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

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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 13, 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. Kamara
M. Goble – Alternate

Also present were:

A. Cochran – Associated Administrators, LLC
R. Grant – Associated Administrators, LLC
M. Pascal – Novak Francella LLC
B. Saindon – Mooney, Green, Saindon, Murphy & Welch, P.C.
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 27, 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 June 27, 2024 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 January 1, 2024 through June 28, 2024 is contained in the meeting booklet.

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

The Trustees welcomed Mr. Rich Sichel of IPS to the meeting. Mr. Sichel reviewed his firm's report titled, "Master Consulting Services Report – June 30, 2024" beginning with IPS' market commentary. He noted the asset allocation as follows: 45.90% in Investment Grade Income, 50.00% in Short Duration High Yield Fixed Income, and 4.10% in cash and equivalents. The Atlanta Capital Management Fund held $472,955 in investments, and the Chartwell Short Duration High Yield Fund held $514,805. The PNC Prime Money Market held $42,687.

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

IV. AUDITOR REPORT

The Trustees welcomed Ms. Marcella Pascal of Novak Francella LLC to the meeting.

Ms. Pascal reviewed the Financial Statements for the year ended December 31, 2023. She said this audit reflects an unmodified opinion, in all material respects, of the financial status of the Fund. The Net Assets Available for Benefits were $1,008,788 on December 31, 2023. The total assets as of December 31, 2023 were $1,016,607, accounts payable were $7,819, and benefit obligations totaled $17,552. She noted total additions for the year ended December 31, 2023 were $155,910, and total deductions were $90,473, resulting in an increase of Net Assets Available for Benefits of $65,437. This combined with a Net Decrease in Benefit Obligations of $1,525 resulted in an Increase in Excess of Net Assets Available Over Benefit Obligations of $66,962. The resulting Excess of Net Assets Available for Benefits over Benefit Obligations on December 31, 2023 was $991,236. She also reviewed the notes to the financial statements, the schedule of administrative expenses, the schedule of employer contributions, the schedule of assets held for investment purposes, and the schedule of reportable (5%) transactions.

Ms. Pascal stated that the Form 990 was filed on September 3, 2024 and the Form 5500 was filed on September 4, 2024. The Trustees thanked Ms. Pascal for her report, and she was excused from the meeting.

V. <u>COUNSEL REPORT</u>

Ms. Saindon briefly reviewed the U.S. Department of Labor ("DOL") new Cybersecurity Guidance Update for ERISA funds. She stated that no action was needed at this time.

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

Ms. Cochran presented the Administrative Manager's Report for the second quarter 2024 showing employer contributions of $26,278, miscellaneous income of $0 and interest and dividend income of $10,310, producing a total income of $36,588 for the quarter. Benefit expenses were $11,339 and operating expenses were $13,941, producing a total expense of $25,280, resulting in a net surplus of $11,308 for the quarter. Ms. Cochran noted that contributions were made on behalf of 734 participants.

VII. INVOICES

Ms. Cochran presented a list of invoices dated September 13, 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 September 13, 2024 are approved for payment as presented.**

VIII. OTHER FUND BUSINESS

A. Legal Utilization

Ms. Cochran presented a legal utilization report for Plan years 2019 through 2023. The report included attorney hours and charges by benefit category. The Trustees requested Ms. Cochran ask Mr. Sindler for benefit recommendations in order to increase utilization, and to confirm that he would be able to perform the additional services. The Trustees asked Ms. Cochran to verify that the participant addresses are up to date for the Summary of Material Modification mailing, if additional benefits were to be offered. Ms. Cochran confirmed that the approximate cost of a one-page mailing would be $1,000.

B. Fiduciary Liability Policy

Ms. Cochran reviewed the INTERIM action the Trustees took to renew the Fiduciary Liability policy for the period July 26, 2024 through July 26, 2026 with the incumbent carrier, Markel American Insurance Company/Ullico (“Ullico”).

Ms. Cochran said there were outstanding balances for the Trustee Waiver of Recourse premiums. The Trustees requested Ms. Cochran contact the Trustees individually and confirm whether their premium has been paid.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected December 6, 2024 as their next regular meeting via Zoom.

X. ADJOURNMENT

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

Respectfully submitted,

Frank Myers
Secretary