Mid-Atlantic UFCW and Participating Employers Pension Fund

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MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF THE
MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS
PENSION FUND
APRIL 12, 2017
LANDOVER, MARYLAND

The following Trustees were present

UNION TRUSTEES
M. Federici - Chairman
T. Hipkins
C. Hoffmann
G. Murphy, Jr.

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

Also present were:

Y. Anwar - UFCW Local 400
H. Burton - Morgan, Lewis & Bockius, LLP
J. Chorpenning - UFCW Local 27
L. DuVall - Associated Administrators, LLC
J. Hack - UFCW Local 27
N. Hill - UFCW Local 27
W. Jensen - Associated Administrators, LLC
S. Ridore - Safeway
D. Russell - Investment Performance Services
S. Sanchez - Slevin & Hart, P.C.
B. Slevin - Slevin & Hart, P.C.
L. Walsh - Associated Administrators, LLC
K. Woodrich - Cheiron

I. CALL TO ORDER

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

A. <u>Resignation of Trustee</u>

Mr. Jensen stated that he had received correspondence from Trustee Brown resigning as a Trustee effective February 10, 2017.

II. <u>MINUTES</u>

The Trustees reviewed the minutes of the last regular meeting held on January 26, 2017, which were pre-circulated.

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

> **RESOLVED that the minutes of the regular meeting held on January 26, 2017 are approved as presented.**

III. <u>FINANCIAL REPORT</u>

A. <u>PNC Bank</u>

Mr. Jensen presented the PNC Summary of Activity Report for the period January 1, 2017 through March 31, 2017. Such report indicated a beginning balance of $59,302,613, receipts of $4,369,079.16, disbursements of $446,421.89, and earnings of $2,229,468.31, producing an ending balance of $65,454,738 as of March 31, 2017.

B. <u>Investment Performance Services ("IPS")</u>

The Trustees welcomed Mr. David Russell of IPS to the meeting.

Mr. Russell reviewed the Master Consulting Report for the period ended December 31, 2016. Such report indicated an ending market value of $59,362,070. The year-to-date performance through December 31, 2016 was 10.3% gross of fees. Mr. Russell then reviewed the individual manager summaries.

Mr. Russell reviewed the Preliminary Performance Report for the period ending February 28, 2017. Such report indicated an ending market value of $65,088,364. The year-to-date performance through February 28, 2017 was 3.8% gross of fees.

Mr. Russell reviewed the current asset allocations. He recommended that the Trustees meet to discuss other asset class options and rebalancing options.

After discussion, the Trustees selected May 31, 2017 for a special meeting beginning at 10:00 a.m. to be held in the offices of UFCW Local 400 for review of asset allocation and rebalancing options.

Mr. Russell presented a revised IPS fee proposal.

The Trustees thanked Mr. Russell for his report and he was excused from the meeting.

IV. ACTUARY'S REPORT

The Trustees welcomed Mr. Gene Kalwarski and Mr. Kevin Woodrich of Cheiron to the meeting. Mr. Woodrich reported that Cheiron had submitted census data to the Albertson's actuary, as authorized by the Trustees.

The Trustees thanked the representatives of Cheiron for their report and they were excused from the meeting.

V. ATTORNEY'S REPORT

A. Investment Performance Services ("IPS") Agreement

Mr. Slevin reported on IPS's revised fee proposal. The Trustees tabled the matter for further review.

B. Pension Benefit Guaranty Corporation ("PBGC")

Mr. Slevin reported on a request for documents received by the Fund from the PBGC.

C. Cheiron Amendment to Consulting Agreement

Mr. Slevin presented an amendment to Cheiron's Consulting Agreement with the Fund. The amendment was executed by the Trustees.

D. Deloitte Non-Disclosure Agreement

Mr. Slevin presented a non-disclosure agreement between Deloitte and the Fund. The agreement was executed by the Trustees.

E. Annual Funding Notice ("AFN")

Mr. Slevin reported on the 2017 AFN.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Fourth Quarter 2016 Report

Mr. Jensen presented the Administrative Manager's Report for the fourth quarter 2016, which was pre-circulated. Such report indicated contribution income of $4,314.956 and interest and dividend income of $235,373, resulting in a total income of $4,549,969. Total expenses were $1,110,237, producing a surplus of $3,439,732 for the fourth quarter 2016. Contributions were remitted on behalf of 16,521 Plan participants.

Mr. Jensen reviewed the pension applications contained in the administrative manager's Fourth Quarter 2016 Report.

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

> **RESOLVED that the pension applications contained in the Administrative Manager's Fourth Quarter 2016 report are approved for payment.**

VII. INVOICES

The Trustees reviewed the list of invoices dated April 12, 2017. It was noted there were no additions, deletions or changes to the list.

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

> **RESOLVED that the invoices on the list dated April 12, 2017 are approved for payment.**

VIII. OTHER FUND BUSINESS

A. Pension Benefit Guaranty Corporation ("PBGC")

Mr. Jensen discussed the PBGC document request, noting his office is compiling the documents requested by the PBGC.

B. Withdrawal Liability Estimates

Mr. Jensen reported that on February 27, 2017 estimates of withdrawal liability had been sent to Giant Food and Safeway per request.

IX. MEETING DATE AND LOCATION

The Trustees had previously selected July 12, 2017 as their next meeting date in Landover at the office of UFCW Local 400.

X. ADJOURNMENT

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

Respectfully Submitted,

Jason Paradis, Secretary

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