School Cafeteria Employees UNITEHERE Local No. 634
Health & Welfare Fund
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Minutes of the Meeting of the Board of Trustees
Held on Wednesday, October 8, 2025
Via Zoom

Present Were:	Nicole Hunt, Antoinette Ford, and Warren Heyman – Union Trustees
	Joel Madrid, Marissa Quinn, and Lisa Norton – Management Trustees
Also Present Were:	Deborah R. Willig, Esq. and Kelly Brogan, Esq. of Willig, Williams & Davidson – Legal Counsel; Frank Iannucci of Summit Actuarial Services – Fund Consultant; Kathleen Jackson and Dan Ohlemiller of Novak Francella – CPA; Alicia Cochran of Associated Administrators, LLC – Administrative Manager; Matt Walker[1] of The Philadelphia Trust Company

The meeting was called to order at 10:05 a.m. with Ms. Hunt presiding as Chairperson. Notice of this meeting was communicated prior to the date of the meeting. A quorum was present.

I. The Minutes of the meeting of the Board of Trustees held on June 18, 2025 were discussed.

MOTION was made and seconded to adopt the Minutes of the meeting of the Board of Trustees held on June 18, 2025.

UNANIMOUSLY ADOPTED

[1] Present for the investment report only.

II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of September 30, 2025 the total assets held in the account were $1,179,674 with a year to date gain of 10.79%. Assets in the account were allocated 37.9% to fixed income, 28.5% to equities, 29.4% to cash and equivalents, and 4.3% to non-marketable assets.

Mr. Walker provided a market update and stated that his firm continues to monitor inflation, noting the impact of deglobalization and strong economic growth.

The Trustees thanked Mr. Walker, and he was excused from the meeting.

III. **Fund Auditor's Report.** Ms. Jackson presented a Payroll Compliance Review Report for the period January 1, 2023 through December 31, 2024. She stated that the review found a deficiency of $86,442.48 due to contributions for Early Childhood Food Service workers being paid at the incorrect rate. Ms. Willig stated that an official grievance was filed against the School District for its failure to pay the correct contribution rate for the Early Childhood Food Service workers. Ms. Jackson noted that she has requested documentation for the Plan Year ending August 31, 2025 and will update the report once received.

Ms. Jackson presented a cost allocation report used to determine the allocation of common administrative costs between the Union and the Local 634 Benefit Funds (the Fund and the Legal Services Plan). Ms. Jackson reviewed the procedures which were followed and stated that the procedures were established in accordance with AICPA standards. Ms. Jackson spoke, in detail, on the allocation of the Union's salary and benefit costs associated with performing administrative functions on behalf of the Fund and the Legal Services Fund. Based on the data recorded by the Union, the estimated monthly allocated cost payable by the Fund was $2,300. Due to the timing of the report, the Trustees discussed an effective date of June 1, 2025 for the new allocation.

MOTION was made and seconded to approve the cost allocation report, effective June 1, 2025.

UNANIMOUSLY ADOPTED

Ms. Jackson stated that Novak Francella would be performing the on-site audit for the Plan Year ending August 31, 2025 during the week of October 27, 2025.

IV. **Fund Consultant's Report.** Mr. Iannucci reviewed the Fund's reserves, noting that currently there is a 7-month reserve. He noted that Mr. Walker and Ms. Cochran continue to monitor the Fund's total assets on a monthly basis.

Mr. Iannucci reviewed the impact of the current events on the Fund, including federal funding related to Medicare, Medicaid, and prescription pricing specifically related to auto-immune diseases and prescription drug costs related to cancer. He noted that the Fund's cost of prescription drugs has flattened and the formulary rebates received were larger than expected which had a positive impact on the Fund's reserve.

V. **Administrative Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for fiscal year 2024-2025, as of August 31, 2025, with a comparative report for fiscal year 2023-2024. Receipts and disbursements for the period were reviewed, with Net Income of $536,701.02 compared to $439,154.99 for the prior period.

A report was presented indicating the total Fund balance through August 31, 2025 was $2,042,119.09.

A report was presented detailing the number of eligible employees as of August 31, 2025: 841 Cafeteria Workers and 1,148 Student Climate Staff for a total of 1,989 employees.

A COBRA report was presented for September 1, 2024 through August 31, 2025 showing a total of 154 COBRA notices sent, with two COBRA payees in the month of August 2025.

A dental claims report for Cafeteria Workers and Student Climate Staff for June 1, 2025 through August 31, 2025 was presented. Payments totaled $39,430.12 on 658 claims for Cafeteria Workers and $33,688.60 on 551 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2024 through August 31, 2025 was presented. Orthotic claims paid to date for Cafeteria Workers totaled $3,160.00 and $470.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2024 through August 31, 2025 was presented. Wig claims paid to date for Cafeteria Workers totaled $200.00. Claims paid to date for Student Climate Staff totaled $0.00.

VI. **Fund Counsel's Report.** Ms. Brogan stated that she had no formal report.

VII. **Other Business.** Ms. Cochran presented a utilization report prepared by Guardian Nurses for the period April 1, 2025 through June 30, 2025. The report reflected utilization of 2.50 hours on behalf of one member for the quarter.

Ms. Cochran stated that the IRS no longer requires employer sponsored health plans to mail the Form 1095-B annually and provides an alternative compliance option. If the Trustees opt-out of the annual mailing, Associated would provide the following, in accordance with the IRS requirements, 1) mail a Form 1095-B within 30 days of a participant's request and 2) post a notice with instructions on how to obtain the form on the Fund's website. The Trustees agreed to opt-out of the annual mailing of the 1095-B forms effective with the 2025 tax year.

Ms. Cochran reported receipt of the Fund's 2026 membership renewal invoice for the International Foundation of Employee Benefit Plans was received. The renewal fee contains a $50 increase from the prior year, for a total of $1,325.

Ms. Cochran stated that via INTERIM action the Trustees approved sending two Union Trustees and two Employer Trustees to the annual International Foundation of Employee Benefit Plans conference. She noted that Trustee Hunt and Trustee Ford were approved to attend the conference this year.

Ms. Cochran reported the Trustees approved the snapshot method for the July 31, 2024 Patient-Centered Outcomes Research Institute ("PCORI") filing to determine the average number of covered lives under the Plan. She said the PCORI fee is $3.22 multiplied by the average number of covered lives under the Plan. Ms. Cochran said the auditor prepared the Form 720 and payment in the amount of $5,100.48 was mailed on July 10, 2025.

Ms. Cochran reported the Fiduciary Liability policy was renewed September 6, 2025. Payments for the waiver of recourse were emailed to the Trustees on August 25, 2025. Ms. Cochran stated she would inform the Trustees whether payment was received for their portion.

Ms. Cochran reported that the participant letter and specialty utilization letters regarding the BeneCard Co-Pay Assistance program were mailed on July 30, 2025. She said that the Fund has not received any feedback related to the program. Ms. Cochran said BeneCard would have utilization information available for the next meeting.

Ms. Cochran reported a high-cost claimant with a prescription, Destini, which is used to treat cancer.

Trustee Hunt discussed the $2,000 death benefit for the Student Climate Staff employees. She stated that the employees are now eligible for the School District's Term Life Insurance Plan which permits an employee to elect life insurance in the amount of $20,000. After a discussion,

MOTION was made and seconded to eliminate the Student Climate Staff death benefit of $2,000 effective October 8, 2025.

UNANIMOUSLY ADOPTED

Ms. Cochran said a Summary of Material Modifications ("SMM") would be mailed to participants.

Trustee Hunt reported that the Health Fair was a success, however said that participation was low. She discussed the benefits of continuing the event in the future verse the cost. The Trustees discussed additional ways to communicate the Health Fair to the participants in order to increase attendance.

VIII. The date of the next regular Board meeting was scheduled for January 13, 2026. The meeting will convene at 10:00 a.m. via Zoom.

IX. There being no further business before the Board of Trustees, the meeting was adjourned.