United Food and Commercial Workers and Food Employers Labor Relations Association Scholarship 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 SCHOLARSHIP FUND MARCH 2, 2018 HANOVER, MARYLAND

The following Committee Members were present:

Union Committee Members
J. Chorpenning, Chairman

Employer Committee Members
M. Goble

Also present were:

H. Burton – Morgan, Lewis, & Bockius LLP
L. DuVall – Associated Administrators, LLC
M. Federici – UFCW Local 400
N. Hill – UFCW Local 27
T. Hipkins – UFCW Local 27
C. Hoffmann – UFCW Local 400
W. Jensen – Associated Administrators, LLC
J. Paradis – Twin Circles Consulting
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. The Committee members elected Mr. Chorpenning to serve as Chairman of the Committee.

II. MINUTES

The Committee Members reviewed the minutes of the last regular meeting held on January 10, 2018, which were previously circulated.

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

RESOLVED to approve the minutes of the last regular meeting held on July 12, 2017 as presented.

III. FINANCIAL REPORT

A. PNC Bank

Mr. Jensen presented the PNC Summary of Activity report for the period January 1 through November 30, 2017. Such report indicated a beginning market value of $285,642, earnings of $13,234, zero receipts, and disbursements of $66,566, producing an ending market value of $232,310 as of November 30, 2017.

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 $239,083, net cash flow of a negative of $9,639 and a net investment change of $3,150, resulting in an ending market value of $232,593 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 $232,593, net cash flow was a negative $6,952, and the net investment change was $1,603, resulting in an ending market value of $227,244 as of January 31, 2018. The year-to-date performance was 0.7%.

IV. ADMINISTRATIVE MANAGER'S REPORT

A. Fourth Quarter 2017 Report

Mr. Jensen presented the Administrative Manager's Fourth Quarter 2017 Report. Such report indicated total income of $1,605 and total expenses of $13,116, producing a net deficit of $11,511 for the fourth quarter.

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.

C. Scholarship Program

Mr. Jensen stated that IPS had calculated the scholarship assets available for the 2018 distribution. $17,000 is available for 2018, which yields six $2,500 scholarships to be awarded. Mr. Jensen said the scholarship report would be forwarded to the Committee for review and approval. After discussion, the Trustees agreed that Chairman and Secretary would handle this issue between Committee meetings and notify the Committee members.

Mr. Jensen suggested for 2019, the Committee may consider lowering the scholarship amount to be able to award a greater number of scholarships.

V. 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.

VI. 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.

VII. ADJOURNMENT

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

Respectfully Submitted,

William R. Jensen

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