

UFCW & FELRA LEGAL FUND
BOARD OF TRUSTEES MEETING

DECEMBER 12, 2022

UFCW & FELRA LEGAL FUND

AGENDA

DECEMBER 12, 2022

- I. CALL TO ORDER**
- II. MINUTES – (Pg. 4-7)**
 - A. REGULAR MEETING – SEPTEMBER 15, 2022**
- III. FINANCIAL REPORT – (Pg. 9)**
 - A. PNC REPORT**
- IV. ATTORNEYS' REPORT**
- V. ADMINISTRATIVE MANAGER'S REPORT - 3Q22 – (Pg. 11-23)**
- VI. INVOICES – (Pg. 25)**
- VII. NEXT MEETING DATE AND LOCATION (TBD)**
- VIII. ADJOURNMENT**

MINUTES

**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 Program of the
FELRA and UFCW
VEBA Fund*

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**MINUTES OF THE MEETING OF THE COMMITTEE
OF THE UFCW & FELRA LEGAL BENEFITS FUND
HELD VIA VIDEO CONFERENCE
SEPTEMBER 15, 2022**

The following Committee Members were present:

Union Committee Members

B. McKiver
R. Wildt

Employer Committee Members

J. Paradis – Secretary
D. Dosenbach
M. Goble

Also present were:

J. Chorpenning – UFCW Local 27
M. Federici – UFCW Local 400
J. Hack – UFCW Local 27
N. Hill – UFCW Local 27
D. Jensen – Associated Administrators, LLC
M. Kreps – Groom Law Firm
C. McDonough – Investment Performance Services
R. McKnight – Associated Administrators, LLC
C. Murphy – Associated Administrators, LLC
J. Nazario – UFCW Local 27
S. Sanchez – Slevin & Hart, P.C.
A. Sims – Associated Administrators, LLC
B. Slevin – Slevin & Hart, P.C.
L. Walsh – Associated Administrators, LLC
M. Wilson – UFCW Local 400

I. CALL TO ORDER

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

A. PROXY

Mr. Jensen reported that Committee Member Harrison was unable to attend the meeting. She provided her proxy to Committee Member Wildt to act in all matters coming before the Committee.

II. MINUTES

The Committee Members reviewed the minutes of the last regular meeting held on June 10, 2022, which were pre-circulated.

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

RESOLVED, that the minutes of the regular meeting held on June 10, 2022 are approved as presented.

III. FINANCIAL REPORT

A. PNC Bank

Mr. Jensen reviewed the Summary of Activity Report for the period January 1, 2022 to July 31, 2022. Such report indicated a beginning market value of \$503,792, an investment loss of \$4,724, receipts of \$1,730,396, and disbursements of \$1,902,042, producing an ending market value of \$327,422 as of July 31, 2022.

B. Investment Performance Services ("IPS")

The Trustees welcomed Mr. Chris McDonough of Investment Performance Services ("IPS") to the meeting.

1. Master Consulting Report – June 30, 2022

Mr. McDonough presented the Master Consulting Report for the quarter ending June 30, 2022. Such report indicated a beginning market value of \$503,787, net cash flow of negative \$389,007, and a net investment loss of \$7,212, resulting in an ending market value of \$107,568 for the period ending June 30, 2022. The performance was negative 3.3%, gross of fees, through June 30, 2022.

2. Preliminary Performance Update – July 31, 2022

Mr. McDonough reviewed the Preliminary Performance Report for the period ending July 31, 2022. Such report indicated a beginning market value of \$107,568, net cash flow of \$0, and a net investment gain of \$1,795, resulting in an ending market value of \$109,363. The year-to-date performance through July 31, 2022 was negative 1.8%, gross of fees.

The Committee Members thanked Mr. McDonough for his report and he was excused from the meeting.

IV. ATTORNEY'S REPORT

A. Legal Services Agreement Proposal

Ms. Sanchez reported on a proposal from Akman and Associates to amend the Legal Services Agreement between Akman and Associates and the Fund. After discussion, and

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

RESOLVED, the proposal presented by Akman and Associates to amend the Allowable Legal Rates under its Agreement with the Fund is recommended for approval follows:
Effective July 25, 2022 – December 31, 2022: \$110.00
Effective January 1, 2023 – December 31, 2023: \$111.00
Effective January 1, 2024 – December 31, 2024: \$112.00
Effective January 1, 2025: \$113.00

B. Summary Plan Description ("SPD")

Ms. Sanchez reported on the SPD.

V. ADMINISTRATIVE MANAGER'S REPORT

A. Second Quarter 2022

Mr. Jensen presented the Administrative Manager's report for the Second Quarter 2022. Such report indicated total income of \$378,878. Total expenses were \$384,332, producing a deficit of \$5,454 for the quarter. Mr. Jensen noted that contributions were remitted on behalf of 6,016 active Plan participants.

VI. INVOICES

Mr. Jensen presented a list of invoices dated September 15, 2022. It was noted there were no additions, deletions or changes to the list.

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

RESOLVED, that the invoices on the list dated September 15, 2022 are recommended for approval as presented.

VII. NEXT MEETING DATE AND LOCATION

After discussion, the Committee Members noted that the next meeting is scheduled on the following date:

Monday, December 12, 2022

The meetings will be held via video conference.

VIII. ADJOURNMENT

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

Respectfully Submitted,

Jason Paradis, Secretary

21163596v1

FINANCIAL REPORT

UFCW & FELRA VEBA LEGAL BENEFIT FUND
SUMMARY OF ACTIVITY
JANUARY 1, 2022 to OCTOBER 31, 2022

<u>Item</u>	<u>Amount</u>
Market Value 01/01/2022	\$503,792
Earnings	(\$8,732)
Receipts	\$2,535,614
Disbursements	(\$2,722,462)
Market Value as of 10/31/2022	\$308,212

PNC BANK, NA

ADMINISTRATIVE MANAGER'S REPORT

***UFCW AND FELRA
LEGAL BENEFIT FUND
THIRD QUARTER 2022***

ADMINISTRATIVE MANAGER'S REPORT

PROPRIETARY INFORMATION: THIS REPORT BELONGS TO UFCW AND FELRA LEGAL BENEFIT FUND

FULL TIME THIRD QUARTER 2022 CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
LOCAL 400			
GIANT	\$22.87	2,016	\$138,318
GIANT	13.87	8	333
GIANT ¹	13.87	586	24,370
LOCAL 400 STAFF	22.87	2	137
LOCAL 400 STAFF ¹	13.87	2	83
SAFEWAY	22.87	1,338	91,777
SAFEWAY ¹	13.87	289	12,039
SUBTOTAL		4,241	\$267,057

LOCAL 27			
GIANT	\$22.87	783	\$53,699
GIANT ¹	13.87	224	9,321
METRO/BASICS	21.12	117	7,392
METRO/BASICS ²	10.56	7	222
SAFEWAY	22.87	440	30,166
SAFEWAY ¹	13.87	117	4,868
SAFEWAY DELAWARE	22.87	38	2,930
SAFEWAY DELAWARE ¹	13.87	24	985
SUBTOTAL		1,750	\$109,583

TOTAL	5,991	\$376,640
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AVERAGE MONTHLY CONTRIBUTION \$20.96

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

FULL TIME THIRD QUARTER 2022 EXPENSES
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PROVIDER

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
AKMAN & ASSOCIATES	\$351,791		\$19.573		91.83%

OPERATING EXPENSES

	<u>AMOUNT</u>		<u>AVERAGE COST</u>		<u>PERCENTAGE</u>
ADMINISTRATION	\$30,190		\$1.680		7.881%
CONFERENCE	239		0.013		0.062%
LEGAL	639		0.036		0.167%
PNC	33		0.002		0.009%
PRINTING	178		0.010		0.046%
TELEPHONE	6		0.000		0.002%
SUBTOTAL	\$31,285		\$1.741		8.17%
TOTAL	\$383,076		\$21.314		100.00%

FULL TIME 2022 QUARTERLY RECAPS
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FIRST 2022 SECOND 2022 THIRD 2022 FOURTH 2022 TOTAL

EMPLOYER CONTRIB	\$382,326	\$378,878	\$376,640		\$1,137,844
EMPLOYEE CONTRIB	0	0	0		0
MISC. INCOME	0	0	0		0

TOTAL INCOME	\$382,326	\$378,878	\$376,640	\$0	\$1,137,844
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EXPENSES

PROVIDER	\$333,933	\$351,102	\$351,791		\$1,036,826
OPERATING	31,541	33,230	31,285		96,056

TOTAL EXPENSES	\$365,474	\$384,332	\$383,076	\$0	\$1,132,882
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TOTAL INCOME	\$382,326	\$378,878	\$376,640	\$0	\$1,137,844
TOTAL EXPENSES	\$365,474	\$384,332	\$383,076	\$0	\$1,132,882

SURPLUS (DEFICIT)	\$16,852	(\$5,454)	(\$6,436)	\$0	\$4,962
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AVERAGE INCOME	\$21.05	\$20.99	\$20.96	\$0.00	\$21.00
AVERAGE EXPENSES	\$20.12	\$21.29	\$21.31	\$0.00	\$20.91

SURPLUS (DEFICIT)	\$0.93	(\$0.30)	(\$0.35)	\$0.00	\$0.09
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TOTAL PARTICIPANTS	6,054	6,016	5,991		6,020
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FULL TIME 2021 QUARTERLY RECAPS
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FIRST 2021 SECOND 2021 THIRD 2021 FOURTH 2021 TOTAL

EMPLOYER CONTRIB	\$354,026	\$351,683	\$348,688	\$348,213	\$1,402,610
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0

TOTAL INCOME	\$354,026	\$351,683	\$348,688	\$348,213	\$1,402,610
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EXPENSES

PROVIDER	\$328,005	\$325,239	\$321,974	\$321,019	\$1,296,237
OPERATING	29,264	30,246	29,912	29,535	118,957

TOTAL EXPENSES	\$357,269	\$355,485	\$351,886	\$350,554	\$1,415,194
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TOTAL INCOME	\$354,026	\$351,683	\$348,688	\$348,213	\$1,402,610
TOTAL EXPENSES	\$357,269	\$355,485	\$351,886	\$350,554	\$1,415,194

SURPLUS (DEFICIT)	(\$3,243)	(\$3,802)	(\$3,198)	(\$2,341)	(\$12,584)
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AVERAGE INCOME	\$19.61	\$19.51	\$19.40	\$19.23	\$19.44
AVERAGE EXPENSES	\$19.79	\$19.72	\$19.58	\$19.36	\$19.61

SURPLUS (DEFICIT)	(\$0.18)	(\$0.21)	(\$0.18)	(\$0.13)	(\$0.17)
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TOTAL PARTICIPANTS	6,019	6,008	5,992	6,035	6,014
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PART TIME THIRD QUARTER 2022 CONTRIBUTIONS

<u>COMPANY</u>	<u>RATE</u>	<u>PARTICIPANTS</u>	<u>CONTRIBUTIONS</u>
LOCAL 400			
GIANT	\$22.87	1,626	\$111,583
GIANT	13.87	3	125
GIANT ¹	13.87	2,201	91,584
SAFEWAY	22.87	693	47,547
SAFEWAY ¹	13.87	1,324	55,106
SUBTOTAL		5,847	\$305,945
LOCAL 27			
GIANT	\$22.87	698	\$47,890
GIANT ¹	13.87	636	26,450
METRO/BASICS	21.12	132	8,342
METRO/BASICS ²	10.56	64	2,038
SAFEWAY	22.87	204	13,974
SAFEWAY ¹	13.87	409	17,032
SAFEWAY DELAWARE	22.87	29	1,990
SAFEWAY DELAWARE ¹	13.87	33	1,387
SUBTOTAL		2,205	\$119,103
TOTAL		8,052	\$425,048

AVERAGE MONTHLY CONTRIBUTION \$17.60

¹EMPLOYEES HIRED ON OR AFTER JAN.1, 2014

²EMPLOYEES HIRED ON OR AFTER JAN.1, 2015

PART TIME
THIRD QUARTER 2022
EXPENSES

PROVIDER

AMOUNT

AVERAGE COST

PERCENTAGE

AKMAN & ASSOCIATES	\$393,517		\$16.291		90.35%
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OPERATING EXPENSES

AMOUNT

AVERAGE COST

PERCENTAGE

ADMINISTRATION	\$40,586		\$1.680		9.318%
CONFERENCE	316		0.013		0.073%
LEGAL	846		0.035		0.194%
PNC	44		0.002		0.010%
PRINTING	237		0.010		0.054%
TELEPHONE	7		0.000		0.002%

SUBTOTAL	\$42,036		\$1.740		9.65%
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TOTAL	\$435,553		\$18.031		100.00%
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PART TIME
2022
QUARTERLY RECAPS

	<u>FIRST 2022</u>	<u>SECOND 2022</u>	<u>THIRD 2022</u>	<u>FOURTH 2022</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$445,749	\$439,394	\$425,048		\$1,310,191
EMPLOYEE CONTRIB	0	0	0		0
MISC. INCOME	0	0	0		0
TOTAL INCOME	\$445,749	\$439,394	\$425,048	\$0	\$1,310,191
EXPENSES					
PROVIDER	\$373,662	\$403,756	\$393,517		\$1,170,935
OPERATING	43,730	45,943	42,036		131,709
TOTAL EXPENSES	\$417,392	\$449,699	\$435,553	\$0	\$1,302,644
TOTAL INCOME	\$445,749	\$439,394	\$425,048	\$0	\$1,310,191
TOTAL EXPENSES	\$417,392	\$449,699	\$435,553	\$0	\$1,302,644
SURPLUS (DEFICIT)	\$28,357	(\$10,305)	(\$10,505)	\$0	\$7,547
AVERAGE INCOME	\$17.70	\$17.61	\$17.60	\$0.00	\$17.64
AVERAGE EXPENSES	\$16.57	\$18.02	\$18.03	\$0.00	\$17.54
SURPLUS (DEFICIT)	\$1.13	(\$0.41)	(\$0.43)	\$0.00	\$0.10
TOTAL PARTICIPANTS	8,395	8,318	8,052		8,255

PART TIME
2021
QUARTERLY RECAPS

	<u>FIRST 2021</u>	<u>SECOND 2021</u>	<u>THIRD 2021</u>	<u>FOURTH 2021</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$412,482	\$415,090	\$406,259	\$398,916	\$1,632,747
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
TOTAL INCOME	\$412,482	\$415,090	\$406,259	\$398,916	\$1,632,747
EXPENSES					
PROVIDER	\$368,617	\$370,296	\$366,200	\$358,228	\$1,463,341
OPERATING	42,141	44,406	43,233	41,902	171,682
TOTAL EXPENSES	\$410,758	\$414,702	\$409,433	\$400,130	\$1,635,023
TOTAL INCOME	\$412,482	\$415,090	\$406,259	\$398,916	\$1,632,747
TOTAL EXPENSES	\$410,758	\$414,702	\$409,433	\$400,130	\$1,635,023
SURPLUS (DEFICIT)	\$1,724	\$388	(\$3,174)	(\$1,214)	(\$2,276)
AVERAGE INCOME	\$15.87	\$15.68	\$15.64	\$15.53	\$15.68
AVERAGE EXPENSES	\$15.80	\$15.66	\$15.76	\$15.58	\$15.70
SURPLUS (DEFICIT)	\$0.07	\$0.02	(\$0.12)	(\$0.05)	(\$0.02)
TOTAL PARTICIPANTS	8,665	8,826	8,661	8,560	8,678

COMBINED 2022 QUARTERLY RECAP

	<u>FIRST 2022</u>	<u>SECOND 2022</u>	<u>THIRD 2022</u>	<u>FOURTH 2022</u>	<u>TOTAL</u>
EMPLOYER CONTRIB	\$828,075	\$818,272	\$801,688	\$0	\$2,448,035
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	889	1,073	2,835	0	4,797
TOTAL INCOME	\$828,964	\$819,345	\$804,523	\$0	\$2,452,832
EXPENSES					
PROVIDER	\$707,595	\$754,858	\$745,308	\$0	\$2,207,761
OPERATING	75,271	79,173	73,321	0	227,765
TOTAL EXPENSES	\$782,866	\$834,031	\$818,629	\$0	\$2,435,526
TOTAL INCOME	\$828,964	\$819,345	\$804,523	\$0	\$2,452,832
TOTAL EXPENSES	\$782,866	\$834,031	\$818,629	\$0	\$2,435,526
SURPLUS (DEFICIT)	\$46,098	(\$14,686)	(\$14,106)	\$0	\$17,306
TOTAL PARTICIPANTS	14,449	14,334	14,043	0	14,275
FUND RESERVE	\$506,911	\$501,606	\$480,485		

COMBINED 2021 QUARTERLY RECAP

FIRST 2021 SECOND 2021 THIRD 2021 FOURTH 2021 TOTAL

EMPLOYER CONTRIB	\$766,508	\$766,773	\$754,947	\$747,129	\$3,035,357
EMPLOYEE CONTRIB	0	0	0	0	0
MISC. INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	1,578	875	940	881	4,274

TOTAL INCOME	\$768,086	\$767,648	\$755,887	\$748,010	\$3,039,631
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EXPENSES

PROVIDER	\$696,622	\$695,535	\$688,174	\$679,247	\$2,759,578
OPERATING	71,405	74,652	73,145	71,437	290,639

TOTAL EXPENSES	\$768,027	\$770,187	\$761,319	\$750,684	\$3,050,217
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TOTAL INCOME	\$768,086	\$767,648	\$755,887	\$748,010	\$3,039,631
TOTAL EXPENSES	\$768,027	\$770,187	\$761,319	\$750,684	\$3,050,217

SURPLUS (DEFICIT)	\$59	(\$2,539)	(\$5,432)	(\$2,674)	(\$10,586)
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TOTAL PARTICIPANTS	14,684	14,834	14,653	14,595	14,692
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FUND RESERVE	\$519,426	\$515,905	\$510,245	\$503,787	
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UTILIZATION THIRD QUARTER 2022

AKMAN & ASSOC.

CODE	TYPE	OPEN CASE	ATTORNEY HOURS	PARALEGAL HOURS	SURCHG.
01	FAMILY	201	1,387.05	1,084.00	\$10,490
02	PROBATE	61	241.85	375.80	
03	WILL	216	653.05	581.30	
04	NEGLIGENCE	48	192.40	233.40	
05	REAL ESTATE	50	177.20	116.90	
06	CONSUMER	238	1,316.80	1,084.70	
07	CRIMINAL	55	422.95	89.20	
08	TRAFFIC	66	449.30	85.45	
09	LANDLORD/TENANT	62	247.30	135.70	
10	ADMINISTRATION	51	209.50	104.00	
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	31	153.30	48.60	
15	CIVIL LITIGATION	0	0.00	0.00	
16	T CASES	0	0.00	0.00	
TOTAL		1,079	5,450.70	3,939.05	\$10,490

ALL HOURS

ADJUSTED HOURS

PAYMENT

COST PER HOUR

9,389.75

7,420.23

\$745,308

\$100.44

THIRD QUARTER 2022 DELINQUENCIES

NONE

INVOICES

UFCW & FELRA LEGAL BENEFIT FUND
INVOICES

DECEMBER 12, 2022

1. **Slevin & Hart, P.C.**

10/28/2022	For Professional Services rendered through September 30, 2022	4,699.57
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2. **Trustee Reimbursement**

09/29/2022	Airfare reimbursement for Trustee Harrison's attendance at the 68 th Annual IFEBP Conference In Las Vegas, NV	\$ 554.96
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MEETING NOTES

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