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 SEPTEMBER 23, 2022 VIA TELECONFERENCE

The following Trustees were present:

UNION TRUSTEES
R. Brooks – Chairman
J. Venable
T. Richardson – Alternate

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

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. MINUTES

The Trustees reviewed the minutes of the last regular meeting held June 6, 2022.

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 June 6, 2022 are approved as presented.**

III. FINANCIAL REPORT

A. Custodian Bank – PNC Bank, NA

Ms. Cochran noted a copy of the PNC Summary of Activity report for the period April 1, 2022 through June 30, 2022 was not provided prior to the meeting. She said the report will be distributed once received from PNC.

B. Investment Performance Services, LLC ("IPS")

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

Mr. Sichel reviewed his report titled, "Investment Performance Analysis – June 30, 2022" beginning with IPS' market commentary. Mr. Sichel noted the asset allocation as follows: 43.60% in Investment Grade Income, 49.30% in Short Duration High Yield Fixed Income, and 7.10% in cash and equivalents. The Atlanta Capital Management Fund held $398,608 in investments, and the Chartwell Short Duration High Yield Fund held $450,658. The PNC Prime Money Market held $65,009.

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

IV. COUNSEL REPORT

Mr. DeLancey reviewed the status of the cybersecurity guidance for benefit plans issued by the Department of Labor ("DOL") and said the Fund will need to seek a cybersecurity consultant to review the service providers' responses to a questionnaire in order to confirm the service provider is in compliance with the DOL's guidance. Mr. DeLancey stated that the Request for Proposal ("RFP") letters will be mailed to the selected vendors.

V. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the second quarter 2022. Such report showed employer contributions of $24,369, miscellaneous income of $0 and interest and dividend income of $5,151, producing a total income of $29,520 for the quarter. Benefit expenses were $8,891 and operating expenses were $17,855, producing a total expense of $26,746, resulting in a net surplus of $2,774 for the quarter. Ms. Cochran noted that contributions were made on behalf of 693 participants.

VI. INVOICES

Ms. Cochran presented a list of invoices dated September 23, 2022 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 September 23, 2022 are approved for payment as presented.**

VII. OTHER FUND BUSINESS

A. 2020 Annual Audit

Ms. Cochran reported that the Fund's auditor, Novak Francella, filed the Form 990 and Form 5500 on August 1, 2022.

B. 2021 Summary Annual Report

Ms. Cochran reported the 2021 Summary Annual Report was mailed to Plan participants on August 22, 2022.

C. International Foundation of Employee Benefits Plan

Ms. Cochran reported receipt of the Fund's 2023 membership renewal invoice for the International Foundation of Employee Benefit Plans. The renewal fee is $1,360 with an increase of $50 from the prior year.

RESOLVED to approve the Fund's 2023 renewal with the International Foundation of Employee Benefit Plans at the $1,360 annual fee.

D. Fiduciary Liability Policy

Ms. Cochran noted interim action the Trustees took to renew the Fiduciary Liability policy for the period July 26, 2022 through July 26, 2023 with the incumbent carrier, Markel American Insurance Company/Ullico ("Ullico"), through the broker NFP Property & Casualty Service, Inc. ("NFP"). She said that there was a decrease of $54 in the annual premium. She reported that the Trustees approved the renewal via an electronic poll conducted in July 2022.

Ms. Cochran advised the Trustees that letters regarding their required payment of the Waiver of Recourse premiums of $25 were emailed on July 26, 2022.

E. Payroll Audit – Canteen Vending Services

Ms. Cochran reported that the employer Canteen Vending Services sent an email stating an estimated overpayment of $2,708 in contributions was discovered during an internal audit. Ms. Cochran stated the current Collective Bargaining Agreement was effective January 1, 2018. After discussion, the Trustees authorized a payroll audit, which will assist with the verification of the employer's audit findings. Ms. Cochran said she would direct Novak Francella to perform the payroll audit.

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected December 2, 2022 as their next regular meeting via conference call.

IX. ADJOURNMENT

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

Respectfully submitted,

Michael Bull
Secretary