United Food and Commercial Workers
and Food Employers Labor Relations Association
Scholarship Fund

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A Program of the
FELRA and UFCW
VEBA Fund

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MINUTES OF THE MEETING OF THE COMMITTEE MEMBERS
OF THE UFCW & FELRA SCHOLARSHIP FUND
HELD VIA VIDEO CONFERENCE
JULY 23, 2020

The following Committee Members were present:

Union Committee Members
J. Chorpenning, Chairman
N. Jacobs

Employer Committee Members
M. Goble
S. Ridore

Also present were:

Y. Anwar - UFCW Local 400
D. Dosenbach - Safeway, Inc.
L. DuVall - Associated Administrators, LLC
M. Federici - UFCW Local 400
A. Hanson - UFCW Local 400
J. Hack - UFCW Local 27
J. Harrison - UFCW Local 27
T. Hipkins - UFCW Local 27
C. Hoffmann - UFCW Local 400
D. Jensen - Associated Administrators, LLC
M. Kreps - Groom Law Group
C. McDonough - Investment Performance Services
R. McKnight - Associated Administrators, LLC
C. Murphy - Associated Administrators, LC
J. Nazario - UFCW Local 27
J. Paradis - Twin Circles Consulting
S. Sanchez - Slevin & Hart, P.C.
R. Sichel - Investment Performance Services
B. Slevin - Slevin & Hart, P.C.
L. Walsh - Associated Administrators, LLC
M. Wilson - UFCW Local 27

I. CALL TO ORDER

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

II. MINUTES

The Committee Members reviewed the minutes of the last regular meeting held on April 16, 2020, which were previously circulated.

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

RESOLVED, to approve the minutes of the last regular meeting held on April 16, 2020 as presented.

III. FINANCIAL REPORT

A. PNC Bank

Mr. Jensen presented the PNC Summary of Activity report for the period January 1 through June 30, 2020. Such report indicated a beginning market value of $118,880, earnings of negative $274, zero receipts, and disbursements of $29,185, producing an ending market value of $89,421 as of June 30, 2020.

B. Investment Performance Services ("IPS")

The Committee Members welcomed Mr. Rich Sichel and Mr. Chris McDonough of IPS to the meeting.

1. Master Consulting Report – March 31, 2020

Mr. Sichel presented the Master Consulting report for the quarter ending March 31, 2020. Such report indicated a beginning market value of $118,868, net cash flow of negative $11,495, and a net investment change of negative $3,299, resulting in an ending market value of $104,073 for the period ending March 31, 2020. The performance was negative 2.9% through March 31, 2020.

2. Preliminary Performance Update – May 31, 2020

Mr. Sichel reviewed the Preliminary Performance Report for the period ending May 31, 2020. Such report indicated a beginning market value of $118,868, net cash flow of negative $17,027, and net investment change of negative $463, resulting in an ending market value of $101,377. The year-to-date performance through May 31, 2020 was negative 0.1% gross of fees.

Mr. Sichel stated that the Board of Trustees of the VEBA Fund had previously approved a full redemption of the American Realty ("ARA") portfolio, which was in process. He reported that the equity exposure was liquidated on May 1, 2020, as previously approved by the Board.

The Committee Members thanked the representatives of IPS for their report and they were excused from the meeting.

IV. ADMINISTRATIVE MANAGER'S REPORT

A. First Quarter 2020

Mr. Jensen presented the Administrative Manager's First Quarter 2020 Report. Such report indicated total income of $421 and total expenses of $11,496, producing a net deficit of $11,075 for the first quarter.

V. INVOICES

Mr. Jensen presented a list of invoices dated July 23, 2020. 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 July 23, 2020 are recommended for approval as presented.**

VI. OTHER FUND BUSINESS

A. Scholarship Expenses

The Trustees discussed the Fund's operating expenses, including possible ways to reduce operating expenses to allow for additional scholarship awards. Ms. Walsh said Associated would work on suggestions to help reduce administration costs, including changes to the scholarship selection process. After discussion, On Motion made and seconded, the Committee Members voted unanimously approval of the following resolution:

> **RESOLVED, to appoint a subcommittee consisting of Chairman Chorpenning and Trustee Goble to explore options for discussion at the next regular Board meeting.**

VII. NEXT MEETING DATE AND LOCATION

The Committee Members noted that the next regular meeting was scheduled for October 22, 2020 via video conference immediately following the meeting of the Legal Fund.

VIII. ADJOURNMENT

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

Respectfully Submitted,

Linda DuVall

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