

UFCW & FELRA LEGAL FUND

AGENDA

JUNE 4, 2018

- I. CALL TO ORDER**
- II. MINUTES (pg. 1 – 4)**
 - A. REGULAR MEETING – MARCH 2, 2018**
- III. FINANCIAL REPORT (pg. 5)**
 - A. PNC REPORT**
- IV. ATTORNEYS' REPORT**
- V. ADMINISTRATIVE MANAGER'S REPORT – (1Q18) (pg. 6 – 18)**
- VI. INVOICES (pg. 19)**
- VII. LEGAL PROVIDER'S REPORT**
- VIII. OTHER FUND BUSINESS**
 - A. MISCELLANEOUS CORRESPONDENCE**
- IX. NEXT MEETING DATE AND LOCATION (SEPTEMBER 25, 2018 – LOCATION TO BE DETERMINED)**
- X. 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
MARCH 2, 2018
HANOVER, MARYLAND**

The following Committee Members were present:

Union Committee Members

C. Hoffmann – Chairman
J. Harrison
Y. Anwar

Employer Committee Members

J. Paradis – Secretary
M. Goble

Also present were:

H. Burton – Morgan, Lewis & Bockius
J. Chorpenning – UFCW Local 27
L. DuVall – Associated Administrators, LLC
M. Federici – UFCW Local 400
N. Hill – UFCW Local 27
T. Hipkins – UFCW Local 27
W. Jensen – Associated Administrators, LLC
S. Sanchez – Slevin & Hart, P.C.
B. Slevin – Slevin & Hart, P.C.

I. CALL TO ORDER

A quorum being present, the meeting was called to order. Mr. Jensen noted that he had received correspondence from the Food Employers Labor Relations Association appointing Mr. Michael Goble to the Committee, replacing Mr. Meisen, who retired.

II. MINUTES

The Committee Members reviewed the minutes of the last regular meeting held on January 10, 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 January 10, 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 January 31, 2018. Such report indicated a beginning market value of \$458,395, negative earnings of \$1,535, receipts of \$297,318, and disbursements of \$318,360, producing an ending market value of \$435,818 as of January 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 December 31, 2017. Such report indicated a beginning market value for the fourth quarter 2017 of \$431,818, net cash flow of \$26,247 and a net investment change of \$177, resulting in an ending market value of \$458,242 for the quarter. The performance was 0.0% for the quarter.

Mr. Sichel presented the Preliminary Performance update as of January 31, 2018. The beginning market value was \$458,242, net cash flow was a negative \$20,970, and net investment change was a negative \$1,587, resulting in an ending market value of \$435,685 as of January 31, 2018. The year-to-date performance was a negative 0.3%.

IV. ATTORNEYS' REPORT

A. Giant Valley Collective Bargaining Agreement ("CBA")

Mr. Slevin reported that a side letter to the Giant Valley CBA regarding contribution rates to the Fund was signed between Committee meetings.

B. Amendment 8 to Legal Services Agreement with Akman & Associates, LLC

Mr. Slevin reported that Amendment 8 to the Fund's Legal Services Agreement with Akman & Associates, LLC was signed between Committee meetings.

C. Participation Agreement with UFCW Local 400

Mr. Slevin reported that the updated Participation Agreement between the Fund and UFCW Local 400 was signed between Committee meetings.

V. ADMINISTRATIVE MANAGER'S REPORT

A. Fourth Quarter 2017 Report

Mr. Jensen presented the Administrative Manager's Fourth Quarter 2017 Report. Such report indicated contribution income of \$893,593 and interest income of \$3,054, producing a total income of \$896,647. Total expenses were \$889,494, producing a surplus of \$7,153 for the quarter. He noted that contributions were remitted on behalf of 15,569 active Plan participants.

B. Administrative Services Contract Renewal

Mr. Jensen stated that Associated Administrators' contract will expire March 31, 2018. He presented a request for a three-year extension of the contract and reviewed justification for a fee increase. After discussion and,

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

RESOLVED to recommend for approval the three-year extension of the administrative services contract at a fee increase of 3% per year effective April 1, 2018, in addition to the proposed hourly rates for implementing new regulatory changes and new vendor implementations.

VI. INVOICES

Mr. Jensen presented a list of invoices dated March 2, 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 March 2, 2018 are recommended for approval as presented.

VII. NEXT MEETING DATE AND LOCATION

It was noted that the next meeting of the Board of Trustees is scheduled for June 28, 2018 in the offices of UFCW Local 400 located in Landover, Maryland.

VIII. ADJOURNMENT

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

Respectfully Submitted,

Jason Paradis, Secretary

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FINANCIAL REPORT

UFCW & FELRA VEBA LEGAL BENEFIT FUND
SUMMARY OF ACTIVITY
JANUARY 01, 2018 to APRIL 30, 2018

<u>Item</u>	<u>Amount</u>
Market Value 01/01/18	\$458,395
Earnings	(\$2,088)
Receipts	\$1,186,041
Disbursements	(\$1,205,081)
Market Value 4/30/2018	\$437,267

PNC BANK, NA

ADMINISTRATIVE MANAGER'S REPORT

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

ADMINISTRATIVE MANAGER'S REPORT

FULL TIME
FIRST QUARTER 2018
CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
LOCAL 400			
GIANT	\$21.12	2,406	\$152,445
GIANT	11.87	7	249
GIANT ¹	11.12	133	4,437
LOCAL 400 STAFF	21.12	1	63
SAFEWAY	21.12	1,682	106,571
SAFEWAY ¹	11.12	91	3,025
SUBTOTAL		4,320	\$266,790

LOCAL 27			
GIANT	\$21.12	898	\$56,897
GIANT ¹	11.12	55	1,835
METRO/BASICS	21.12	267	16,917
METRO/BASICS ²	10.56	2	74
SAFEWAY	21.12	569	36,031
SAFEWAY ¹	11.12	36	1,212
SAFEWAY DELAWARE	21.12	62	3,928
SAFEWAY DELAWARE ¹	11.12	6	201
SUBTOTAL		1,895	\$117,095

TOTAL	6,215	\$383,885
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AVERAGE MONTHLY CONTRIBUTION \$20.59

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

FULL TIME
FIRST QUARTER 2018
EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$357,551		\$19.177		92.6%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$27,045		\$1.451		7.003%
LEGAL	1,523		0.082		0.394%
PNC	28		0.002		0.007%
PRINTING	47		0.003		0.012%
TELEPHONE	5		0.000		0.001%
SUBTOTAL	\$28,648		\$1.538		7.4%
TOTAL	\$386,199		\$20.715		100.00%

FULL TIME 2018 QUARTERLY RECAPS
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FIRST 2018 SECOND 2018 THIRD 2018 FOURTH 2018 TOTAL

EMPLOYER CONTRIB	\$383,885				\$383,885
EMPLOYEE CONTRIB	0				0
MISC. INCOME	0				0

TOTAL INCOME	\$383,885	\$0	\$0	\$0	\$383,885
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EXPENSES

PROVIDER	\$357,551				\$357,551
OPERATING	28,648				28,648

TOTAL EXPENSES	\$386,199	\$0	\$0	\$0	\$386,199
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TOTAL INCOME	\$383,885	\$0	\$0	\$0	\$383,885
TOTAL EXPENSES	\$386,199	\$0	\$0	\$0	\$386,199

SURPLUS (DEFICIT)	(\$2,314)	\$0	\$0	\$0	(\$2,314)
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AVERAGE INCOME	\$20.59				\$20.59
AVERAGE EXPENSES	\$20.71				\$20.71

SURPLUS (DEFICIT)	(\$0.12)	\$0.00	\$0.00	\$0.00	(\$0.12)
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TOTAL PARTICIPANTS	6,215				6,215
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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
FIRST QUARTER 2018
CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
LOCAL 400			
GIANT	\$21.12	2,855	\$180,872
GIANT	11.87	5	177
GIANT ¹	11.12	1,253	41,790
SAFEWAY	21.12	1,319	83,551
SAFEWAY ¹	11.12	982	32,748
SUBTOTAL		6,414	\$339,138

LOCAL 27			
GIANT	\$21.12	1,244	\$78,841
GIANT ¹	11.12	439	14,645
METRO/BASICS	21.12	410	25,978
METRO/BASICS ²	10.56	76	2,397
SAFEWAY	21.12	429	27,182
SAFEWAY ¹	11.12	313	10,442
SAFEWAY DELAWARE	21.12	71	4,521
SAFEWAY DELAWARE ¹	11.12	43	1,435
SUBTOTAL		3,025	\$165,441

TOTAL		9,439	\$504,579
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AVERAGE MONTHLY CONTRIBUTION \$17.82

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

PART TIME
FIRST QUARTER 2018
EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$453,494		\$16.015		91.25%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$41,062		\$1.450		8.263%
LEGAL	2,285		0.081		0.460%
PNC	43		0.002		0.009%
PRINTING	70		0.002		0.014%
TELEPHONE	7		0.000		0.001%
SUBTOTAL	\$43,467		\$1.535		8.75%
TOTAL	\$496,961		\$17.550		100.00%

PART TIME 2018 QUARTERLY RECAPS
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	<u>FIRST 2018</u>	<u>SECOND 2018</u>	<u>THIRD 2018</u>	<u>FOURTH 2018</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$504,579				\$504,579
EMPLOYEE CONTRIB	0				0
MISC. INCOME	0				0
TOTAL INCOME	\$504,579	\$0	\$0	\$0	\$504,579
EXPENSES					
PROVIDER	\$453,494				\$453,494
OPERATING	43,467				43,467
TOTAL EXPENSES	\$496,961	\$0	\$0	\$0	\$496,961
TOTAL INCOME	\$504,579	\$0	\$0	\$0	\$504,579
TOTAL EXPENSES	\$496,961	\$0	\$0	\$0	\$496,961
SURPLUS (DEFICIT)	\$7,618	\$0	\$0	\$0	\$7,618
AVERAGE INCOME	\$17.82				\$17.82
AVERAGE EXPENSES	\$17.55				\$17.55
SURPLUS (DEFICIT)	\$0.27	\$0.00	\$0.00	\$0.00	\$0.27
TOTAL PARTICIPANTS	9,439				9,439

PART TIME
2017
QUARTERLY RECAPS

	<u>FIRST 2017</u>	<u>SECOND 2017</u>	<u>THIRD 2017</u>	<u>FOURTH 2017</u>	<u>TOTAL</u>
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
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	<u>FIRST 2018</u>	<u>SECOND 2018</u>	<u>THIRD 2018</u>	<u>FOURTH 2018</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$888,464	\$0	\$0	\$0	\$888,464
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	2,329	0	0	0	2,329
TOTAL INCOME	\$890,793	\$0	\$0	\$0	\$890,793
EXPENSES					
PROVIDER	\$811,045	\$0	\$0	\$0	\$811,045
OPERATING	72,115	\$0	\$0	\$0	72,115
TOTAL EXPENSES	\$883,160	\$0	\$0	\$0	\$883,160
TOTAL INCOME	\$890,793	\$0	\$0	\$0	\$890,793
TOTAL EXPENSES	\$883,160	\$0	\$0	\$0	\$883,160
SURPLUS (DEFICIT)	\$7,633	\$0	\$0	\$0	\$7,633
TOTAL PARTICIPANTS	15,654	0	0	0	15,654
FUND RESERVE	\$436,991				

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
FIRST QUARTER 2018

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	299	1,242.25	1,010.20	\$9,110
02	PROBATE	40	343.20	397.10	
03	WILL	290	460.85	541.40	
04	NEGLIGENCE	53	157.20	213.70	
05	REAL ESTATE	90	295.70	198.80	
06	CONSUMER	356	1,701.00	1,314.80	
07	CRIMINAL	69	489.55	77.95	
08	TRAFFIC	90	590.05	103.20	
09	LANDLORD/TENANT	73	214.40	112.53	
10	ADMINISTRATION	49	141.10	65.00	
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	21	129.45	17.60	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	0	0.00	0.00	
TOTAL		1,430	5,764.75	4,052.28	\$9,110

ALL HOURS
ADJUSTED HOURS
PAYMENT
COST PER HOUR

9,817.03
7,790.89
\$811,045
\$104.10

FIRST QUARTER 2018
DELINQUENCIES

NONE

INVOICES

UFCW & FELRA LEGAL BENEFIT FUND

INVOICES

JUNE 4, 2018

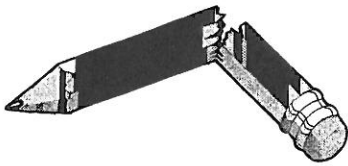
1. **Slevin & Hart, P.C.**

02/28/18	Professional Services rendered - 01/18	\$	1,995.50
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2. **UFCW Local 27**

03/19/18	J. Harrison – Reimbursement of the registration fee and hotel deposit for attendance at the IFEBP 64 th Annual Conference – 10/18 in New Orleans, Louisiana	\$	1,965.00
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03/19/18	J. Harrison – Reimbursement of airfare expenses for attendance at the IFEBP's 64 th Annual Conference – 10/18 in New Orleans, Louisiana		331.96
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MEETING NOTES

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