



**SERVICE EMPLOYEES INTERNATIONAL UNION  
HEALTH AND WELFARE FUND**

FINANCIAL STATEMENTS

DECEMBER 31, 2024





## **SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND**

### **FINANCIAL STATEMENTS**

**YEARS ENDED DECEMBER 31, 2024 AND 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the  
Service Employees International Union Health and Welfare Fund

### Opinion

We have audited the accompanying financial statements of Service Employees International Union Health and Welfare Fund (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits and of benefit obligations as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits and of changes in benefit obligations for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits and benefit obligations of Service Employees International Union Health and Welfare Fund as of December 31, 2024 and 2023, and the changes in its net assets available for benefits and changes in its benefit obligations for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Service Employees International Union Health and Welfare Fund and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Service Employees International Union Health and Welfare Fund's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### **Supplemental Schedules Required by ERISA**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) and schedule of reportable transactions are presented for purposes of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

### **Other Supplemental Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of administrative expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Calibre CPA Group, PLLC*

Bethesda, MD  
September 26, 2025



## SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Assets</b>		
<b>Assets</b>		
Investments - at fair value	<u>\$ 37,232,532</u>	<u>\$ 33,532,880</u>
Receivables		
Employer contributions, net of allowance	1,386,895	1,376,283
Due from related parties	50,416	97,251
Accrued interest	119,134	131,150
Pending transactions	-	23,322
Other receivables	<u>1,285,171</u>	<u>955,442</u>
	<u>2,841,616</u>	<u>2,583,448</u>
Prepaid expenses	13,483	384,115
Cash	<u>6,371,207</u>	<u>3,127,196</u>
Total assets	<u>46,458,838</u>	<u>39,627,639</u>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accounts payable	116,066	98,269
Deferred contribution income	2,805,125	1,571,521
Due to related parties	136,618	145,826
Health reimbursement accounts	147,397	184,980
Cash overdraft - outstanding checks	<u>86,439</u>	<u>509,743</u>
Total liabilities	<u>3,291,645</u>	<u>2,510,339</u>
<b>Net assets available for benefits</b>	<u>\$ 43,167,193</u>	<u>\$ 37,117,300</u>

See accompanying notes to financial statements.



## SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

### STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Additions</b>		
Investment income		
Net appreciation in fair value of investments	\$ 691,754	\$ 875,532
Interest	<u>1,062,153</u>	<u>954,400</u>
	1,753,907	1,829,932
Less: investment expenses	<u>(96,471)</u>	<u>(91,327)</u>
Net investment income	<u>1,657,436</u>	<u>1,738,605</u>
Contributions		
Employers, net of payroll audit expenses of \$5,718 and \$1,966, respectively	59,449,320	50,902,299
Employees	280,009	219,531
Stop loss reimbursements	835,120	-
Other income	<u>1,118</u>	<u>1,913,153</u>
Total contributions	<u>60,565,567</u>	<u>53,034,983</u>
Total additions	<u>62,223,003</u>	<u>54,773,588</u>
<b>Deductions</b>		
Benefits		
Self-funded claims paid	38,247,317	40,317,525
Prescription drug benefits	9,402,565	8,610,034
Dental benefits	1,905,522	1,770,906
Stop-loss insurance premiums	491,898	271,902
Cost containment fees for PPO	81,961	589,749
PPO and HMO insurance premiums	2,361,659	2,264,518
Life insurance premiums	<u>73,239</u>	<u>57,569</u>
Total benefits	<u>52,564,161</u>	<u>53,882,203</u>
Administrative expenses	<u>3,608,949</u>	<u>4,044,344</u>
Total deductions	<u>56,173,110</u>	<u>57,926,547</u>
<b>Net change</b>	<u>6,049,893</u>	<u>(3,152,959)</u>
<b>Net assets available for benefits</b>		
Beginning of year	<u>37,117,300</u>	<u>40,270,259</u>
End of year	<u>\$ 43,167,193</u>	<u>\$ 37,117,300</u>

See accompanying notes to financial statements.



## SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

### STATEMENTS OF BENEFIT OBLIGATIONS

DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Amounts currently payable to or for participants, beneficiaries and dependents</b>		
Medical claims payable	\$ 513,600	\$ 438,768
Prescription drug program	<u>71,520</u>	<u>61,464</u>
Total amounts currently payable for participants, beneficiaries, and dependents	<u>585,120</u>	<u>500,232</u>
<b>Other obligations for current benefit coverage, at present value of estimated amounts</b>		
Claims incurred but not reported	4,410,880	3,807,868
Accumulated eligibility credits	<u>34,228</u>	<u>32,030</u>
Total other obligations for current benefits at present value of estimated amounts	<u>4,445,108</u>	<u>3,839,898</u>
<b>Postretirement benefit obligations, net of amounts currently payable</b>		
Current retirees	20,769,505	19,090,139
Other participants fully eligible for benefits	5,521,667	4,881,424
Other participants not fully eligible for benefits	<u>2,052,943</u>	<u>2,271,157</u>
Total postretirement benefit obligations	<u>28,344,115</u>	<u>26,242,720</u>
Total benefit obligations	<u>\$ 33,374,343</u>	<u>\$ 30,582,850</u>

See accompanying notes to financial statements.



## SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

### STATEMENTS OF CHANGES IN BENEFIT OBLIGATIONS

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Amounts currently payable for insurance premiums</b>		
Balance at beginning of year	\$ -	\$ -
Premiums due to insurance companies	2,926,796	2,593,989
Premiums paid to insurance companies	<u>(2,926,796)</u>	<u>(2,593,989)</u>
Balance at end of period	-	-
<b>Amounts currently payable to or for participants, beneficiaries, and dependents for medical claims</b>		
Balance at beginning of year	438,768	487,704
Claims reported and approved for payment	38,404,110	40,858,338
Claims paid	<u>(38,329,278)</u>	<u>(40,907,274)</u>
Balance at end of year	<u>513,600</u>	<u>438,768</u>
<b>Amounts currently payable to or for participants, beneficiaries, and dependents for dental claims</b>		
Balance at beginning of year	-	-
Claims reported and approved for payment	1,905,522	1,770,906
Claims paid	<u>(1,905,522)</u>	<u>(1,770,906)</u>
Balance at end of year	-	-
<b>Amounts currently payable to or for participants, beneficiaries, and dependents for prescription drug program</b>		
Balance at beginning of year	61,464	49,464
Claims reported and approved for payment	9,412,621	8,622,034
Claims paid	<u>(9,402,565)</u>	<u>(8,610,034)</u>
Balance at end of year	<u>71,520</u>	<u>61,464</u>

See accompanying notes to financial statements.



## SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

### STATEMENTS OF CHANGES IN BENEFIT OBLIGATIONS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Other obligations for current benefits, at present value coverage of estimated amounts</b>		
Balance at beginning of year	\$ 3,839,898	\$ 4,122,978
Net change during period		
Claims incurred but not reported	603,012	(280,664)
Accumulated eligibility credits	<u>2,198</u>	<u>(2,416)</u>
Balance at end of year	<u><u>4,445,108</u></u>	<u><u>3,839,898</u></u>
<b>Postretirement benefit obligations, net of amounts currently payable</b>		
Balance at beginning of year	26,242,720	22,933,595
Change during the period attributable to		
Benefits earned net of benefits paid	181,499	74,948
Actuarial experience loss (gain)	568,853	1,088,863
Changes in assumptions	<u>1,351,043</u>	<u>2,145,314</u>
Balance at end of year	<u><u>28,344,115</u></u>	<u><u>26,242,720</u></u>
Total benefit obligations	<u><u>\$ 33,374,343</u></u>	<u><u>\$ 30,582,850</u></u>

See accompanying notes to financial statements.



# SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023

### NOTE 1. DESCRIPTION OF THE PLAN

The following description of the Service Employees International Union Health and Welfare Fund (the Plan) provides only general information. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

**General** - The Plan was formed in 1968 under an agreement between employers and the labor union for the purpose of coordinating and managing healthcare benefits for member employees. The Plan is operated in accordance with the Taft-Hartley Act. The Plan is administrated by a joint board of trustees with equal union and nonunion employer representation.

To receive benefits, Plan participants must meet certain eligibility requirements. Contributions to the Plan are made by the employers at rates specified in the collective bargaining agreements. The Plan provides a comprehensive schedule of health care benefits including medical, dental, vision, life insurance, accidental death and dismemberment coverage, and prescription drug benefits to eligible participants depending upon the benefits and rates of contributions agreed to in the collective bargaining agreements. The Plan uses a preferred provider organization to help reduce healthcare costs. Life insurance, accidental death and dismemberment benefits, and stop-loss coverage is provided by insurance coverage. All other benefits are self-insured by the Plan. The Plan also provides continuation of certain benefits upon termination of employment through the Consolidated Omnibus Budget Reconciliation Act (COBRA).

**Stop-Loss Coverage** - The Plan has entered into a stop-loss coverage insurance arrangement in an effort to limit its exposure for self-insured benefits (individual participant claims over a specific dollar amount, as well as its aggregate exposure for all claims).

**Self-Funded Benefits** - The claims for self-funded benefits are processed by the Plan's third-party claims processors under administrative services only arrangements. The claims processors pay claims directly to or on behalf of participants and are then reimbursed by the Plan. Despite the Plan's utilization of third-party claims processors, ultimate responsibility for payments to providers and participants is retained by the Plan.

### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Method of Accounting** - The financial statements have been prepared using the accrual basis of accounting. Under this basis, revenue is recognized when earned and expenses are recognized when incurred.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Investment Valuation and Income Recognition** - Investments are carried at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Board of Trustees (Trustees) determines the Plan's valuation policies utilizing information provided by the investment advisers and custodians. See Note 5 for a discussion of fair value measurements.

Purchases and sales of securities are recognized on a trade-date basis. Interest income is recognized on the accrual basis. Dividends are recognized on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Benefit Obligations Claims Incurred but Not Reported** - This benefit obligation is estimated by the Plan's actuary in accordance with accepted actuarial principles. The Trustees receive the independent actuarial and consulting firm's report and implements the recording of these obligations. The statements of benefit obligations include the actuarial estimate of claims payable, claims incurred but not reported, accumulated eligibility credit obligations, and postretirement benefit obligations which are expected to be funded by future contributions and earnings on investments.

**Accumulated Eligibility Benefit Obligation** - Once an employee has established initial eligibility, eligibility credits for future months may be earned and accumulated in addition to the current month's eligibility coverage. The eligibility credits are earned based upon the hours worked by a participant. The benefit obligation at the end of the year which is reported for the provision of benefits based on participants' accumulated eligibility credits has been calculated by multiplying the total number of months of coverage represented by participants' accumulated eligibility credits at the end of the year, by the average monthly amount of benefits paid per eligible participant, which was calculated by the Plan's actuary. Furthermore, the benefit obligation is reported at its estimated present value based on assumptions regarding usage of the accumulated eligibility credits and projected increases in medical costs.

**Postretirement Benefit Obligations** - The postretirement benefit obligation (see Note 7) represents the actuarial present value of those estimated future benefits that are attributed to employee service rendered to December 31, 2024. Postretirement benefits include future benefits expected to be paid to or for (1) currently retired employees and their beneficiaries and dependents and (2) active employees and their beneficiaries and dependents after retirement from service with their employer. Prior to an active employee's full eligibility date, the postretirement benefit obligation is the portion of the expected postretirement benefit obligation that is attributed to that employee's service rendered to the valuation date.

The actuarial present value of the expected postretirement benefit obligation is determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Administrative Expenses** - The Plan's expenses are paid by the Plan and are recognized as deductions in the accompanying statements of changes in net assets available for benefits. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying statements of changes in net assets available for benefits.

**Employer Contributions Receivable and Deferred** - Contributions receivable are stated at the amount management expects to collect from balances outstanding at year end. Based on a review of historical losses, current economic conditions and supportable and reasonable forecast assumptions, management has established an allowance for credit losses of \$1,666,354 and \$1,820,117 at December 31, 2024 and 2023, respectively.

The Plan writes off receivables when they are deemed uncollectable. If any recoveries are made from any accounts previously written off, they will be recognized in income or as an offset to credit loss expense in the year of recovery, in accordance with the plan's accounting policy election.

Contributions received in advance are recognized as deferred contribution income.

**Use of Estimates** - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations, and changes therein, claims incurred but not reported, eligibility credits, claims payable, and disclosure of contingent assets and liabilities. Actual results could vary from these estimates.

**Payment of Benefits** - Benefit payments to participants are recognized upon distribution.

## NOTE 3. TAX STATUS

The Plan is intended to qualify under Section 501(c)(9) of the Internal Revenue Code (IRC) and, therefore, is not subject to income tax. The Plan obtained a favorable tax determination letter from the Internal Revenue Service (IRS) on February 2, 1990, stating that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since receiving the determination letter. The Plan's Trustees believe that the Plan, as amended, continues to qualify and to operate in accordance with applicable provisions of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### **NOTE 4. PREMIUMS PAID TO INSURANCE COMPANIES**

The Plan is insured through the Amalgamated Life for life insurance benefits and accidental death and dismemberment benefits. The accompanying statements of changes in net assets available for benefits for the years ended December 31, 2024 and 2023 include premiums paid to Amalgamated Life totaling \$73,239 and \$57,569, respectively.

For the years ended December 31, 2024 and 2023, the Plan maintained stop-loss insurance. The accompanying statements of changes in net assets available for benefits include premiums paid totaling \$491,898 and \$271,902 for the years ended December 31, 2024 and 2023, respectively.

The Plan uses preferred provider organizations (PPOs) and health maintenance organizations (HMOs) to help reduce health care costs. The accompanying statements of changes in net assets available for benefits for the years ended December 31, 2024 and 2023 include premiums paid to PPOs and HMOs totaling \$2,361,659 and \$2,264,518, respectively.

#### **NOTE 5. INVESTMENTS AND FAIR VALUE MEASUREMENTS**

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include other significant observable inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

## NOTE 5. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following are descriptions of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

*Short-term investments:* Valued at cost which approximates fair value.

*U.S. Government and agencies obligations:* Valued using pricing models maximizing the use of observable inputs for similar securities.

*Corporate bonds:* Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2024 and 2023:

	Assets at Fair Value as of December 31, 2024			
	Total	Level 1	Level 2	Level 3
Short-term investments	\$ 895,355	\$ -	\$ 895,355	\$ -
U.S. Government and agencies obligations	16,432,262	6,131,029	10,301,233	-
Corporate bonds	1,737,127	-	1,737,127	-
Total assets in the fair value hierarchy	19,064,744	\$ 6,131,029	\$ 12,933,715	\$ -
Investments measured at net asset value (NAV)*	18,167,788			
Investments at fair value	\$ 37,232,532			
Assets at Fair Value as of December 31, 2023				
	Total	Level 1	Level 2	Level 3
Short-term investments	\$ 109,380	\$ -	\$ 109,380	\$ -
U.S. Government and agencies obligations	20,583,705	9,110,518	11,473,187	-
Corporate bonds	2,718,683	-	2,718,683	-
Total assets in the fair value hierarchy	23,411,768	\$ 9,110,518	\$ 14,301,250	\$ -
Investments measured at net asset value (NAV)*	10,121,112			
Investments at fair value	\$ 33,532,880			

\* In accordance with Accounting Standards Codification, investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

## NOTE 5. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

### Fair Value of Investments that Calculate Net Asset Value

The following tables summarize investments measured at fair value based on NAV per share as of December 31, 2024 and 2023.

Description	2024	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
	Fair Value			
Common collective trusts	\$ 7,315,619	\$ -	Daily, monthly	30 Days
Limited partnerships	<u>10,852,169</u>	-	Daily, monthly	30 Days
	<u>\$ 18,167,788</u>			

  

Description	2023	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
	Fair Value			
Common collective trusts	\$ 7,195,381	\$ -	Daily, monthly	30 Days
Limited partnerships	<u>2,925,731</u>	-	Daily, monthly	30 Days
	<u>\$ 10,121,112</u>			

The Plan's investment in the common collective trusts are valued at the NAV of units of a collective trust or fund. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the Plan less its liabilities. This practical expedient is not used when it is determined to be probable that the Plan will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the trust or fund, the investment adviser reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner. Underlying assets in these funds primarily include publicly traded equity securities and fixed income securities.

The fair values of limited partnerships recorded by the Plan are determined from financial statements received by the Plan from the limited partnerships in which the Plan has invested. These financial statements are financial statements audited by independent accountants other than the Plan's independent auditors. The entities in which the Plan invests prepare their financial statements stating their investments at fair value as determined in good faith by the general partner or by a third-party valuator based on the best information available, in the absence of readily ascertainable market values. These investments are subject to various restrictions on redemption and frequency.

## **NOTE 6. PRIORITIES UPON TERMINATION**

It is the intent of the Trustees to continue the Plan in full force and effect, however, to safeguard against any unforeseen circumstances, the Trustees reserve the right to discontinue the Plan. In the event of termination, the Trustees shall first satisfy or make provisions to satisfy the obligations of the Plan. Any remaining Plan assets will be distributed in such manner as will, in the opinion of the Trustees, carry out the purpose of the Plan. Termination shall not permit any part of the Plan's assets to be used for or diverted to purposes other than the exclusive benefit of the participants.

## **NOTE 7. BENEFIT OBLIGATIONS**

During 2005, a retiree health benefit plan was adopted for Office and Professional Employees International Union Local 2 bargaining unit members. Certain National Officers, International Vice Presidents, and Executive Board members are also eligible for postretirement benefits. Accordingly, the 2024 and 2023 financial statements present a postretirement benefit obligation.

The actuarial present value of the expected postretirement benefit obligations was determined by an actuary and is the amount that results from applying actuarial assumptions to historical claims cost data to estimate future annual incurred claims costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death or disability) between the valuation date and the expected dates of payment.

Health costs incurred by participants and their beneficiaries and dependents are primarily self-insured by the Plan. It is the present intention of the Plan to continue providing benefits. Insurance premiums for future years in respect of the Plan's postretirement benefit obligation will be funded by employer contributions to the Plan in those later years. The health care cost-trend rate assumption has a significant effect on the amounts reported. If the assumed rates increased by one percentage point in each year, that would increase the obligation as of December 31, 2024 and 2023 by \$3,933,113 and \$3,803,730, respectively.

For measurement purposes, the following were significant assumptions used in the valuations as of December 31, 2024 and 2023.

Discount rate: 5.50% in 2024; 4.80% in 2023.

Mortality rates: For 2024: 99% of the PRI-2012 Blue Collar Headcount-Weighted Mortality Table (separate employee and annuitant tables) projected generationally with the SSA-2025 improvement scale. For 2023: 99% of the PRI-2012 Blue Collar Headcount-Weighted Mortality Table (separate employee and annuitant tables) projected generationally with the MP-2021 improvement scale.



## NOTE 7. BENEFIT OBLIGATIONS (CONTINUED)

Health trend rates:

Medical:	For 2024: 7.00% graded to 4.50% by 0.25% per year, for 2023: 7.00% graded to 4.50% by 0.25% per year.
Dental and vision:	3.0% in 2024 and 2023.
Prescription drug:	For 2024: 12.00% graded to 4.50% by 0.50% per year, for 2023: 10.00% graded to 4.50% by 0.25% per year.
Part D subsidy:	4.5% in 2024 and 2023.
Administrative expenses increase rate:	2.75% in 2024 and 2023.

Assumption changes since prior valuation:

- The discount rate was decreased from 4.80% to 5.50%.
- The trend rates on medical, prescription drug, and administrative costs were increased.
- The mortality improvement scale was changed from MP-2021 to SSA-2025.

The foregoing assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the postretirement benefit obligation.

## NOTE 8. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The Plan has been allocated its share of salaries, payroll taxes, employee benefits and other administrative expenses paid by the SEIU National Industry Pension Plan - United States, an organization related to the Plan through common trustees.

The Plan's share of these expenses for the years ended December 31, 2024 and 2023 was \$1,492,707 and \$1,593,460, respectively.

At December 31, 2024 and 2023, the Plan was owed \$50,416 and \$97,251, respectively, and the Plan owed \$136,618 and \$145,826, respectively, to related parties.

As disclosed in Note 2, the Plan pays certain administrative, investment and professional fees to various service providers. These transactions qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules of the Employee Retirement Income Security Act of 1974 (ERISA).

## NOTE 9. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31, 2024 and 2023:

	2024	2023
Net assets available for benefits per the financial statements	\$ 43,167,193	\$ 37,117,300
Benefit obligations currently payable	(585,120)	(500,232)
Claims incurred by not reported	<u>(4,410,880)</u>	<u>(3,807,868)</u>
Net assets available for benefits per the Form 5500	<u>\$ 38,171,193</u>	<u>\$ 32,809,200</u>

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 at December 31, 2024:

Benefits paid to or for participants, beneficiaries, and dependents per the financial statements	\$ 49,555,404
Add: amounts currently payable at end of year	585,120
Less: amounts currently payable at beginning of year	(500,232)
Add: claims incurred but not reported at end of year	4,410,880
Less: claims incurred but not reported at beginning of year	<u>(3,807,868)</u>
Benefits paid to or for participants, beneficiaries, and dependents per the Form 5500	<u>\$ 50,243,304</u>

Claims and premiums that have been processed and approved for payment at year-end, but not paid and claims incurred but not reported are not considered liabilities under U.S. generally accepted accounting principles and, therefore, are not presented as liabilities or claims and premiums paid in the accompanying financial statements but are recorded on the Form 5500 as a liability.

A reconciliation for additions per the financial statements to income per Form 5500 for the year ended December 31, 2024:

Additions per financial statements	\$ 62,223,003
Add: investment expenses	<u>96,471</u>
Income per Form 5500	<u>\$ 62,319,474</u>

A reconciliation for deductions per the financial statements to expenses per Form 5500 for the year ended December 31, 2024:

Deductions per financial statements	\$ 56,173,110
Add: investment expenses	96,471
Less: change in benefit obligations	<u>687,900</u>
Expenses per Form 5500	<u>\$ 56,957,481</u>

Investment expenses are netted with investment income on the statements of net assets available for benefits but are not netted with additions on the Form 5500.

## **NOTE 10. HEALTH REIMBURSEMENT ACCOUNTS**

A health reimbursement arrangement was initiated in July 2006 for manager retirees who qualify with 30 years of service. The individual accounts are initially established with \$15,000 from the employer, out of which payments will be made according to rules established by the federal government to reimburse the individuals for health claims or COBRA coverage upon retirement.

In each of four subsequent years, on an annual basis, the employer will contribute an additional \$5,000 per person.

Contributions and expenses for the year ended December 31, 2024 were \$-0- and \$37,582, respectively. Contributions and expenses for the year ended December 31, 2023 were \$70,000 and \$43,641, respectively.

At December 31, 2024 and 2023, these accounts amounted to a total liability balance of \$147,397 and \$184,980, respectively.

## **NOTE 11. UNINSURED CASH AND CASH EQUIVALENTS**

The Plan maintains its cash accounts in bank deposit accounts. Total cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank. At various times throughout the year, the balances may exceed the FDIC limit. The Plan continually reviews credit concentrations as part of its asset and liability management. The Plan has not experienced any losses in its cash accounts.

## **NOTE 12. RISKS AND UNCERTAINTIES**

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits. The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, health care inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

## **NOTE 13. ALLOWANCE FOR CREDIT LOSSES ROLLFORWARD DISCLOSURE**

Changes in the allowance for credit losses for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Allowance for credit losses, beginning of year	\$ 1,820,117	1,293,104
Additions (charges to expenses)	11,644	562,456
Deductions (write-offs net of recoveries)	<u>(165,407)</u>	<u>(35,443)</u>
Allowance for credit losses, end of year	<u><u>\$ 1,666,354</u></u>	<u><u>\$ 1,820,117</u></u>

## **NOTE 14. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through September 26, 2025, which is the date the financial statements were available to be issued. This review and evaluation revealed no material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.



## **SUPPLEMENTAL INFORMATION**



## SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

### SCHEDULES OF ADMINISTRATIVE EXPENSES

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b>Administrative expenses</b>		
Administrative fees and services	\$ 58,477	\$ 72,999
Administrative services	942,516	933,607
Bank charges	31,325	25,713
Equipment rental and expense	2,805	3,302
Insurance and bonding	32,676	34,685
Occupancy expenses	80,523	77,471
Office supplies and expense	5,838	5,775
Postage	34,382	41,853
Printing	16,620	59,445
Telephone	5,797	9,342
Total administrative expenses	<u>1,210,959</u>	<u>1,264,192</u>
<b>Professional and outside service fees</b>		
Accounting fees and expenses	31,000	31,000
Actuarial consulting and related fees	269,341	475,168
Administration fees	1,585,943	1,914,164
Consulting - other	21,938	7,339
Legal fees and expenses	55,822	46,463
Outside services	125,931	51,522
Trustee meeting expenses	36,083	7,910
Total professional and outside service fees	<u>2,126,058</u>	<u>2,533,566</u>
<b>Computer services</b>		
Data processing services and systems implementation	255,534	220,570
Supplies	1,142	11,185
Technical support	15,256	14,831
Total computer services	<u>271,932</u>	<u>246,586</u>
Total	<u>\$ 3,608,949</u>	<u>\$ 4,044,344</u>



# SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

## SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2024

Form 5500, Schedule H, Line 4i

EIN: 52-0904354  
Plan No. 501

(c) Description of investment, including maturity date, rate of interest, par/maturity value or shares							
(a)	(b)	Description	Maturity Date	Rate of Interest	Par/Maturity Value or Shares	(d)	(e)
	Identity of issuer, borrower, lessor or similar party					Cost	Current Value
<u>Short-term Investments</u>							
	JP MORGAN TR II US GVT MM INST	N/A	N/A	N/A	38,616	\$ 38,616	\$ 38,616
	JP MORGAN PRIME MONEY MARKET FUND	N/A	N/A	N/A	856,396	<u>856,739</u>	<u>856,739</u>
	Total short-term investments					<u>895,355</u>	<u>895,355</u>
<u>U.S. Government and Agencies Obligations</u>							
	U.S. TREASURY BONDS	Bonds	5/15/2046	2.500%	1,400,000	1,053,535	953,316
	U.S. TREASURY NOTES	Notes	8/15/2031	1.250%	1,215,000	1,009,589	991,537
	U.S. TREASURY NOTES	Notes	2/15/2033	3.500%	880,000	822,678	818,655
	U.S. TREASURY NOTES	Notes	8/15/2041	3.750%	530,000	513,220	466,230
	U.S. TREASURY NOTES	Notes	2/15/2034	4.000%	820,000	827,636	785,035
	U.S. TREASURY NOTES	Notes	2/15/2032	1.875%	2,705,000	2,346,799	2,275,148
	U.S. TREASURY NOTES	Notes	2/15/2045	2.500%	1,145,000	892,584	794,424
	FHLMC POOL #SD-8221	Bonds	6/1/2052	3.500%	1,424,903	1,299,556	1,262,598
	FHLMC POOL #SD-8255	Bonds	10/1/2052	3.500%	1,099,092	994,507	973,040
	FHLMC POOL #SD-8226	Bonds	10/1/2052	4.000%	1,323,280	1,243,056	1,211,421
	FHLMC UMBS POOL #RA-5275	Bonds	5/1/2051	2.500%	814,120	658,165	667,069
	FHLMC UMBS POOL #RA-4730	Bonds	9/1/2052	3.000%	734,594	612,812	624,864
	FNMA UMBS POOL #MA4599	Bonds	5/1/2052	3.000%	1,828,363	1,605,140	1,556,679
	FNMA UMBS POOL #MA4782	Bonds	10/1/2052	3.500%	1,101,168	996,385	975,050
	FNMA POOL #MA4579	Bonds	4/1/2052	3.000%	1,806,552	1,586,222	1,537,545
	FNMA POOL #FS6854	Bonds	4/1/2052	1.500%	729,410	<u>527,796</u>	<u>539,651</u>
	Total U.S. Government and Agencies Obligations					<u>16,989,680</u>	<u>16,432,262</u>
<u>Corporate Bonds</u>							
	COMCAST CORP	Bonds	4/1/2030	3.400%	445,000	409,907	412,916
	FLORIDA PWR & LT	Bonds	8/1/2034	5.000%	350,000	349,864	347,760
	IBM CORP	Bonds	3/15/2029	3.500%	285,000	265,649	270,075
	JP MORGAN CHASE & CO	Bonds	10/15/2030	2.739%	315,000	273,039	283,758
	MORGAN STANLEY FT RT	Bonds	4/1/2031	Floating	455,000	<u>411,679</u>	<u>422,618</u>
	Total corporate bonds					<u>1,710,138</u>	<u>1,737,127</u>
<u>Common Collective Trusts</u>							
	BNYM AFL-CIO CF SL BROAD MARKET STOCK INDEX FUND	CCT	N/A	N/A	576,005	<u>5,378,768</u>	<u>7,315,619</u>
	Total common collective trusts					<u>5,378,768</u>	<u>7,315,619</u>
<u>Limited Liability Partnership</u>							
	ARA CORE PROPERTY FUND, LP	LP	N/A	N/A	24	3,310,427	2,858,721
	CORE PLUS FIXED INCOME LLC	LP	N/A	N/A	776,447	<u>8,000,000</u>	<u>7,993,448</u>
	Total limited liability partnerships					<u>11,310,427</u>	<u>10,852,169</u>
	Total assets (held at end of year)					<u>\$ 36,284,368</u>	<u>\$ 37,232,532</u>



## SERVICE EMPLOYEES INTERNATIONAL UNION HEALTH AND WELFARE FUND

### SCHEDULE OF REPORTABLE TRANSACTIONS

YEAR ENDED DECEMBER 31, 2024

Form 5500, Schedule H, Line 4j

EIN: 52-0904354  
Plan No. 501

(a) Identity of Party Involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
N/A	JP MORGAN TR II US GVT MM INST	\$ 3,796,964	N/A	\$ 3,796,964	\$ 3,796,964	\$ -
N/A	JP MORGAN TR II US GVT MM INST	-	\$ 3,840,057	3,840,057	3,840,057	-
N/A	JP MORGAN PRIME MONEY MARKET FUND	2,852,499	N/A	2,852,499	2,852,499	-
N/A	JP MORGAN PRIME MONEY MARKET FUND	N/A	2,000,000	1,999,985	1,999,985	15
N/A	FHMLC UMBS POOL #RA-7386	-	1,841,216	1,860,766	1,860,766	(19,550)