Warehouse Employees Union Local No. 730
and Contributing Companies' Prepaid
Legal Services Fund

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MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
WAREHOUSE EMPLOYEES UNION LOCAL NO. 730
& CONTRIBUTING COMPANIES' PREPAID
LEGAL SERVICES FUND
DECEMBER 14, 2016
LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
R. Brooks – Chairman	M. Bull – Secretary
A. Smith	L. Johnson
T. Richardson – Alternate	J. Paradis
	B. Pounds – Alternate

Also present were:

A. Cochran – Associated Administrators, LLC
M. DeLancey – Blank Rome LLP
L. DuVall – Associated Administrators, LLC
R. Sichel – Investment Performance Services, LLC

I. CALL TO ORDER

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

II. TRUSTEE APPOINTMENT

Ms. Cochran reported that a letter was sent to participating employers on November 11, 2016 regarding the nomination of Billye Pounds as an alternate Employer Trustee. Ms. Cochran said no responses were received to the nomination.

III. MINUTES

The Trustees reviewed the minutes of the last regular meeting held October 6, 2016.

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 October 6, 2016 are approved as presented.**

IV. FINANCIAL REPORT

The Trustees welcomed Mr. Rich Sichel of Investment Performance Services (IPS) to the meeting.

A. Custodian Bank – PNC Bank, NA

Ms. Cochran said a copy of the PNC Summary of Activity report for the period January 1, 2016 through September 30, 2016 is contained in the meeting booklet.

B. Investment Performance Services

Mr. Sichel reviewed his report titled, "Investment Performance Analysis – September 30, 2016" beginning with IPS' market commentary. Mr. Sichel noted the asset allocation as follows: 78.6% in Investment Grade Income and 21.4% in cash and equivalents. The Atlanta Capital Bond Fund held $736,467 in investments. The PNC Prime Money Market held $200,465.

Mr. Sichel made a recommendation to move $100,000 from the cash account to the Atlanta Capital Bond Fund in order to rebalance closer to the target asset allocations.

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

> **RESOLVED to approve the recommendation of IPS to transfer $100,000 from the cash account to the Atlanta Capital Bond Fund in order to rebalance to the target asset allocations.**

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

V. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the third quarter 2016. Such report showed employer contributions of $34,484, miscellaneous income of $0 and interest, and dividend income of $2,826, producing a total income of $41,533 for the quarter. Benefit expenses were $14,127 and operating expenses were $11,187, producing a total expense of $25,314, resulting in a net surplus of $11,996 for the quarter. Ms. Cochran noted that contributions were made on behalf of 1,033 participants.

VI. INVOICES

Ms. Cochran presented a list of invoices dated December 14, 2016 for Trustee review. It was 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 December 14, 2016 are approved for payment as presented.**

VII. OTHER FUND BUSINESS

A. Collective Bargaining Agreement (CBA) – Safeway, Inc. (Safeway)

Ms. Cochran reported the receipt of a newly negotiated CBA between the Union and Safeway for the period May 15, 2016 through May 14, 2022.

After discussion and a review of the CBA by Fund Counsel, the Trustees voted approval of the following resolution:

> **RESOLVED to accept the CBA between the Union and Safeway for the period May 15, 2016 through May 14, 2022.**

B. Payroll Audit Status Report – Giant Recycling and Warehouse

Ms. Cochran reported that the auditor had found certain hours had been truncated during the payroll audit performed for the period January 1, 2013 through December 31, 2015. She stated that the discrepancy was identified for the period January 1, 2013 through June 30, 2013. Ms. Cochran said that the Trustees had directed the Administrative Manager to review the prior payroll audit for the period January 1, 2010 through December 31, 2012 to determine an amount due for truncated hours for the period January 1, 2013 through June 30, 2013 to avoid the expense of the auditor reviewing full payroll records charged at its hourly rates. Ms. Cochran explained the methodology used to determine the amount due for the six month period. She said the methodology was reviewed by Fund Counsel. Ms. Cochran said the total amount due for the period January 1, 2013 through June 30, 2013 is $461.38. Ms. Cochran said the auditor confirmed that the issue regarding truncated hours had been corrected in July 2013.

After discussion, the Trustees voted approval of the following resolution by majority, with Trustee Paradis abstaining.

RESOLVED to accept the methodology presented to determine an amount due for the truncated hours for the period January 1, 2013 through June 30, 2013. The Administrative Manager was directed to send a demand letter for $461.38. Once payment is received, the audit will be considered complete.

C. International Foundation of Employee Benefit Plans – Annual Membership

Ms. Cochran reported receipt of the Fund's 2017 membership renewal invoice for the International Foundation of Employee Benefit Plans. The renewal fee is $1,105.00.

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

RESOLVED to approve the Fund's 2017 renewal with the International Foundation of Employee Benefits Plans at a fee of $1,105.00.

D. For Your Benefit Newsletter

Ms. Cochran stated that the Fund Office mailed the October 2016 *For Your Benefit* newsletter to Plan participants.

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected March 16, 2017 as their next regular meeting in Landover, Maryland.

IX. ADJOURNMENT

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

Respectfully submitted,

Michael Bull
Secretary