Food Employers Labor Relations Association
and United Food & Commercial Workers
Health & Welfare Fund

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MINUTES OF THE MEETING OF THE POLICY COMMITTEE OF THE BOARD OF TRUSTEES OF THE FELRA AND UFCW HEALTH AND WELFARE FUND AUGUST 29, 2014 VIA TELECONFERENCE

The following Trustees were present:

Union Trustees
M. Federici – Secretary
G. Murphy, Jr.

Employer Trustees
J. Paradis - Chairman
W. Kraemer
F. Stegman

Also present were:

H. Burton – Morgan, Lewis & Bockius, LLP
J. Champion – Safeway, Inc.
W. Jensen – Associated Administrators, LLC
E. Novak –Associated Administrators, LLC
R. Sichel – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.

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

I. FINANCIAL REPORT

The Trustees welcomed Rich Sichel of Investment Performance Services to the call. He reviewed draft investment policy statements for the Health and Welfare, Severance, Scholarship and Legal sub-trusts. He also presented asset allocation models for each of the sub-trusts. The alternatives presented by IPS, included projected earnings based on the asset allocation, as well as risks. After review, Mr. Sichel recommended adoption of Model 1B as an asset allocation model for the Health and Welfare sub-trust.

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

> **RESOLVED to recommend to the Full Board adoption of asset allocation Model 1B at the next regularly scheduled meeting.**

Mr. Sichel recommended adoption of asset allocation Model 4E for the Severance sub-trust.

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

RESOLVED to recommend to the Full Board adoption of asset allocation Model 4E at the next regularly scheduled meeting.

Mr. Sichel recommended adoption of asset allocation Model 4E for the Scholarship sub-trust.

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

RESOLVED to recommend to the Full Board of Trustees adoption of scenario Model 4E at the next regularly scheduled meeting.

For the Legal sub-trust, Mr. Sichel recommended adoption of Model 2C as the asset allocation. After discussion,

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

RESOLVED to recommend to the Full Board of Trustees adoption of IPS scenario Model 2C at the next regularly scheduled meeting.

The Trustees thanked Mr. Sichel for his report and he was excused from the call.

II. ATTORNEY'S REPORT

Mr. Slevin discussed the status of litigation for Health and Welfare and Severance contributions against A & P.

A. Contribution Remittance

The Trustees discussed the $180,000 contribution to be remitted by the Participating Employers under the 2013 collective bargaining agreements. The Trustees directed Mr. Jensen to send a summary to the policy committee of the potential allocation based on the number of covered participants by employer in November 2013 and to request that the employers pay the amount due after the allocation has been approved.

III. ADJOURNMENT

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

Respectfully submitted,

Mark Federici – Secretary FWPOLMIN082914(Orig: 09/04/14)(Revised: 09/17/14bs)