



**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 27, 2024
VIA ZOOM**

The following Trustees were present:

UNION TRUSTEES

F. Myers – Secretary
S. Clark
W. Settles

EMPLOYER TRUSTEES

J. Paradis – Chairman
M. Bull
M. Goble – Alternate

Also present were:

A. Cochran – Associated Administrators, LLC
R. Grant – Associated Administrators, LLC
B. Hicks– Investment Performance Services, LLC
B. Saindon – Mooney, Green, Saindon, Murphy & Welch, P.C.

I. CALL TO ORDER

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

II. MINUTES

The Trustees reviewed the minutes of the last regular meeting held March 13, 2024.

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 13, 2024 are approved as presented.

III. FINANCIAL REPORT

The Trustees welcomed Mr. Brian Hicks of IPS to the meeting. Mr. Hicks reviewed his firm's report titled, "Master Consulting Services Report – March 31, 2024" beginning with IPS' market commentary. He noted the asset allocation as follows: 45.90% in Investment Grade Income, 49.80% in Short Duration High Yield Fixed Income, and 4.40% in cash and equivalents. The Atlanta Capital Management Fund held \$468,381 in investments, and the Chartwell Short Duration High Yield Fund held \$507,926. The PNC Prime Money Market held \$44,565.

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

IV. COUNSEL REPORT

A. Fund Policies

Ms. Saindon recommended reviewing and updating the Collection, Delinquency, and Payroll Audit Policies as the policies have not been revised in some time. The Trustees approved Counsel reviewing and revising any policies as needed.

B. Expenses

Ms. Saindon noted that the administrative expenses exceed the benefit expenses. Given the current reserve amount, she said that the Trustees could consider

offering the participants a tax preparation benefit. The Trustees requested a utilization report and an estimate for the cost associated with a one-page mailing. Ms. Cochran and Ms. Saindon stated they would present the information at the next Board meeting for the Trustees' consideration.

V. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the first quarter 2024 showing employer contributions of \$26,285, miscellaneous income of \$0 and interest and dividend income of \$8,921, producing a total income of \$35,206 for the quarter. Benefit expenses were \$6,832 and operating expenses were \$10,895, producing a total expense of \$17,727, resulting in a net surplus of \$17,479 for the quarter. Ms. Cochran noted that contributions were made on behalf of 740 participants.

VI. INVOICES

Ms. Cochran presented a list of invoices dated June 27, 2024 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 27, 2024 are approved for payment as presented.

VII. OTHER FUND BUSINESS

A. Summary of Material Modifications ("SMM")

Ms. Cochran reported that Associated mailed an SMM regarding Trustee changes and the increased hourly rate for Steve Sindler on May 17, 2024.

B. Cyber Liability Policy – INTERIM ACTION

Ms. Cochran reported that between meetings the Trustees voted to renew the Cyber Liability policy for the period May 20, 2024 through May 20, 2025 with Beazley, through the broker Segal Select. She advised that the annual premium was \$6,451.54 with a \$2,000,000 limit of liability, noting the policy also covers the Pension and Health and Welfare Funds.

C. Canada Dry Reimbursement – INTERIM ACTION

Ms. Cochran reported interim action the Trustees took to refund the employer for contributions paid in error for the month of May 2024 in the amount of \$68,626.42. She noted that Fund Counsel advised prior to the Trustees' action that there was no legal prohibition to refunding an erroneous overpayment made by the employer.

D. 2023 Annual Audit

Ms. Cochran reported that Novak Francella will perform fieldwork for the audit in the Administrative Manager's office the week of May 6, 2024. She said that the auditor expects to file the Form 990 and Form 5500 by the due date.

E. Fiduciary Liability Policy

Ms. Cochran reviewed the renewal memo prepared by Segal Select for the Fiduciary Liability policy for the period July 26, 2024 through July 26, 2025. As noted in the memo, Chubb and Encore/Hudson declined to provide quotes due to being non-competitive. She said that the incumbent carrier, Markel American Insurance Company/Ullico ("Ullico"), provided a quote with an increase in the annual premium of \$32.00. Ms. Cochran noted the proposed renewal is for a two-year period at the same premium each year.

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

RESOLVED to approve the Fiduciary Liability policy renewal with the incumbent carrier, Ullico for a two-year period July 26, 2024 through July 26, 2026 with an annual premium of \$2,461.

F. Administrative Services Contract Renewal

Ms. Cochran reported that the new administrative services contract between the Fund and Associated Administrators, LLC was approved by Counsel and will be circulated for Trustee signature.

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected September 13, 2024 as their next regular meeting via Zoom.

IX. ADJOURNMENT

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

Respectfully submitted,

Frank Myers

Secretary