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
SEPTEMBER 13, 2024
VIA ZOOM**

The following Trustees were present:

UNION TRUSTEES
F. Myers
R. Brooks

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
A. Kelly – Morgan, Lewis & Bockius, LLP
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 distributed his firm's report titled, "Master Consulting Services Report – June 30, 2024." He reviewed the financial markets generally. He reported that the Fund's total market value of assets as of June 30, 2024 was $145,022,527, and its year-to-date return 11.7%, compared to the 11.6% return for the index, gross of fees.

1. Asset Allocations

He reviewed the Fund's asset allocation as of June 30, 2024: U.S. Equities 31.8%, U.S. Small/Mid Cap 10.9%, International Equities 10.1%, Fixed Income Core 4.4%, Fixed Income High Yield 7.4%, Real Estate 19.5%, Opportunistic Strategies 11.9%, Private Equity 3.5% and cash 0.4%.

2. Quarterly Performance Report

Mr. Sichel presented the preliminary quarterly performance report for the period ended June 30, 2024. He noted the assets held by the investment managers on June 30, 2024 were as follows: Hardman Johnston Global Advisors held \$15,297,186; Northern Trust held \$15,970,691; Great Lakes Advisors held \$14,878,935; Atlanta Capital held \$15,778,837; Hardman Johnston International Equity held \$6,698,261; Acadian held \$7,920,014; C.S. McKee held \$6,364,167; Loomis Sayles held \$10,713,804; PRISA III held \$22,965,157; Boyd Watterson \$5,359,531; Corbin ERISA Opportunity Fund held \$17,303,126; Hamilton Lane Secondary Fund IV-A \$3,231,188; Hamilton Lane Secondary Fund VI-A \$1,842,810 and the cash account held \$698,819.

3. PRISA III Amendment

Mr. Sichel stated that the Real Estate – Value Add manager PRISA III provided an amendment which includes updating fund expense language and modifications to the current market practice of charging 3rd party Administrative Expenses. He said IPS recommends executing the Amendment subject to Fund Counsel's review.

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

> **RESOLVED to approve the PRISA III amendment as presented by IPS.**

Ms. Cochran stated that she would circulate the amendment for Trustee signature.

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

Mr. Sichel stated that the Fund is still on the waiting list to file its application. He noted that prior to receiving the SFA funds, the Trustees will need to hire a specific type of investment manager(s) for the proceeds. He said that IPS plans to finalize the manager recommendations and will present them to the Trustees at the next meeting.

5. **<u>Investment Consulting Services</u>**

Mr. Sichel reviewed the three levels of consulting services offered to clients. He reviewed the Master Consulting Services ("MCS"), Expanded Master Consulting Services ("Ex-MCS") and Discretionary Consulting ("DCS"). Mr. Sichel discussed the difference in services and fees for each level noting the current MCS arrangement.

The Trustees discussed delegating authority to Chairman and Secretary to approve the arrangement, pending receipt of a written proposal from IPS.

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

> **RESOLVED to delegate authority to Chairman and Secretary to approve and execute the IPS consulting services agreement.**

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

IV. <u>AUDITOR REPORT</u>

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

Ms. Pascal reviewed the draft 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. She noted that total additions for the year ended December 31, 2023 were $21,569,976 and total deductions were $22,401,472, resulting in a net decrease of Net Assets Available for Benefits of $831,496. As of December 31, 2023 net assets available for benefits were $151,685,101. Ms. Pascal reviewed the notes to the financial statements, the schedule of administrative expenses, the schedule of employer contributions, and the schedule of assets held for investment purposes.

The Trustees thanked Ms. Pascal for her report and she was excused from the meeting.

V. <u>COUNSEL REPORT</u>

Ms. Kelly and Ms. Saindon reported that they had no legal matters on which to report.

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

Ms. Cochran presented the Administrative Manager’s Report for the second quarter 2024. The report showed contribution income of $1,429,790, miscellaneous income of $2,394, interest and dividend income of $84,244, and withdrawal liability payments of $165,919, producing a total income of $1,682,347. Expenses included $5,579,278 of pension benefit expense and $358,269 of operating expense, producing a total expense of $5,937,547 for the quarter. This resulted in a net deficit of $4,255,200 for the quarter. Ms. Cochran noted that contributions were made on behalf of 317 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 second quarter 2024 report are approved for payment as presented.**

VII. INVOICES

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

VIII. OTHER FUND BUSINESS

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 premium. 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 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