

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 Monday, July 25, 2022

Via Zoom

Present Were:

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

Lisa Norton and Susan Hancock – 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 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 April 18, 2022 were discussed.

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

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 June 30, 2022 the total assets held in the discretionary account were \$1,333,807.56 with earnings for the quarter of -2.98% and year to date of -4.66%. Assets in the discretionary account were allocated 62.30% to fixed income, 21.80% to equities, 15.90% to cash and equivalents and 0.00% to other assets. Total assets held in the non-discretionary account were \$9,448.78.

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 presented an engagement letter from Novak Francella, LLC for auditing services for the Plan year ended August 31, 2022. The costs of the service include a 3.8% increase of \$800.00 from the last fiscal year, annual fee not to exceed \$19,950.00.

MOTION was made and seconded to engage Novak Francella, LLC for auditing services for the 2022 Plan year with a 3.8% increase of \$800.00 with an annual fee not to exceed \$19,950.00.

UNANIMOUSLY ADOPTED

- IV. **Fund Consultants' Report.** Mr. Iannucci discussed the Fund's reserves and said they represent approximately 8 months of benefit cost. He noted that Mr. Walker continues to monitor investment assets and will notify the Fund if the assets reach \$1,300,000.
- V. **Administrative Manager's Report.** Ms. Cochran presented an unaudited statement of cash receipts and cash disbursements for fiscal year 2021-2022, as of May 31, 2022 with a comparative report for fiscal year 2020-2021. Receipts and disbursements for the period were reviewed, with the Fund experiencing a deficit of \$17,845.27 compared to a surplus of \$64,124.08 for the prior period.

A report was presented indicating the total Fund balance through May 31, 2022 was \$1,598,472.95.

A report was presented detailing the number of eligible employees as of May 20, 2022 - 720 Cafeteria Workers and 1,008 Student Climate Staff for a total of 1,728 employees.

A COBRA report was presented for September 1, 2021 through May 31, 2022 showing a total of 157 COBRA notices sent, with 4 COBRA payees in the month of May.

A dental claims report for Cafeteria Workers and Student Climate Staff for March 1, 2022 through May 31, 2022 was presented. Payments totaled \$31,277.00 on 640 claims for Cafeteria Workers and \$13,051.00 on 269 claims for Student Climate Staff.

A report of orthotic claims paid for the period September 1, 2021 through May 31, 2022 was presented. Orthotic claims paid to date for Cafeteria Workers totaled \$2,250.00 and \$1,055.00 for Student Climate Staff.

A report of wig claims paid for the period September 1, 2021 through May 31, 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.

VI. **Fund Counsel's Report.** Ms. Brogan stated there was nothing to report.

VII. **Other Business.** Ms. Cochran reported the following: The Vision Benefits of America ("VBA") agreement was scheduled to renew August 1, 2022. She stated the proposal is for a 2-year period effective August 1, 2022 through July 31, 2024 with an 8% increase for the first year and no increase for the second year.

MOTION was made and seconded to accept the VBA renewal with an 8% increase in the first year and no increase for the second year for a premium of \$6.34 per member per month.

UNANIMOUSLY ADOPTED

Ms. Cochran reported the Trustees approved the snapshot method for the July 31, 2021 Patient-Centered Outcomes Research Institute ("PCORI") filing to determine the average number of covered lives under the Plan. She said the PCORI fee is \$2.66 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 \$5,429.06 was mailed on June 22, 2022.

The Trustees directed Ms. Cochran to request a utilization report from City of Philadelphia, the Department of Public Health Ambulatory Health Services.

Trustee Hunt provided a summary of the 2022 Health Fair event. Trustee Hunt requested Ms. Cochran send a second request to the vendors inquiring if they would like to attend the event.

- VIII. The date of the next regular Board meeting was scheduled for October 17, 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