARY- MARCH	YEAR TO DATE
Remittances					
Employer Contributions *	195,352.80	169,204.03	197,430.56	561,987.39	1,559,257.89
COBRA	0.00	0.00	0.00	0.00	0.00
Payroll Audit	0.00	0.00	0.00	0.00	0.00
Payroll Audit Interest	0.00	0.00	0.00	0.00	952.76
Interest- Delinquent Employer	36.64	139.71	94.41	270.76	740.52
Dividend Income	15,643.93	15,360.18	14,349.05	45,353.16	194,961.20
SEI Investments Realized G/L	(5,735.77)	(1,339.39)	1,105.83	(5,969.33)	31,085.74
SEI Investments Unrealized G/L	16,510.12	7,214.73	69,942.05	93,666.90	180,147.58
SEI Fund Rebate	0.00	106.30	0.00	106.30	106.30
Stop Loss Reimbursement	0.00	0.00	0.00	0.00	154,807.58
Prescription Rebate	0.00	50,234.85	0.00	50,234.85	148,703.55
IRS Interest	0.00	0.00	0.00	0.00	0.00
Class Action Proceeds	0.00	0.00	0.00	0.00	0.00
Total Income	221,807.72	240,920.41	282,921.90	745,650.03	2,270,763.12
Benefit Expenses *					
Benefits Paid	(1,362.25)	0.00	0.00	(1,362.25)	(854.03)
Anthem- Medical	147,087.99	174,962.91	181,724.72	503,775.62	1,651,387.78
Anthem- Retention	5,265.54	5,802.84	5,534.19	16,602.57	49,288.32
Anthem- NY Taxes	842.13	821.14	828.46	2,491.73	7,288.50
Medco Claims	31,691.89	36,285.31	35,016.03	102,993.23	362,636.72
Admin. Fee	1,474.81	6,411.45	1,544.00	9,430.26	37,712.64
ASO Dental Claims	3,899.00	5,112.00	4,338.00	13,349.00	30,948.00
Admin. Fee	277.35	290.25	294.55	862.15	2,530.55
NVA Optical Claims	0.00	72.00	159.00	231.00	2,311.00
Admin. Fee	0.56	9.27	22.14	31.97	290.55
Amalgamated: Life Insurance	454.73	475.88	482.93	1,413.54	4,148.95
Paid Family Leave	3,582.33	3,748.95	3,804.49	11,135.77	36,968.81
Disability	877.85	918.68	932.29	2,728.82	8,009.51
Teamster Center Services	283.80	277.35	290.25	851.40	2,487.55
Stop Loss Insurance	20,296.86	144,215.38	21,555.58	186,067.82	308,163.66
Total Benefit Expenses	214,672.59	379,403.41	256,526.63	850,602.63	2,503,318.51
Administrative Expenses *					
AA, LLC- Admin. Fees	6,963.00	6,963.00	6,963.00	20,889.00	62,667.00
Legal Fees	0.00	1,640.00	0.00	1,640.00	3,640.00
Consulting Fees	12,500.00	0.00	0.00	12,500.00	37,500.00
SEI Invest./Custody Fees	0.00	4,454.72	0.00	4,454.72	8,909.44
Fiduciary Liability Insurance	0.00	0.00	0.00	0.00	3,196.98
Actuary Fees	0.00	0.00	0.00	0.00	0.00
Year End Audit	18,000.00	0.00	0.00	18,000.00	36,000.00
Payroll Audits	0.00	188.70	1,130.70	1,319.40	1,319.40
Fidelity Bond Insurance	0.00	590.24	0.00	590.24	729.40
Convention & Seminars	0.00	0.00	0.00	0.00	0.00
Printing & Stationery	0.00	0.00	487.38	487.38	921.03
Postage	0.00	0.00	0.00	0.00	126.44
Office Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Bank Charges	122.89	108.84	162.31	394.04	1,184.54
Travel Expenses	0.00	0.00	0.00	0.00	0.00
Meeting Expenses	0.00	144.94	0.00	144.94	144.94
Dues & Membership	0.00	0.00	0.00	0.00	448.11
Withdrawal Liability	1,479.58	1,479.58	1,479.58	4,438.74	13,316.22
NY Labor Health Care Dues	0.00	0.00	0.00	0.00	500.00
PCORI Fee	0.00	0.00	0.00	0.00	0.00
Transitional Reinsurance Fee	0.00	0.00	0.00	0.00	0.00
Cyber Liability	0.00	0.00	0.00	0.00	3,390.52
Total Admin. Expenses	39,065.47	15,570.02	10,222.97	64,858.46	173,994.02
TOTAL EXPENSES	253,738.06	394,973.43	266,749.60	915,461.09	2,677,312.53
INCREASE/(DECREASE)	(31,930.34)	(154,053.02)	16,172.30	(169,811.06)	(406,549.41)

FUND RESERVE AS OF 3/31/24: \$6,414,585.20

* Cash to Accrual

INDUSTRY AND LOCAL 338 WELFARE FUND

3RD QUARTER 2023 (JANUARY, FEBRUARY, MARCH)

	Anthem Network		
Benefit	Out-of-Network	In-Network	Grand Total
ANESTHESIA	\$0.00	\$7,547.58	\$7,547.58
COVID-19 TESTING	\$0.00	\$7.93	\$7.93
HOSPITAL	\$0.00	\$172,506.68	\$172,506.68
LABORATORY & X-RAY	\$0.00	\$85,001.69	\$85,001.69
MEDICAL	\$0.00	\$138,161.72	\$138,161.72
SURGERY	\$0.00	\$13,143.09	\$13,143.09
COVID-19 VACCINE	\$0.00	\$130.56	\$130.56
	\$0.00	\$416,499.25	\$416,499.25

2ND QUARTER 2023 (OCTOBER, NOVEMBER, DECEMBER)

	Anthem Network		
Benefit	Out-of-Network	In-Network	Grand Total
ANESTHESIA	\$0.00	\$21,119.72	\$21,119.72
COVID-19 TESTING	\$0.00	\$220.09	\$220.09
HOSPITAL	\$0.00	\$432,596.57	\$432,596.57
LABORATORY & X-RAY	\$0.00	\$61,356.61	\$61,356.61
MEDICAL	\$852.00	\$137,931.77	\$138,783.77
SURGERY	\$0.00	\$18,005.88	\$18,005.88
COVID-19 VACCINE	\$0.00	\$17.90	\$17.90
	\$852.00	\$671,248.54	\$672,100.54

1ST QUARTER 2023 (JULY, AUGUST, SEPTEMBER)

	Anthem Network		
Benefit	Out-of-Network	In-Network	Grand Total
ANESTHESIA	\$0.00	\$10,236.31	\$10,236.31
COVID-19 TESTING	\$0.00	-\$5.00	-\$5.00
HOSPITAL	\$0.00	\$91,922.42	\$91,922.42
LABORATORY & X-RAY	\$162.32	\$49,219.03	\$49,381.35
MEDICAL	\$2,738.65	\$185,416.61	\$188,155.26
SURGERY	\$0.00	\$11,585.40	\$11,585.40
COVID-19 TREATMENT	\$0.00	\$117.54	\$117.54
	\$2,900.97	\$348,492.31	\$351,393.28

**INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
JANUARY 31, 2024**

WELFARE FUND CHECKING	
DESCRIPTION	AMOUNT
NVA OPTICAL CLAIMS 12/23	129.49
ANTHEM EMPIRE- MEDICAL CLAIMS 12/23-1/24	175,735.11
MEDCO RX CLAIMS 1/24	33,166.70
ASO DENTAL CLAIMS 12/23-1/24	4,566.35
TOTAL PAYMENTS	213,597.65

**INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
FEBRUARY 29, 2024**

WELFARE FUND CHECKING	
DESCRIPTION	AMOUNT
NVA OPTICAL CLAIMS 2/24	72.00
ANTHEM EMPIRE- MEDICAL CLAIMS 2/24	181,586.89
MEDCO RX CLAIMS 2/24	42,696.76
ASO DENTAL CLAIMS 1/24-2/24	4,271.25
TOTAL PAYMENTS	228,626.90

**INDUSTRY AND LOCAL 338 WELFARE FUND
AUTHORIZATION FOR DISBURSEMENTS
MARCH 31, 2024**

WELFARE FUND CHECKING		
CHECK	DESCRIPTION	AMOUNT
	NVA OPTICAL CLAIMS 1/24-3/24	130.83
	ANTHEM EMPIRE- MEDICAL CLAIMS 3/24	167,155.33
	MEDCO RX CLAIMS 3/24	36,560.03
	ASO DENTAL CLAIMS 2/24-3/24	6,601.55
	TOTAL PAYMENTS	210,447.74

Local 338 Delinquency Log

Delinquencies as of 3/31/24

Employer	Month(s) Delinquent
Orange County Transit (Valley & Wallkill)	2/24 *

Late Fees

Employer	Welfare Balance Owed	Month(s) Owed
First Student (Kingston)	\$21.42	5/24
First Student (Roundout)	\$23.44	11/19, 8/21, 5/24
Orange County Transit (Valley & Wallkill)	\$67.32	5/24

Status of Withdrawal Liability Payments as of 3/31/24

Employer	Start Date	Amount of W/L Pymt Mthly	Total # of Pymts Required	Pymts Made to Date	Past Due?	Employer ID#	Date of withdrawal
Local 338 Welfare Fund	3/1/2014	\$1,479.58	240	121	No	36	6/30/2013

* Orange County Transit paid February contributions on 4/2/24

Local 338 Welfare Fund Employer Contribution Rates							
Employer	Employer #	*Wel Count	Contract Effective Date	Contract Expiration Date	Current Weekly Welfare Rate	Current CBA on file	Which Union?
First Student (Kingston)	59	7	1/1/2019 1/1/2020 1/1/2021 9/1/2021 1/1/2022 1/1/2023 1/1/2024	8/31/2024	284.80 293.20 294.80 312.00 332.00 360.00 376.00	No	445
First Student (Rondout)	65	4	9/1/2022 1/1/2023 1/1/2024 1/1/2025	8/31/2025	332.00 360.00 376.00 396.00	Yes	445
First Student (Wallkill and Valley Central)			9/1/2022 1/1/2023 1/1/2024 1/1/2025	8/31/2025	332.00 360.00 376.00 396.00	Yes	445
L.P. Transportation	43	34	8/16/2022 8/16/2023 8/16/2024	8/15/2025	332.00 376.00 396.00	Yes	445
Mondelez International was Kraft Foods Global Inc.	49	59	9/1/2019 9/1/2020 9/1/2021 9/1/2022 9/1/2023	8/31/2024	294.80 296.00 296.00 296.00 296.00	Yes	445

* Participant Count as of 7/12/24

Local 338 Welfare Fund Employer Contribution Rates							
Employer	Employer #	*Wel Count	Contract Effective Date	Contract Expiration Date	Current Weekly Welfare Rate	Current CBA on file	Which Union?
Orange County Transit (includes Wallkill and Valley Central)	70	19	9/1/2022	8/31/2027	296.00	Yes	445
			3/1/2023		325.60		
			1/1/2024		358.00		
			1/1/2025		384.80		
			1/1/2026		384.80		
			1/1/2027		396.00		
Orange County Transit - Opt Out			3/1/2023		81.60		
			1/1/2024		89.50		
			1/1/2025		96.20		
			1/1/2026		96.20		
			1/1/2027		99.00		
Paraco Gas Corp.	54	7	2/1/2021	1/31/2025	312.00	Yes	445
			2/1/2022		332.00		
			2/1/2023		360.00		
			2/1/2024		376.00		
PreCast Concrete <i>Currently in negotiations</i>	55	3	7/1/2016	12/31/2017	266.40	No	445
			1/1/2017		290.40		
			1/1/2018		290.40		
Westchester Local 860	21	1	10/1/2021	9/30/2025	312.00	Yes	445
			10/1/2022		332.00		
			10/1/2023		360.00		
			10/1/2024		376.00		

* Participant Count as of 7/12/24

INDUSTRY AND LOCAL 338 WELFARE FUND NUMBER OF ACTIVE MEMBERS RECEIVING BENEFITS JANUARY 2024 - DECEMBER 2024		
MONTH	WELFARE	COBRA
January-24	135	0
February-24	139	0
March-24	138	0
April-24		
May-24		
June-24		
July-24		
August-24		
September-24		
October-24		
November-24		
December-24		

Industry And Local 338
Welfare Fund
911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

SUMMARY ANNUAL REPORT
FOR INDUSTRY & LOCAL 338 WELFARE FUND

This is a summary of the annual report of the INDUSTRY & LOCAL 338 WELFARE FUND, EIN 13-1818220, Plan No. 501, for the period July 1, 2022 through June 30, 2023. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The Plan has contracts with Amalgamated Life Insurance Company to pay life insurance, temporary disability, and paid family leave claims and with BCS Insurance Company to pay stop loss claims incurred under the terms of the Plan. The total premiums paid for the Plan Year ending June 30, 2023 were \$317,198.

Basic Financial Statement

The value of Plan assets, after subtracting liabilities of the Plan, was \$6,736,387 as of June 30, 2023, compared to \$7,009,053 as of July 1, 2022. During the Plan Year, the Plan experienced a decrease in its net assets of \$272,666. This decrease includes unrealized appreciation and depreciation in the value of Plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the Plan Year, the Plan had total income of \$2,257,527, including employer contributions of \$1,981,350, employee contributions of \$3,601, earnings from investments of \$271,773, and other income of \$803.

Plan expenses were \$2,530,193. These expenses included \$249,309 in administrative expenses, and \$2,280,884 in benefits paid to participants and beneficiaries.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- an accountant's report;
- financial information;
- information on payments to service providers;
- assets held for investment;
- transactions in excess of 5% of the plan assets;
- insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the office of INDUSTRY & LOCAL 338 WELFARE FUND, C/O ASSOCIATED ADMINISTRATORS, LLC, 911 RIDGEBROOK RD, SPARKS, MD 21152, or by telephone at (855) 412-3797.

You also have the right to receive from the Plan Administrator, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full annual report from the Plan Administrator, these two statements and accompanying notes will be included as part of that report.

You also have the legally protected right to examine the annual report at the main office of the Plan (INDUSTRY & LOCAL 338 WELFARE FUND, C/O ASSOCIATED ADMINISTRATORS, LLC, 911 RIDGEBROOK RD, SPARKS, MD 21152) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.



Schultheis & Panettieri LLP

Accountants and Consultants

Please Reply to:

450 Wireless Boulevard
Hauppauge, NY 11788
Telephone: (631) 273-4778
Fax: (631) 273-3488

21 Vernon Street
Floral Park, NY 11001
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485A US Route 1 South
Suite 360
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DIRECTORS

Stephen Bowen
Anthony Sgroi
William R. Shannon
William Austin
Kimberly Miller
Michael Fox
Viorel Kuzma
Justin Katulka

MEMORANDUM

To: Clients

From: Schultheis & Panettieri, LLP

Date: August 2023

Re: Updated Standard Hourly Rates

We are providing this memorandum to document our hourly rates for the years detailed below. We appreciate the economic pressures facing our clients and the opportunity to serve you.

STANDARD HOURLY PAYROLL AUDIT RATES

	Current	2024	2025	2026
Staff	\$ 95	\$ 98	\$ 102	\$ 105
Supervisor/Manager	130	134	135	139
Partner	220	227	230	237
Blended rate	104	107	110	113
Increase		3%	3%	3%

STANDARD HOURLY ACCOUNTING, CONSULTING AND UBIT/FOREIGN TAX RATES

	Current	2024	2025	2026
Partner	\$ 294	\$ 303	\$ 312	\$ 322
Senior Manager	262	270	278	287
Manager	229	236	243	251
Supervisor	196	202	208	215
Senior	174	179	184	190
Staff	153	158	163	167
Clerical	82	84	87	90
Increase		3%	3%	3%

Teamsters Local 338 Welfare Fund

Health Benefits Reports

Year Beginning July 1, 2024

May 28, 2024 / Jacob Pine & Kayla M. Davis

Segal



333 West 34th Street
3rd Floor
New York, NY 10001-2402
T (212) 251-5000 F (646) 365-3243
segalco.com

May 28, 2024

Board of Trustees
Teamsters Local 338 Welfare Fund
911 Ridgebrook Road
Sparks, MD 21152

Dear Trustees:

We are pleased to present the July 1, 2024 COBRA Rates for the Teamsters Local 338 Welfare Fund.

We look forward to reviewing these rates with you and answering any questions you may have at the next meeting of the Board of Trustees. However, if there are any questions that need to be addressed prior to the meeting, please do not hesitate to contact us.

Sincerely,

Segal

By:

Jacob Pine
Senior Benefits Consultant
Jpine@segalco.com

Kayla M. Davis
Associate
KMdavis@segalco.com

cc: Associated-Administrators, Inc.
Fund Counsel
Fund Auditor

COBRA Rates - Year Beginning July 1, 2024

Table of Contents

Key Findings, Recommendations.....	1
COBRA Rates - Plan A.....	2
COBRA Detail - Plan A.....	3

Although we have provided Core and Non-core rates, plans are not required under COBRA to separate out rates in this manner. The Plan Sponsor may decide that this is an option they wish to offer to participants and beneficiaries.

The COBRA statute and regulations do not provide a specific methodology for calculating COBRA premiums. The law states that the “applicable COBRA premium” is the cost to the plan of providing the specific health coverage to “similarly situated actives.” In the absence of a specific methodology in the law, we have used a reasonable good faith interpretation of the statute and IRS guidance to come up with an approach to calculating COBRA premiums, including COBRA premiums for the health reimbursement arrangement. The basis of our calculation should be reviewed and approved by legal counsel to assure that it is appropriately complying with federal law.

COBRA Rates - Year Beginning July 1, 2024

Summary

- All rates were calculated in accordance with generally accepted underwriting procedures, using actual claim experience, administrative expenses, expected medical plan trend and the maximum 2 percent load for COBRA administration.
- Maximum Rates - Regular: COBRA allows the Fund to charge as a COBRA rate up to 102 percent of the cost of benefits to a qualified beneficiary for 18 or 36 months of coverage. This additional two percent is for administrative expenses. We note that the Fund is at liberty to charge rates below the amount proposed in this report as long as the rate is applied consistently to everyone.
- Maximum Rates for the Disability Extension: The Fund must offer a disabled person 11 additional months of COBRA coverage if the U.S. Social Security Administration determines that the individual (member or dependent) was totally and permanently disabled on or within 60 days after loss of coverage under the plan. The extended COBRA coverage is provided for the disabled member or dependent as well as other family members that have elected COBRA. The Fund may charge up to 150 percent of the cost of COBRA benefits for the disability extension after the first 18 months of coverage (up to a maximum of 29 months).
- The Core Regular and Disability rates are projected to decrease by 0.2% for single coverage and 0.8% for family coverage. The Core plus Non Core Regular and Disability rates are projected to decrease slightly for single coverage and 0.7% for family coverage.
- The Hospital, Medical, Prescription Drug, Dental and Optical claims are based on our projections by benefit for fiscal year beginning July 1, 2024.
- The COBRA rates were developed using a two-year blend of claims experience trended and reflect the updated dependent ratio of 62.7 percent.
- The COBRA rates include the recently approved stop loss rates from HCC Life effective April 1, 2024, and from Empire JAA effective May 1, 2024.

COBRA Rates - Year Beginning July 1, 2024

REGULAR RATES - PLAN A

	Current	Proposed	Change
Core			
Individual	\$1,051.23	\$1,049.49	-0.2%
Family	\$2,561.74	\$2,540.53	-0.8%
Core Plus Non-Core			
Individual	\$1,066.18	\$1,065.74	0.0%
Family	\$2,602.08	\$2,584.41	-0.7%

2% added for regular COBRA benefits as law permits.

COBRA is required for 18 (or 36) months.

DISABILITY RATES - PLAN A

	Current	Proposed	Change
Core			
Individual	\$1,545.93	\$1,543.37	-0.2%
Family	\$3,767.27	\$3,736.09	-0.8%
Core Plus Non-Core			
Individual	\$1,567.90	\$1,567.27	0.0%
Family	\$3,826.60	\$3,800.62	-0.7%

50% added for Disability COBRA as law permits.

COBRA for disabled participants is required for an additional 11 months.

COBRA Rates - Year Beginning July 1, 2024

REGULAR RATES DETAIL - PLAN A

	Individual	Family
Core		
Hospital and Medical	\$654.72	\$1,767.74
Stop Loss Premium	166.81	166.81
Prescription Drug	120.28	324.77
Joint Council #16 Fees	2.21	2.21
Hosp and Med Claims Admin F	45.05	121.62
ACA Fees	0.27	0.72
Operating Expenses	39.57	106.85
Sub-Total	\$1,028.91	\$2,490.73
2% Administration	20.58	49.81
Total	\$1,049.49	\$2,540.54
Core Plus Non-Core		
Core Sub-Total	1,028.91	2,490.73
Dental	14.32	38.68
Optical	1.61	4.35
Sub-Total	\$1,044.85	\$2,533.75
2% Administration	20.90	50.67
Total	\$1,065.75	\$2,584.42