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 MARCH 18, 2021 VIA VIDEO CONFERENCE

The following Trustees were present:

UNION TRUSTEES
A. Hanson

EMPLOYER TRUSTEES
W. Seehafer - Chairperson
J. Ferrer

Also present were:

M. Akman – Akman & Associates
M. Buckberg - Withum
J. Chorpenning - UFCW Local 27
M. Federici - 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.

I. CALL TO ORDER

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

A. APPOINTMNENT OF TRUSTEE

Mr. Ianniello reported that he had received correspondence executed by Mr. Seehafer appointing John Ferrer as a Legal Fund Trustee effective December 6, 2020. Mr. Ferrer also executed the document accepting the appointment. The Trustees welcomed Mr. Ferrer to the Board.

B. Trustee Proxy

Mr. Hipkins gave his proxy to Trustee Hanson to act in all matters that come before the Trustees for this meeting.

II. MINUTES

The Trustees reviewed the minutes of the last regular meeting held on September 24, 2020, 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 September 24, 2020 are approved as presented.**

III. FINANCIAL REPORT

A. PNC Bank

Mr. Ianniello reviewed the PNC Summary of Activity report for the period January 1, 2020 through December 31, 2020, which had been previously circulated. Such report indicated a beginning market value of $85,979, earnings of $203, receipts of $233,297, and disbursements of $286,651, producing an ending market balance of $32,828 as of December 31, 2020.

B. Auditor's Report

1. 2019 Financial Statements

The Trustees welcomed Mr. Mark Buckberg of Withum to the meeting.

Mr. Buckberg presented the audited Financial Statements for the year ended December 31, 2019. He noted that Net Assets Available for Benefits on December 31, 2018 were $84,964. Total additions for the year ended December 31, 2019 were $350,625. Total deductions were $375,720. There was a net decrease of Assets Available for Benefits of $21,154, producing an Excess of Net Assets available for benefits over benefit obligations of $33,762 as of December 31, 2019. Mr. Buckberg reviewed the Notes to Financial Statements and the Schedule of Employer Contributions. Mr. Buckberg stated that his firm rendered an unmodified opinion on the Fund's financial statements.

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

RESOLVED, to accept the 2019 financial statements, as presented.

IV. ADMINISTRATIVE MANAGER'S REPORT

A. Third Quarter 2020

Mr. Ianniello reviewed the Administrative Manager's report for the Third Quarter 2020, which was previously circulated. Such report indicated employer contributions of $49,504 and interest and dividend income of $6, producing a total income of $49,510 for the period. Expenses included $48,328 in benefit related expenses and $4,496 in operating expenses producing a total expense of $52,824. This resulted in a net deficit of $3,314 for the quarter. Mr. Ianniello noted that contributions were made on behalf of 817 plan participants for the quarter. Fund reserves as of September 30, 2020 were $52,211.

Mr. Ianniello reported that there were no delinquencies for the third quarter 2020.

B. Fourth Quarter 2020

Mr. Ianniello reviewed the Administrative Manager's report for the Fourth Quarter 2020, which was previously circulated. Such report indicated employer contributions of $48,400 and interest and dividend income of $1, producing a total income of $48,401 for the period. Expenses included $46,104 in benefit related expenses and $20,245 in operating expenses, producing a total expense of $66,349. This resulted in a net deficit of $17,948 for the quarter. Mr. Ianniello noted that contributions were made on behalf of 800 plan participants for the quarter. Fund reserves as of December 31, 2020 were $32,828.

Mr. Ianniello reported that there were no delinquencies for the fourth quarter 2020.

Mr. Ianniello reviewed the work snapshot for the third and fourth quarters of 2020.

V. INVOICES

Mr. Ianniello presented a list of invoices dated March 18, 2021. He said 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 March 18, 2021 are approved for payment.**

VI. AKMAN & ASSOCIATES, P.C.

The Trustees welcomed Mr. Matt Akman from Akman & Associates, P.C. to the meeting.

A. 2020 Annual Report

Mr. Akman reviewed the UFCW Unions and Contributing Employers Legal Benefits Fund Annual Report for the period January 1, 2020 through December 31, 2020. Mr. Akman noted that 347 cases were opened during the period, generating 1,564.75 attorney hours and 1,189.10 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 were coming back up as restrictions eased.

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

VII. OTHER FUND BUSINESS

A. Fund Deficit

Mr. Ianniello noted that the Fund had a reduction in assets due to lower overall participant counts. He noted that many Fund expenses do not decrease with decreased participant numbers and, therefore, the Fund's reserve is shrinking. He asked the Trustees' for direction regarding this issue. The Trustees instructed Mr. Ianniello to send an email to the Trustees and Co-Counsel upon receipt of the First Quarter 2021 Administrative Manager's report to advise them of the Fund's assets and to schedule a Legal Fund meeting for June 14, 2021 to discuss this issue.

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees scheduled their next meeting for June 14, 2021, to be held via video conference.

IX. ADJOURNMENT

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

Respectfully Submitted,

William Seehafer, Chairman