Mid-Atlantic UFCW and Participating Employers Pension Fund

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MINUTES OF THE MEETING OF THE POLICY COMMITTEE OF THE BOARD OF TRUSTEES OF THE MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND APRIL 28, 2014 IN LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES
M. Federici – Chairman
G. Murphy, Jr.

EMPLOYER TRUSTEES
W. Kraemer – Secretary
J. Paradis
F. Stegman

Also present were:

H. Burton – Morgan, Lewis & Bockius, LLP
J. Champion – Safeway, Inc.
W. Jensen – Associated Administrators, LLC
C. Murphy – Associated Administrators, LLC
D. Russell – Investment Performance Services
R. Sichel – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.
K. Woodrich - Cheiron

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

I. FINANCIAL REPORT

The Trustees welcomed Mr. Rich Sichel and Mr. David Russell of Investment Performance Services to the meeting. Mr. Sichel provided a preliminary performance update as of March 31, 2014. Such report indicated an ending market value of $59,465,266. The total fund had performance for the First Quarter 2014 at an estimated 2.2%.

Mr. Sichel reviewed the asset allocation recommendations for the Fund. He said that the recommendation allocation should be 25% in U.S. equities, 10% in short duration high yield bonds, 10% in real estate and 55% in global tactical asset allocation portfolios. He said that the asset allocation targets are typically derived with a margin of -5% in each of the target allocation percentages.

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

> **RESOLVED to adopt the asset allocation recommendation as presented by IPS.**

Mr. Sichel recommended the Trustees interview two real estate managers at a meeting to be held in the near future. The Trustees selected May 7, 2014 for a conference call to interview two real estate managers recommended by IPS.

II. ACTUARY'S REPORT

Mr. Woodrich reviewed the recommended contribution increases necessary for the FELRA and UFCW Pension Fund, as well as the companion Mid-Atlantic UFCW and Participating Employers Pension Fund. The Trustees noted that the bargaining parties would need to make a determination on the contributions to be made to each Fund.

III. ADJOURNMENT

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

Respectfully submitted,

Ward Kraemer, Secretary

Orig: 05/21/14)(Rev:: 06/16/14bs)