

**UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND**

BOARD OF TRUSTEES MEETING

DECEMBER 15, 2016

**UFCW Unions &
Contributing Employers
Legal Benefits Fund**

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
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AGENDA

DECEMBER 15, 2016

- I. CALL TO ORDER**
- II. MINUTES OF SEPTEMBER 27, 2016 (pg. 1 – 4)**
- III. FINANCIAL REPORT (pg. 5)**
 - A. PNC REPORT**
 - B. AUDITOR'S REPORT**
- IV. ATTORNEY'S REPORT**
- V. ADMINISTRATIVE MANAGER'S REPORT – (3Q2016) (pg. 6 – 12)**
- VI. INVOICES (pg. 13)**
- VII. OTHER FUND BUSINESS**
- VIII. 2017 MEETING DATES AND LOCATIONS**
- IX. ADJOURNMENT**

MINUTES

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**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND
SEPTEMBER 27, 2016 IN
LINTHICUM, MARYLAND**

The following Trustees were present:

UNION TRUSTEES

M. Federici - Secretary
J. Harrison

EMPLOYER TRUSTEES

D. Gwin - Chairperson

Also present were:

D. Clutts – Associated Administrators, LLC
J. Ianniello – Associated Administrators, LLC
W. Jensen – Associated Administrators, LLC
S. Sanchez – Slevin & Hart, P.C.
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 Trustees reviewed the minutes of the last regular meeting held on April 26, 2016, which were previously circulated and,

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

**RESOLVED that the minutes of the last regular meeting
held on April 26, 2016 are approved as presented.**

III. FINANCIAL REPORT

PNC Bank

Mr. Jensen reviewed a Summary of Activity report for the period January 1, 2016 through August 31, 2016, which had been previously circulated. Such report indicated a beginning market value of \$138,129, earnings of \$262, receipts of \$341,147, and disbursements of \$359,844, producing an ending market balance of \$119,694 as of August 31, 2016.

IV. ATTORNEY'S REPORT

A. Akman and Associates - Restated Services Agreement

Ms. Sanchez presented the Restated Services Agreement between Akman and Associates and the Fund for the Trustees' review and signature.

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

RESOLVED to approve the Restated Services Agreement between Akman and Associates and the Fund.

The agreement was executed by the Trustees.

B. Transition Status – Legal Provider

Mr. Slevin reported on the legal services provider transition.

C. Auditor Engagement Proposal

Mr. Jensen reported that Bond Beebe had requested a fee of \$12,100 for preparation of the Fund's Form 5500 and Financial Statements for the period ending December 31, 2015, which represented no increase from the 2014 fee.

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

RESOLVED to approve Bond Beebe's engagement proposal to perform the 2015 audit at a fee of \$12,100.

V. ADMINISTRATIVE MANAGER'S REPORT

A. First Quarter 2016

Mr. Jensen reviewed the Administrative Manager's report for the first quarter 2016, which was previously circulated. Such report indicated employer contributions of \$129,147 and interest and dividend income of \$90, producing a total income of \$129,237 for the period. Expenses included \$110,709 of benefit related expenses and \$17,921 in operating expenses, producing a total expense of \$128,630. This resulted in a net surplus of \$607 for the quarter. Mr. Jensen noted that contributions were made on behalf of 1,950 participants for the quarter.

Mr. Jensen reported that there were no delinquencies for the quarter.

B. Second Quarter 2016

Mr. Jensen reviewed the Administrative Manager's report for the second quarter 2016, which was previously circulated. Such report indicated employer contributions of \$126,995 and interest and dividend income of \$116, producing a total income of \$127,111 for the period. Expenses included \$112,935 of benefit related expenses and \$21,439 in operating expenses, producing a total expense of \$134,374. This resulted in a net deficit of \$7,263 for the quarter. Mr. Jensen noted that contributions were made on behalf of 1,924 participants for the quarter.

Mr. Jensen reported that there were no delinquencies for the quarter.

VI. INVOICES

Mr. Jensen presented a list of invoices dated September 27, 2016. He noted there were no additions, deletions, or changes to the list, and all invoices represented proper Fund expenses.

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

RESOLVED that the invoices on the list dated September 27, 2016 are approved for payment.

VII. OTHER FUND BUSINESS

Mr. Jensen noted that the IRS had approved extensions for the filing of the Form 5500 and Form 990.

VIII. NEXT MEETING DATE AND LOCATION

Mr. Jensen noted that the Trustees had previously selected December 15, 2016 at National Harbor as their next meeting date.

IX. ADJOURNMENT

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

Respectfully submitted,
Mark Federici – Secretary

FINANCIAL REPORT

UFCW & Contributing Employers Legal Benefits Fund
 SUMMARY OF ACTIVITY
 JANUARY 01, 2016 to NOVEMBER 30, 2016

<u>Item</u>	<u>Amount</u>
Market Value 01/01/16	\$138,129
Earnings	336
Receipts	464,530
Disbursements	(479,418)
Market Value 11/30/16	123,577

PNC BANK

ADMINISTRATIVE MANAGER'S REPORT

***UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND
THIRD QUARTER 2016***

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2016 CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
SHOPPERS	\$22.08	MOB	1,799	\$119,208
SHOPPERS ¹	11.04	MOB	33	1,103
UFCW LOCAL 400	22.08	MOB	57	3,776

TOTAL

1,889	\$124,087
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AVERAGE MONTHLY CONTRIBUTION \$21.90

¹EMPLOYEES HIRED ON OR AFTER MAY 1, 2015

THIRD QUARTER 2016 EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	112,286		\$19.814		80.64%
SUBTOTAL	\$112,286		\$19.814		80.64%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$7,994		\$1.411		5.74%
ACCOUNTING	10,000		1.765		7.18%
INVESTMENT MGMNT	63		0.011		0.05%
LEGAL	3,336		0.589		2.40%
POSTAGE	784		0.138		0.56%
PRINTING	4,783		0.844		3.43%
SUBTOTAL	\$26,960		\$4.758		19.36%
TOTAL	\$139,246		\$24.572		100.00%

**THIRD QUARTER 2016
QUARTERLY RECAP**

	<u>FIRST 2016</u>	<u>SECOND 2016</u>	<u>THIRD 2016</u>	<u>FOURTH 2016</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$129,147	\$126,995	\$124,087	\$0	\$380,229
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	90	116	79	0	285
TOTAL INCOME	\$129,237	\$127,111	\$124,166	\$0	\$380,514
EXPENSES					
PROVIDERS	\$110,709	\$112,935	\$112,286	\$0	\$335,930
OPERATING	17,921	21,439	26,960	0	66,320
TOTAL EXPENSES	\$128,630	\$134,374	\$139,246	\$0	\$402,250
TOTAL INCOME	\$129,237	\$127,111	\$124,166	\$0	\$380,514
TOTAL EXPENSES	\$128,630	\$134,374	\$139,246	\$0	\$402,250
SURPLUS (DEFICIT)	\$607	(\$7,263)	(\$15,080)	\$0	(\$21,736)
AVERAGE INCOME	\$22.09	\$22.02	\$21.91	\$0.00	\$22.01
AVERAGE EXPENSES	\$21.99	\$23.28	\$24.57	\$0.00	\$23.28
SURPLUS (DEFICIT)	\$0.10	(\$1.26)	(\$2.66)	\$0.00	(\$1.27)
PARTICIPANTS	1,950	1,924	1,889		1,921
FUND RESERVE	\$139,894	\$135,571	\$119,975		

2015 QUARTERLY RECAP

FIRST 2015 SECOND 2015 THIRD 2015 FOURTH 2015 TOTAL

EMPLOYER CONTRIB	\$133,871	\$132,041	\$130,601	\$130,071	\$526,584
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	17	31	36	38	122

TOTAL INCOME	\$133,888	\$132,072	\$130,637	\$130,109	\$526,706
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EXPENSES

PROVIDERS	\$111,538	\$112,510	\$111,881	\$109,695	\$445,624
OPERATING	10,162	13,195	22,435	17,772	63,564

TOTAL EXPENSES	\$121,700	\$125,705	\$134,316	\$127,467	\$509,188
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TOTAL INCOME	\$133,888	\$132,072	\$130,637	\$130,109	\$526,706
TOTAL EXPENSES	\$121,700	\$125,705	\$134,316	\$127,467	\$509,188

SURPLUS (DEFICIT)	\$12,188	\$6,367	(\$3,679)	\$2,642	\$17,518
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AVERAGE INCOME	\$22.08	\$22.08	\$22.08	\$22.08	\$22.08
AVERAGE EXPENSES	\$20.07	\$21.01	\$22.70	\$21.63	\$21.35

SURPLUS (DEFICIT)	\$2.01	\$1.07	(\$0.62)	\$0.45	\$0.73
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PARTICIPANTS	2,021	1,994	1,972	1,964	1,988
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FUND RESERVE	\$135,201	\$140,429	\$136,751	\$138,129	
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THIRD QUARTER 2016 UTILIZATION

AKMAN & ASSOCIATES

CODE	TYPE	CASES* OPENED	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	15	249.15	186.60	
02	PROBATE	6	17.10	28.65	
03	WILL	18	48.15	58.35	
04	NEGLIGENCE	6	23.70	30.30	
05	REAL ESTATE	21	82.20	48.30	
06	CONSUMER	24	207.30	227.55	
07	CRIMINAL	12	99.75	26.70	
08	TRAFFIC	18	140.40	18.60	
09	LANDLORD/TENANT	15	79.65	53.85	
10	ADMINISTRATIVE	6	21.75	10.95	
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	12	79.80	8.40	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	0	0.00	0.00	
TOTAL		153	1,048.95	698.25	\$0

ALL HOURS	1,747.20
ADJUSTED HOURS	1,398.08
PAYMENT	\$112,286
COST PER HOUR	\$80.31

* CASES OPENED DURING QUARTER. HOURS REFLECT NEWLY OPENED CASES AND PRIOR CASES

THIRD QUARTER 2016
DELINQUENCIES

None

INVOICES

UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND

INVOICES

DECEMBER 15, 2016

1. ASSOCIATED ADMINISTRATORS, LLC

04/26/16	Reimbursement of meeting expenses for the September 27, 2016 Board of Trustees Meeting	\$	919.57
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2. BOND BEEBE

10/31/16	Final billing for professional services rendered in connection with the audit of financial statements for the year ended December 31, 2015	\$	2,250.00
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3. SLEVIN & HART, P.C.

10/21/16	For Professional Services rendered through September 30, 2016	\$	632.00
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4. TRUSTEE EXPENSES

11/07/16	D. Gwin – Reimbursement of expenses incurred at the September 27, 2016 meeting of the Board of Trustees	\$	42.77
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