

**WAREHOUSE EMPLOYEES UNION  
LOCAL NO. 730  
PENSION TRUST FUND  
THIRD QUARTER 2014**

**ADMINISTRATIVE MANAGER'S REPORT**

|                                     |
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| THIRD QUARTER 2014<br>CONTRIBUTIONS |
|-------------------------------------|

| EMPLOYER                 | RATE    | HOURS             | PARTICIPANTS | CONTRIBUTIONS     |
|--------------------------|---------|-------------------|--------------|-------------------|
| ADAMS BURCH <sup>1</sup> | \$ 1.03 | 26,578.54         | 58           | \$ 27,376         |
| EIGHT O'CLOCK COFFEE     | \$ 3.33 | 33,921.00         | 71           | \$ 112,957        |
| GIANT RECYCLING          | \$ 4.99 | 9,781.20          | 18           | \$ 48,808         |
| GIANT WAREHOUSE          | \$ 5.43 | 130,133.03        | 264          | \$ 706,622        |
| UNION LOCAL 730          | \$ 5.43 | 1,640.00          | 4            | \$ 8,905          |
| WASHINGTON FOOD          | \$ 2.60 | 3,159.50          | 6            | \$ 8,215          |
| <b>TOTAL</b>             |         | <b>205,213.27</b> | <b>421</b>   | <b>\$ 912,883</b> |

<sup>1</sup> Rate change as of 7/1/14

|                                |
|--------------------------------|
| THIRD QUARTER 2014<br>EXPENSES |
|--------------------------------|

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| BENEFIT EXPENSES |
|------------------|

| CATEGORY         | AMOUNT       | AVG. HOURLY COST | PERCENTAGE |
|------------------|--------------|------------------|------------|
| DEATH BENEFITS   | \$ -         | \$ -             | 0.000%     |
| PENSION BENEFITS | \$ 4,376,653 | \$ 21.33         | 92.65%     |
| SUB TOTAL        | \$ 4,376,653 | \$ 21.33         | 92.65%     |

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| OPERATING EXPENSES |
|--------------------|

| CATEGORY                                    | AMOUNT     | AVG. HOURLY COST | PERCENTAGE |
|---------------------------------------------|------------|------------------|------------|
| ACADIAN ASSET MNGMT FEE                     | \$ 13,349  | \$ 0.07          | 0.283%     |
| ACCURINT                                    | \$ 10      | \$ -             | 0.000%     |
| ACTUARY                                     | \$ 11,901  | \$ 0.06          | 0.252%     |
| ADMINISTRATION                              | \$ 23,419  | \$ 0.11          | 0.496%     |
| AMERICAN CORE REALTY MNGMT FEE <sup>1</sup> | \$ 27,852  | \$ 0.14          | 0.590%     |
| ATLANTA CAPITAL MNGMT FEE                   | \$ 30,187  | \$ 0.15          | 0.639%     |
| C.S. MCKEE MNGMT FEE                        | \$ 7,195   | \$ 0.04          | 0.152%     |
| FIDELITY BOND INSURANCE                     | \$ 609     | \$ -             | 0.013%     |
| FIDUCIARY LIABILITY INSURANCE               | \$ 30,799  | \$ 0.15          | 0.652%     |
| JOHNSTON ASSET MNGMT FEE                    | \$ 26,750  | \$ 0.13          | 0.566%     |
| JOHNSTON IE/MELLON MNGMT FEE <sup>1</sup>   | \$ 11,719  | \$ 0.06          | 0.248%     |
| LEGAL                                       | \$ 16,594  | \$ 0.08          | 0.351%     |
| MEETING                                     | \$ 944     | \$ 0.01          | 0.020%     |
| PENN CAPITAL MNGMT FEE <sup>1</sup>         | \$ 12,635  | \$ 0.06          | 0.267%     |
| PNC INVESTMENT MNGMT FEE                    | \$ 9,036   | \$ 0.04          | 0.191%     |
| POSTAGE                                     | \$ 1,196   | \$ 0.01          | 0.025%     |
| PRINTING                                    | \$ 213     | \$ -             | 0.005%     |
| PRUDENTIAL FINANCIAL MNGMT FEE              | \$ 76,104  | \$ 0.37          | 1.611%     |
| ROTHSCHILD ASSET MNGMT FEE                  | \$ 20,848  | \$ 0.10          | 0.441%     |
| WESTFIELD CAPITAL MNGMT FEE                 | \$ 25,998  | \$ 0.13          | 0.550%     |
| SUB TOTAL                                   | \$ 347,358 | \$ 1.71          | 7.35%      |

|                |  |              |          |         |
|----------------|--|--------------|----------|---------|
| TOTAL EXPENSES |  | \$ 4,724,011 | \$ 23.04 | 100.00% |
|----------------|--|--------------|----------|---------|

<sup>1</sup>Self-billed fees

|                    |     |
|--------------------|-----|
| AVG MTHLY RETIREES | 897 |
|--------------------|-----|

|           |          |
|-----------|----------|
| AVG MTHLY | \$ 1,626 |
|-----------|----------|

2014  
QUARTERLY RECAP

| INCOME                            | FIRST 2014          | SECOND 2014         | THIRD 2014          | FOURTH 2014 | TOTAL               |
|-----------------------------------|---------------------|---------------------|---------------------|-------------|---------------------|
| CONTRIBUTIONS                     | \$ 866,647          | \$ 933,396          | \$ 912,883          | \$ -        | \$ 2,712,926        |
| INTEREST & DIVIDENDS              | \$ 1,476,290        | \$ 768,188          | \$ 683,652          | \$ -        | \$ 2,928,130        |
| WITHDRAWAL LIABILITY <sup>1</sup> | \$ 539,653          | \$ 165,919          | \$ 165,919          | \$ -        | \$ 871,491          |
| MISCELLANEOUS INCOME <sup>2</sup> | \$ (22,835)         | \$ 2,072            | \$ 10,846           | \$ -        | \$ (9,917)          |
| <b>TOTAL INCOME</b>               | <b>\$ 2,859,755</b> | <b>\$ 1,869,575</b> | <b>\$ 1,773,300</b> | <b>\$ -</b> | <b>\$ 6,502,630</b> |

| BENEFIT EXPENSES |              |              |              |      |               |
|------------------|--------------|--------------|--------------|------|---------------|
| PENSION BENEFITS | \$ 4,443,230 | \$ 4,327,019 | \$ 4,376,653 | \$ - | \$ 13,146,902 |
| DEATH BENEFIT    | \$ -         | \$ -         | \$ -         | \$ - | \$ -          |
| SUB TOTAL        | \$ 4,443,230 | \$ 4,327,019 | \$ 4,376,653 | \$ - | \$ 13,146,902 |

| OPERATING EXPENSES |            |            |            |      |              |
|--------------------|------------|------------|------------|------|--------------|
| ADMINISTRATION     | \$ 23,343  | \$ 23,242  | \$ 23,419  | \$ - | \$ 70,004    |
| MISCELLANEOUS      | \$ 279,586 | \$ 357,614 | \$ 323,939 | \$ - | \$ 961,139   |
| SUB TOTAL          | \$ 302,929 | \$ 380,856 | \$ 347,358 | \$ - | \$ 1,031,143 |

|                       |                     |                     |                     |             |                      |
|-----------------------|---------------------|---------------------|---------------------|-------------|----------------------|
| <b>TOTAL EXPENSES</b> | <b>\$ 4,746,159</b> | <b>\$ 4,707,875</b> | <b>\$ 4,724,011</b> | <b>\$ -</b> | <b>\$ 14,178,045</b> |
|-----------------------|---------------------|---------------------|---------------------|-------------|----------------------|

|                   |                |                |                |      |                |
|-------------------|----------------|----------------|----------------|------|----------------|
| TOTAL INCOME      | \$ 2,859,755   | \$ 1,869,575   | \$ 1,773,300   | \$ - | \$ 6,502,630   |
| TOTAL EXPENSES    | \$ 4,746,159   | \$ 4,707,875   | \$ 4,724,011   | \$ - | \$ 14,178,045  |
| SURPLUS (DEFICIT) | \$ (1,886,404) | \$ (2,838,300) | \$ (2,950,711) | \$ - | \$ (7,675,415) |

|                        |           |            |            |      |            |
|------------------------|-----------|------------|------------|------|------------|
| AVERAGE HOURLY INCOME  | \$ 14.44  | \$ 8.89    | \$ 8.64    | \$ - | \$ 10.66   |
| AVERAGE HOURLY EXPENSE | \$ 23.97  | \$ 22.38   | \$ 23.02   | \$ - | \$ 23.12   |
| SURPLUS (DEFICIT)      | \$ (9.53) | \$ (13.49) | \$ (14.38) | \$ - | \$ (12.46) |

|                           |            |            |            |          |            |
|---------------------------|------------|------------|------------|----------|------------|
| <b>TOTAL PARTICIPANTS</b> | <b>425</b> | <b>419</b> | <b>421</b> | <b>0</b> | <b>422</b> |
|---------------------------|------------|------------|------------|----------|------------|

<sup>1</sup>Withdrawal liability received as of 9/30/14: McKesson - \$165,918.50

<sup>2</sup>Commission recapture for the 2nd Qtr 2014 - \$1,970.75, Litigation settlement - \$8,374.93, Withdrawal liability request fee - \$500.00

2013  
QUARTERLY RECAP

| INCOME                            | FIRST 2013 | SECOND 2013  | THIRD 2013 | FOURTH 2013 | TOTAL        |
|-----------------------------------|------------|--------------|------------|-------------|--------------|
| CONTRIBUTIONS                     | \$ 839,381 | \$ 1,033,970 | \$ 860,470 | \$ 845,863  | \$ 3,579,684 |
| INTEREST & DIVIDENDS              | \$ 533,742 | \$ 572,186   | \$ 479,557 | \$ 495,980  | \$ 2,081,465 |
| WITHDRAWAL LIABILITY <sup>1</sup> | \$ 551,792 | \$ 551,792   | \$ 551,792 | \$ 551,792  | \$ 2,207,168 |
| MISCELLANEOUS INCOME <sup>2</sup> | \$ 3,869   | \$ 1,712     | \$ 3,317   | \$ 2,844    | \$ 11,742    |

|                     |                     |                     |                     |                     |                     |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>TOTAL INCOME</b> | <b>\$ 1,928,784</b> | <b>\$ 2,159,660</b> | <b>\$ 1,895,136</b> | <b>\$ 1,896,479</b> | <b>\$ 7,880,059</b> |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|

| BENEFIT EXPENSES |              |              |              |              |               |
|------------------|--------------|--------------|--------------|--------------|---------------|
| PENSION BENEFITS | \$ 4,331,250 | \$ 4,327,161 | \$ 4,386,514 | \$ 4,375,705 | \$ 17,420,630 |
| DEATH BENEFIT    | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          |
| SUB TOTAL        | \$ 4,331,250 | \$ 4,327,161 | \$ 4,386,514 | \$ 4,375,705 | \$ 17,420,630 |

| OPERATING EXPENSES |            |            |            |            |              |
|--------------------|------------|------------|------------|------------|--------------|
| ADMINISTRATION     | \$ 22,592  | \$ 22,460  | \$ 22,713  | \$ 22,684  | \$ 90,449    |
| MISCELLANEOUS      | \$ 268,667 | \$ 243,723 | \$ 375,021 | \$ 254,762 | \$ 1,142,173 |
| SUB TOTAL          | \$ 291,259 | \$ 266,183 | \$ 397,734 | \$ 277,446 | \$ 1,232,622 |

|                       |                     |                     |                     |                     |                      |
|-----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| <b>TOTAL EXPENSES</b> | <b>\$ 4,622,509</b> | <b>\$ 4,593,344</b> | <b>\$ 4,784,248</b> | <b>\$ 4,653,151</b> | <b>\$ 18,653,252</b> |
|-----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|

|                   |                |                |                |                |                 |
|-------------------|----------------|----------------|----------------|----------------|-----------------|
| TOTAL INCOME      | \$ 1,928,784   | \$ 2,159,660   | \$ 1,895,136   | \$ 1,896,479   | \$ 7,880,059    |
| TOTAL EXPENSES    | \$ 4,622,509   | \$ 4,593,344   | \$ 4,784,248   | \$ 4,653,151   | \$ 18,653,252   |
| SURPLUS (DEFICIT) | \$ (2,693,725) | \$ (2,433,684) | \$ (2,889,112) | \$ (2,756,672) | \$ (10,773,193) |

|                        |            |            |            |            |            |
|------------------------|------------|------------|------------|------------|------------|
| AVERAGE HOURLY INCOME  | \$ 9.50    | \$ 10.19   | \$ 9.37    | \$ 9.38    | \$ 9.61    |
| AVERAGE HOURLY EXPENSE | \$ 22.76   | \$ 21.68   | \$ 23.67   | \$ 23.01   | \$ 22.78   |
| SURPLUS (DEFICIT)      | \$ (13.26) | \$ (11.49) | \$ (14.30) | \$ (13.63) | \$ (13.17) |

|                           |            |            |            |            |            |
|---------------------------|------------|------------|------------|------------|------------|
| <b>TOTAL PARTICIPANTS</b> | <b>446</b> | <b>433</b> | <b>439</b> | <b>430</b> | <b>437</b> |
|---------------------------|------------|------------|------------|------------|------------|

<sup>1</sup>Withdrawal liability received as of 12/31/13: Jessup Logistics - \$385,873.75, McKesson - \$165,918.50

<sup>2</sup>Commission recapture for the 3rd Qtr 2013 - \$2,344.27, Withdrawal liability calculation payment - \$500.00

|                                            |
|--------------------------------------------|
| THIRD QUARTER 2014<br>CONTRACT INFORMATION |
|--------------------------------------------|

| COMPANY              | CURRENT<br>RATE | RATE<br>EFF. DATE | NEXT RATE<br>CHANGE DATE | CBA<br>EXPIRATION           |
|----------------------|-----------------|-------------------|--------------------------|-----------------------------|
| ADAMS BURCH          | \$ 1.03         | 07-01-14          | 7/1/2015                 | 06-30-18                    |
| EIGHT O'CLOCK COFFEE | \$ 3.33         | 06-15-14          | 06-15-15                 | 07-16-16                    |
| GIANT RECYCLING      | \$ 4.99         | 01-01-14          | 01-01-15                 | 06-20-15                    |
| GIANT WAREHOUSE      | \$ 5.43         | 01-01-14          | 01-01-15                 | 05-16-15                    |
| UNION LOCAL 730      | \$ 5.43         | 01-01-14          | 01-01-15                 | FOLLOWS GIANT WAREHOUSE CBA |
| WASHINGTON FOOD      | \$ 2.60         | 11-01-13          | 11-01-14                 | 10-31-15                    |

|                                       |
|---------------------------------------|
| THIRD QUARTER 2014<br>RATE DIVERSIONS |
|---------------------------------------|

| COMPANY              | BENEFIT | IMPROVEMENT<br>DIVERSION | FUNDING<br>DIVERSION | REHAB PLAN | TOTAL   |
|----------------------|---------|--------------------------|----------------------|------------|---------|
| ADAMS BURCH          | \$ 0.65 | \$ -                     | \$ 0.20              | \$ 0.18    | \$ 1.03 |
| EIGHT O'CLOCK COFFEE | \$ 1.50 | \$ -                     | \$ 1.00              | \$ 0.83    | \$ 3.33 |
| GIANT RECYCLING      | \$ 2.82 | \$ 0.11                  | \$ 1.00              | \$ 1.06    | \$ 4.99 |
| GIANT WAREHOUSE      | \$ 3.17 | \$ 0.11                  | \$ 1.00              | \$ 1.15    | \$ 5.43 |
| UNION LOCAL 730      | \$ 3.17 | \$ 0.11                  | \$ 1.00              | \$ 1.15    | \$ 5.43 |
| WASHINGTON FOOD      | \$ 1.05 | \$ -                     | \$ 1.00              | \$ 0.55    | \$ 2.60 |

PENSION  
DELINQUENCY REPORT  
**As of September 30, 2014**

NONE