

**United Food & Commercial Workers
and Food Employers Labor Relations Association
Severance Fund**

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A PROGRAM OF THE
FELRA & UFCW
HEALTH AND WELFARE FUND

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**MINUTES OF THE MEETING OF THE
COMMITTEE MEMBERS
OF THE UFCW & FELRA SEVERANCE FUND
HELD ON AUGUST 27, 2013
IN LANDOVER, MARYLAND**

The following Committee Members were present:

Union Committee Members

T. Hipkins – Chairman
C. Wiszynski

Employer Committee Members

J. Champion
L. Madert
F. Stegman
S. Stoner

Also present were:

M. Boyle – UFCW Local 400
H. Burton - Fund Co-Counsel
J. Chorpenning – UFCW Local 27
M. Herwig – PNC Bank
W. Jensen - Associated Administrators, LLC
C. Murphy – Associated Administrators, LLC
G. Murphy – UFCW Local 27
J. Paradis – Ahold, USA
B. Slevin - Fund Co-Counsel
L. Walsh – Associated Administrators, LLC

I. CALL TO ORDER

A quorum being present, the meeting was called to order.

A. Proxy

Mr. Jensen reported that Trustee Freeman had given his proxy to Trustee Hipkins to act in all matters coming before the Committee.

II. MINUTES

The Committee Members reviewed the minutes of the regular meeting held on May 23, 2013, which had been pre-circulated.

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

RESOLVED that the minutes of the meeting held on May 23, 2013 are recommended for approval as presented.

III. FINANCIAL REPORT

A. PNC Bank

The Committee Members welcomed Mr. Michael Herwig of PNC Bank to the meeting. He presented the Summary of Activity Report for the period January 1, 2013 through July 31, 2013. Such report indicated a beginning market value of \$16,878,534, earnings of \$658,121, receipts of \$1,766,274, and disbursements of \$4,591,440, producing an ending market value of \$14,711,489 as of July 31, 2013.

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

IV. ATTORNEY'S REPORT

A. Superfresh Litigation

Mr. Slevin discussed the Superfresh litigation.

B. Acme Litigation

Mr. Slevin discussed the Acme litigation.

V. ADMINISTRATIVE MANAGER'S REPORT

A. First Quarter 2013 Report

Mr. Jensen presented the Administrative Manager's Report for the first quarter 2013. Such report indicated contribution income of \$7,709, and interest income of \$148,454, producing a total income of \$156,163. Total expenses were \$2,119,957, producing a deficit of \$1,953,794. He noted that hours were recorded on behalf of 7,809 active plan participants.

B. Pending Applications for Benefit

The Trustees discussed whether to pay the Severance benefit for applications received from A&P/Superfresh and Acme participants. Both firms had not remitted the 2012 and 2013 contribution demanded by the Fund. Mr. Murphy made a motion to pay the severance benefits.

On Motion made and seconded, the Union Committee Members voted in favor of the Motion. The Employer Committee Members voted against the Motion. The issue was deadlocked.

Mr. Stegman made a motion to approve the applications contained on the list of applications, excluding the A&P/Superfresh and Acme applications.

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

RESOLVED that the Severance applications contained in the first quarter 2013 Administrative Manager's Report, excluding the Superfresh and Acme applications, are recommended for payment.

VI. INVOICES

Mr. Jensen presented a list of invoices dated August 27, 2013. 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 list of invoices dated August 27, 2013 is recommended for approval.

VII. OTHER FUND BUSINESS

A. Severance Contributions

Mr. Jensen reported that a contribution demand of \$2,000,000 allocated among the

participating employers was sent on June 7, 2013. He noted that all employers, with the exception of Superfresh and Acme, had remitted the contributions.

VIII. NEXT MEETING DATE AND LOCATION

Mr. Jensen noted that the next regular Committee meeting will be held on December 18, 2013 in Landover, Maryland.

IX. ADJOURNMENT

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

Respectfully Submitted,

William R. Jensen