Gastronomical Workers Union Local 610
and Metropolitan Hotel Association
Pension Fund

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MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE GASTRONOMICAL WORKERS UNION LOCAL 610 AND METROPOLITAN HOTEL ASSOCIATION PENSION FUND HELD JANUARY 20, 2021 VIA VIDEOCONFERENCE

The following Trustees were present:

Union Trustees	Employer Trustee
J. Rivera, Chairman	D. New, Secretary
M. Vazquez, Secretary	

Also present were:

N. Durkin – Associated Administrators, LLC
L. DuVall – Associated Administrators, LLC
J. Herishen – Calibre CPA Group
M. Lotruglio – Quan-Vest Consultants, Inc.
A. Madan – Slevin & Hart, PC
T. Mazur – Quan-Vest Consultants, Inc.
M. Nham – Slevin & Hart, PC
L. Ortiz – Segal

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 on October 15, 2020, which were circulated in advance of the meeting. After discussion, and upon a MOTION duly made and seconded, the Trustees

RESOLVED, that the minutes of the regular Board meeting held on October 15, 2020 are approved as presented.

III. AUDITOR'S REPORT

The Trustees welcomed Mr. Joe Herishen from Calibre CPA Group to the meeting.

Mr. Herishen reviewed the draft Financial Statements for the Plan year ended May 31, 2020. He expressed an unqualified/unmodified opinion on the financial statements, explaining that in his opinion, the financial statements present fairly, in all material respects, the financial status of the Plan as of May 31, 2020. He stated that this is the highest level of opinion that can be achieved in conforming to accounting principles generally accepted in the United States.

Mr. Herishen reported that the Net Assets Available for Benefits on May 31, 2020 were $2,426,402. He said that total additions for the Plan year ended May 31, 2020 were $230,122 and total deductions were $2,414,794 which resulted in a $2,184,672 decrease in Net Assets Available for Benefits.

Mr. Herishen noted that the Financial Statements will be revised to include a disclosure to the Notes to Financial Statements regarding the insolvency application filed by the Fund with the PBGC. With this revision, the Financial Statements will be finalized after the meeting. After discussion, and upon a MOTION duly made and seconded, the Trustees

RESOLVED, to accept the Fund Auditor's Report.

IV. INVESTMENT CONSULTANT'S REPORT

The Trustees welcomed Mr. Mark Lotruglio and Mr. Tom Mazur from Quan-Vest Consultant's, Inc. ("Quan-Vest") to the meeting.

A. Performance Report

Mr. Mazur reviewed the Quan-Vest Investment Report for the period ended December 31, 2020. He reported that the market value of the Fund's portfolio as of December 31, 2020 was $603,883. He reported that for the one-year period ended December 31, 2020, the Fund's total portfolio returned 9.9% compared to the policy benchmark of 9.4%. The equity portfolio returned 21% and the Fund's fixed income portfolio returned 4.7% for the one-year period ended December 31, 2020. He stated that these reported returns were net of investment fees.

B. Asset Allocation

Mr. Mazur reported that the asset allocation on December 31, 2020 was 62.9% in fixed income and 37.1% in domestic equity. He noted that the Fund's portfolio is slightly overweight to equities due to favorable returns in the fourth quarter of 2020, but stated that these allocations were within the permissible ranges under the Fund's Investment Policy Statement. He advised that the market value of assets for the combined portfolio was $603,883 of which $224,095 was held in the Vanguard Total Stock Fund and $379,788 was held in the Vanguard Short-Term Bond Index.

Mr. Lotruglio stated that each month the Fund withdraws $200,000 from its combined portfolio, comprised of $140,000 from the Vanguard Short-Term Bond Index Fund and $60,000 from the Vanguard Total Stock Fund. Mr. Lotruglio estimated that the assets remaining in the Fund's combined portfolio will be exhausted in March 2021. Mr. Lotruglio said that in March 2021, he and Mr. Mazur will work with Ms. DuVall to liquidate the remaining Fund assets in the portfolio, Quan-Vest will then submit its resignation and will issue a final invoice to the Fund in April 2021. Mr. Lotruglio thanked the Trustees for the opportunity to provide service to the Fund for more than thirty years.

The Trustees thanked Mr. Lotruglio and Mr. Mazur for their report and excused them from the meeting.

V. ACTUARY'S REPORT

Ms. Ortiz reported that she had reviewed participant data required by the PBGC regarding the pending insolvency of the Fund. She said that most of the Plan participants were receiving monthly benefit payments that do not exceed the PBGC guaranteed amount. She said that calculations were produced for those that received reduced monthly pension benefits effective June 1, 2020.

The Trustees thanked Ms. Ortiz for her report.

VI. ATTORNEY'S REPORT

Ms. Nham reported that an Application for Financial Assistance had been filed with the PBGC on December 31, 2020. She explained that based on the current estimate of monthly Fund expenses, it appears that the Fund may not go insolvent until September 2021 but the actual date of insolvency may be impacted by variables in Plan expenses, such as the number of pensioners. She reported that the PBGC plans to reach out to the Fund in July 2021, closer to the projected insolvency date.

VII. ADMINISTRATIVE MANAGER'S REPORT

Ms. DuVall presented the Administrative Manager's Report for September 2020 through November 2020. The report indicated contributions of \$582, withdrawal liability income of \$11,271, and interest and dividend income of \$3,970, producing total income of \$15,823. She reported that expenses included \$466,104 for pension benefits and \$52,270 in operating expenses, producing total expenses of \$518,374, which resulted in a net deficit of \$502,551 for the period September 2020 through November 2020. She further noted that contributions were made on behalf of two active participants.

Ms. DuVall presented the pension report for the period October 2020 through December 2020. She reviewed the pension roll, reinstatements, list of deletes/deceased participants, and pension applications submitted for Trustee approval. After discussion, and upon a MOTION duly made and seconded, the Trustees unanimously

RESOLVED, to approve the pension applications as presented.

VIII. INVOICES

Ms. DuVall presented a list of invoices dated January 20, 2021, as well as an invoice from Segal and an invoice from Associated Administrators for insolvency services provided to the Fund. The Trustees discussed and determined that all invoices represented proper Fund expenses. After discussion, and upon a MOTION duly made and seconded, it was unanimously

RESOLVED, that the invoices contained in the Administrative Manager's Report are approved for payment.

IX. NEXT MEETING DATE AND ADJOURNMENT

The Trustees decided that the next regular Board meeting will be held on July 15, 2021 via videoconference starting at 10:00 a.m.

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

Respectfully submitted,

______________________	______________________
Chairman	Secretary
______________________	______________________
Date	Date

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