

UFCW & FELRA LEGAL FUND

AGENDA

SEPTEMBER 24, 2019

- I. CALL TO ORDER**
- II. MINUTES (pg. 1 – 4)**
 - A. REGULAR MEETING – JULY 18, 2019**
- III. FINANCIAL REPORT (pg. 5)**
 - A. PNC REPORT**
- IV. ATTORNEYS' REPORT**
- V. ADMINISTRATIVE MANAGER'S REPORT – (2Q19) (pg. 6 – 18)**
- VI. INVOICES (pg. 19)**
- VII. OTHER FUND BUSINESS**
 - A. MISCELLANEOUS CORRESPONDENCE**
- VIII. NEXT MEETING DATE AND LOCATION (DECEMBER 12, 2019, LANDOVER, MD.)**
- IX. ADJOURNMENT**

MINUTES

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

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Sparks, Maryland 21152-9451
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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
JULY 18, 2019
LANDOVER, MARYLAND**

The following Committee Members were present:

Union Committee Members

C. Hoffmann – Chairman
Y. Anwar
R. Wildt

Employer Committee Members

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

Also present were:

H. Burton - Morgan, Lewis & Bockius
J. Chorpensing - 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
R. McKnight - Associated Administrators, LLC
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.

A. Proxy

Mr. Jensen reported that Committee Member Harrison was unable to attend the meeting. She provided her proxy to Committee Member Wildt to act in all matters coming before the Trustees.

II. MINUTES

The Committee Members reviewed the minutes of the last regular meeting held on December 12, 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 December 12, 2018 are approved as presented.

III. FINANCIAL REPORT

A. PNC Bank

Mr. Jensen reviewed the Summary of Activity Report for the period January 1, 2019 to May 31, 2019. Such report indicated a beginning market value of \$450,948, earnings of \$10,662, receipts of \$1,574,023, and disbursements of \$1,418,870, producing an ending market value of \$616,763 as of May 31, 2019.

B. Investment Performance Services ("IPS")

1. Master Consulting Report – 4Q18

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, 2018. Such report indicated a beginning market value for the fourth quarter 2018 of \$448,967, net cash flow of negative \$3,147 and a net investment change of \$4,798, resulting in an ending market value of \$450,617 for the quarter. The performance was 1.1% for the quarter.

2. Master Consulting Report – 1Q19

Mr. Sichel presented the Master Consulting Report for the quarter ended March 31, 2019. Such report indicated a beginning market value for the first quarter 2019 of \$450,617, net cash flow of negative \$8,332 and a net investment change of \$6,562, resulting in an ending market value of \$448,847 for the quarter. The performance was 1.4% for the quarter.

3. Preliminary Performance Report – May 31, 2019

Mr. Sichel then presented a Preliminary Performance report as of May 31, 2019. Such report indicated a beginning market value of \$617,492, net cash flow of negative \$4,340, and a net investment change of \$3,319, resulting in an ending market value of \$616,431 for the period ending May 31, 2019. The performance was 0.7% through May 31, 2019.

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

IV. ADMINISTRATIVE MANAGER'S REPORT

A. Fourth Quarter 2018

Mr. Jensen presented the Administrative Manager's report for the Fourth Quarter 2018. Such report indicated contribution income of \$850,371 and interest income of \$3,478, producing a total income of \$853,849. Total expenses were \$857,372, producing a deficit of \$3,523 for the quarter. Mr. Jensen noted that contributions were remitted on behalf of 15,300 active Plan participants.

B. First Quarter 2019

Mr. Jensen presented the Administrative Manager's report for the First Quarter 2019. Such report indicated contribution income of \$843,098 and interest income of \$2,910, producing a total income of \$846,008. Total expenses were \$848,171, producing a deficit of \$2,163 for the quarter. Mr. Jensen noted that contributions were remitted on behalf of 15,340 active Plan participants.

V. INVOICES

Mr. Jensen presented a list of invoices dated July 18, 2019. 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 July 18, 2019 are recommended for approval as presented.

VI. LEGAL PROVIDER'S REPORT

The Committee Members welcomed Mr. Matthew Akman of Akman and Associates to the meeting. Mr. Akman presented the 2018 legal provider utilization report. Such report indicated a total of 5,628 cases

opened in 2018, compared to 5,845 cases in 2017. He reviewed the cases by category of law. There were a total of 25,646.10 attorney hours and 17,340.13 paralegal hours expended in 2018. Surcharges to the plan participants amounted to \$36,737.25.

The Committee thanked Mr. Akman for his report and he was excused from the meeting.

VII. NEXT MEETING DATES AND LOCATION

The Committee Members noted that the next meeting was scheduled for September 25, 2019 in Landover, Maryland. There was discussion noting the need for two day meetings for related Plans. After discussion, the Committee Members decided to hold their next regular meeting on September 24, 2019 immediately following the meeting of the Health and Welfare Plan.

VIII. 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 1, 2019 to August 31, 2019

<u>Item</u>	<u>Amount</u>
Market Value 01/01/19	\$450,948
Earnings	\$19,761
Receipts	\$2,242,143
Disbursements	(\$2,268,809)
Market Value as of 8/31/2019	\$444,043

ADMINISTRATIVE MANAGER'S REPORT

***UFCW AND FELRA
LEGAL BENEFIT FUND
SECOND QUARTER 2019***

ADMINISTRATIVE MANAGER'S REPORT

FULL TIME
SECOND QUARTER 2019
CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
LOCAL 400			
GIANT	\$21.12	2,283	\$144,650
GIANT	11.87	7	261
GIANT ¹	11.12	230	7,674
LOCAL 400 STAFF	21.12	1	21
SAFEWAY	21.12	1,590	100,742
SAFEWAY ¹	11.12	139	4,649
SUBTOTAL		4,250	\$257,997

LOCAL 27			
GIANT	\$21.12	866	\$54,870
GIANT ¹	11.12	99	3,291
METRO/BASICS	21.12	234	14,847
METRO/BASICS ²	10.56	7	212
SAFEWAY	21.12	541	34,277
SAFEWAY ¹	11.12	53	1,756
SAFEWAY DELAWARE	21.12	43	2,745
SAFEWAY DELAWARE ¹	11.12	5	139
SUBTOTAL		1,848	\$112,137

TOTAL		6,098	\$370,134
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AVERAGE MONTHLY CONTRIBUTION \$20.23

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

FULL TIME
SECOND QUARTER 2019
EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$344,919		\$18.854		92.17%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$27,990		\$1.530		7.480%
PNC	28		0.002		0.007%
PRINTING	1,266		0.069		0.338%
TELEPHONE	6		0.000		0.002%
SUBTOTAL	\$29,290		\$1.601		7.83%
TOTAL	\$374,209		\$20.455		100.00%

FULL TIME
2019
QUARTERLY RECAPS

	FIRST 2019	SECOND 2019	THIRD 2019	FOURTH 2019	TOTAL
EMPLOYER CONTRIB	\$371,330	\$370,134	\$0	\$0	\$741,464
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
TOTAL INCOME	\$371,330	\$370,134	\$0	\$0	\$741,464
EXPENSES					
PROVIDER	\$345,275	\$344,919	\$0	\$0	\$690,194
OPERATING	28,381	29,290	0	0	57,671
TOTAL EXPENSES	\$373,656	\$374,209	\$0	\$0	\$747,865
TOTAL INCOME	\$371,330	\$370,134	\$0	\$0	\$741,464
TOTAL EXPENSES	\$373,656	\$374,209	\$0	\$0	\$747,865
SURPLUS (DEFICIT)	(\$2,326)	(\$4,075)	\$0	\$0	(\$6,401)
AVERAGE INCOME	\$20.30	\$20.23	\$0.00	\$0.00	\$20.27
AVERAGE EXPENSES	\$20.43	\$20.46	\$0.00	\$0.00	\$20.45
SURPLUS (DEFICIT)	(\$0.13)	(\$0.23)	\$0.00	\$0.00	(\$0.18)
TOTAL PARTICIPANTS	6,097	6,098	0	0	6,098

FULL TIME
2018
QUARTERLY RECAPS

FIRST 2018 SECOND 2018 THIRD 2018 FOURTH 2018 TOTAL

EMPLOYER CONTRIB	\$383,885	\$381,390	\$376,119	\$378,120	\$1,519,514
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0

TOTAL INCOME	\$383,885	\$381,390	\$376,119	\$378,120	\$1,519,514
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EXPENSES

PROVIDER	\$357,551	\$356,266	\$349,049	\$348,821	\$1,411,687
OPERATING	28,648	28,645	28,093	28,568	113,954

TOTAL EXPENSES	\$386,199	\$384,911	\$377,142	\$377,389	\$1,525,641
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TOTAL INCOME	\$383,885	\$381,390	\$376,119	\$378,120	\$1,519,514
TOTAL EXPENSES	\$386,199	\$384,911	\$377,142	\$377,389	\$1,525,641

SURPLUS (DEFICIT)	(\$2,314)	(\$3,521)	(\$1,023)	\$731	(\$6,127)
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AVERAGE INCOME	\$20.59	\$20.50	\$20.45	\$20.40	\$20.49
AVERAGE EXPENSES	\$20.71	\$20.69	\$20.50	\$20.36	\$20.57

SURPLUS (DEFICIT)	(\$0.12)	(\$0.19)	(\$0.05)	\$0.04	(\$0.08)
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TOTAL PARTICIPANTS	6,215	6,200	6,131	6,179	6,181
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PART TIME
SECOND QUARTER 2019
CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
LOCAL 400			
GIANT	\$21.12	2,421	\$153,373
GIANT	11.87	4	130
GIANT ¹	11.12	1,663	55,478
SAFEWAY	21.12	1,079	68,344
SAFEWAY ¹	11.12	1,197	39,920
SUBTOTAL		6,364	\$317,245

LOCAL 27			
GIANT	\$21.12	1,066	\$67,564
GIANT ¹	11.12	571	19,049
METRO/BASICS	21.12	326	20,655
METRO/BASICS ²	10.56	116	3,729
SAFEWAY	21.12	348	22,050
SAFEWAY ¹	11.12	422	14,089
SAFEWAY DELAWARE	21.12	49	3,126
SAFEWAY DELAWARE ¹	11.12	33	1,101
SUBTOTAL		2,931	\$151,363

TOTAL		9,295	\$468,608
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AVERAGE MONTHLY CONTRIBUTION \$16.81

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

PART TIME
SECOND QUARTER 2019
EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$430,261		\$15.430		90.60%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$42,685		\$1.531		8.988%
PNC	42		0.002		0.009%
PRINTING	1,899		0.068		0.400%
TELEPHONE	8		0.000		0.002%
SUBTOTAL	\$44,634		\$1.601		9.40%
TOTAL	\$474,895		\$17.031		100.00%

PART TIME
2019
QUARTERLY RECAPS

FIRST 2019 SECOND 2019 THIRD 2019 FOURTH 2019 TOTAL

EMPLOYER CONTRIB	\$471,768	\$468,608	\$0	\$0	\$940,376
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0

TOTAL INCOME	\$471,768	\$468,608	\$0	\$0	\$940,376
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EXPENSES

PROVIDER	\$431,508	\$430,261	\$0	\$0	\$861,769
OPERATING	43,007	44,634	0	0	87,641

TOTAL EXPENSES	\$474,515	\$474,895	\$0	\$0	\$949,410
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TOTAL INCOME	\$471,768	\$468,608	\$0	\$0	\$940,376
TOTAL EXPENSES	\$474,515	\$474,895	\$0	\$0	\$949,410

SURPLUS (DEFICIT)	(\$2,747)	(\$6,287)	\$0	\$0	(\$9,034)
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AVERAGE INCOME	\$17.01	\$16.81	\$0.00	\$0.00	\$16.91
AVERAGE EXPENSES	\$17.11	\$17.03	\$0.00	\$0.00	\$17.07

SURPLUS (DEFICIT)	(\$0.10)	(\$0.22)	\$0.00	\$0.00	(\$0.16)
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TOTAL PARTICIPANTS	9,243	9,295	0	0	9,269
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PART TIME 2018 QUARTERLY RECAPS
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FIRST 2018 SECOND 2018 THIRD 2018 FOURTH 2018 TOTAL

EMPLOYER CONTRIB	\$504,579	\$499,290	\$485,633	\$472,251	\$1,961,753
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0

TOTAL INCOME	\$504,579	\$499,290	\$485,633	\$472,251	\$1,961,753
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EXPENSES

PROVIDER	\$453,494	\$444,938	\$435,208	\$437,790	\$1,771,430
OPERATING	43,467	45,385	41,246	42,193	172,291

TOTAL EXPENSES	\$496,961	\$490,323	\$476,454	\$479,983	\$1,943,721
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TOTAL INCOME	\$504,579	\$499,290	\$485,633	\$472,251	\$1,961,753
TOTAL EXPENSES	\$496,961	\$490,323	\$476,454	\$479,983	\$1,943,721

SURPLUS (DEFICIT)	\$7,618	\$8,967	\$9,179	(\$7,732)	\$18,032
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AVERAGE INCOME	\$17.82	\$17.52	\$17.35	\$17.26	\$17.49
AVERAGE EXPENSES	\$17.55	\$17.21	\$17.02	\$17.54	\$17.33

SURPLUS (DEFICIT)	\$0.27	\$0.31	\$0.33	(\$0.28)	\$0.16
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TOTAL PARTICIPANTS	9,439	9,499	9,330	9,121	9,347
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COMBINED
2019
QUARTERLY RECAP

	<u>FIRST 2019</u>	<u>SECOND 2019</u>	<u>THIRD 2019</u>	<u>FOURTH 2019</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$843,098	\$838,742	\$0	\$0	\$1,681,840
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	2,910	1,461	0	0	4,371
TOTAL INCOME	\$846,008	\$840,203	\$0	\$0	\$1,686,211
EXPENSES					
PROVIDER	\$776,783	\$775,180	\$0	\$0	\$1,551,963
OPERATING	71,388	73,924	\$0	\$0	145,312
TOTAL EXPENSES	\$848,171	\$849,104	\$0	\$0	\$1,697,275
TOTAL INCOME	\$846,008	\$840,203	\$0	\$0	\$1,686,211
TOTAL EXPENSES	\$848,171	\$849,104	\$0	\$0	\$1,697,275
SURPLUS (DEFICIT)	(\$2,163)	(\$8,901)	\$0	\$0	(\$11,064)
TOTAL PARTICIPANTS	15,340	15,393	0	0	15,367
FUND RESERVE	\$448,847	\$449,313			

COMBINED
2018
QUARTERLY RECAP

	<u>FIRST 2018</u>	<u>SECOND 2018</u>	<u>THIRD 2018</u>	<u>FOURTH 2018</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$888,464	\$880,680	\$861,752	\$850,371	\$3,481,267
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	2,329	4,224	2,930	3,478	12,961
TOTAL INCOME	\$890,793	\$884,904	\$864,682	\$853,849	\$3,494,228
EXPENSES					
PROVIDER	\$811,045	\$801,204	\$784,257	\$786,611	\$3,183,117
OPERATING	72,115	74,030	\$69,339	\$70,761	286,245
TOTAL EXPENSES	\$883,160	\$875,234	\$853,596	\$857,372	\$3,469,362
TOTAL INCOME	\$890,793	\$884,904	\$864,682	\$853,849	\$3,494,228
TOTAL EXPENSES	\$883,160	\$875,234	\$853,596	\$857,372	\$3,469,362
SURPLUS (DEFICIT)	\$7,633	\$9,670	\$11,086	(\$3,523)	\$24,866
TOTAL PARTICIPANTS	15,654	15,699	15,461	15,300	15,529
FUND RESERVE	\$436,991	\$444,044	\$448,967	\$450,617	

UTILIZATION
SECOND QUARTER 2019

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG
01	FAMILY	314	1,761.65	1,392.45	\$9,934
02	PROBATE	45	141.25	210.70	
03	WILL	266	610.95	608.80	
04	NEGLIGENCE	44	112.70	184.95	
05	REAL ESTATE	123	348.20	242.85	
06	CONSUMER	303	1,739.10	1,142.00	
07	CRIMINAL	60	458.50	75.95	
08	TRAFFIC	89	603.15	95.40	
09	LANDLORD/TENANT	72	183.35	94.15	
10	ADMINISTRATION	43	124.05	37.25	
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	20	111.05	18.50	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	0	0.00	0.00	
TOTAL		1,379	6,193.95	4,103.00	\$9,934

ALL HOURS	10,296.95
ADJUSTED HOURS	8,245.45
PAYMENT	\$775,180
COST PER HOUR	\$94.01

SECOND QUARTER 2019
DELINQUENCIES

NONE

INVOICES

UFCW & FELRA LEGAL BENEFIT FUND

INVOICES

SEPTEMBER 24, 2019

1. **UFCW LOCAL 27**

08/27/19	J. Harrison – Reimbursement for expenses incurred for attendance at the Trustees and Administrators Institute – 06/19	\$	2,167.06
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This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page, possibly from a composition book. The edges of the paper are slightly irregular, suggesting it might be a scan of a physical document. There is no handwriting or other markings on the page.