

**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

July 25, 2022

10:00 AM

- I. Call to Order
- II. Minutes, Regular Meeting – April 18, 2022
- III. Investment Manager Report
- IV. Auditor Report
- V. Consultant Report
- VI. Administrative Manager Report
- VII. Counsel Report
- VIII. Other Fund Business
- IX. Next Meeting Date and Location
- X. Adjournment

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Minutes of the Meeting of the Board of Trustees
Held on Monday, April 18, 2022
Via Zoom

Present Were: Nicole Hunt, Antoinette Ford, and Warren Heyman
– Union Trustees

Lisa Norton, Susan Hancock, 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 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 1:32 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.

Ms. Hancock introduced Ms. Marissa Quinn as the new Employer Trustee. The Trustees welcomed Ms. Quinn to the meeting.

Ms. Hancock announced that she will be retiring in November 2022. The Trustees expressed their gratitude for Ms. Hancock's service on the Fund.

- I. The Minutes of the meeting of the Board of Trustees held on January 18, 2022 were discussed.

¹ Present for the investment report only.

MOTION was made and seconded to adopt the Minutes of the meeting of the Board of Trustees held on January 18, 2022.

UNANIMOUSLY ADOPTED

- II. **Investment Manager's Report.** Mr. Walker presented the Investment Manager's report and stated the following: As of March 31, 2022 the total assets held in the discretionary account were \$1,374,715.33 with earnings for the quarter of -1.74% and year to date of -1.74%. Assets in the discretionary account were allocated 49.90% to fixed income, 23.70% to equities, 26.40% to cash and equivalents and 0.00% to other assets. Total assets held in the non-discretionary account were \$9,437.46.

Mr. Walker reviewed new holdings within the portfolio and said his firm continues to monitor inflation, international tension, and the recovery of the economy related to the pandemic.

- III. **Fund Auditor's Report.** Ms. Jackson reviewed the draft of the audited financial statements for Plan Year ended August 31, 2021. Ms. Jackson stated that she anticipated issuing a clean unmodified opinion. She noted that the net assets available for benefits on August 31, 2021 were \$1,695,843 compared to \$1,991,084 on August 31, 2020.

- IV. **Fund Consultants' Report.** Mr. Iannucci reported that he continues to monitor the performance of the Pharmacy Benefit Manager, BeneCard.

Mr. Iannucci discussed the Fund's reserve and said Mr. Walker will notify Ms. Cochran if the investment assets decrease to \$1,200,000.

- V. **Administrative Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for FY 2021-2022, as of February 28, 2022 with a comparative report for FY 2020-2021. Receipts and disbursements for the period were reviewed, with the Fund experiencing a surplus of \$12,334.25 compared to a surplus of \$77,192.38 for the prior period.

A report was presented indicating the total Fund balance through February 28, 2022 was \$1,628,891.20.

A report was presented detailing the number of eligible employees as of February 11, 2022 - 725 Cafeteria Workers and 971 Student Climate Staff for a total of 1,696 employees.

A COBRA report was presented for September 1, 2021 through February 28, 2022 showing a total

of 126 COBRA notices sent, with 4 COBRA payees in the month of February.

A dental claims report for Cafeteria Workers and Student Climate Staff for December 1, 2021 through February 28, 2022 was presented. Payments totaled \$16,409.12 on 745 claims for Cafeteria Workers and \$11,889.92 on 454 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2021 through February 28, 2022 was presented. Orthotic claims paid to date for Cafeteria Workers totaled \$0.00 and \$0.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2021 through February 28, 2022 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 presented a report prepared by BeneCard for the period December 1, 2021 through February 28, 2022. The report reflected prescription utilization for which the Plan paid more than \$5,000 on any one prescription.

- VI. **Fund Counsel's Report.** Ms. Brogan stated the revised draft of the Summary Plan Description ("SPD") was provided to the Trustees for review. She stated the SPD does not need additional language related to the No Surprises Act as the Plan does not provide medical coverage.

MOTION was made and seconded to accept the revised draft of the SPD as presented.

UNANIMOUSLY ADOPTED

Ms. Brogan recommended that the SPD be posted on the Plan's website. Ms. Brogan stated that the SPD could be distributed electronically to participants. Ms. Cochran said she would request printing quotes for SPDs to be included in new hire packets and upon the participant's request.

- VII. **Other Business.** Ms. Cochran reported the following: The Over-the-Counter ("OTC") COVID 19 Home Test Kit letter was mailed to participants February 24, 2022.

Ms. Cochran stated the PCORI fee, imposed by the Affordable Care Act for self-insured group plans, must be filed by July 31, 2022. The fee is \$2.66 multiplied by the average number of lives covered under the Plan for the 2021 Plan year. The Trustees directed the Administrator to engage Novak Francella to file Form 720, which is the tax form to be filed along with the fee payment. Ms. Cochran noted that the 2020 fee was calculated using the snapshot method.

MOTION was made and seconded approving calculation of the PCORI fee using the snapshot

method and engaging Novak Francella to file the Form 720.

UNANIMOUSLY ADOPTED

Ms. Cochran reported the Form 1099-NEC was mailed to Plan participants on January 28, 2022.

Ms. Cochran stated the Fund received an American Rescue Plan Act of 2021 COBRA Subsidy refund in the amount of \$239.74 for the second quarter of the 2021 Plan year.

Ms. Hunt discussed the 2022 Health Fair. The specific date is to be determined. The budget for the Fair was discussed, whereupon a

MOTION was made and seconded to authorize a \$25,000 budget for Health Fair expenses.

VIII. The date of the next regular Board meeting was scheduled for July 25, 2022. The meeting will convene at 10:00 a.m. and the location will be determined at a later date.

IX. 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 2021 through May 2022**

		<u>May-22</u>	<u>May-21</u>
Ordinary Income/Expense			
Income			
61-113	Cobra Contributions	3,829.65	2,168.70
61-121	Cafeteria Workers	1,407,120.00	1,578,429.80
61-125	Student Climate Staff	102,916.80	107,016.00
61-300	Interest on Investments	7,187.62	13,864.92
61-301	Bond Discount Accretion	-	625.00
61-302	Interest on Bank Accounts	104.41	9.12
61-303	Realized Gain/Loss	47,605.39	44,633.03
61-304	Unrealized Gain/Loss	(85,976.41)	35,543.66
61-320	Formulary Rebates	269,669.95	231,628.02
61-350	Other Income	50.17	-
61-905	Class Action Settlements	-	10,120.00
Total Income		1,752,507.58	2,024,038.25
Gross Profit		1,752,507.58	2,024,038.25
Expense			
71-200	City Clinics Fee	45,000.00	50,000.00
71-202	Benecard Drug Claims	1,302,401.41	1,392,798.41
71-523	Benecard Admin Fee	37,560.31	50,860.50
71-203	Vision Premium	73,193.03	69,037.07
71-212	Orthotics Claims	3,305.00	10,840.00
71-214	Self-Funded Dental Claims	131,000.00	182,381.48
71-560	Dental Claims	12,531.00	16,317.00
71-216	Wig Benefit	-	277.76
71-515	Local 634 Shared Costs	11,700.00	19,800.00
71-300	Administration Fees	87,364.82	84,820.40
71-405	PCORI Fees	5,429.06	-
71-501	Auditing and Accounting Fee	19,150.00	18,432.68
71-502	Legal Counsel Fee	16,465.37	16,728.42
71-505	Consultant Fee	9,000.00	9,000.00
71-508	Printing, Duplicating, Postage	5,398.42	3,595.81
71-509	Investment Manager Fee	5,184.43	6,014.95
71-514	Fidelity Bond Premium	305.00	305.00
71-517	Fiduciary Liability Insurance Premium	4,157.00	-
71-520	Stop Loss	-	27,000.00
71-519	Membership Dues & DVHCC	1,100.00	1,065.00
71-550	Bank Service Charge & Wire Fees	108.00	639.69
Total Expense		1,770,352.85	1,959,914.17
Net Ordinary Income		(17,845.27)	64,124.08
Net Income		(17,845.27)	64,124.08

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

**Firsttrust Bank and Philadelphia Trust Balances
May 31, 2022**

BB&T

Savings - M/M (Old)	\$ 0.16
Cash Expense Firsttrust Bank	236,113.14
Prepaid Expenses	366.64
Prepaid Insurance	<u>85.00</u>
Total Firsttrust	<u>236,564.94</u>

Philadelphia Trust

Phila Trust - Discr PTC701	1,260,914.38
Phila Trust - Non-Dis PTCN90	9,439.68
Phila Trust Company Allowance	<u>91,553.95</u>
Total Philadelphia Trust	<u>1,361,908.01</u>
Grand Total	<u><u>\$ 1,598,472.95</u></u>

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

Employer Contributions and Participant Counts Report - September 1, 2021 - May 31, 2022

Pay Period Ending	Date Received	Class	Amount Received	Contribution Rate	Member Count
8/27/2021	9/9/2021	Food Service Workers	\$ 71,467.50	\$ 97.50	733
		Student Climate Staff	\$ 4,967.20	\$ 5.60	887
			<u>\$ 76,434.70</u>		
				Total Count:	1620
9/10/2021	9/24/2021	Food Service Workers	\$ 70,980.00	\$ 97.50	728
		Student Climate Staff	\$ 4,888.80	\$ 5.60	873
			<u>\$ 75,868.80</u>		
				Total Count:	1601
9/24/2021	9/28/2021	Food Service Workers	\$ 70,590.00	\$ 97.50	724
		Student Climate Staff	\$ 4,844.00	\$ 5.60	865
			<u>\$ 75,434.00</u>		
				Total Count:	1589
10/8/2021	10/13/2021	Food Service Workers	\$ 70,005.00	\$ 97.50	718
		Student Climate Staff	\$ 4,754.40	\$ 5.60	849
			<u>\$ 74,759.40</u>		
				Total Count:	1567
10/22/2021	10/29/2021	Food Service Workers	\$ 69,712.50	\$ 97.50	715
		Student Climate Staff	\$ 4,709.60	\$ 5.60	841
			<u>\$ 74,422.10</u>		
				Total Count:	1556
11/5/2021	11/8/2021	Food Service Workers	\$ 69,127.50	\$ 97.50	709
		Student Climate Staff	\$ 4,653.60	\$ 5.60	831
			<u>\$ 73,781.10</u>		
				Total Count:	1540
11/19/2021	11/23/2021	Food Service Workers	\$ 69,030.00	\$ 97.50	708
		Student Climate Staff	\$ 4,743.20	\$ 5.60	847
			<u>\$ 73,773.20</u>		
				Total Count:	1555
12/3/2021	12/16/2021	Food Service Workers	\$ 70,590.00	\$ 97.50	724
		Student Climate Staff	\$ 4,720.80	\$ 5.60	843
			<u>\$ 75,310.80</u>		
				Total Count:	1567

12/17/2021	12/30/2021	Food Service Workers	\$ 70,882.50	\$ 97.50	727
		Student Climate Staff	\$ 4,709.60	\$ 5.60	841
			<u>\$ 75,592.10</u>		
				Total Count:	1568
12/31/2021	1/5/2022	Food Service Workers	\$ 71,175.00	\$ 97.50	730
		Student Climate Staff	\$ 4,726.40	\$ 5.60	844
			<u>\$ 75,901.40</u>		
				Total Count:	1574
1/14/2022	1/19/2022	Food Service Workers	\$ 71,272.50	\$ 97.50	731
		Student Climate Staff	\$ 4,810.40	\$ 5.60	859
			<u>\$ 76,082.90</u>		
				Total Count:	1590
1/28/2022	2/1/2022	Food Service Workers	\$ 70,200.00	\$ 97.50	720
		Student Climate Staff	\$ 5,824.00	\$ 5.60	1040
			<u>\$ 76,024.00</u>		
				Total Count:	1760
2/11/2022	2/15/2022	Food Service Workers	\$ 70,687.50	\$ 97.50	725
		Student Climate Staff	\$ 5,437.60	\$ 5.60	971
			<u>\$ 76,125.10</u>		
				Total Count:	1696
2/25/2022	3/1/2022	Food Service Workers	\$ 70,492.50	\$ 97.50	723
		Student Climate Staff	\$ 5,471.20	\$ 5.60	977
			<u>\$ 75,963.70</u>		
				Total Count:	1700
3/11/2022	3/15/2022	Food Service Workers	\$ 70,395.00	\$ 97.50	722
		Student Climate Staff	\$ 5,516.00	\$ 5.60	985
			<u>\$ 75,911.00</u>		
				Total Count:	1707
3/25/2022	3/29/2022	Food Service Workers	\$ 70,395.00	\$ 97.50	722
		Student Climate Staff	\$ 5,605.60	\$ 5.60	1001
			<u>\$ 76,000.60</u>		
				Total Count:	1723
4/8/2022	4/12/2022	Food Service Workers	\$ 70,005.00	\$ 97.50	718
		Student Climate Staff	\$ 5,600.00	\$ 5.60	1000
			<u>\$ 75,605.00</u>		
				Total Count:	1718

4/22/2022	4/27/2022	Food Service Workers	\$ 70,005.00	\$ 97.50	718
		Student Climate Staff	\$ 5,644.80	\$ 5.60	1008
			<u>\$ 75,649.80</u>		
				Total Count:	1726
5/6/2022	5/10/2022	Food Service Workers	\$ 69,907.50	\$ 97.50	717
		Student Climate Staff	\$ 5,644.80	\$ 5.60	1008
			<u>\$ 75,552.30</u>		
				Total Count:	1725
5/20/2022	5/24/2022	Food Service Workers	\$ 70,200.00	\$ 97.50	720
		Student Climate Staff	\$ 5,644.80	\$ 5.60	1008
			<u>\$ 75,844.80</u>		
				Total Count:	1728

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

COBRA Report - September 2021 - May 2022

	COBRA Notices Sent	COBRA Elections	COBRA Participants
September 2021	29	6	6
October 2021	22	0	5
November 2021	20	0	5
December 2021	13	1	6
January 2022	9	0	6
February 2022	33	0	4
March 2022	14	0	4
April 2022	4	0	4
May 2022	13	0	4
June 2022			
July 2022			
August 2022			
Totals	157		

**School Cafeteria Employees UNITEHERE
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Dental Claims Report - March 1, 2022 - May 31, 2022

Food Service Workers

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	264	\$ 17,723.30	\$ 5,103.00
Endodontics	14	\$ 4,938.50	\$ 2,226.00
Extraction	10	\$ 1,600.00	\$ 450.00
Oral Surgery	25	\$ 6,070.00	\$ 1,050.00
Orthodontics	32	\$ 4,221.48	\$ 1,073.00
Other Services	61	\$ 5,890.00	\$ 1,708.00
Periodontics	44	\$ 10,022.00	\$ 3,053.00
Preventive	71	\$ 6,684.02	\$ 2,645.00
Prosthodontics, Fixed	6	\$ 5,700.00	\$ 2,099.00
Prosthodontics, Removable	15	\$ 13,925.50	\$ 3,737.00
Restorative	54	\$ 13,162.00	\$ 3,284.00
Restorative, Crowns	10	\$ 9,336.00	\$ 3,656.00
Totals	606	\$ 99,272.80	\$ 30,084.00

Out-of Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	18	\$ 851.25	\$ 364.00
Endodontics	0	\$ -	\$ -
Extraction	0	\$ -	\$ -
Oral Surgery	3	\$ 1,045.00	\$ 135.00
Orthodontics	1	\$ 158.00	\$ -
Other Services	0	\$ -	\$ -
Periodontics	1	\$ 94.50	\$ 65.00
Preventive	7	\$ 635.00	\$ 324.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	0	\$ -	\$ -
Restorative	4	\$ 762.50	\$ 305.00
Restorative, Crowns	0	\$ -	\$ -
Totals	34	\$ 3,546.25	\$ 1,193.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 99,272.80	\$ 3,546.25	\$ 102,819.05
Total Paid Amount	\$ 30,084.00	\$ 1,193.00	\$ 31,277.00

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

Dental Claims Report - March 1, 2022 - May 31, 2022

Student Climate Staff

In-Network (LPMA)

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	118	\$ 7,821.00	\$ 2,672.00
Endodontics	11	\$ 2,425.00	\$ 742.00
Extraction	3	\$ 350.00	\$ 135.00
Oral Surgery	18	\$ 4,243.00	\$ 1,145.00
Orthodontics	5	\$ 847.00	\$ 350.00
Other Services	45	\$ 4,591.00	\$ 1,171.00
Periodontics	4	\$ 3,398.00	\$ 690.00
Preventive	27	\$ 2,609.00	\$ 1,304.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	1	\$ 1,345.00	\$ 750.00
Restorative	28	\$ 5,064.00	\$ 1,895.00
Restorative, Crowns	2	\$ 2,000.00	\$ 1,160.00
Totals	262	\$ 34,693.00	\$ 12,014.00

Out-of-Network

Category	Usage	Billed Amount	Paid Amount
Comprehensive Orthodontics	0	\$ -	\$ -
Diagnostic	3	\$ 125.00	\$ 75.00
Endodontics	0	\$ -	\$ -
Extraction	0	\$ -	\$ -
Oral Surgery	0	\$ -	\$ -
Orthodontics	0	\$ -	\$ -
Other Services	0	\$ -	\$ -
Periodontics	0	\$ -	\$ -
Preventive	3	\$ 288.00	\$ 162.00
Prosthodontics, Fixed	0	\$ -	\$ -
Prosthodontics, Removable	1	\$ 800.00	\$ 800.00
Restorative	0	\$ -	\$ -
Restorative, Crowns	0	\$ -	\$ -
Totals	7	\$ 1,213.00	\$ 1,037.00

	In-Network	Out-of-Network	Overall Totals
Total Billed Amount	\$ 34,693.00	\$ 1,213.00	\$ 35,906.00
Total Paid Amount	\$ 12,014.00	\$ 1,037.00	\$ 13,051.00

**School Cafeteria Employees UNITEHERE
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Orthotic Claims Report - September 1, 2021 - May 31, 2022

Food Service Workers

Months		Amount		Total Paid
March 2022 - May 2022	\$	2,500.00	\$	2,250.00
December 2021 - February 2022	\$	-	\$	-
September 2021 - November 2021	\$	-	\$	-
Totals	\$	-	\$	-

Student Climate Staff

Months		Amount		Total Paid
March 2022 - May 2022	\$	1,305.00	\$	1,055.00
December 2021 - February 2022	\$	-	\$	-
September 2021 - November 2021	\$	-	\$	-
Totals	\$	-	\$	-

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

Wig Claims Report - September 1, 2021 - May 31, 2022
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Food Service Workers

Months	Billed Amount	Paid to Member Amount
March 2022 - May 2022	\$ -	\$ -
December 2021 - February 2022	\$ -	\$ -
September 2021 - November 2021	\$ -	\$ -
Totals	\$ -	\$ -

Student Climate Staff

Months	Billed Amount	Paid to Member Amount
March 2022 - May 2022	\$ -	\$ -
December 2021 - February 2022	\$ -	\$ -
September 2021 - November 2021	\$ -	\$ -
Totals	\$ -	\$ -