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

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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 SEVERANCE FUND
HELD VIA VIDEO CONFERENCE
OCTOBER 22, 2020

The following Committee Members were present:

Union Committee Members	Employer Committee Members
T. Hipkins - Chairman	J. Paradis
J. Hack	D. Dosenbach
N. Hill	M. Goble
C. Hoffmann	
M. Wilson	

Also present were:

Y. Anwar - UFCW Local 400
J. Chorpenning - UFCW Local 27
L. DuVall - Associated Administrators, LLC
M. Federici - UFCW Local 400
A. Hanson - UFCW Local 400
J. Harrison - UFCW Local 27
N. Jacobs - UFCW Local 400
D. Jensen - Associated Administrators, LLC
M. Kreps - Groom Law Group
C. Mietlicki - Cheiron
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.
R. Sichel - Investment Performance Services
A. Sims - Associated Administrators, LLC
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.

A. Resignation of Committee Member

Ms. DuVall reported that the Fund office had received notification from Committee Member Ridore stating that she had resigned from her position at Safeway and likewise was resigning as a Committee Member effective September 11, 2020.

II. MINUTES

The Committee Members reviewed the minutes of the last regular meeting held on July 23, 2020, 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 July 23, 2020 are approved as presented.**

III. FINANCIAL REPORT

A. PNC Bank

Ms. DuVall reviewed the PNC Summary of Activity Report for the period January 1, 2020 through September 30, 2020. Such report indicated a beginning market value of $3,073,877, earnings of $71,014, receipts of $3,936,472 and disbursements of $3,166,663, producing an ending market value of $3,914,700 as of September 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 – June 30, 2020

Mr. Sichel presented the Master Consulting Report for the quarter ending June 30, 2020. Such report indicated a beginning market value of $2,103,368, net cash flow of $284,624, and a net investment change of $43,832, resulting in an ending market value of $2,431,824 for the period ending June 30, 2020. The year-to-date performance was 2.9% through June 30, 2020, gross of fees.

2. **Preliminary Performance Update – August 31, 2020**

Mr. Sichel reviewed the Preliminary Performance Report for the period ending August 31, 2020. Such report indicated a beginning market value of $4,362,180, net cash flow of negative $42,531, and net investment increase of $177, resulting in an ending market value of $4,319,826. The year-to-date performance through August 31, 2020 was 3.0 %, gross of fees.

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

IV. ACTUARY'S REPORT

A. 2018 Actuarial Valuation

The Committee Members welcomed Mr. Chris Mietlicki of Cheiron to the meeting. Mr. Mietlicki reviewed the January 1, 2020 actuarial valuation. Mr. Mietlicki noted that there were currently 4,570 active participants. The market value of assets as of January 1, 2020 was $3,071,977. The present value of future benefits was $38,597,188. The present value of future employer contributions was $72,208, which resulted in a deficit of $35,453,003. The Severance Plan experienced an actuarial gain of $213,460.

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

V. ATTORNEY'S REPORT

A. Department of Labor ("DOL")

Ms. Sanchez reported on the DOL's investigation of the Fund.

B. District of Columbia Paid Leave Act – Tax Division

Ms. Sanchez reported on correspondence received from the D.C. government regarding paid leave taxes.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Second Quarter 2020 Report

Ms. DuVall presented the Administrative Manager's Second Quarter 2020 Report. Such report indicated contribution income of $998,084, interest income of $8,453 and miscellaneous income of $468,032, producing a total income of $1,474,569. Total expenses were $920,257, producing a surplus of $554,312 for the quarter. She noted that hours were recorded on behalf of 18 active Plan participants.

Ms. DuVall reviewed the severance applications contained in the Administrative Manager's Second Quarter 2020 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 2020 Report are recommended for payment.**

VII. INVOICES

Ms. DuVall presented a list of invoices dated October 22, 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 October 22, 2020 are recommended for approval as presented.**

VIII. NEXT MEETING DATE AND LOCATION

The Committee Members noted that the next meeting was scheduled for December 14, 2020 via video conference, immediately following the meetings of the FELRA and UFCW Pension Fund and the Mid-Atlantic UFCW and Participating Employers Pension Fund.

X. ADJOURNMENT

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

Respectfully Submitted,

Linda DuVall

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