FELRA & UFCW Health & Welfare Plan

A Plan of the Food Employers Labor Relations Association
and United Food and Commercial Workers
VEBA Fund

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MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE FELRA and UFCW HEALTH & WELFARE PLAN JULY 13, 2017 LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES
M. Federici - Secretary
J. Chorpenning
A. Hanson

EMPLOYER TRUSTEES
J. Paradis - Chairman
D. Dosenbach
W. Meisen

Also present were:

R. Anderson - Giant Food, LLC
Y. Anwar - UFCW Local 400
H. Burton - Morgan, Lewis & Bockius, LLP
L. DuVall - Associated Administrators, LLC
J. Hack - UFCW Local 27
J. Harrison - UFCW Local27
T. Hipkins - UFCW Local 27
N. Hill - UFCW Local 27
N. Jacobs - UFCW Local 400
W. Jensen - Associated Administrators, LLC
G. Murphy, Jr. - UFCW Local 27
K. Murphy – AFL-CIO Housing Investment Trust
S. Ridore - Safeway
D. Russell - Investment Performance Services
S. Sanchez - Slevin & Hart, P.C.
R. Sichel – Investment Performance Services
C. Suh – AFL-CIO Housing Investment Trust
L. Walsh - Associated Administrators, LLC

I. CALL TO ORDER

A quorum being present, the Chairman called the meeting to order.

II. RATIFICATION OF JULY 12, 2017 DECISIONS

On a motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED that the motions approved at the July 12, 2017 Board meeting are ratified by a quorum of the Board of Trustees.

III. INVESTMENT PERFORMANCE SERVICES

The Trustees welcomed Mr. Richard Sichel and Mr. David Russell of IPS to the meeting. Mr. Sichel noted the purpose of the meeting was to review a proposed investment manager for the Fund, in the fixed income class of investments.

A. AFL-CIO Housing Investment Trust

The Trustees welcomed Mr. Chang Suh and Mr. Kevin Murphy of AFL-CIO Housing Investment Trust to the meeting. Mr. Murphy noted that the firm currently has $4.35 billion in assets. He said that the firm's investment objective is to generate competitive risk-adjusted fixed-income returns versus the Bloomberg Barclay's U.S. Aggregate Bond Index while financing housing -- including affordable and workforce housing -- and creating union construction jobs. Their strategy is to construct and manage a portfolio with superior credit quality, higher yield, and similar interest rate risk relative to the Barclays Aggregate. He said their national office is located in Washington, D.C. They have 388 investors, 376 of which are Taft-Hartley pension plans/labor organizations.

Performance returns for the one year period ending May 31, 2017 was 1.17%.

The Trustees thanked the representatives from AFL-CIO Housing Investment Trust for their presentation and they were excused from the meeting.

IV. <u>ADJOURNMENT</u>

There being no further business to come before the Trustees, the meeting was adjourned.

Respectfully submitted,

Mark Federici, Secretary