

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 16, 2024

Via Zoom

Present Were:

Nicole Hunt, Antoinette Ford, and Warren Heyman
– Union Trustees

Marie Killian, Lisa Norton, and Marissa Quinn –
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
Walker¹ of The Philadelphia Trust Company

The meeting was called to order at 10:03 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 11, 2024 were discussed.

MOTION was made and seconded to adopt the
Minutes of the meeting of the Board of
Trustees held on June 11, 2024.

UNANIMOUSLY ADOPTED

¹ Present for the investment report only.

The Minutes of the special meeting of the Board of Trustees held on September 6, 2024 were discussed.

MOTION was made and seconded to adopt the Minutes of the special meeting of the Board of Trustees held on September 6, 2024.

UNANIMOUSLY ADOPTED

- II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of September 30, 2024 the total assets held in the account were \$1,061,746 with a gain of 3.31% for the quarter and a gain of 6.22% for the year to date. Assets in the account were allocated 53.90% to fixed income, 25.50% to equities, 15.90% to cash and equivalents.

Mr. Walker provided a market update and stated that his firm continues to monitor inflation, international tension, and changes in the debt ceiling.

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

- III. **Fund Auditor's Report.** Ms. Jackson presented an engagement letter from Novak Francella, LLC for auditing services for the Plan Year ended August 31, 2024 with a proposed fee not to exceed \$21,800, an increase of \$1,050.00 from the prior audit.

MOTION was made and seconded to engage Novak Francella, LLC for auditing services for the Plan Year ended August 31, 2024 with an annual fee not to exceed \$21,800.

UNANIMOUSLY ADOPTED

- IV. **Fund Consultant's Report.** Mr. Iannucci reviewed the Fund's reserves. He stated that the Fund's balance needs to be approximately \$1,400,000 in order to maintain a 6 month reserve. He noted that Mr. Walker and Ms. Cochran continue to monitor the Fund's total assets on a monthly basis.
- V. **Administrative Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for fiscal year 2023-2024, as of May 31, 2024, with a comparative report for fiscal year 2022-2023. Receipts and disbursements for the period were

reviewed, with the Fund experiencing a surplus of \$878,918.58 compared to a surplus of \$273,903.82 for the prior period.

A report was presented indicating the total Fund balance through May 31, 2024 was \$1,945,181.82.

A report was presented detailing the number of eligible employees as of May 24, 2024: 851 Cafeteria Workers and 1,170 Student Climate Staff for a total of 2,021 employees.

A COBRA report was presented for September 1, 2023 through May 31, 2024 showing a total of 106 COBRA notices sent, with four COBRA payees in the month of May 2024.

A dental claims report for Cafeteria Workers and Student Climate Staff for March 1, 2024 through May 31, 2024 was presented. Payments totaled \$23,124.80 on 643 claims for Cafeteria Workers and \$16,402.52 on 368 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2023 through May 31, 2024 was presented. Orthotic claims paid to date for Cafeteria Workers totaled \$1,795.00 and \$1,250.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2023 through May 31, 2024 was presented. Wig claims paid to date for Cafeteria Workers totaled \$0.00. Claims paid to date for Student Climate Staff totaled \$0.00.

- VI. **Participant Appeal.** Ms. Cochran presented a participant appeal, E24/100-4802, for disenrollment in Fund coverage. The participant stated that they would like to opt-out of Fund coverage because they have Medicare coverage. The Trustees reviewed the facts of the appeal.

MOTION was made and seconded to deny the appeal.

UNANIMOUSLY ADOPTED

Ms. Cochran presented a participant appeal, E24/101-2113, for disenrollment in Fund coverage. The participant stated that they would like to opt-out of Fund coverage because they have personal insurance. The Trustees reviewed the facts of the appeal.

MOTION was made and seconded to deny the appeal.

UNANIMOUSLY ADOPTED

VII. **Other Business.** Ms. Cochran presented a utilization report prepared by Guardian Nurses for the period April 1, 2024 through March 31, 2024. The report reflected utilization of 3.00 hours on behalf of two members for the quarter.

Ms. Cochran reported receipt of the Fund's 2025 membership renewal invoice for the International Foundation of Employee Benefit Plans was received. The renewal fee contains an \$80 increase from the prior year, for a total of \$1,275.

Ms. Cochran reported the Fiduciary Liability policy was renewed September 6, 2024. Payments for the waiver of recourse were emailed to the Trustees on August 23, 2024. Ms. Cochran stated she would inform the Trustees whether payment was received for their portion.

The Notice of Creditable Coverage, the 2024 Summary of Benefits Coverage Notice, and the HIPAA Notice of Privacy Practices were mailed to participants on September 13, 2024.

Ms. Cochran reported the Trustees approved the snapshot method for the July 31, 2023 Patient-Centered Outcomes Research Institute ("PCORI") filing to determine the average number of covered lives under the Plan. She said the PCORI fee is \$3.00 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 \$4,791.00 was mailed on July 31, 2024.

Ms. Cochran reported that the Creditable Coverage Disclosure to CMS for 2024 was electronically filed on time and CMS accepted the filing.

Ms. Cochran stated that the dental provider, Louis P. Mattucci requested the addition of a new pricing code. Ms. Cochran confirmed the pricing code is not for a new benefit, but an administrative update.

Ms. Cochran reported that the orthotic provider, Dr. Elliot Diamond was acquired by Integrated Foot and Ankle Specialists of PA, LLC. She said that a copy of the Bill of Sale was sent to Fund Counsel and that a signed HIPAA Business Associate Agreement was received.

Ms. Cochran distributed and reviewed her letter dated October 16, 2024 which noted that the administrative services contract between the Fund and Associated Administrators, LLC expired on December 31, 2024.

MOTION was made and seconded to approve an extension of the administrative services contract with Associated Administrators, LLC for the period January 1, 2025 through December 31, 2027, with 3% annual fee increases.

UNANIMOUSLY ADOPTED

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

IX. The date of the next regular Board meeting was scheduled for January 15, 2025. The meeting will convene at 10:00 a.m. via Zoom.

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

Union Trustee

School District Trustee