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

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, Maryland 20785-2361
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

AGENDA

December 7, 2021

I. CALL TO ORDER

II. MINUTES-
- Regular Meeting- September 22, 2021 (Pg. 1-3)
- Special Meeting- September 28, 2021 (Pg. 4-5)
- Special Meeting- October 6, 2021 (Pg. 6-7)

III. FINANCIAL REPORT (Pg. 8)
A. PNC REPORT
B. AUDITOR'S REPORT

IV. ATTORNEY'S REPORT

V. ADMINISTRATIVE MANAGER'S REPORT- 3Q2021 (Pg. 9-15)

VI. INVOICES (Pg. 16)

VII. OTHER FUND BUSINESS
A. ASSOCIATED ADMIN RENEWAL
B. RESERVES
C. L400 CREDIT REQUEST

VIII. 2022 MEETING DATES AND LOCATION

IX. ADJOURNMENT

MINUTES

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

911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone: (410) 683-6500
Toll Free: (866) 662-2537
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, MD 20785-2361
Telephone: (301) 459-3020
Toll Free: (866) 662-2537
www.associated-admin.com

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE UFCW UNIONS AND CONTRIBUTING EMPLOYERS LEGAL BENEFITS FUND SEPTEMBER 22, 2021 VIA VIDEO CONFERENCE

The following Trustees were present:

UNION TRUSTEES
A. Hanson
T. Hipkins

EMPLOYER TRUSTEES
W. Seehafer - Chairperson
J. Ferrer

Also present were:

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
P. Lin- UNFI
C. Murphy – 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 June 14, 2021, 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 June 14, 2021 are approved as presented.

III. FINANCIAL REPORT

PNC Bank

Mr. Ianniello reviewed the PNC Summary of Activity report for the period January 1, 2021 through August 31, 2021, which had been previously circulated. Such report indicated a beginning market value of $32,828, earnings of $1, receipts of $125,194, and disbursements of $140,130, producing an ending market balance of $17,893 as of August 31, 2021.

IV. ADMINISTRATIVE MANAGER'S REPORT

Second-Quarter 2021

Mr. Ianniello reviewed the Administrative Manager's report for the Second Quarter 2021, which was previously circulated. Such report indicated employer contributions of $46,821. There was no other income for the quarter. Expenses included benefit related expenses of $41,968 and $11,881 in operating expenses, producing a total expense of $53,849. This resulted in a deficit of $7,028 for the quarter. Mr. Ianniello noted that contributions were made on behalf of 779 plan participants for the quarter. Fund reserves as of June 30, 2021 were $24,895.

Mr. Ianniello reported that there were no delinquencies for the second quarter 2021.

V. INVOICES

Mr. Ianniello presented a list of invoices dated September 22, 2021. 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 9/22/2021 are approved for payment.

VI. OTHER FUND BUSINESS

A. Maintenance of Benefit

Mr. Ianniello presented information on contribution rates and the current level of Fund reserves. The Trustees agreed to schedule a special Board meeting for September 28, 2021 at 2:00pm to discuss these matters.

B. Fidelity Bond and Fiduciary Insurance

Mr. Ianniello reported that he contacted Segal Select about the premium cost of the existing fiduciary liability policy. Segal Select responded that the Fund is in the second year of a two-year rate guarantee and Segal did not solicit quotes from different carriers between renewals.

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

RESOLVED, to pay the Segal Select invoice in full.

VII. NEXT MEETING DATE AND LOCATION

The Trustees noted that their next special meeting was scheduled for September 28, 2021 via teleconference, and the next regular Board meeting was scheduled for December 7, 2021.

VIII. ADJOURNMENT

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

Respectfully Submitted,

William Seehafer, Chairman

21040662v1

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

911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone: (410) 683-6500
Toll Free: (866) 662-2537
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, MD 20785-2361
Telephone: (301) 459-3020
Toll Free: (866) 662-2537
www.associated-admin.com

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE UFCW UNIONS AND CONTRIBUTING EMPLOYERS LEGAL BENEFITS FUND SEPTEMBER 28, 2021 VIA VIDEO CONFERENCE

The following Trustees were present:

UNION TRUSTEES

A. Hanson
T. Hipkins

EMPLOYER TRUSTEES

W. Seehafer - Chairperson
J. Ferrer

Also present were:
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
S. Sanchez - Slevin & Hart, P.C.
B. Slevin - Slevin & Hart, P.C.

I. CALL TO ORDER

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

II. Maintenance of Benefit

The Trustees discussed the Fund's current maintenance of benefit contribution rates and Fund reserve levels. Mr. Ianniello was asked to provide additional information regarding the Fund's assets, including the date as of which the Fund would no longer be able to pay its accrued liabilities in a timely manner, absent a contribution rate increase, in order for the Trustees to decide on the appropriate course of action. A follow-up meeting was scheduled for October 6th 2021 at 9am to continue this discussion.

III. ADJURNMENT

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

Respectfully Submitted,

William Seehafer, Chairman

21040665v1

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

911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone: (410) 683-6500
Toll Free: (866) 662-2537
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, MD 20785-2361
Telephone: (301) 459-3020
Toll Free: (866) 662-2537
www.associated-admin.com

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE UFCW UNIONS AND CONTRIBUTING EMPLOYERS LEGAL BENEFITS FUND OCTOBER 6, 2021 VIA VIDEO CONFERENCE

The following Trustees were present:

UNION TRUSTEES

A. Hanson
T. Hipkins

EMPLOYER TRUSTEES

W. Seehafer - Chairperson
J. Ferrer

Also present were:

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
S. Sanchez - Slevin & Hart, P.C.
B. Slevin - Slevin & Hart, P.C.

I. CALL TO ORDER

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

II. MAINTENANCE OF BENEFIT ("MOB")

Mr. Ianniello reported on the current cash flow and accrued assets and liabilities of the Fund and noted that the Fund office expects to have sufficient assets to pay all Fund service provider invoices received through October 2021. Mr. Ianniello provided an overview of the MOB contribution rate increases that would be required to ensure the Fund has sufficient assets to pay its accrued liabilities. The rate per eligible employee hired before January 1, 2014 would need to increase from $22.08 to $26, and the rate per eligible employee hired on or after January 1, 2014 would need to increase from $11.04 to $13.

The Trustees discussed offering the participating employers the option to either: (a) increase contribution rates to $26 per eligible employee hired before January 1, 2014, and $13 per eligible employee hired on or after January 1, 2014, for hours worked on and after October 1, 2021; or (b) make a single lump sum payment equal to the estimated difference between: (i) the contributions that would be payable for hours worked by the Company's eligible employees from October 1, 2021 – March 31, 2022 at the $26 and $13 contribution rates referenced above; and (ii) the contributions that would be payable for hours worked by the Company's eligible employees from October 1, 2021 – March 31, 2022 at the contribution rates currently in effect under the CBAs ($22.08 and $11.04) with the lump sum payment due by November 31, 2021.

After discussion, and on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to direct the Fund office to send a letter to participating employers by October 8, 2021 presenting the above two options and requesting a written decision from each employer by October 22, 2021.**

III. <u>ADJOURNMENT</u>

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

Respectfully Submitted,

William Seehafer, Chairman

21040669v1

FINANCIAL REPORT

UFCW & Contributing Employers Legal Benefits Fund

SUMMARY OF ACTIVITY

JANUARY 01, 2021 to OCTOBER 31, 2021

Item	Amount
Market Value 01/01/21	$32,828
Earnings	1
Receipts	154,505
Disbursements	(169,883)
Market Value 10/31/21	17,451

PNC BANK

ADMINISTRATIVE MANAGER'S REPORT

UFCW UNIONS AND CONTRIBUTING

EMPLOYERS LEGAL BENEFITS FUND

THIRD QUARTER 2021

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2021
CONTRIBUTIONS

COMPANY	RATE	CONTRACT	PARTICIPANTS	CONTRIBUTIONS
SHOPPERS	$22.08	MOB	575	$38,087
SHOPPERS[1]	11.04	MOB	140	4,669
UFCW LOCAL 400	22.08	MOB	43	2,847
TOTAL			758	$45,603

AVERAGE MONTHLY CONTRIBUTION $20.05

[1]EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2014

THIRD QUARTER 2021
EXPENSES

PROVIDER

	AMOUNT	AVERAGE MONTHLY COST	PERCENTAGE
AKMAN & ASSOCIATES	$40,767	$17.927	78.78%
SUBTOTAL	$40,767	$17.927	78.78%

OPERATING EXPENSES

	AMOUNT	AVERAGE MONTHLY COST	PERCENTAGE
ADMINISTRATION	$3,712	$1.632	7.173%
ACCOUNTING	5,150	2.265	9.952%
INVESTMENT MGMT	63	0.028	0.122%
LEGAL	2,041	0.898	3.944%
PRINTING	16	0.007	0.031%
SUBTOTAL	$10,982	$4.830	21.22%
TOTAL	$51,749	$22.757	100.00%

THIRD QUARTER 2021
QUARTERLY RECAP

	FIRST 2021	SECOND 2021	THIRD 2021	FOURTH 2021	TOTAL
EMPLOYER CONTRIB	$47,183	$46,821	$45,603		$139,607
EMPLOYEE CONTRIB	0	0	0		0
INTEREST/DIVIDENDS	1	0	0		1
TOTAL INCOME	$47,184	$46,821	$45,603	$0	$139,608

EXPENSES

	FIRST 2021	SECOND 2021	THIRD 2021	FOURTH 2021	TOTAL
PROVIDERS	$42,303	$41,968	$40,767		$125,038
OPERATING	4,033	11,881	10,982		26,896
TOTAL EXPENSES	$46,336	$53,849	$51,749	$0	$151,934

	FIRST 2021	SECOND 2021	THIRD 2021	FOURTH 2021	TOTAL
TOTAL INCOME	$47,184	$46,821	$45,603	$0	$139,608
TOTAL EXPENSES	$46,336	$53,849	$51,749	$0	$151,934
SURPLUS (DEFICIT)	$848	($7,028)	($6,146)	$0	($12,326)

	FIRST 2021	SECOND 2021	THIRD 2021	FOURTH 2021	TOTAL
AVERAGE INCOME	$20.01	$20.03	$20.05	$0.00	$20.03
AVERAGE EXPENSES	$19.65	$23.04	$22.76	$0.00	$21.82
SURPLUS (DEFICIT)	$0.36	($3.01)	($2.71)	$0.00	($1.79)

	FIRST 2021	SECOND 2021	THIRD 2021	FOURTH 2021	TOTAL
PARTICIPANTS	786	779	758		774
FUND RESERVE	$31,755	$24,895	$17,160		

2020
QUARTERLY RECAP

	FIRST 2020	SECOND 2020	THIRD 2020	FOURTH 2020	TOTAL
EMPLOYER CONTRIB	$72,865	$50,520	$49,504	$48,400	$221,289
EMPLOYEE CONTRIB	0	0	0	0	0
INTEREST/DIVIDENDS	234	44	6	1	285
TOTAL INCOME	$73,099	$50,564	$49,510	$48,401	$221,574
EXPENSES					
PROVIDERS	$61,325	$49,710	$48,328	$46,104	$205,467
OPERATING	29,556	4,047	4,496	20,245	58,344
TOTAL EXPENSES	$90,881	$53,757	$52,824	$66,349	$263,811
TOTAL INCOME	$73,099	$50,564	$49,510	$48,401	$221,574
TOTAL EXPENSES	$90,881	$53,757	$52,824	$66,349	$263,811
SURPLUS (DEFICIT)	($17,782)	($3,193)	($3,314)	($17,948)	($42,237)
AVERAGE INCOME	$20.05	$20.16	$20.20	$20.17	$20.15
AVERAGE EXPENSES	$24.93	$21.43	$21.55	$27.65	$23.89
SURPLUS (DEFICIT)	($4.88)	($1.27)	($1.35)	($7.48)	($3.74)
PARTICIPANTS	1,215	836	817	800	917
FUND RESERVE	$58,396	$55,221	$52,211	$32,828	

THIRD QUARTER 2021
UTILIZATION

AKMAN & ASSOCIATES

CODE	TYPE	CASES* OPEN	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	9	50.15	36.55	
02	PROBATE	2	4.75	9.80	
03	WILL	8	22.25	23.15	
04	NEGLIGENCE	5	16.50	28.30	
05	REAL ESTATE	6	22.05	15.35	
06	CONSUMER	14	66.90	67.40	
07	CRIMINAL	5	36.55	7.60	
08	TRAFFIC	7	40.60	10.95	
09	LANDLORD/TENANT	3	17.65	10.80	
10	ADMINISTRATIVE	5	24.05	9.45	
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	3	16.30	4.15	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	0	0.00	0.00	
TOTAL		67	317.75	223.50	$0

ALL HOURS	541.25
ADJUSTED HOURS	429.50
PAYMENT	$40,767
COST PER HOUR	$94.92

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

THIRD QUARTER 2021
DELINQUENCIES

None

INVOICES

UFCW UNIONS AND CONTRIBUTING EMPLOYERS LEGAL BENEFITS FUND

INVOICES

December 7, 2021

1. **SLEVIN & HART, P.C.**

10/25/2021	For professional services rendered through September 30, 2021	$4,481.00
11/29/2021	For professional services rendered through October 31, 2021	$4,430.00

2. **WITHUM**

9/19/2021	For professional services rendered: Third progress billing for the audit of financial statements for the year ending 12/31/2020	$1,545.00

NOTES