United Food and Commercial Workers
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Legal Benefits 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. 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
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

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