Warehouse Employees Union Local No. 730
Pension Trust Fund

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DRAFT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE WAREHOUSE EMPLOYEES UNION LOCAL NO. 730 PENSION TRUST FUND SEPTEMBER 11, 2019 LANDOVER, MARYLAND

The following Trustees were present:

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

EMPLOYER TRUSTEES
M. Bull – Secretary
J. Paradis
H. Sebhat – via conference call
B. Pounds – Alternate

Also present were:

K. Barshinger – Associated Administrators, LLC
H. Burton – Morgan, Lewis & Bockius, LLP
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. MINUTES

The Trustees read the minutes of the last regular meeting held on June 13, 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 June 13, 2019 are approved as presented.**

III. FINANCIAL REPORT

A. Custodian Bank – PNC Bank, NA

Ms. DuVall noted a copy of the PNC Summary of Activity report for the period January 1, 2019 through June 30, 2019 is contained in the meeting booklet.

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

1. Investment Performance

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

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 June 30, 2019 was 3.3%, gross of fees.

2. Asset Allocation

Mr. Sichel reviewed the Fund's asset allocation as of June 30, 2019: U.S. Equities 27.7%, U.S. Small/Mid Cap 10.7%, International Equities 9.9%, Fixed Income Core 1.8%, Fixed Income High Yield 7.2%, Real Estate 23.6%, Opportunistic Strategies 8.1%, Global Tactical Asset Allocation 6.1%, Private Equity 3.4% and cash 1.5%.

3. Quarterly Performance Report

Mr. Sichel presented the preliminary quarterly performance report for the period ended June 30, 2019. He noted the assets held by the investment managers on June 30, 2019 were as follows: Rothschild – LCV held $13,042,531; Hardman Johnston Global Advisors held $15,372,856; Northern Trust $15,872,702; Atlanta Capital held $17,162,340; Hardman Johnston International Equity held $7,754,660; Acadian held $8,059,570; C.S. McKee held $2,945,666; Penn Core held $11,490,230; PRISA III held $29,579,973; American Core Realty Fund held $8,149,523; Corbin ERISA Opportunity Fund held $12,924,833; BlackRock Financial Management held $9,742,216; Hamilton Lane $5,516,276; and the cash account held $2,446,922. Mr. Sichel reviewed the summary of investment results for the period ended June 30, 2019, including trailing quarter, trailing year-to-date, and trailing one, three and five-year periods.

4. Investment Consulting Contract Renewal

Mr. Sichel reviewed his memorandum to Ms. Cochran dated June 17, 2019 in which IPS proposed a new contract for a four-year period with an annual increase of $2,500 in each year.

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

> **RESOLVED to accept the proposal of IPS to provide Master Consulting services. Annual fees, beginning on October 1, 2019, will be $97,500, with an annual increase of $2,500 under a four-year agreement ending on September 30, 2023.**

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

IV. COUNSEL REPORT

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

V. ADMINISTRATIVE MANAGER'S REPORT

Ms. DuVall presented the Administrative Manager's Report for the second quarter 2019. Such report indicated contribution income of $947,056, miscellaneous income of $10,977, interest and dividend income of $621,852 and withdrawal liability payments of $165,919, producing a total income of $1,745,804. Expenses included $5,070,669 of pension benefit expense and $429,496 of operating expense, producing a total expense of $5,500,165 for the quarter. This resulted in a net deficit of $3,754,361 for the quarter. Ms. DuVall noted that contributions were made on behalf of 297 active Plan participants and that there were no contribution delinquencies to report.

Ms. DuVall 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 second quarter 2019 report are approved for payment as presented.**

VI. INVOICES

Ms. DuVall presented a list of invoices dated September 11, 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 September 11, 2019 are approved for payment as presented.**

VII. OTHER FUND BUSINESS

A. Eight O'Clock Coffee Withdrawal Liability Estimate Request

Ms. DuVall reported a request for a withdrawal liability estimate from Eight O'Clock Coffee. She noted that the required fee for the actuarial calculation of the estimate was paid and the estimate was provided to the employer on July 3, 2019.

B. 2019 Retiree Information Form (RIF)

Ms. DuVall reported that the first request for RIF responses was mailed to retirees on July 12, 2019.

C. Pension Statements

Ms. DuVall reported that Annual Pension Statements were mailed to participants on June 28, 2019.

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected December 3, 2019 as their next regular meeting date immediately following the companion Legal Fund meeting in Landover, Maryland.

IX. ADJOURNMENT

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

Respectfully submitted,

Michael Bull
Secretary