

UFCW & FELRA LEGAL FUND

AGENDA

DECEMBER 12, 2018

- I. CALL TO ORDER**
- II. MINUTES (pg. 1 – 3)**
 - A. REGULAR MEETING – SEPTEMBER 25, 2018**
- III. FINANCIAL REPORT (pg. 4)**
 - A. PNC REPORT**
- IV. ATTORNEYS' REPORT**
- V. ADMINISTRATIVE MANAGER'S REPORT – (3Q18) (pg. 5 – 17)**
- VI. INVOICES (pg. 18)**
- VII. OTHER FUND BUSINESS**
 - A. MISCELLANEOUS CORRESPONDENCE**
- VIII. NEXT MEETING DATES AND LOCATIONS**
- IX. ADJOURNMENT**

MINUTES

**United Food and Commercial Workers
and Food Employers Labor Relations Association
Legal Benefits Fund**

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*A Program of the
FELRA and UFCW
VEBA Fund*

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**MINUTES OF THE MEETING OF THE COMMITTEE MEMBERS
OF THE UFCW & FELRA LEGAL BENEFITS FUND
SEPTEMBER 25, 2018
LANDOVER, MARYLAND**

The following Committee Members were present:

Union Committee Members

C. Hoffmann – Chairman
Y. Anwar
J. Harrison
R. Wildt

Employer Committee Members

J. Paradis – Secretary
D. Dosenbach
M. Goble
S. Ridore

Also present were:

H. Burton – Morgan, Lewis & Bockius
J. Chorpennig – UFCW Local 27
M. Federici – UFCW Local 400
J. Hack – UFCW Local 27
N. Hill – UFCW Local 27
T. Hipkins – UFCW Local 27
W. Jensen – Associated Administrators, LLC
C. Murphy – Associated Administrators, LLC
S. Sanchez – Slevin & Hart, P.C.
R. Sichel – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.
L. Walsh – Associated Administrators, LLC
M. Wilson – UFCW Local 400

I. CALL TO ORDER

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

II. MINUTES

The Committee Members reviewed the minutes of the last regular meeting held on June 4, 2018, which were pre-circulated.

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

RESOLVED that the minutes of the regular meeting held on June 4, 2018 are approved as presented.

III. FINANCIAL REPORT

A. PNC Bank

Mr. Jensen reviewed the Summary of Activity Report for the period January 1 to August 31, 2018. Such report indicated a beginning market value of \$458,395, earnings of \$1,588, receipts of \$2,359,682, and disbursements of \$2,373,345, producing an ending market value of \$446,320 as of August 31, 2018.

B. Investment Performance Services ("IPS")

The Committee Members welcomed Mr. Rich Sichel of IPS to the meeting. Mr. Sichel presented the Master Consulting Report for the quarter ended June 30, 2018. Such report indicated a beginning market value for the second quarter 2018 of \$436,991, net cash flow of \$6,263 and a net investment change of \$791, resulting in an ending market value of \$444,044 for the quarter. The performance was 0.2% for the quarter.

C. Preliminary Update – August 31, 2018

Mr. Sichel reviewed the Preliminary Performance Report for the period ending August 31, 2018. Such report indicated an ending market value of \$446,085. The year-to-date performance through August 31, 2018 was 0.5%.

IV. ADMINISTRATIVE MANAGER'S REPORT

A. Second Quarter 2018 Report

Mr. Jensen presented the Administrative Manager's report for the Second Quarter 2018. Such report indicated contribution income of \$880,680 and interest income of \$4,224, producing a total income of \$884,904. Total expenses were \$875,234, producing a surplus of \$9,670 for the quarter. Mr. Jensen noted that contributions were remitted on behalf of 15,699 active Plan participants.

V. INVOICES

Mr. Jensen presented a list of invoices dated September 25, 2018. It was noted there were no additions, deletions or changes to the list.

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

RESOLVED that the invoices on the list dated September 25, 2018 are recommended for approval as presented.

VI. NEXT MEETING DATE AND LOCATION

It was noted that the next meeting of the Board of Trustees is scheduled for December 12, 2018 in the offices of UFCW Local 400 located in Landover, Maryland.

VII. ADJOURNMENT

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

Respectfully Submitted,

Jason Paradis, Secretary

FINANCIAL REPORT

UFCW & FELRA VEBE LEGAL BENEFIT FUND
SUMMARY OF ACTIVITY
JANUARY 01, 2018 to OCTOBER 31, 2018

<u>Item</u>	<u>Amount</u>
Market Value 01/01/18	\$458,395
Earnings	\$1,111
Receipts	\$2,934,192
Disbursements	(\$2,943,577)
Market Value 10/31/2018	\$450,121

ADMINISTRATIVE MANAGER'S REPORT

***UFCW AND FELRA
LEGAL BENEFIT FUND
THIRD QUARTER 2018***

ADMINISTRATIVE MANAGER'S REPORT

FULL TIME
THIRD QUARTER 2018
CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
LOCAL 400			
GIANT	\$21.12	2,343	\$148,474
GIANT	11.87	8	285
GIANT ¹	11.12	175	5,827
LOCAL 400 STAFF	21.12	3	211
SAFEWAY	21.12	1,630	103,276
SAFEWAY ¹	11.12	109	3,648
SUBTOTAL		4,268	\$261,721
LOCAL 27			
GIANT	\$21.12	878	\$55,650
GIANT ¹	11.12	72	2,402
METRO/BASICS	21.12	249	15,756
METRO/BASICS ²	10.56	3	106
SAFEWAY	21.12	554	35,123
SAFEWAY ¹	11.12	7	223
SAFEWAY DELAWARE	21.12	59	3,759
SAFEWAY DELAWARE ¹	11.12	41	1,379
SUBTOTAL		1,863	\$114,398
TOTAL		6,131	\$376,119

AVERAGE MONTHLY CONTRIBUTION \$20.45

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

FULL TIME
THIRD QUARTER 2018
EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$349,049		\$18.977		92.55%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$27,414		\$1.490		7.269%
LEGAL	601		0.033		0.159%
PNC	28		0.002		0.007%
POSTAGE	8		0.000		0.002%
PRINTING	34		0.002		0.009%
TELEPHONE	8		0.000		0.002%
SUBTOTAL	\$28,093		\$1.527		7.45%
TOTAL	\$377,142		\$20.504		100.00%

FULL TIME
2018
QUARTERLY RECAPS

FIRST 2018 SECOND 2018 THIRD 2018 FOURTH 2018 TOTAL

EMPLOYER CONTRIB	\$383,885	\$381,390	\$376,119		\$1,141,394
EMPLOYEE CONTRIB	0	0	0		0
MISC. INCOME	0	0	0		0

TOTAL INCOME	\$383,885	\$381,390	\$376,119	\$0	\$1,141,394
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EXPENSES

PROVIDER	\$357,551	\$356,266	\$349,049		\$1,062,866
OPERATING	28,648	28,645	28,093		85,386

TOTAL EXPENSES	\$386,199	\$384,911	\$377,142	\$0	\$1,148,252
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TOTAL INCOME	\$383,885	\$381,390	\$376,119	\$0	\$1,141,394
TOTAL EXPENSES	\$386,199	\$384,911	\$377,142	\$0	\$1,148,252

SURPLUS (DEFICIT)	(\$2,314)	(\$3,521)	(\$1,023)	\$0	(\$6,858)
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AVERAGE INCOME	\$20.59	\$20.50	\$20.45		\$20.51
AVERAGE EXPENSES	\$20.71	\$20.69	\$20.50		\$20.63

SURPLUS (DEFICIT)	(\$0.12)	(\$0.19)	(\$0.05)	\$0.00	(\$0.12)
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TOTAL PARTICIPANTS	6,215	6,200	6,131		6,182
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FULL TIME
2017
QUARTERLY RECAPS

FIRST 2017 SECOND 2017 THIRD 2017 FOURTH 2017 TOTAL

EMPLOYER CONTRIB	\$399,119	\$391,535	\$388,950	\$386,483	\$1,566,087
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0

TOTAL INCOME	\$399,119	\$391,535	\$388,950	\$386,483	\$1,566,087
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EXPENSES

PROVIDER	\$368,316	\$365,678	\$364,816	\$361,318	\$1,460,128
OPERATING	27,322	29,943	27,789	27,809	112,863

TOTAL EXPENSES	\$395,638	\$395,621	\$392,605	\$389,127	\$1,572,991
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TOTAL INCOME	\$399,119	\$391,535	\$388,950	\$386,483	\$1,566,087
TOTAL EXPENSES	\$395,638	\$395,621	\$392,605	\$389,127	\$1,572,991

SURPLUS (DEFICIT)	\$3,481	(\$4,086)	(\$3,655)	(\$2,644)	(\$6,904)
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AVERAGE INCOME	\$21.17	\$20.80	\$20.73	\$20.66	\$20.84
AVERAGE EXPENSES	\$20.98	\$21.01	\$20.93	\$20.80	\$20.93

SURPLUS (DEFICIT)	\$0.19	(\$0.21)	(\$0.20)	(\$0.14)	(\$0.09)
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TOTAL PARTICIPANTS	6,285	6,276	6,254	6,237	6,263
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PART TIME
THIRD QUARTER 2018
CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
LOCAL 400			
GIANT	\$21.12	2,632	\$166,742
GIANT	11.87	5	177
GIANT ¹	11.12	1,453	48,461
SAFEWAY	21.12	1,215	77,004
SAFEWAY ¹	11.12	1,047	34,928
SUBTOTAL		6,352	\$327,312
LOCAL 27			
GIANT	\$21.12	1,150	\$72,843
GIANT ¹	11.12	485	16,180
METRO/BASICS	21.12	362	22,915
METRO/BASICS ²	10.56	102	3,242
SAFEWAY	21.12	396	25,090
SAFEWAY ¹	11.12	372	12,409
SAFEWAY DELAWARE	21.12	65	4,119
SAFEWAY DELAWARE ¹	11.12	46	1,523
SUBTOTAL		2,978	\$158,321
TOTAL		9,330	\$485,633

AVERAGE MONTHLY CONTRIBUTION \$17.35

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

PART TIME
THIRD QUARTER 2018
EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$435,208		\$15.549		91.34%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$40,228		\$1.437		8.443%
LEGAL	902		0.032		0.189%
PNC	43		0.002		0.009%
POSTAGE	11		0.000		0.002%
PRINTING	51		0.002		0.011%
TELEPHONE	11		0.000		0.002%
SUBTOTAL	\$41,246		\$1.473		8.66%
TOTAL	\$476,454		\$17.022		100.00%

**PART TIME
2018
QUARTERLY RECAPS**

	<u>FIRST 2018</u>	<u>SECOND 2018</u>	<u>THIRD 2018</u>	<u>FOURTH 2018</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$504,579	\$499,290	\$485,633		\$1,489,502
EMPLOYEE CONTRIB	0	0	0		0
MISC. INCOME	0	0	0		0
TOTAL INCOME	\$504,579	\$499,290	\$485,633	\$0	\$1,489,502
EXPENSES					
PROVIDER	\$453,494	\$444,938	\$435,208		\$1,333,640
OPERATING	43,467	45,385	41,246		130,098
TOTAL EXPENSES	\$496,961	\$490,323	\$476,454	\$0	\$1,463,738
TOTAL INCOME	\$504,579	\$499,290	\$485,633	\$0	\$1,489,502
TOTAL EXPENSES	\$496,961	\$490,323	\$476,454	\$0	\$1,463,738
SURPLUS (DEFICIT)	\$7,618	\$8,967	\$9,179	\$0	\$25,764
AVERAGE INCOME	\$17.82	\$17.52	\$17.35		\$17.56
AVERAGE EXPENSES	\$17.55	\$17.21	\$17.02		\$17.26
SURPLUS (DEFICIT)	\$0.27	\$0.31	\$0.33	\$0.00	\$0.30
TOTAL PARTICIPANTS	9,439	9,499	9,330		9,423

PART TIME
2017
QUARTERLY RECAPS

	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	TOTAL
EMPLOYER CONTRIB	\$549,361	\$532,202	\$521,191	\$507,110	\$2,109,864
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
TOTAL INCOME	\$549,361	\$532,202	\$521,191	\$507,110	\$2,109,864
EXPENSES					
PROVIDER	\$486,622	\$474,769	\$467,822	\$458,749	\$1,887,962
OPERATING	41,460	45,851	42,230	41,618	171,159
TOTAL EXPENSES	\$528,082	\$520,620	\$510,052	\$500,367	\$2,059,121
TOTAL INCOME	\$549,361	\$532,202	\$521,191	\$507,110	\$2,109,864
TOTAL EXPENSES	\$528,082	\$520,620	\$510,052	\$500,367	\$2,059,121
SURPLUS (DEFICIT)	\$21,279	\$11,582	\$11,139	\$6,743	\$50,743
AVERAGE INCOME	\$19.20	\$18.49	\$18.28	\$18.11	\$18.52
AVERAGE EXPENSES	\$18.45	\$18.09	\$17.89	\$17.87	\$18.08
SURPLUS (DEFICIT)	\$0.75	\$0.40	\$0.39	\$0.24	\$0.44
TOTAL PARTICIPANTS	9,540	9,592	9,503	9,332	9,492

COMBINED
2018
QUARTERLY RECAP

FIRST 2018 SECOND 2018 THIRD 2018 FOURTH 2018 TOTAL

EMPLOYER CONTRIB	\$888,464	\$880,680	\$861,752	\$0	\$2,630,896
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	2,329	4,224	2,930	0	9,483

TOTAL INCOME	\$890,793	\$884,904	\$864,682	\$0	\$2,640,379
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EXPENSES

PROVIDER	\$811,045	\$801,204	\$784,257	\$0	\$2,396,506
OPERATING	72,115	74,030	\$69,339	\$0	215,484

TOTAL EXPENSES	\$883,160	\$875,234	\$853,596	\$0	\$2,611,990
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TOTAL INCOME	\$890,793	\$884,904	\$864,682	\$0	\$2,640,379
TOTAL EXPENSES	\$883,160	\$875,234	\$853,596	\$0	\$2,611,990

SURPLUS (DEFICIT)	\$7,633	\$9,670	\$11,086	\$0	\$28,389
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TOTAL PARTICIPANTS	15,654	15,699	15,461	0	15,605
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FUND RESERVE	\$436,991	\$444,044	\$448,967		
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COMBINED
2017
QUARTERLY RECAP

	<u>FIRST 2017</u>	<u>SECOND 2017</u>	<u>THIRD 2017</u>	<u>FOURTH 2017</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$948,480	\$923,737	\$910,141	\$893,593	\$3,675,951
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	2,623	4,811	2,552	3,054	13,040
TOTAL INCOME	\$951,103	\$928,548	\$912,693	\$896,647	\$3,688,991
EXPENSES					
PROVIDER	\$854,938	\$840,447	\$832,638	\$820,067	\$3,348,090
OPERATING	68,782	75,794	70,019	69,427	284,022
TOTAL EXPENSES	\$923,720	\$916,241	\$902,657	\$889,494	\$3,632,112
TOTAL INCOME	\$951,103	\$928,548	\$912,693	\$896,647	\$3,688,991
TOTAL EXPENSES	\$923,720	\$916,241	\$902,657	\$889,494	\$3,632,112
SURPLUS (DEFICIT)	\$27,383	\$12,307	\$10,036	\$7,153	\$56,879
TOTAL PARTICIPANTS	15,825	15,868	15,757	15,569	15,755
FUND RESERVE	\$612,667	\$232,641	\$431,818	\$458,242	

UTILIZATION THIRD QUARTER 2018

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG
01	FAMILY	282	1,257.70	985.95	\$9,183
02	PROBATE	39	292.00	351.30	
03	WILL	281	506.70	510.75	
04	NEGLIGENCE	59	135.05	203.80	
05	REAL ESTATE	103	286.90	182.50	
06	CONSUMER	336	1,811.75	1,328.90	
07	CRIMINAL	68	523.90	78.50	
08	TRAFFIC	88	608.95	104.65	
09	LANDLORD/TENANT	70	220.45	115.65	
10	ADMINISTRATION	54	169.65	59.50	
11	IMMIGRATION	0	0.00	0.00	
12	MISCELLANEOUS	0	0.00	0.00	
13	WORKER'S COMP.	0	0.00	0.00	
14	JUVENILE	30	136.65	28.55	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	0	0.00	0.00	
TOTAL		1,410	5,949.70	3,950.05	\$9,183

ALL HOURS	9,899.75
ADJUSTED HOURS	7,924.73
PAYMENT	\$784,257
COST PER HOUR	\$98.96

THIRD QUARTER 2018
DELINQUENCIES

NONE

INVOICES

UFCW & FELRA LEGAL BENEFIT FUND

INVOICES

DECEMBER 12, 2018

1. **UFCW Local 27**

11/30/18	J. Harrison- Reimbursement of expenses incurred at the IFEBP Annual Conference in New Orleans, LA – October 2018	\$	1,956.79
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