

School Cafeteria Employees UNITEHERE Local No. 634
Health & Welfare Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
(833) 228-9212

www.associated-admin.com

Agenda

January 15, 2025
10:00 AM

- I. Call to Order
- II. Investment Manager Report
- III. Minutes, Regular Meeting – October 16, 2024
- IV. Auditor Report
- V. Consultant Report
- VI. Administrative Manager Report
- VII. Participant Appeal
- VIII. Counsel Report
- IX. Other Fund Business
- X. Next Meeting Date and Location
- XI. Adjournment

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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

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund
Profit & Loss Prev Year Comparison
September 2024 through November 2024**

		<u>Nov-24</u>	<u>Nov-23</u>
Ordinary Income/Expense			
Income			
61-113	Cobra Contributions	772.80	647.80
61-121	Cafeteria Workers	562,867.50	501,832.50
61-125	Student Climate Staff	443,304.96	245,078.24
61-300	Interest on Investments	8,541.00	9,075.34
61-302	Interest on Bank Accounts	82.92	25.14
61-303	Realized Gain/Loss	233.40	6,799.85
61-304	Unrealized Gain/Loss	2,166.73	3,947.29
61-320	Formulary Rebates	150,749.70	97,563.84
61-350	Other Income	-	250,000.00
Total Income		1,168,719.01	1,114,970.00
Gross Profit		1,168,719.01	1,114,970.00
Expense			
71-202	Benecard Drug Claims	730,605.03	703,822.01
71-523	Benecard Admin Fee	18,556.05	12,997.51
71-203	Vision Premium	34,851.32	12,882.88
71-212	Orthotics Claims	-	860.00
71-214	Self-Funded Dental Claims	51,732.40	38,914.00
71-560	Dental Claims	4,244.00	5,182.00
71-515	Local 634 Shared Costs	13,200.00	3,900.00
71-300	Administration Fees	31,299.00	30,387.00
71-501	Auditing and Accounting Fee	-	11,000.00
71-502	Legal Counsel Fee	6,164.75	7,738.62
71-505	Consultant Fee	3,000.00	3,000.00
71-508	Printing, Duplicating, Postage	1,856.14	66.60
71-509	Investment Manager Fee	1,273.53	1,188.14
71-514	Fidelity Bond Premium	-	475.00
71-519	Membership Dues & DVHCC	1,275.00	1,195.00
71-550	Bank Service Charge & Wire Fees	(12.00)	108.00
Total Expense		898,045.22	833,716.76
Net Ordinary Income		270,673.79	281,253.24

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

**Firsttrust Bank and Philadelphia Trust Balances
November 30, 2024**

Firsttrust

Cash Expense Firsttrust Bank	<u>717,380.04</u>
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Total Firsttrust	<u>717,380.04</u>
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Philadelphia Trust

Phila Trust - Discr PTC701	961,569.27
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Phila Trust Company Allowance	<u>97,142.55</u>
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Total Philadelphia Trust	<u>1,058,711.82</u>
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Grand Total	<u><u>\$ 1,776,091.86</u></u>
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**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Employer Contributions and Participant Counts Report - September 1, 2023 - August 31, 2024
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Pay Period Ending	Date Received	Class	Amount Received	Contribution Rate	Member Count
9/1/2023	9/6/2023	Food Service Workers	\$ 72,247.50	\$ 97.50	741
		Student Climate Staff	\$ 5,577.60	\$ 5.60	996
			<u>\$ 77,825.10</u>		
				Total Count:	1,737
9/15/2023	9/19/2023	Food Service Workers	\$ 72,052.50	\$ 97.50	739
		Student Climate Staff	\$ 5,454.40	\$ 5.60	974
			<u>\$ 77,506.90</u>		
				Total Count:	1,713
9/29/2023	10/3/2023	Food Service Workers	\$ 72,832.50	\$ 97.50	747
		Student Climate Staff	\$ 5,370.40	\$ 5.60	959
			<u>\$ 78,202.90</u>		
				Total Count:	1,706
10/13/2023	10/17/2023	Food Service Workers	\$ 71,565.00	\$ 97.50	734
		Student Climate Staff	\$ 56,544.00	\$ 59.52	950
			<u>\$ 128,109.00</u>		
				Total Count:	1,684
10/27/2023	10/31/2023	Food Service Workers	\$ 70,785.00	\$ 97.50	726
		Student Climate Staff	\$ 55,948.80	\$ 59.52	940
			<u>\$ 126,733.80</u>		
				Total Count:	1,666
11/10/2023	11/14/2023	Food Service Workers	\$ 69,030.00	\$ 97.50	708
		Student Climate Staff	\$ 55,353.60	\$ 59.52	930
			<u>\$ 124,383.60</u>		
				Total Count:	1,638
11/24/2023	11/29/2023	Food Service Workers	\$ 73,320.00	\$ 97.50	752
		Student Climate Staff	\$ 60,829.44	\$ 59.52	1,022
			<u>\$ 134,149.44</u>		
				Total Count:	1,774
12/8/2023	12/12/2023	Food Service Workers	\$ 75,075.00	\$ 97.50	770
		Student Climate Staff	\$ 62,734.08	\$ 59.52	1,054
			<u>\$ 137,809.08</u>		
				Total Count:	1,824

12/22/2023	12/27/2023	Food Service Workers	\$ 76,440.00	\$ 97.50	784
		Student Climate Staff	\$ 65,412.48	\$ 59.52	1,099
			<u>\$ 141,852.48</u>		
				Total Count:	1,883
1/5/2024	1/9/2024	Food Service Workers	\$ 78,195.00	\$ 97.50	802
		Student Climate Staff	\$ 67,198.08	\$ 59.52	1,129
			<u>\$ 145,393.08</u>		
				Total Count:	1,931
1/19/2024	1/23/2024	Food Service Workers	\$ 78,682.50	\$ 97.50	807
		Student Climate Staff	\$ 68,031.36	\$ 59.52	1,143
			<u>\$ 146,713.86</u>		
				Total Count:	1,950
2/2/2024	2/6/2024	Food Service Workers	\$ 78,682.50	\$ 97.50	807
		Student Climate Staff	\$ 68,864.64	\$ 59.52	1,157
			<u>\$ 147,547.14</u>		
				Total Count:	1,964
2/16/2024	2/21/2024	Food Service Workers	\$ 79,072.50	\$ 97.50	811
		Student Climate Staff	\$ 69,221.76	\$ 59.52	1,163
			<u>\$ 148,294.26</u>		
				Total Count:	1,974
3/1/2024	3/5/2024	Food Service Workers	\$ 78,877.50	\$ 97.50	809
		Student Climate Staff	\$ 68,983.68	\$ 59.52	1,159
			<u>\$ 147,861.18</u>		
				Total Count:	1,968
3/15/2024	3/19/2024	Food Service Workers	\$ 78,682.50	\$ 97.50	807
		Student Climate Staff	\$ 68,567.04	\$ 59.52	1,152
			<u>\$ 147,249.54</u>		
				Total Count:	1,959
3/29/2024	4/3/2024	Food Service Workers	\$ 78,780.00	\$ 97.50	808
		Student Climate Staff	\$ 69,043.20	\$ 59.52	1,160
			<u>\$ 147,823.20</u>		
				Total Count:	1,968
4/12/2024	04/16/202	Food Service Workers	\$ 78,682.50	\$ 97.50	807
		Student Climate Staff	\$ 68,745.60	\$ 59.52	1,155
			<u>\$ 147,428.10</u>		
				Total Count:	1,962

4/26/2024	4/30/2024	Food Service Workers	\$	79,657.50	\$	97.50	817
		Student Climate Staff	\$	68,567.04	\$	59.52	1,152
			\$	148,224.54			
		Total Count:					1,969
5/10/2024	5/14/2024	Food Service Workers	\$	80,925.00	\$	97.50	830
		Student Climate Staff	\$	68,924.16	\$	59.52	1,158
			\$	149,849.16			
		Total Count:					1,988
5/24/2024	5/29/2024	Food Service Workers	\$	82,972.50	\$	97.50	851
		Student Climate Staff	\$	69,638.40	\$	59.52	1,170
			\$	152,610.90			
		Total Count:					2,021
6/7/2024	6/11/2024	Food Service Workers	\$	83,460.00	\$	97.50	856
		Student Climate Staff	\$	69,638.40	\$	59.52	1,170
			\$	153,098.40			
		Total Count:					2,026

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

COBRA Report - September 1, 2023 - August 31, 2024

	COBRA Notices Sent	COBRA Elections	COBRA Participants
September 2023	11	0	1
October 2023	26	0	1
November 2023	23	0	1
December 2023	11	0	1
January 2024	10	1	2
February 2024	7	0	2
March 2024	5	0	2
April 2024	5	2	4
May 2024	8	0	4
June 2024	7	0	4
July 2024	28	0	3
August 2024	8	0	2
Totals	149		

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Dental Claims Report - June 1, 2024 through August 31, 2024

Food Service Workers

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	225	\$ 16,947.52	\$ 5,122.20
Endodontics	17	\$ 8,334.00	\$ 2,834.00
Extraction	17	\$ 3,659.00	\$ 765.00
Oral Surgery	31	\$ 10,186.00	\$ 630.00
Orthodontics	4	\$ 1,850.00	\$ 650.00
Other Services	77	\$ 8,051.00	\$ 1,944.00
Periodontics	5	\$ (10,966.00)	\$ 3,126.00
Preventive	61	\$ 6,381.00	\$ 2,686.00
Prosthodontics, Fixed	12	\$ 12,205.00	\$ 626.00
Prosthodontics, Removable	16	\$ 13,770.00	\$ 4,613.00
Restorative	54	\$ 14,566.00	\$ 3,127.00
Restorative, Crowns	8	\$ 10,917.00	\$ 4,266.00
Totals	527	\$ 95,900.52	\$ 30,389.20

Out-of Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	12	\$ 1,263.00	\$ 379.00
Endodontics	1	\$ 552.00	\$ 350.00
Extraction	0	\$ -	\$ -
Oral Surgery	0	\$ -	\$ -
Orthodontics	0	\$ -	\$ -
Other Services	2	\$ 1,100.00	\$ 450.00
Periodontics	7	\$ 1,413.00	\$ 63.00
Preventive	4	\$ 335.00	\$ 173.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	0	\$ -	\$ -
Restorative	2	\$ 390.00	\$ 70.00
Restorative, Crowns	0	\$ -	\$ -
Totals	28	\$ 5,053.00	\$ 1,485.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 95,900.52	\$ 5,053.00	\$ 100,953.52
Total Paid Amount	\$ 30,389.20	\$ 1,485.00	\$ 31,874.20

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Dental Claims Report - June 1, 2024 through August 31, 2024

Student Climate Staff

In-Network (LPMA)

Category	Usage	Billed Amount		Paid Amount
Comprehensive Orthodontics	0	\$	-	\$ -
Diagnostic	185	\$	12,298.32	\$ 4,439.00
Endodontics	13	\$	4,186.00	\$ 1,355.00
Extraction	1	\$	226.00	\$ 45.00
Oral Surgery	28	\$	10,086.00	\$ 805.00
Orthodontics	6	\$	1,118.82	\$ 250.00
Other Services	54	\$	5,628.36	\$ 1,784.36
Periodontics	12	\$	7,413.00	\$ 1,680.00
Preventive	48	\$	5,329.08	\$ 2,278.12
Prosthodontics, Fixed	6	\$	3,995.00	\$ 1,525.00
Prosthodontics, Removable	5	\$	4,400.00	\$ 2,445.00
Restorative	25	\$	5,155.60	\$ 1,351.60
Restorative, Crowns	8	\$	11,460.00	\$ 3,855.00
Totals	391	\$	71,296.18	\$ 21,813.08

Out-of-Network

Category	Usage	Billed Amount		Paid Amount
Comprehensive Orthodontics	0	\$	-	\$ -
Diagnostic	7	\$	735.00	\$ 190.00
Endodontics	0	\$	-	\$ -
Extraction	0	\$	-	\$ -
Oral Surgery	0	\$	-	\$ -
Orthodontics	16	\$	1,654.00	\$ 150.00
Other Services	0	\$	-	\$ -
Periodontics	0	\$	-	\$ -
Preventive	2	\$	210.00	\$ -
Prosthodontics, Fixed	0	\$	-	\$ -
Prosthodontics, Removable	1	\$	430.00	\$ -
Restorative	5	\$	1,364.00	\$ 311.00
Restorative, Crowns	2	\$	2,740.00	\$ 1,285.00
Totals	33	\$	7,133.00	\$ 1,936.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 71,296.18	\$ 7,133.00	\$ 78,429.18
Total Paid Amount	\$ 21,813.08	\$ 1,936.00	\$ 23,749.08

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Orthotic Claims Report - September 1, 2023 - August 31, 2024
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Food Service Workers

Months		Amount		Total Paid
June 2024 - August 2024	\$	1,383.00	\$	1,025.00
March 2024 - May 2024	\$	1,315.00	\$	1,215.00
December 2023 - February 2024	\$	470.00	\$	470.00
September 2023 - November 2023	\$	110.00	\$	110.00
Totals	\$	3,278.00	\$	2,820.00

Student Climate Staff

Months		Amount		Total Paid
June 2024 - August 2024	\$	250.00	\$	250.00
March 2024 - May 2024	\$	-	\$	-
December 2023 - February 2024	\$	500.00	\$	500.00
September 2023 - November 2023	\$	750.00	\$	750.00
Totals	\$	1,500.00	\$	1,500.00

**School Cafeteria Employees UNITEHERE
Local No. 634 Health and Welfare Fund**

Wig Claims Report - September 1, 2023 - August 31, 2024

Food Service Workers

Months	Billed Amount	Paid to Member Amount
June 2024 - August 2024	\$ 114.99	\$ 114.99
March 2024 - May 2024	\$ -	\$ -
December 2023 - February 2024	\$ -	\$ -
September 2023 - November 2023	\$ -	\$ -
Totals	\$ 114.99	\$ 114.99

Student Climate Staff

Months	Billed Amount	Paid to Member Amount
June 2024 - August 2024	\$ -	\$ -
March 2024 - May 2024	\$ -	\$ -
December 2023 - February 2024	\$ -	\$ -
September 2023 - November 2023	\$ -	\$ -
Totals	\$ -	\$ -

NAME:

SS#:

SCHOOL CAFETERIA EMPLOYEES UNITE/HERE LOCAL No. 634 HEALTH & WELFARE FUND

CLASSIFICATION: Cafeteria Worker
DATE OF HIRE: August 18, 2018

STATUS: Full-Time

ISSUE: Eligibility – Disenrollment

#E24/102-4923

FUND RULE:

"Article III - Eligibility and Coverage"

...When you become eligible for coverage under the Fund, you will continue to be covered on a month-by-month basis provided that the School District of Philadelphia makes a contribution on your behalf. If you are laid off from the School District of Philadelphia, your coverage will continue for 12 months from the date of your lay-off. If you terminate employment with the School District of Philadelphia for a reason other than layoff or if you no longer work in a position covered under the Collective Bargaining Agreement between the Union and the School District of Philadelphia, your coverage will end on the last day of the month of your termination or change in position."

(School Cafeteria Employees UNITEHERE Local No. 634 Health & Welfare Fund SPD, Page 7)

SUMMARY: Appeal Received: October 30, 2024

The **participant** is appealing for disenrollment from Fund coverage effective October 31, 2024. The participant states that she would like to cancel her benefits, as she has her own insurance.

Participant's coverage is currently active until January 31, 2025.

ACTION:

Approved

☐

Denied

☐

Tabled

☐

COMMENTS: