Warehouse Employees Union Local No. 730
Pension Trust Fund

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DRAFT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 PENSION TRUST FUND MARCH 7, 2025 VIA ZOOM

The following Trustees were present:

UNION TRUSTEES
W. Davis – Secretary
R. Brooks
S. Clark

EMPLOYER TRUSTEES
J. Paradis – Chairman
M. Bull

Also present were:

A. Cochran – Associated Administrators, LLC
M. Deveney – Cheiron
R. Grant – Associated Administrators, LLC
P. Hardcastle – Cheiron
J. Kimble – Morgan, Lewis & Bockius, LLP
B. Saindon – Mooney, Green, Saindon, Murphy & Welch, P.C.
R. Sichel – Investment Performance Services, LLC
F. Stegman – Welfare Fund Trustee [1]

I. CALL TO ORDER

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

[1]Joined for the Investment Manger Report only

II. MINUTES

The Trustees reviewed the minutes of the last regular meeting held December 6, 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 December 6, 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 December 31, 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 distributed his firm's report titled, "Master Consulting Services Report – December 31, 2024." He reviewed the financial markets generally. He reported that the Fund's total market value of assets as of December 31, 2024 was $143,764,945, and the return for 2024 was 11.8%, compared to the 11.8% return for the index, gross of fees.

1. Asset Allocations

Mr. Sichel reported that as of December 31, 2024 the Fund's assets were allocated as follows: U.S. Equities 30.1%, U.S. Small/Mid Cap 9.9%, International Equities 10.8%, Fixed Income Core 4.1%, Fixed Income High Yield 7.5%, Real Estate 19.6%, Opportunistic Strategies 12.5%, Private Equity 4.2% and cash 1.1%.

2. Quarterly Performance Report

Mr. Sichel presented the preliminary quarterly performance report for the period ended December 31, 2024. He noted the assets held by the investment managers on December 31, 2024 were as follows: Hardman Johnston Global Advisors held \$13,996,350; Northern Trust held \$15,310,448; Great Lakes Advisors held \$14,005,339; Atlanta Capital held \$14,286,592; Hardman Johnston International Equity held \$6,858,600; Acadian held \$8,697,102; C.S. McKee held \$5,933,770; Loomis Sayles held \$10,810,795; PRISA III held \$23,099,593; Boyd Watterson \$5,078,240; Corbin ERISA Opportunity Fund held \$17,965,804; Hamilton Lane Secondary Fund IV-A \$2,662,316; Hamilton Lane Secondary Fund VI-A \$3,431,969 and the cash account held \$1,628,027.

Mr. Sichel reviewed the fee schedule as of December 31, 2024 which included the estimated annual fees and percentages for each account.

3. Rebalancing Recommendation

Mr. Sichel reported that the current allocations are within the targeted policy range of the Investment Policy Statement. However, because the Real Estate Core allocations are on the high end of the range and because there are no immediate needs for extra cash, he recommended the Trustees reinvest the income received from the Real Estate Value Add managers, Boyd Watterson Government Fund, LP and PRISA III LP.

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

> **RESOLVED to approve IPS' recommendation to reinvest the income received from the Real Estate Value Add manager, Boyd Watterson Government Fund, LP and PRISA III LP.**

4. **<u>Special Financial Assistance ("SFA")</u>**

Mr. Sichel said that IPS will present recommendations for a manager to invest the anticipated Special Financial Assistance ("SFA") at the next meeting. He noted that the manager would be utilizing a "cash match" strategy for the SFA assets.

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

IV. ACTUARY

Mr. Deveney and Mr. Hardcastle reported that the SFA application was successfully filed on February 5, 2025. Mr. Hardcastle said Cheiron will continue to monitor the SFA process, including all applications approved by PBGC and any updates to regulatory guidance.

Mr. Deveney presented the 2025 Cheiron Engagement letter which was distributed prior to the meeting. He stated that Cheiron is requesting a 3% increase for retainer services and the non-retainer service rates which will range between $130 and $550 per hour.

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

> **RESOLVED to approve the engagement letter from Cheiron with the 3.0% increase for Plan Year 2025.**

Mr. Deveney advised that for PPA certification purposes, Cheiron has been assuming a level population for the industry activity assumption for the last few years. The Trustees advised Mr. Deveney that Cheiron should assume a level participant population for this year's certification as well.

The Trustees thanked Mr. Deveney and Mr. Hardcastle for their report and they were excused from the meeting.

V. COUNSEL REPORT

A. Rehabilitation Plan

Mr. Kimble reviewed the update to the Fund's Rehabilitation Plan, a copy of which is contained in the meeting booklet.

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

> **RESOLVED to adopt the updated Rehabilitation Plan presented by Fund Counsel.**

B. Morgan Lewis Hourly Rate Increase

Mr. Kimble requested to increase the maximum hourly rate for his firm's services to the Funds from $710.00 per hour to $750.00 per hour effective January 1, 2025. He noted that the last rate increase was effective in 2023.

Mr. Kimble was excused from the meeting. The Trustees discussed the fee increase request.

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

> **RESOLVED to approve the hourly maximum increase for Morgan Lewis to $750.00 effective January 1, 2025.**

Mr. Kimble was welcomed back into the meeting.

VI. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the fourth quarter 2024. The report showed contribution income of $1,443,352, miscellaneous income of $10,147, interest and dividend income of $168,108, and withdrawal liability payments of $165,919, producing a total income of $1,787,526. Expenses included $5,782,922 of pension benefit expense and $412,670 of operating expense, producing a total expense of $6,195,592 for the quarter. This resulted in a net deficit of $4,408,066 for the quarter. Ms. Cochran noted that contributions were made on behalf of 323 active Plan participants and that there were no contribution delinquencies to report.

Ms. Cochran reviewed the pension applications requiring Trustee approval.

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

> **RESOLVED that the pension applications contained in the Administrative Manager's fourth quarter 2024 report are approved for payment as presented.**

VII. INVOICES

Ms. Cochran presented a list of invoices dated March 7, 2025. She 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 March 7, 2025 are approved for payment as presented.

VIII. OTHER FUND BUSINESS

A. Auditor Engagement Letter

Ms. Cochran reported receipt of Novak Francella's engagement letter for the 2024 Plan year, which reflects an annual fee of $18,900, an increase of 2.7% from the previous year.

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

RESOLVED to approve Novak Francella's engagement letter for the 2024 Plan Year with an annual fee of $18,900.

B. Employer Contribution Rate Increase Letter

Ms. Cochran reported that Associated mailed a contribution rate increase letter on December 9, 2024 to Giant Recycling, Giant Warehouse, and Teamsters Local 639 Union noting the contribution rate change effective January 1, 2025.

C. Ahold, USA Withdrawal Liability Estimate Request

Ms. Cochran reported that the Fund received a request for a withdrawal liability estimate from Ahold, USA. The employer paid the required fee for the actuarial calculation of the estimate and the Fund provided the estimate to Ahold, USA on February 11, 2025.

D. 2024 Retiree Information Form ("RIF")

Ms. Cochran reported that Associated mailed the third request for a completed RIF to those retirees who have not yet responded via certified mail on January 14, 2025.

E. Form 1099NEC

Ms. Cochran reported that Associated mailed the 1099NEC Forms to participants on January 31, 2025.

F. Form 1099R

Ms. Cochran reported that Associated mailed the 1099R Forms to participants on January 31, 2025.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected June 2, 2025 as their next regular meeting date immediately following the companion Legal Fund meeting via Zoom.

X. ADJOURNMENT

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

Respectfully submitted,

Jason Paradis

Chairman