**United Food and Commercial Workers Unions
and Participating Employers
Pension Fund**

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MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE UFCW UNIONS AND PARTICIPATING EMPLOYERS PENSION FUND VIA VIDEO CONFERENCE JUNE 9, 2022

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
J. Chorpenning- Secretary	W. Seehafer - Chairperson
D. Blitzstein	J. Ferrer
M. Federici	P. Lin
C. Hoffman	V. Marsh
R. Wildt	

Also present were:

B. Antoshak - Associated Administrators, LLC
Y. Anwar – UFCW Local 400
P. Hardcastle - Cheiron
J. Herron - Associated Administrators, LLC
T. Hipkins - UFCW Local 27
J. Ianniello - Associated Administrators, LLC
J. Kimble - Morgan, Lewis and Bockius, LLP
B. McKiver - UFCW Local 400
J. Mink - Investment Performance Services
C. Murphy - Associated Administrators, LLC
S. Sanchez - Slevin & Hart P.C.
A. Sims - Associated Administrators, LLC
B. Slevin - Slevin & Hart P.C.
L. Walsh - Associated Administrators, LLC
B. Warren - Cheiron

I. CALL TO ORDER

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

II. MINUTES

Mr. Ianniello presented the minutes of the regular meeting held on March 3, 2022, and the Appeals Committee meeting on May 3, 2022, which were previously circulated. On Motion made and seconded, the Trustees voted approval of the following resolution:

> **RESOLVED, that the minutes of the regular meeting held on March 3, 2022, and the Appeals Committee meeting on May 3, 2022, are approved as presented.**

III. FINANCIAL REPORT

A. PNC Bank

Mr. Ianniello reviewed the PNC Summary of Activity report for the period January 1, 2022, through March 31, 2022, which had been previously circulated. The report showed a beginning market value of $130,240,975, receipts of $1,065,034, disbursements of $4,374,583 and an investment return of negative $235.09, producing an ending market value of $124,098,451 as of March 31, 2022.

B. Investment Performance Services ("IPS")

The Trustees welcomed Jennifer Mink from ("IPS") to the meeting.

1. Master Consulting Services Report – March 31, 2022

Ms. Mink reviewed the Master Consulting Report as of March 31, 2022, which had been pre-circulated. The report indicated a beginning market value of $132,940,558, negative cash flow of $3,043,937 and net investment loss of $5,798,170 making the ending market value $124,098,451 on March 31, 2022. The performance for the first quarter was negative 4.3%, gross of fees.

2. Asset Allocation

Ms. Mink reported that Real Estate was the only sector that had positive returns for the quarter, noting that all other asset classes experienced losses. She stated that IPS recommends redeeming $500,000 from each of the Fund's Core Real Estate investment portfolios to meet the Fund's cash flow needs and also rescinding the $3.3 million balance of the Fund's capital commitment to the Boyd Watterson State Government Fund.

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

> **RESOLVED, to redeem $500,000 from each of the Fund's core real estate investment portfolios and to rescind the balance of the Fund's capital commitment to Boyd Watterson, as recommended by IPS.**

4. Preliminary Performance Update – April 30, 2022

Ms. Mink reviewed the IPS report for the period ending April 30, 2022. Such report indicated a beginning market value of $124,098,451, negative net cash flow of $1,193,893, and a net investment loss of $4,974,759, resulting in an ending market value of $117,929,799. The year-to-date performance through April 30, 2022 was negative 8.1%, gross of fees.

4. Investment Policy Amendment

Ms. Mink presented a proposed amendment to the Fund's Investment Policy, reflecting a target investment return of 7%.

5. Special Financial Assistance ("SFA")

The Trustees discussed their intent that the Fund apply for SFA under the American Rescue Plan Act when it is eligible to do so and requested that IPS provide recommendations on investment options for the SFA assets that the Fund expects to receive subsequent to its application. The Trustees also discussed the timing of submitting the Fund's SFA application.

IV. ACTUARY'S REPORT

The Trustees welcomed Mr. Peter Hardcastle and Mr. Brett Warren of Cheiron to the meeting.

A. 2022 Valuation

Mr. Warren reported that Cheiron is working on the 2022 valuation and expects to report on the valuation in more detail at the September Board of Trustees meeting.

The Trustees thanked Mr. Hardcastle and Mr. Warren and they were excused from the meeting.

V. ATTORNEY'S REPORT

A. Cybersecurity Practices

Ms. Sanchez reported on the DOL guidance related to cybersecurity best practices. After discussion,

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

RESOLVED to adopt the Cybersecurity Policy as presented.

B. Shoppers' Contribution Delinquency

Ms. Sanchez reported on the Fund's contribution delinquency lawsuit against Shoppers Food and Pharmacy.

C. Withum Audit Engagement Letter

Ms. Sanchez reported on Withum's audit engagement letter.

D. Associated Administrator's, LLC Contract Renewal

Ms. Sanchez reported on Associated Administrators LLC's contract amendment.

E. IPS Contract Amendment

Ms. Sanchez reported on the IPS contract amendment.

F. Annual Funding Notice and Critical Status Notice

Ms. Sanchez reported on the Fund's Annual Funding Notice and Critical Status Notice.

G. Cheiron Contract Amendment

Ms. Sanchez reported on the Cheiron contract amendment.

H. ARPA Guidance

Mr. Kimble reported on the PBGC guidance under ARPA.

VI. ADMINISTRATIVE MANAGER'S REPORT –First Quarter 2022 Report

A. First Quarter 2022 Report

Mr. Ianniello presented the Administrative Manager's Report for the first quarter of 2022, which had been pre-circulated. The report showed total income of $1,197,336 and total expenses of $4,032,215, producing a net deficit of $2,834,879 for the quarter. He noted that the Fund received contributions on behalf of 1,525 Plan participants. He reviewed the Stipend Income & Expenses, which showed stipend income of $80,550 and stipend expenses of $81,040 for 60 Plan participants.

B. Pension Applications

Mr. Ianniello presented the list of pension applications submitted for approval during the first quarter of 2022.

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

> **RESOLVED that the pension applications contained in the Administrative Manager's Report for the first quarter of 2022 are approved for payment.**

C. Invoices

Mr. Ianniello presented a list of invoices dated June 9, 2022. He noted there was one additional invoice received after the invoices were circulated.

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

> **RESOLVED, that the invoices on the list dated June 9, 2022 including the additional invoice, are approved for payment.**

VII. OTHER FUND BUSINESS

A. Cowan Recapture

Mr. Ianniello reported that the Fund had received checks totaling $344.97 from Cowan commission recapture services.

VIII. NEXT MEETING DATE AND LOCATION

The next Board meeting is scheduled for September 12, 2022, via Zoom.

IX. ADJOURNMENT

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

Respectfully Submitted,

Jason Chorpenning, Secretary

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