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 6, 2022 VIA TELECONFERENCE

The following Trustees were present:

UNION TRUSTEES
T. Richardson - Chairman
J. Lacy

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 14, 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 March 14, 2022 are approved as presented.**

III. FINANCIAL REPORT

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

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, 2022 to March 31, 2022 the Fund's total investment return was -2.2%, gross of fees.

B. Asset Allocation

Mr. Sichel reviewed the Fund's asset allocation as of March 31, 2022: U.S. Equities 32.6%, U.S. Small/Mid Cap 11.2%, International Equities 8.2%, Fixed Income Core 1.2%, Fixed Income High Yield 5.5%, Real Estate 21.2%, Opportunistic Strategies 8.5%, Global Tactical Asset Allocation 4.7%, Private Equity 4.2% and cash 2.6%.

C. Quarterly Performance Report

Mr. Sichel presented the preliminary quarterly performance report for the period ended March 31, 2022. He noted the assets held by the investment managers on March 31, 2022 were as follows: Rothschild – Hardman Johnston Global Advisors held $18,167,420; Northern Trust held $19,581,142; Great Lakes Advisors held $18,297,159; Atlanta Capital held $19,158,286; Hardman Johnston International Equity held $6,387,031; Acadian held $7,672,891; JPMCB Global Allocation Fund held

$8,121,639; C.S. McKee held $2,099,551; Loomis Sayles held $9,519,202; PRISA III held $30,193,013; Boyd Watterson $6,234,453; Corbin ERISA Opportunity Fund held $14,521,565; Hamilton Lane $7,256,086; and the cash account held $4,495,851. Mr. Sichel reviewed the summary of investment results for the period ended March 31, 2022 including trailing quarter, trailing year-to-date, and trailing one, three and five-year periods.

D. Asset Allocations

Mr. Sichel directed the Trustees to the asset allocation chart in the meeting booklet. Mr. Sichel reviewed the recent asset allocations and recommended reducing the additional $4.6 million commitment to real estate which the Trustees elected during the June 10, 2021 meeting.

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

> **RESOLVED to accept the recommendation of IPS to rescind the $4.6 million committed to real estate.**

IV. COUNSEL REPORT

Mr. Kimble reported the Hamilton Lane Secondary Fund VI, LP Fund side letter related to an additional funding commitment was successfully completed in April 2022.

VI. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the first quarter 2022. The report showed contribution income of $1,264,213, miscellaneous income of $1,071, interest and dividend income of $169,196, and withdrawal liability payments of $165,919, producing a total income of $1,600,399. Expenses included $5,211,565 of pension benefit expense and $313,303 of operating expense, producing a total expense of $5,524,868 for the quarter. This resulted in a net deficit of $3,924,469 for the quarter. Ms. Cochran noted that contributions were made on behalf of 296 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 2022 report are approved for payment as presented.**

VII. INVOICES

Ms. Cochran presented a list of invoices dated June 6, 2022. 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 6, 2022 are approved for payment as presented.**

VIII. OTHER FUND BUSINESS

A. Cyber Liability Policy

Ms. Cochran noted interim action regarding the renewal of the Cyber Liability policy for the period May 20, 2022 through May 20, 2023 with Markel, through the broker NFP Property & Casualty Service, Inc. She said that the annual premium increased by

$3,429.90. She said the renewal was approved by Chairman and Secretary in an electronic poll conducted in May 2022.

B. Fiduciary Liability Policy

Ms. Cochran reported the Fiduciary Liability policy expires July 26, 2022 and that proposals will be distributed to the Trustees once available.

C. 2022 PPA Certification

Ms. Cochran reported that Cheiron filed the 2022 PPA Certification on March 31, 2022 and that the Fund was certified as Critical and Declining.

D. 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, 2022 Plan Year and Annual Funding Notice for the January 1, 2021 Plan Year to Plan participants and participating employers on April 29, 2022.

E. 2021 Annual Audit

Ms. Cochran reported that Novak Francella performed fieldwork for the audit in the Administrative Manager's office the week of May 23, 2022. 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.

F. Annual Pension Statements

Ms. Cochran reported that the Annual Pension Statements will be mailed to participants by July 15, 2022.

G. Payroll Audit Status – Warehouse Local 730 Union

Ms. Cochran reported that the audit for the period January 1, 2019 through December 31, 2021 was completed with no exceptions noted.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected September 23, 2022 as their next regular meeting date immediately following the companion Legal Fund meeting via teleconference.

X. ADJOURNMENT

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

Respectfully submitted,

Michael Bull

Secretary