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 MARCH 3, 2020 LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES
L. Hudson
R. Jackson
T. Richardson – Alternate

EMPLOYER TRUSTEES
M. Bull – Secretary
J. Paradis
H. Sebhat
M. Goble – Alternate

Also present were:

K. Barshinger – Associated Administrators, LLC
A. Cochran – Associated Administrators, LLC
M. DeLancey – Blank Rome LLP
B. Hicks – 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 mailed to participating employers on November 25, 2019 regarding the nomination of Mr. Michael Goble of Giant Food, Inc. as an Alternate Trustee. Ms. Cochran said she received no objections regarding the nomination. The Trustees welcomed Mr. Goble to the meeting. Ms. Cochran confirmed that she instructed the broker to add Mr. Goble to the Fiduciary and Cyber Liability policies along with the Fidelity Bond.

III. MINUTES

The Trustees reviewed the minutes of the last regular meeting held December 3, 2019.

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 December 3, 2019 are approved as presented.**

IV. 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, 2019 through December 31, 2019 is contained in the meeting booklet.

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

The Trustees welcomed Mr. Brian Hicks of IPS to the meeting.

Mr. Hicks reviewed his report titled, "Investment Performance Analysis – December 31, 2019" beginning with IPS' market commentary. Mr. Hicks noted the asset allocation as follows: 98.50% in Investment Grade Income and 1.50% in cash and equivalents. The Atlanta Capital Bond Fund held $873,375 in investments. The PNC Prime Money Market held $13,520.

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

V. COUNSEL REPORT

Mr. DeLancey said there were no legal matters pending before the Board of Trustees at this time.

VI. ADMINISTRATIVE MANAGER'S REPORT

Ms. Cochran presented the Administrative Manager's Report for the fourth quarter 2019. Such report showed employer contributions of $33,482, miscellaneous income of $0 and interest and dividend income of $5,377, producing a total income of $38,859 for the quarter. Benefit expenses were $26,918 and operating expenses were $17,085, producing a total expense of $44,003, resulting in a net deficit of $5,144 for the quarter. Ms. Cochran noted that contributions were made on behalf of 987 participants.

VII. INVOICES

Ms. Cochran presented a list of invoices dated March 3, 2020 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 March 3, 2020 are approved for payment as presented.**

VIII. OTHER FUND BUSINESS

A. Provider Report – Law Offices of Steven Sindler

Ms. Cochran said a copy of the report titled "Annual Report – For the Reporting Period January 1, 2019 to December 31, 2019" is contained in the meeting booklet. She reviewed the quarterly and total annual utilization for each benefit category, including the new case count, hours, and charges. There were 158 new cases in the 2019 Plan year, with 1,024.24 attorney hours, resulting in benefit payments totaling $112,666.00.

B. Cyber Liability Policy

Ms. Cochran reported that the Fund's current Cyber Liability Policy will expire March 12, 2020. The broker, NFP, is currently working on obtaining proposals to be presented to the trustees.

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

> **RESOLVED to give authority to Chairman and Secretary to decide on a Cyber Liability Policy for the upcoming policy year.**

C. Form 1099MISC

Ms. Cochran said the 1099MISC Forms were mailed on January 30, 2020.

D. 2020 Auditor Engagement Letter

Ms. Cochran reported receipt of the 2020 Auditor Engagement Letter for the 2019 Plan year at an annual fee of $6,300. She said the letter reflects no increase in premium from the prior year.

E. Trustee Expense Policy

Ms. Cochran indicated that a request was received from Trustee Richardson regarding reimbursement for a reservation through an Airbnb instead of a hotel for the upcoming International Foundation Employees Benefit Plans conference. Fund Counsel noted the current Policy provides the Trustees with discretion to interpret the Policy to allow for reimbursement for Airbnb expenses properly incurred.

On MOTION made and seconded, the Trustees voted – with Trustee Richardson abstaining – approval of the following resolution:

> **RESOLVED that the Fund will reimburse the expenses of an Airbnb, provided the cost is within the standard price range of hotel accommodations for the specific conference in which the Trustee attended.**

Fund counsel noted that because this was a matter of Trustee interpretation, no amendment to the existing Policy is necessary.

F. Safeway, Inc.

Trustee Richardson advised the Trustees that Safeway will begin closing its Collington Distribution Center in May 2020. He said the announcement by the employer was unexpected. Trustee Richardson said he will provide additional details regarding the exact closing date once available.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected June 18, 2020 as their next regular meeting in Landover, Maryland.

X. ADJOURNMENT

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

Respectfully submitted,

Michael Bull
Secretary