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 Thursday, January 21, 2021
Via Zoom

Present Were: Nicole Hunt and Warren Heyman – Union Trustees

Wayne Grasela, Lisa Norton and Susan Hancock – Management Trustees

Also Present Were: Deborah R. Willig, Esq. and Kelly Brogan, Esq. of Willig, Williams & Davidson – Legal Counsel; Jane Flanagan of Summit Actuarial Services – Fund Consultant; Kathleen Jackson and Dan Ohlemiller, CPA; Alicia Cochran of Associated Administrators, LLC – Administrative Manager; Matthew Walker[1], CFA of The Philadelphia Trust Company

The meeting was called to order at 12:00 p.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 October 15, 2020 were discussed.

MOTION was made and seconded, with Trustee Heyman abstaining, to adopt the minutes of the meeting of the Board of Trustees held on October 15, 2020.

UNANIMOUSLY ADOPTED

II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of December 31, 2020, the Fund had a profit of 2.07% YTD. Total assets held in the discretionary account were $1,608,863.43. Total assets held in the non-discretionary account were $9,435.15. Assets in the discretionary account were allocated 25.2% to fixed income, 26.1% to equities and 48.7% to cash and equivalents.

[1] Present for the investment report only.

Mr. Walker noted that the interest rates for short term CDs were the same as long term treasury notes. As a result, Mr. Walker recommended that the Trustees consider expanding the definition of Fixed Income in the Investment Policy to include FDIC insured CDs. Mr. Walker noted that this change falls in line with the risk portfolio of the Fund.

Mr. Walker said his firm continues to monitor and adjust to handle the current market given the circumstances related to the pandemic.

MOTION was made and seconded to revised the Investment Policy to include FDIC insured CDs under Fixed Income.

UNANIMOUSLY APPROVED

III. **Fund Auditor's Report.** Mr. Ohlemiller distributed a draft of the audited financial statements for Plan year ended August 31, 2020. Net assets available for benefits on August 31, 2020 were $1,986,899 compared to $2,038,538 on August 31, 2019.

MOTION was made and seconded to accept the draft of the audited financial statements for Plan year ended August 31, 2020.

UNANIMOUSLY APPROVED

IV. **Fund Consultant's Report.** Ms. Flanagan reported that there is no change in the COBRA rates for January 1, 2021 through December 31, 2021.

V. **Fund Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for FY 2020-2021, as of November 30, 2020, with a comparative report for FY 2019-2020. Receipts and disbursements for the period were reviewed, with the Fund experiencing a surplus of $17,194.13 compared to a surplus of $93,936.24 for the prior period.

A report was presented indicating the total Fund balance through November 30, 2020 was $1,827,158.77.

A report was presented detailing the number of eligible employees as of November 20, 2020 - 872 Cafeteria Workers and 995 Student Climate Staff for a total of 1,867 employees.

A COBRA report was presented for September 1, 2020 through November 30, 2020 showing a total of 76 COBRA notices sent, with one COBRA payee in the month of November.

A dental claims report for Cafeteria Workers and Student Climate Staff for September 1, 2020 through November 30, 2020 was presented. Payments totaled $52,719.52 on 1029 claims for Cafeteria Workers and $22,651.40 on 405 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2020 through November 30, 2020 was presented. Orthotic claims paid to date for Cafeteria Workers totaled $5,970.00 and $4,230.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2020 through November 30, 2020 was presented. Wig claims paid to date for Cafeteria Workers totaled $0.00. Claims paid to date for Student Climate Staff totaled $0.00.

Ms. Cochran noted a Guardian Nurses utilization report was not included in the meeting booklet as the provider said there was no utilization for the period October 1, 2020 through December 31, 2020.

Ms. Cochran presented a report prepared by BeneCard for the period October 1, 2020 through December 31, 2020. The report reflected prescription utilization for which the Plan paid more than $5,000 on any one prescription.

VI. **Bills:** Ms. Cochran said that there are no invoices to be presented at today's meeting.

VII. **Fund Counsel's Report.** Ms. Brogan noted that the Agreement between the School District and the Fund regarding coverage of insulin/diabetic medications was finalized and signed by both parties.

VIII. **Other Business.** Ms. Cochran reported the following: The electronic filing of the Creditable Coverage Disclosure to Centers for Medicare and Medicaid Services for 2021 was filed and accepted in a timely manner.

The Fund received the 2020 – 2021 Fidelity Bond renewal. The policy was renewed for the period December 11, 2020 through December 11, 2021. The policy premium was $305.00.

The Fund received a request from the Delaware Valley Health Care Coalition, Inc. (DVHCC) to audit the performance of BeneCard for the period July 1, 2018 through June 30, 2019. Ms. Brogan asked Ms. Cochran to confirm with DVHCC that all HIPAA and privacy rules are followed during the audit.

MOTION was made and seconded to approve the DVHCC audit of BeneCard for the period July 1, 2018 through June 30, 2019.

UNANIMOUSLY APPROVED

Ms. Cochran led a general discussion regarding Associated's ability to offer participants a website with access to the Summary Plan Description, enrollment forms, and other information. The Trustees stated that they would like to offer a participant website. Ms. Cochran stated that she would proceed with doing so as soon as possible.

IX. The date of the next regular Board meeting was scheduled for Tuesday, April 20, 2021. The meeting will convene at 10:00 a.m. and will be held by a ZOOM conference call.

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

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Union Trustee

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School District Trustee