Warehouse Employees Union Local No. 730
and Contributing Companies' Prepaid
Legal Services Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (800) 730-2241
www.associated-admin.com

8400 Corporate Drive, Suite 430
Landover, Maryland 20785-6102
Telephone: (800) 730-2241
www.associated-admin.com

DRAFT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 & CONTRIBUTING COMPANIES' PREPAID LEGAL SERVICES FUND

JUNE 10, 2021
VIA TELECONFERENCE

The following Trustees were present:

UNION TRUSTEES
R. Brooks – Chairman
L. Hudson
J. Venable

EMPLOYER TRUSTEES
M. Bull – Secretary
J. Paradis
H. Sebhat
M. Goble – Alternate

Also present were:

A. Cochran – Associated Administrators, LLC
M. DeLancey – Blank Rome LLP
R. Grant – Associated Administrators, LLC
R. Sichel – Investment Performance Services, LLC

I. CALL TO ORDER

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

II. <u>MINUTES</u>

The Trustees reviewed the minutes of the last regular meeting held March 26, 2021.

Trustee Bull requested additional details for the Blank Rome LLP fee request including the percentage increase and effective date of the last rate increase.

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 March 26, 2021 approved as revised to include the above noted changes.**

III. <u>FINANCIAL REPORT</u>

A. <u>Custodian Bank – PNC Bank, NA</u>

Ms. Cochran noted a copy of the PNC Summary of Activity report for the period January 1, 2021 through March 31, 2021 is contained in the meeting booklet.

B. <u>Investment Performance Services, LLC ("IPS")</u>

The Trustees welcomed Mr. Rich Sichel of IPS to the meeting.

Mr. Sichel reviewed his report titled, "Investment Performance Analysis – March 31, 2021" beginning with IPS' market commentary. Mr. Sichel noted the asset allocation as follows: 58.40% in Investment Grade Income, 35.50% in Short Duration High Yield Fixed Income, and 6.20% in cash and equivalents. The Atlanta Capital Bond Fund held $550,897 in investments, and the Chartwell Short Duration High Yield Fund held $334,629. The PNC Prime Money Market held $58,095.

Mr. Sichel noted that the Investment Grade Fixed Income allocation is not within the targeted policy range of the Investment Policy Statement. Mr. Sichel recommended that the Trustees rebalance the Fund's Investment Grade Fixed

Income allocation by re-allocating $18,000 to Short Duration High Yield Fixed Income.

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

> **RESOLVED to follow IPS' recommendation to rebalance assets by allocating $18,000 from Investment Grade Fixed Income to Short Duration High Yield Fixed Income.**

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

IV. COUNSEL REPORT

Mr. DeLancey said there were no legal matters pending before the Board of Trustees at this time.

V. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the first quarter 2021. Such report showed employer contributions of $21,967, miscellaneous income of $0 and interest and dividend income of $5,712, producing a total income of $27,679 for the quarter. Benefit expenses were $4,840 and operating expenses were $6,767, producing a total expense of $11,607, resulting in a net surplus of $16,072 for the quarter. Ms. Cochran noted that contributions were made on behalf of 641 participants.

VI. INVOICES

Ms. Cochran presented a list of invoices dated June 10, 2021 for Trustee review. It was noted that 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 June 10, 2021 are approved for payment as presented.**

VII. OTHER FUND BUSINESS

A. Fiduciary Liability Insurance Renewal and Waiver of Recourse Premiums

Ms. Cochran stated the Fiduciary Liability Policy expires July 26, 2021. She requested proposals from NFP and Segal, per Trustee direction. Ms. Cochran reported that the renewal proposals are not yet available but will be distributed for review prior to the next meeting.

B. 2020 Summary Annual Report

Ms. Cochran reported that Novak Francella performed fieldwork for the audit in the Administrative Manager's office the week of May 24, 2021. Due to the timing of the fieldwork, draft financials are not yet available. She said the auditor expected to file the Form 990 and Form 5500 on time, however would like to request approval to file for extensions in case of an unforeseen delay.

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

> **RESOLVED to approve Novak Francella to file an extension for the Form 990 and Form 5500.**

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected September 1, 2021 as their next regular meeting in Landover, Maryland.

IX. ADJOURNMENT

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

Respectfully submitted,

Michael Bull
Secretary