Mid-Atlantic UFCW and Participating Employers Pension Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

4301 Garden City Drive Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF THE
MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS
PENSION FUND
JUNE 20, 2014
LANDOVER, MARYLAND

The following Trustees were present:

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

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

Also present were:

H. Burton – Morgan, Lewis & Bockius, LLP
G. Gatewood – UFCW Local 27
P. Hardcastle – Cheiron
J. Harrison – UFCW Local 27
M. Herwig - PNC Bank
W. Jensen – Associated Administrators, LLC
J. Lewis – UFCW Local 400
E. Masten – UFCW Local 27
C. Murphy – Associated Administrators, LLC
J. Paradis – Ahold USA
R. Sichel – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.
D. White – Giant Food
C. Wiszynski – UFCW Local 400

I. CALL TO ORDER

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

A. Proxy

Mr. Jensen reported that he had received correspondence from Mr. Thomas Hipkins giving his proxy to Mr. George Murphy, Jr. to act in all matters coming before the Trustees.

II. MINUTES

The Trustees read the minutes of the last regular meetings held on April 3, 2014 and the policy committee minutes of April 28, 2014, which had been pre-circulated. After discussion,

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

> **RESOLVED that the minutes of the last regular meeting held on April 3, 2014 and the policy committee minutes of April 28, 2014 were approved as presented.**

III. FINANCIAL REPORT

A. PNC Report

The Trustees welcomed Mr. Michael Herwig of PNC Bank to the meeting. He presented a summary of activity report for the period January 1, 2014 to March 31, 2014. Such report indicated a beginning balance of $11,961,273, earnings of $373,750, receipts of $3,313,294, and disbursements of $183,050, resulting in an ending market value of $15,465,267 as of March 31, 2014.

Mr. Herwig next presented a summary of activity report for the period January 1, 2014 to May 31, 2014. Such report indicated a beginning balance of $11,961,273, earnings of $902,413, receipts of $6,184,659, and disbursements of $355,660, resulting in an ending market value of $18,692,685 as of May 31, 2014.

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

B. Investment Performance Services

The Trustees welcomed Mr. Rich Sichel of Investment Performance Services to the meeting. Mr. Sichel reviewed the Master Consulting Report for the period ended March 31, 2014. Such report indicated an ending market value of $15,465,266. The performance was 2.2% for the first quarter 2014.

Mr. Sichel reviewed the asset allocation and recommended that the Trustees proceed with restructuring Fund assets to new targets and managers.

Mr. Sichel then reviewed the Preliminary Performance for the period ended May 31, 2014. He noted the ending market value was $18,692,685.

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

III. ATTORNEY'S REPORT

A. Contribution Increase

The Trustees discussed the April 1, 2014 contribution increase and how it will be allocated between this Fund and the FELRA and UFCW Pension Fund based on direction from the bargaining parties.

B. Fiduciary Insurance – Appeals

Mr. Slevin discussed the appeals process.

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

> **RESOLVED to designate the appeals committee as the named fiduciaries for the purpose of deciding appeals.**

C. Cycle D Filing of Plan Document to IRS

Mr. Slevin discussed the filing requirement of the restated Plan Document with the IRS under the Cycle D schedule. After discussion, On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to authorize the Chairman and Secretary to take all action necessary in connection with the request for a determination of tax qualification.**

D. Non-Discrimination Testing

Mr. Jensen discussed non-discrimination testing.

E. Defense of Marriage Act ("DOMA")

Mr. Slevin reviewed the DOMA guidance with the Trustees. The Board agreed to retain the residence rule for the period June 26 – September 15, 2013.

F. Investment Contracts

Mr. Slevin discussed the First Eagle, American Realty Advisors, Chartwell and Vanguard contracting.

G. Associated Administrators, LLC Contract

Mr. Slevin discussed the Associated Administrators contract.

IV. ADMINISTRATIVE MANAGER'S REPORT

A. First Quarter 2014

Mr. Jensen presented the administrative manager's report for the first quarter 2014, which had been pre-circulated. Such report indicated contribution income of $3,249,829 and interest and dividend income of $370,965, resulting in a total income of $3,620,794. Total expenses were $104,735, producing a net operating surplus of $3,516,059 for the first quarter 2014. Contributions were remitted on behalf of 17,988 plan participants.

V. INVOICES

The Trustees reviewed the list of invoices dated June 20, 2014. 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 June 20, 2014 were approved for payment.

VI. NEXT MEETING DATE AND LOCATION

The Trustee noted that their next meeting was scheduled for September 18, 2014 to be held in Landover, Maryland.

VII. ADJOURNMENT

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

Respectfully submitted,

Ward Kraemer, Secretary

MAPMIN062014(ORIG: 08/19/14)(REV: 09/17/14bs)