Warehouse Employees Union Local No. 730
Pension Trust Fund

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MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 PENSION TRUST FUND JUNE 13, 2019 LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES
R. Brooks – Chairman
T. Richardson
A. Smith

EMPLOYER TRUSTEES
M. Bull – Secretary
J. Paradis

Also present were:

K. Barshinger – Associated Administrators, LLC
H. Burton – Morgan, Lewis & Bockius, LLP
A. Cochran – Associated Administrators, LLC
M. DeLancey – Blank Rome LLP
T. Geiman – Novak Francella LLC
M. Pascal – Novak Francella LLC
R. Sichel – 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 March 27, 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 March 27, 2019 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, 2019 through March 31, 2019 is contained in the meeting booklet.

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

The Trustees welcomed Mr. Rich Sichel of IPS to the meeting.

1. Investment Performance

Mr. Sichel reviewed the overall performance of the Fund's investment managers noting that the investment performance of the total portfolio for the period January 1, 2019 to March 31, 2019 was 7.9%, gross of fees.

2. Asset Allocation

Mr. Sichel reviewed the Fund's asset allocation as of March 31, 2019: U.S. Equities 25.9%, U.S. Small/Mid Cap 9.3%, International Equities 10.9%, Fixed Income Core 1.2%, Fixed Income High Yield 7.2%, Real Estate 23.5%, Hedge Fund of Funds 2.4%, Opportunistic Investments 5.8%, Global Tactical Asset Allocation 5.9%, Private Equity 3.6% and cash 4.4%.

3. Quarterly Performance Report

Mr. Sichel presented the preliminary quarterly performance report for the period ended March 31, 2019. He noted the assets held by the investment managers on March 31, 2019 were as follows: Rothschild – LCV held $12,066,558; Hardman Johnston Asset Management held $14,385,120; Northern Trust $14,679,990; Atlanta Capital held $14,801,947; Hardman Johnston International Equity held $7,994,398; Acadian held $9,331,891; C.S. McKee held $1,888,213; Penn Core held $11,418,356; PRISA III held $29,236,418; American Core Realty Fund held $8,147,412; Lighthouse Investment Partners/Mesirow held $3,769,273; Corbin ERISA Opportunity Fund held $9,151,902; BlackRock Financial Management held $9,433,611; Hamilton Lane $5,692,959; and the cash account held $7,077,896. Mr. Sichel reviewed the summary of investment results for the period ended March 31, 2019, including trailing quarter, trailing year-to-date, and trailing one, three and five-year periods.

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

IV. AUDITOR REPORT

The Trustees welcomed Mr. Tyler Geiman and Ms. Marcella Pascal of Novak Francella LLC to the meeting.

Mr. Geiman reviewed the draft Financial Statements for the year ended December 31, 2018. He said this audit reflects an unmodified opinion, in all material respects, of the financial status of the Fund. He noted that total additions for the year ended December 31, 2018 were $2,394,437 and total deductions were $19,707,566, resulting in a net decrease of Net Assets Available for Benefits of $17,313,129. As of

December 31, 2018 net assets available for benefits were $156,202,621. Mr. Geiman also 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 Mr. Geiman and Ms. Pascal for their report and they were excused from the meeting.

V. COUNSEL REPORT

Mr. Burton and 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 first quarter 2019. Such report indicated contribution income of $927,335, miscellaneous income of $16,832, interest and dividend income of $471,965 and withdrawal liability payments of $165,919, producing a total income of $1,582,051. Expenses included $5,043,598 of pension benefit expense and $310,889 of operating expense, producing a total expense of $5,354,487 for the quarter. This resulted in a net deficit of $3,772,436 for the quarter. Ms. Cochran noted that contributions were made on behalf of 304 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 first quarter 2019 report are approved for payment as presented.

VII. INVOICES

Ms. Cochran presented a list of invoices dated June 13, 2019. 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 June 13, 2019 are approved for payment as presented.

VIII. OTHER FUND BUSINESS

A. Notice of Critical and Declining Status and Annual Funding Notice

Ms. Cochran reported that copies of the Notice of Critical and Declining Status for the Plan Year beginning January 1, 2019 and Annual Funding Notice for the Plan Year beginning January 1, 2018 were mailed to Plan participants and participating employers on April 29, 2019.

B. Employer Contribution Rate Letters

Ms. Cochran said a contribution rate increase letter was mailed to Eight O'Clock Coffee for rate changes effective July 1, 2019.

IX. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected September 11, 2019 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