

**United Food and Commercial Workers
and Food Employers Labor Relations Association
Legal Benefits Fund**

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Sparks, Maryland 21152-9451
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A G E N D A

September 12, 2022

- I. CALL TO ORDER
- II. MINUTES
 - A. REGULAR MEETING- June 9, 2022 (Pg. 1-4)
 - B. SPECIAL MEETING- June 13, 2022 (Pg. 5-6)
- III. FINANCIAL REPORT
 - A. PNC REPORT (Pg. 7)
- IV. ATTORNEY'S REPORT
- V. ADMINISTRATIVE MANAGER'S REPORT- 2Q2022 (Pg. 8-14)
- VI. INVOICES (Pg. 15)
- VII. OTHER FUND BUSINESS
 - A. Akman Renewal
 - B. Miscellaneous Correspondence
- VIII. NEXT MEETING DATE- December 1, 2022
- IX. ADJOURNMENT

MINUTES

**United Food and Commercial Workers Unions
And Contributing Employers
Legal Benefits Fund**

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**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND
VIA VIDEO CONFERENCE
JUNE 9, 2022**

The following Trustees were present:

UNION TRUSTEES

T. Hipkins
B. McKiver

EMPLOYER TRUSTEES

W. Seehafer - Chairperson
J. Ferrer

Also present were:

M. Akman – Akman & Associates
B. Antoshak - Associated Administrators, LLC
Y. Anwar - UFCW Local 400
J. Chorpenning - UFCW Local 27
M. Federici - UFCW Local 400
J. Herron - Associated Administrators, LLC
C. Hoffman - UFCW Local 400
J. Ianniello - Associated Administrators, LLC
C. Murphy - Associated Administrators, LLC
S. Sanchez - Slevin & Hart, P.C.
B. Slevin - Slevin & Hart, P.C.
L. Walsh - Associated Administrators, LLC
R. Wildt - UFCW Local 400
M. Wilson - UFCW Local 400

I. CALL TO ORDER

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

II. **MINUTES**

The Trustees reviewed the minutes of the last regular meeting held on March 3, 2022, 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 March 3, 2022, are approved as presented.

III. **LEGAL PROVIDER REPORT**

The Trustees welcome Mr. Matt Akman of Akman & Associates to the meeting.

A. **2021 Annual Report**

Mr. Akman reviewed the UFCW Unions and Contributing Employers Legal Benefits Fund Annual Report for the period January 1, 2021 through December 31, 2021. Mr. Akman noted that 288 cases were opened during the period, generating 1,270.20 attorney hours and 914.10 paralegal hours. Consumer law represented the highest number of cases opened, followed by estate planning. He further noted that the number of cases had declined sharply during the Covid-19 pandemic but was coming back up as Covid-related restrictions eased.

B. **2021 Renewal Request**

Mr. Akman presented Akman & Associates' proposed rate increase to the Trustees. For employees hired before January 1, 2014, the proposal reflected an initial increase of \$2.90 per participant per month, followed by an additional \$0.25 annually through the remainder of the contract. For employees hired after January 1, 2014, the proposal reflected an initial increase of \$3.65 per participant per month, followed by an additional \$0.50 annually through the remainder of the contract.

The Trustees discussed the status of the Legal Fund and the decreasing number of participants, noting the impact of this reduction on the Fund's finances. After discussion, the Trustees agreed to hold a special Board meeting on June 13, 2022 to further discuss the Akman & Associates fee request.

The Trustees thanked Mr. Akman for his report and he was excused from the meeting.

The Trustees asked Mr. Ianniello to provide additional detail regarding Akman's fee increase request before the June 13th meeting.

IV. FINANCIAL REPORT

A. PNC Bank

Mr. Ianniello reviewed the PNC Summary of Activity report for the period January 1, 2022, through May 31, 2022, which had been previously circulated. Such report indicated a beginning market value of \$20,914.91, earnings of \$6, receipts of \$79,495, and disbursements of \$82,090, producing an ending market balance of \$18,326 as of May 31, 2022. The Trustees agreed to discuss the Fund's financial status and the Employers' contribution rates during the above-referenced special meeting on June 13, 2022.

V. ATTORNEYS' REPORT

A. CYBERSECURITY

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

B. WITHUM AUDIT ENGAGEMENT LETTER

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

C. FIDUCIARY LIABILITY RENEWAL

Ms. Sanchez reported on the Fund's fiduciary liability insurance renewal.

D. ASSOCIATED ADMINISTRATORS, LLC CONTRACT RENEWAL

Ms. Sanchez reported on the Associated Administrators contract renewal amendment.

VI. ADMINISTRATIVE MANAGER'S REPORT

First Quarter 2022

Mr. Ianniello reviewed the Administrative Manager's report for the First Quarter 2022, which was previously circulated. The report indicated employer contributions of \$48,232, provider expenses of \$36,328, and operating expenses of \$8,663, producing total expenses of \$44,991. This resulted in a surplus of \$3,241 for the quarter. Mr. Ianniello noted that contributions were made on behalf of 687 Plan participants for the quarter.

Mr. Ianniello reported that there were no delinquencies for the first quarter of 2022.

VII. INVOICES

Mr. Ianniello presented a list of invoices dated June 9, 2022. He noted there were no additions, deletions, or changes to the list.

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, are approved for payment.

IX. NEXT MEETING DATE AND LOCATION

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

X. ADJOURNMENT

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

Respectfully Submitted,

William Seehafer, Chairman

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**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND
VIA VIDEO CONFERENCE
JUNE 13, 2022**

The following Trustees were present:

UNION TRUSTEES

T. Hipkins
B. McKiver

EMPLOYER TRUSTEES

W. Seehafer - Chairperson
J. Ferrer

Also present were:

B. Antoshak - Associated Administrators, LLC
Y. Anwar - UFCW Local 400
J. Chorpenning - UFCW Local 27
M. Federici - UFCW Local 400
J. Herron - Associated Administrators, LLC
C. Hoffman - UFCW Local 400
J. Ianniello - Associated Administrators, LLC
C. Murphy - Associated Administrators, LLC
B. Slevin - Slevin & Hart, P.C.
M. Wilson - UFCW Local 400

I. CALL TO ORDER

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

II. FUND RESERVES

The Trustees discussed the Fund's reserve levels, noting that the Fund's assets are less than its current liabilities. The Trustees also discussed Akman & Associates' request for a

rate increase. The Trustees discussed options for calculating the appropriate employer maintenance of benefit contribution rates.. After discussion,

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

RESOLVED, to increase the maintenance of benefit contribution rates for participating employers to \$28 for participants hired before January 1, 2014, and \$19 for participants hired on or after January 1, 2014, effective for June 2022 hours payable in July 2022; and

FURTHER RESOLVED, that the increased contribution amount required to be paid in July 2022 will not be considered delinquent until the day after the August 2022 contribution payment due date.

III. ADJOURNMENT

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

Respectfully Submitted,

William Seehafer, Chairman

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FINANCIAL REPORT

UFCW & Contributing Employers Legal Benefits Fund
SUMMARY OF ACTIVITY
JANUARY 01, 2022 to AUGUST 31, 2022

<u>Item</u>	<u>Amount</u>
Market Value 01/01/2022	20,915
Earnings	43
Receipts	131,381
Disbursements	(132,069)
Market Value 8/31/2022	20,270

PNC BANK

ADMINISTRATIVE MANAGER'S REPORT

**UFCW UNIONS AND CONTRIBUTING
EMPLOYERS LEGAL BENEFITS FUND
SECOND QUARTER 2022**

ADMINISTRATIVE MANAGER'S REPORT

SECOND QUARTER 2022 CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>CONTRACT</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
SHOPPERS ¹	\$28.00	MOB	506	\$41,485
SHOPPERS ^{1,2}	19.00	MOB	131	6,035
UFCW LOCAL 400 ¹	28.00	MOB	22	1,754
UFCW LOCAL 400 ^{1,2}	19.00	MOB	18	729

TOTAL			677	\$50,003
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AVERAGE MONTHLY CONTRIBUTION \$24.62

¹RATE CHANGE EFFECTIVE 06/01/22

²EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2014

SECOND QUARTER 2022 EXPENSES

PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$35,060		\$17.262		70.10%
SUBTOTAL	\$35,060		\$17.262		70.10%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE MONTHLY COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$3,412		\$1.680		6.822%
BONDING & INSURANCE	3,729		1.836		7.455%
INVESTMENT MGMT	63		0.031		0.126%
LEGAL	7,684		3.783		15.363%
POSTAGE	69		0.034		0.138%
SUBTOTAL	\$14,957		\$7.364		29.90%
TOTAL	\$50,017		\$24.626		100.00%

SECOND QUARTER 2022
QUARTERLY RECAP

FIRST 2022 SECOND 2022 THIRD 2022 FOURTH 2022 TOTAL

EMPLOYER CONTRIB	\$48,232	\$50,003			\$98,235
EMPLOYEE CONTRIB	0	0			0
INTEREST/DIVIDENDS	0	6			6

TOTAL INCOME	\$48,232	\$50,009	\$0	\$0	\$98,241
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EXPENSES

PROVIDERS	\$36,328	\$35,060			\$71,388
OPERATING	8,663	14,957			23,620

TOTAL EXPENSES	\$44,991	\$50,017	\$0	\$0	\$95,008
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TOTAL INCOME	\$48,232	\$50,009	\$0	\$0	\$98,241
TOTAL EXPENSES	\$44,991	\$50,017	\$0	\$0	\$95,008

SURPLUS (DEFICIT)	\$3,241	(\$8)	\$0	\$0	\$3,233
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AVERAGE INCOME	\$23.40	\$24.62	\$0.00	\$0.00	\$24.01
AVERAGE EXPENSES	\$21.83	\$24.63	\$0.00	\$0.00	\$23.23

SURPLUS (DEFICIT)	\$1.57	(\$0.01)	\$0.00	\$0.00	\$0.78
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PARTICIPANTS	687	677			682
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FUND RESERVE	\$18,305	\$18,238			
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2021
QUARTERLY RECAP

	<u>FIRST 2021</u>	<u>SECOND 2021</u>	<u>THIRD 2021</u>	<u>FOURTH 2021</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$47,183	\$46,821	\$45,603	\$50,648	\$190,255
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	1	0	0	0	1
 TOTAL INCOME	 \$47,184	 \$46,821	 \$45,603	 \$50,648	 \$190,256
 EXPENSES					
PROVIDERS	\$42,303	\$41,968	\$40,767	\$39,137	\$164,175
OPERATING	4,033	11,881	10,982	6,389	33,285
 TOTAL EXPENSES	 \$46,336	 \$53,849	 \$51,749	 \$45,526	 \$197,460
 TOTAL INCOME	 \$47,184	 \$46,821	 \$45,603	 \$50,648	 \$190,256
TOTAL EXPENSES	\$46,336	\$53,849	\$51,749	\$45,526	\$197,460
 SURPLUS (DEFICIT)	 \$848	 (\$7,028)	 (\$6,146)	 \$5,122	 (\$7,204)
 AVERAGE INCOME	 \$20.01	 \$20.03	 \$20.05	 \$23.16	 \$20.81
AVERAGE EXPENSES	\$19.65	\$23.04	\$22.76	\$20.82	\$21.57
 SURPLUS (DEFICIT)	 \$0.36	 (\$3.01)	 (\$2.71)	 \$2.34	 (\$0.76)
 PARTICIPANTS	 786	 779	 758	 729	 763
 FUND RESERVE	 \$31,755	 \$24,895	 \$17,160	 \$20,915	

SECOND QUARTER 2022
UTILIZATION

AKMAN & ASSOCIATES

CODE	TYPE	CASES* OPEN	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	11	57.55	44.95	
02	PROBATE	2	6.60	10.35	
03	WILL	7	21.45	18.75	
04	NEGLIGENCE	5	15.35	24.50	
05	REAL ESTATE	5	15.45	11.50	
06	CONSUMER	16	74.20	60.55	
07	CRIMINAL	2	15.50	4.65	
08	TRAFFIC	5	33.80	8.25	
09	LANDLORD/TENANT	5	17.65	10.30	
10	ADMINISTRATIVE	3	11.40	6.90	
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	2	11.65	3.40	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	0	0.00	0.00	
TOTAL		63	280.60	204.10	\$0

ALL HOURS	484.70
ADJUSTED HOURS	382.65
PAYMENT	\$35,060
COST PER HOUR	\$91.62

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

SECOND QUARTER 2022 DELINQUENCIES

None

INVOICES

UFCW UNIONS AND CONTRIBUTING EMPLOYERS
LEGAL BENEFITS FUND

INVOICES

September 12, 2022

1. SLEVIN & HART, P.C.

6-14-2022	For professional services rendered through May 31, 2022 #229273	\$1,019.50
7-22-2022	For professional services rendered through June 30, 2022 #229505	\$2,907.00

NOTES

[illegible]