United Food and Commercial Workers
and Food Employers Labor Relations Association
Severance Plan

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A Program of the
FELRA and UFCW
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MINUTES OF THE MEETING OF THE COMMITTEE
OF THE UFCW & FELRA SEVERANCE FUND
HELD VIA VIDEO CONFERENCE
SEPTEMBER 15, 2022

The following Committee Members were present:

Union Committee Members
T. Hipkins - Chairman
J. Hack
N. Hill
M. Wilson

Employer Committee Members
J. Paradis
D. Dosenbach
M. Goble

Also present were:

Y. Anwar – UFCW Local 400
J. Chorpenning – UFCW Local 27
M. Federici – UFCW Local 400
J. Harrison – UFCW Local 27
D. Jensen – Associated Administrators, LLC
G. Kalwarski – Cheiron
M. Kreps – Groom Law Group
C. McDonough – Investment Performance Services
B. McKiver – UFCW Local 400
R. McKnight – Associated Administrators, LLC
C. Mietlicki - Cheiron
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
R. Wildt – UFCW Local 27
K. Woodrich – Cheiron

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 June 10, 2022 and the Appeals Committee meeting held on June 29, 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 and the Appeals Committee meeting held on June 29, 2022, are approved as presented.**

III. FINANCIAL REPORT

A. PNC Bank

Ms. Sims reviewed the PNC Summary of Activity Report for the period January 1, 2022 through July 31, 2022. Such report indicated a beginning market value of $4,807,290, negative earnings of $30,576, receipts of $2,456, and disbursements of $1,924,168, producing an ending market value of $2,855,002 as of July 31, 2022.

A. Investment Performance Services ("IPS")

The Committee Members welcomed Mr. Chris McDonough of 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 $4,807,243, net cash flow of negative $3,954,042, and a net investment loss of $52,978, resulting in an ending market value of $800,222 for the period ending June 30, 2022. The performance was negative 3.1%, 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 $800,222, net cash flow of $0, and a net investment gain of $15,833, resulting in an ending market value of $816,055. The year-to-date performance through July 31, 2022 was negative 1.3%, gross of fees.

3. Asset Allocation

Mr. McDonough reviewed the asset allocation report comparing the current investments against the policy guidelines. He noted that the Fund currently is overweight in Investment Grade Fixed Income and underweight in Short Duration High Yield Fixed Income. Mr. McDonough stated IPS's recommendation that the Fund redistribute $150,000 from Investment Grade Fixed Income to Short Duration High Yield to rebalance closer to the Policy targets.

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

> **RESOLVED, that IPS's recommendation to redistribute $150,000 from Investment Grade Fixed Income to Short Duration High Yield to rebalance closer to the Policy targets is recommended for approval.**

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

IV. <u>ACTUARY'S REPORT</u>

The Committee Members welcomed Mr. Christopher Mietlicki of Cheiron to the meeting.

Mr. Mietlicki presented the 2022 Valuation Results dated September 15, 2022. Mr. Mietlicki reviewed historical information regarding the Plan, including assets and liabilities, participant counts and cash flows back to the year 2002. Mr. Mietlicki also discussed the future projection of payments and contribution calls that are likely to continue past 2036. He stated that the assets as of January 1, 2022 were $4,800,000, compared to $2,700,000 as of January 1, 2021.

The Trustees thanked Mr. Mietlicki and excused him from the meeting.

V. <u>ATTORNEY'S REPORT</u>

A. <u>IRS Intent to Levy Notice</u>

Ms. Sanchez reported on the IRS Intent to Levy notices received by the Fund.

VI. <u>ADMINISTRATIVE MANAGER'S REPORT</u>

A. <u>Second Quarter 2022 Report</u>

Ms. Sims presented the Administrative Manager's Second Quarter 2022 Report. Such report indicated contribution income of $1,056, and interest income of $8,802, producing a total income of $9,858. Total expenses were $964,999, producing a deficit of $955,141 for the quarter. She noted that hours were recorded on behalf of 15 active Plan participants.

Ms. Sims reviewed the severance applications contained in the Administrative Manager's Second Quarter 2022 Report.

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

> **RESOLVED, that the Severance applications contained in the Administrative Manager's Second Quarter 2022 Report are recommended for payment.**

VII. INVOICES

Ms. Sims 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.**

VIII. 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 meeting will be held via video conference.

IX. ADJOURNMENT

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

Jason Paradis, Secretary