United Food and Commercial Workers
and Food Employers Labor Relations Association
Scholarship Fund

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MINUTES OF THE MEETING OF THE COMMITTEE MEMBERS
OF THE UFCW & FELRA SCHOLARSHIP FUND
JULY 18, 2019
LANDOVER, MARYLAND

The following Committee Members were present:

Union Committee Members
J. Chorpenning, Chairman
N. Jacobs

Employer Committee Members
M. Goble
S. Ridore

Also present were:

H. Burton - Morgan, Lewis, & Bockius LLP
M. Federici - UFCW Local 400
L. DuVall - Associated Administrators, LLC
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
R. Sichel – Investment Performance Services
B. Slevin - Slevin & Hart, P.C.
L. Walsh – Associated Administrators, LLC

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 December 12, 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 December 12, 2018 as presented.

III. FINANCIAL REPORT

A. PNC Bank

Mr. Jensen presented the PNC Summary of Activity report for the period January 1 through May 31, 2019. Such report indicated a beginning market value of $170,851, earnings of $6,111, zero receipts, and disbursements of $20,833, producing an ending market value of $156,129 as of May 31, 2019.

B. Investment Performance Services ("IPS")

The Committee Members welcomed Mr. Rich Sichel of IPS to the meeting.

1. **Master Consulting Report – 4Q18**

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 $179,495, net cash flow of a negative $9,246 and a net investment change of $590, resulting in an ending market value of $170,840 for the quarter. The performance was 0.4% 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 $170,840, net cash flow of a negative of $13,777 and a net investment change of $4,754, resulting in an ending market value of $161,817 for the quarter. The performance was 2.9% 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 $160,335, net cash flow of a negative $4,192, and a net investment change of negative $41, resulting in an ending market value of $156,102 for the period ending 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 Report

Mr. Jensen presented the Administrative Manager's Fourth Quarter 2018 Report. Such report indicated total income of $1,428 and total expenses of $12,826, producing a net deficit of $11,398 for the fourth quarter.

B. First Quarter 2019 Report

Mr. Jensen presented the Administrative Manager's First Quarter 2019 Report. Such report indicated total income of $964 and total expenses of $10,198, producing a net deficit of $9,234 for the first quarter.

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. OTHER FUND BUSINESS

A. 2019 Scholarship Awards

Mr. Jensen reported that six scholarship awards, in the amount of $2,500 each, had been approved by the Scholarship Committee between meetings. Mr. Jensen noted that the Committee Members had met, via conference call, on January 23, 2019 to discuss the standard operating procedures in place for the Scholarship Fund.

B. Associated Fee Adjustment

Ms. Walsh reported that due to the decline in the amount of the Scholarships awarded, Associated had lowered the administrative fee charged to the UFCW and FELRA Scholarship Plan by $10,000 per year, resulting in a monthly administrative rate of $2,747 for the period January 1, 2019 – March 31, 2019, a

monthly rate of $2,829 for the period April 1, 2019 through March 31, 2020, and a monthly rate of $2,914 for the period of April 1, 2020 – March 31, 2021. Thereafter, Amendment No. 11 to the administrative services contract between the FELRA and UFCW VEBA Fund and Associated Administrators, LLC was presented for signature. The document was executed.

VII. NEXT MEETING DATES AND LOCATIONS

The Committee Members noted that the next meeting date was scheduled for September 25, 2019 in Landover, Maryland. Discussion followed and it was noted that there was a need for a two day meeting for the related Plans. The Committee Members decided to hold their next regular meeting on September 24, 2019 immediately following the meetings of the companion VEBA and Legal Funds.

VIII. ADJOURNMENT

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

Respectfully Submitted,

William R. Jensen

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