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
JUNE 10, 2021
VIA TELECONFERENCE

The following Trustees were present:

UNION TRUSTEES
R. Brooks – Chairman
F. Myers
J. Lacy – Alternate

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
J. Kimble – Morgan, Lewis & Bockius, LLP
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 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 written with the above noted changes.**

III. FINANCIAL REPORT

A. Custodian Bank – PNC Bank, NA

The Trustees reviewed a copy of the PNC Summary of Activity report for the period January 1, 2021 through March 31, 2021.

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

1. Investment Performance

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

Mr. Sichel reviewed the financial markets generally and the investment returns of the Fund's investment managers. He noted that for the period January 1, 2021 to March 31, 2021 the Fund's total investment return was 3.6%, gross of fees.

2. Asset Allocation

Mr. Sichel reviewed the Fund's asset allocation as of March 31, 2021: U.S. Equities 31.5%, U.S. Small/Mid Cap 11.2%, International Equities 8.3%, Fixed Income Core 1.3%, Fixed Income High Yield 6.5%, Real Estate 20.5%, Opportunistic Strategies 8.1%, Global Tactical Asset Allocation 4.8%, Private Equity 4.8% and cash 3.0%.

3. Quarterly Performance Report

Mr. Sichel presented the preliminary quarterly performance report for the period ended March 31, 2021. He noted the assets held by the investment managers on March 31, 2021 were as follows: Rothschild – Hardman Johnston Global Advisors held $16,278,434; Northern Trust held $19,972,347; Great Lakes Advisors held $16,267,793; Atlanta Capital held $18,669,174; Hardman Johnston International Equity held $7,152,554; Acadian held $6,597,491; JPMCB Global Allocation Fund held $8,004,265; C.S. McKee held $2,190,646; Penn Capital held $10,869,495; American Core Realty Fund held $4,485,180; PRISA III held $27,567,964; Boyd Watterson $2,006,291; Corbin ERISA Opportunity Fund held $13,555,555; Hamilton Lane $7,964,257; and the cash account held $5,010,504. Mr. Sichel reviewed the summary of investment results for the period ended March 31, 2021 including trailing quarter, trailing year-to-date, and trailing one, three and five-year periods.

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

IV. ACTUARY REPORT

The Trustees reviewed a copy of the 2021 Actuarial Certification and 2020 Actuarial Valuation contained in the meeting booklet.

V. COUNSEL REPORT

A. Investment Manager – Loomis Sayles

Mr. Kimble reported that Morgan Lewis reviewed the documents for the Fund’s new investment with Loomis Sayles. He reported that the Adoption Agreement was completed and signed and that the Fund provided Loomis with all information necessary to fund the investment.

B. **American Rescue Plan Act of 2021 ("ARPA")**

Mr. Kimble reported that a letter was mailed to the Pension Benefit Guaranty Corporation on April 12, 2021 requesting that the Fund be granted priority consideration for the financial assistance based on the pending status of its MPRA application. He also noted that final regulations have not been released by the PBGC for multiemployer plans to apply for special financial assistance under ARPA.

VI. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the first quarter 2021. The report showed contribution income of $1,176,281, miscellaneous income of $61,863, interest and dividend income of $367,178, and withdrawal liability payments of $331,837, producing a total income of $1,937,159. Expenses included $5,173,660 of pension benefit expense and $455,884 of operating expense, producing a total expense of $5,629,544 for the quarter. This resulted in a net deficit of $3,692,385 for the quarter. Ms. Cochran noted that contributions were made on behalf of 293 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 first quarter 2021 report are approved for payment as presented.**

VII. INVOICES

Ms. Cochran presented a list of invoices dated June 10, 2021. 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 June 10, 2021 are approved for payment as presented.

VIII. 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. Notice of Critical and Declining Status and Annual Funding Notice

Ms. Cochran reported that Associated mailed copies of the Notice of Critical and Declining Status for the January 1, 2021 Plan Year and Annual Funding Notice for the January 1, 2020 Plan Year to Plan participants and participating employers on April 30, 2021.

C. 2020 Annual Audit

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 reported that the auditor will request a routine extension to file the Form 5500 and that the 5500 will be filed by the extended deadline.

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

RESOLVED to approve Novak Francella to file for an extension of the deadline to file the Form 5500.

D. American Rescue Plan Act of 2021 ("ARPA")

Ms. Cochran reported that Associated mailed the letter from the Trustees regarding ARPA's Special Financial Assistance provisions to participants, noting that the Plan appears to be eligible for special financial assistance.

E. Ahold, USA Withdrawal Liability Estimate Request

Ms. Cochran reported that the Fund received a request for a withdrawal liability estimate from Ahold, USA. The Fund paid the required fee for the actuarial calculation of the estimate and the estimate was provided to Ahold, USA on April 14, 2021.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected September 1, 2021 as their next regular meeting date immediately following the companion Legal Fund meeting in Landover, Maryland.

X. ADJOURNMENT

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

Respectfully submitted,

Michael Bull
Secretary