Warehouse Employees Union Local No. 730
Pension Trust Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (800) 730-2241
www.associated-admin.com

4301 Garden City Drive, Suite 201
Landover, Maryland 20785-6102
Telephone: (800) 730-2241
www.associated-admin.com

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 PENSION TRUST FUND DECEMBER 20, 2013 LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
R. Brooks – Chairman	M. Bull - Secretary
R. Johnson	L. Johnson
A. Smith	J. Paradis

Also present were:

H. Burton – Morgan, Lewis & Bockius, LLP
A. Cochran – Associated Administrators, LLC
L. DuVall – Associated Administrators, LLC
B. Gorlin – Dickstein Shapiro, LLP
M. Herwig – PNC Bank, NA
J. Mink – Investment Performance Services, LLC

I. CALL TO ORDER

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

II. MINUTES

The Trustees read the minutes of the last regular meeting held on August 29, 2013.

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 August 29, 2013 were approved as presented.**

III. FINANCIAL REPORT

The Trustees welcomed Mr. Michael Herwig of PNC Bank, NA, and Ms. Jennifer Mink of Investment Performance Services (IPS) to the meeting.

A. Custodian Bank – PNC Bank, NA

Mr. Herwig distributed copies of the Summary of Activity report for the period January 1, 2013 through September 30, 2013. Such report indicated a beginning market value of $150,068,326, receipts of $4,564,329, gains of $19,062,470, and disbursements of $14,062,040, producing an ending market value of $159,633,085.

B. Investment Consultant – Investment Performance Services, LLC

1. Master Consulting Report

a. Investment Performance

Ms. Mink reviewed the overall performance of the Fund's investment managers noting that the investment performance of the total portfolio for the period January 1, 2013 to September 30, 2013 was 13.2%, gross of fees.

b. Asset Allocation

Ms. Mink reviewed the Fund's asset allocation as of September 30, 2013: U.S. Equities 42.5%, International Equities 9.3%, Fixed Income Core 7.5%, Fixed Income High Yield 8.8%, Real Estate 11.4%, Hedge Fund of Funds (HFOF) 7.9%, Global Tactical Asset Allocation (GTAA) 10.3%, and cash 2.3%. She noted interim action in which Chairman and Secretary approved the asset allocation rebalancing recommendation of IPS, memo dated

December 17, 2013, to use Atlanta Capital as a funding source for American Core Realty ($4,185,000) and PRISA III ($80,742) capital calls on January 2, 2014 and December 31, 2013.

Investment Manager – Performance Review

Ms. Mink presented the individual investment manager performance reviews. She stated that this section of the report also identifies investments and situations that do not comply with the specific parameters of the Fund's Investment Policy Statement.

Mr. Sichel had recommended at the last meeting sending the current trust documents to BlackRock for their review of the Fund's eligibility to invest in a new collective trust fund. Ms. Mink reported that the review of the trust documents is still ongoing by Fund Counsel and BlackRock.

2. Quarterly Performance Report

Ms. Mink presented the preliminary quarterly performance report for the period ended September 30, 2013. She noted the assets held by the investment managers on September 30, 2013 were as follows: Rothschild – LCV held $14,379,546; Westfield Capital Management held $14,533,444; Johnston Asset Management held $16,615,121; Atlanta Capital held $22,388,143; Johnston International Equity held $6,840,410; Acadian held $7,957,791; C.S. McKee held $10,693,054; Penn Core held $14,000,274; PRISA III held $16,691,263; American Core Realty Fund held $1,438,432; Multi-Employer Property Trust held $12,056,147; Meridian Special Investments held $520,001; BlackRock Financial Management held $16,507,686; the cash account held $3,616,175, and the Meridian Segregated -portfolio held $36,517. Ms. Mink reviewed the summary of investment results for the period ended September 30, 2013, including trailing quarter, trailing year-to-date, and trailing one, three and five year periods.

730P

The Trustees thanked Mr. Herwig and Ms. Mink for their reports and they were excused from the meeting.

IV. COUNSEL REPORT

Mr. Burton reported that the Treasury Department and Internal Revenue Service had released guidance implementing, for federal tax purposes, United States v. Windsor (Windsor). He stated that as a result of the Windsor decision, same-sex couples who marry in a State that recognizes same-sex marriage are entitled to certain rights and benefits, including qualified retirement plan benefits, regardless of the State in which they reside.

After a discussion, on MOTION made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED that effective immediately same-sex couples who marry in a State that recognizes same-sex marriage are entitled to applicable spousal Fund benefits, regardless of the state in which they reside. The Administrative Manager is to work with Fund Counsel to review Plan documents and policies for any necessary updates.**

Mr. Burton and Ms. Wylin said there were no other legal matters pending before the Board of Trustees at this time.

V. ADMINISTRATIVE MANAGER REPORT

Ms. Cochran presented the Administrative Manager Report for the third quarter 2013. Such report indicated contribution income of $860,470, miscellaneous income of $3,317, interest and dividend income of $479,557 and withdrawal liability payments of $551,792 producing a total income of $1,895,136. Expenses included $4,386,514 of pension benefit expense and $397,734 of operating expense, producing a total expense of $4,784,248 for the quarter. This resulted in a net deficit of $2,889,112 for the quarter.

Ms. Cochran noted that contributions were made on behalf of 439 active Plan participants.

She stated that there were no contribution delinquencies to report. She 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 as contained in the Administrative Manager's third quarter 2013 report were approved for payment as presented.

VI. INVOICES

Ms. Cochran presented a list of invoices dated December 20, 2013. 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 list of invoices dated December 20, 2013 was approved for payment as presented.

VII. PARTICIPANT APPEALS

Appeal Number	***Issue***	***Board Decision***
P13/150-2961	***Pension Benefit for Surviving Spouse***	***Denied***

VIII. OTHER FUND BUSINESS

A. Form 5500 and Multiemployer Plan Summary Report for the Plan Year Ended December 31, 2012

Ms. Cochran reported that the Form 5500 for the plan year ended December 31, 2012 was filed timely and the Multiemployer Plan Summary Report was mailed to employers in a timely manner.

B. Payroll Audit Status Report

Ms. Cochran distributed and reviewed the report from Calibre titled, "Status Report as of December 16, 2013."

1. Eight O'Clock Coffee

Ms. Cochran stated that a payroll audit was scheduled for the employer on December 13, 2013.

2. Adams Burch

Ms. Cochran stated that a payroll audit was schedule for the employer on November 25, 2013.

3. Giant Warehouse and Recycling

Ms. Cochran reported interim action that the Trustees approved by an electronic mail poll providing for an additional payment to the Fund auditor of $266.67 for the 2012 truncating hours audit.

C. Fiduciary Liability Waiver of Recourse Premiums

Ms. Cochran reported that all Trustee Waiver of Recourse Premiums had been paid for the 2013 – 2014 policy.

D. Trustee Expense Policy

Ms. Cochran stated there was a request from Trustee Brooks to discuss the advance stipend amount that Trustees can receive prior to attending International Foundation of Employee Benefit Plans conferences.

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

> **RESOLVED that the amount of the advance stipend in the Trustee Expense Policy shall be increased from $1,500 to $2,500 contingent on Fund Counsel's review.**

E. International Foundation of Employee Benefit Plans – Annual Membership

Ms. Cochran reported that the 2014 membership with the International Foundation of Employee Benefit Plans had been renewed at a fee of $915.00.

F. Post Retirement Employment

Ms. Cochran reported that the Administrative Manager asked for guidance on interpreting the Fund's Plan rule regarding post-retirement employment. She said the Fund Office had became aware of a retiree that is working at a company located within 100 miles of the Local Union Office. The company is the Milby Company and the question is whether or not this employer is a competitor of the Fund's participating employers. After a discussion the Trustees decided the Milby Company is not a competitor in the industry.

G. Pension Benefit Guarantee Corporation (PBGC) 2013 Comprehensive Filing

Ms. Cochran stated that the 2013 Comprehensive Filing with the PBGC was filed timely on October 8, 2013 and the Fund received a rebate of $696.00.

H. Withdrawal Liability Estimates

Ms. Cochran reported a request for a withdrawal liability estimate from participating employer Ahold U.S.A., Inc. (Ahold). She noted that Ahold paid the required fee for the actuarial calculation of the estimate and the estimate was provided to Ahold on December 12, 2013.

I. Employer Contribution Rate Increase Letters

Ms. Cochran reported that contribution rate increase letters were mailed timely to participating employers with a rate change effective January 1, 2014.

J. Commission Recapture Rebate

Ms. Cochran noted the receipt of a commission recapture rebate from ConvergEx Executions Solutions in the amount of $2,344.27 for the third quarter 2013.

K. Lump Sum Disability Benefit

Ms. Cochran stated a letter was received from a participant requesting a lump sum disability pension payment. After a discussion with Fund Counsel, a response letter was mailed to the participant stating the Fund's interpretation is that the Pension Protection Act Rehabilitation Plan applies to any benefit claim not yet processed. The Rehabilitation Plan was effective November 29, 2009 and eliminated the lump sum disability benefit. Ms. Cochran stated that no additional correspondence was been received from the participant.

L. Withdrawal Liability Request

Ms. Cochran reported a letter was received from an attorney representing McKesson Corporation questioning the current assessment of Withdrawal Liability. She stated the letter was reviewed by Fund Co-Counsel and Actuary. A response letter was prepared and mailed to McKesson confirming the accuracy of the current assessment.

M. Participant Request

Trustee Brooks stated for the record that a current retiree, Mamie Ware, called the Union office in reference to additional pension credits for her employment with Brody Brothers. The Administrative Manager and the Union verified that Brody Brothers did not participate in the Pension Fund. Ms. Ware has raised the issue with the International Teamsters Union. The Administrative Manager and Union will continue to work with the International Teamsters Union regarding any additional questions.

N. *For Your Benefit* Newsletter

Ms. Cochran stated that the Fund Office mailed the October 2013 *For Your Benefit* newsletter to participants.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected March 14, 2014 as their next regular meeting date immediately following the companion Legal Fund meeting in Landover, Maryland.

X. ADJOURNMENT

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

Respectfully submitted,

Michael Bull
Secretary