

**U.A. Local 467
Defined Benefit Plan Trust Fund
Board of Trustees Meeting**

March 14, 2012

Minutes

1. Call to Order

The regular meeting of the Board of Trustees for the U.A. Local 467 Defined Benefit Plan Trust Fund was called to order by Chairman Gary Saunders at the U.A. Local 467 Union Hall, 1519 Rollins Road, Burlingame, California. A quorum was present.

2. Roll Call

The following Trustees were present:

Employee

Gary Saunders, Chairman
Mike Swanson
Mark Burri
Pete Dufault

Employer

Scott Strawbridge, Co-Chairman
Stephen Singewald
Michael Vlaming
Ken Westphal

Also Present

Marci Vukson; Kaufmann and Goble
Dick Grosboll; Neyhart, Anderson, Flynn & Grosboll
Steven Callow; New Century Partners
Alex Miller; Hemming Morse Inc.
James Bishop; White Star Advisors
Bill Whitney; NCMCA
Jean Sukovez and Judy Sargent; United Administrative Services (UAS)
Mary Trozzolillo; UAS

3. Minutes

A. Approve December 13, 2011 Minutes

It was **M/S/C** to approve the December 13, 2011 minutes, as presented.

4. Communications

A. NCCMP Annual Conference Save the Date

Ms. Sukovez referenced correspondence announcing the NCCMP Annual Conference dates October 8-10, 2012. It was noted that no Trustee would attend the conference.

5. Delinquency Report

Trustee Swanson distributed the Delinquency Report as of March 14, 2012 relating to several delinquent contractors for the payment of January fringe benefits due by February 20, 2012. He noted there are four (4) contractors 30 days or more past due and he continues to work closely with them to ensure payment. Further, he reported on the three contractors turned over to the collections attorney.

The following contractors are 30 days or more past due:

- 1) Kinetic Systems owes December 2011. It was noted that Kinetic's check was lost in the mail.
- 2) Pacific Plumbing owes December 2011 and January 2012.
- 3) Roberts Firestop owes December 2011 and January 2012.
- 4). Synergy Mechanical owes for July and August 2011.

Contractors referred for Collections:

- 1) So. City Refrigeration & Air Conditioning is on a payment plan of \$750 per week. Trustee Swanson and legal Counsel continue to monitor.

6. Attorney Report (Dick Grosboll)

A. Status of Pending Matters

Mr. Grosboll reported that he and the Actuary are addressing the Plan's Funding Rehabilitation Plan (FRP). He stated that they will have a more comprehensive update at the next meeting. The Board discussed the plan and will continue to monitor its progress.

B. Update on DOL Fee Disclosure Requirements

Mr. Grosboll distributed his memorandum dated March 14, 2012 and provided an overview of the final regulations under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974 (ERISA) relating to requiring fee disclosures by pension plan service providers and fiduciaries managing plan assets. The final regulations are effective on July 1, 2012, and will apply to arrangements entered into after that date as well as to arrangements already in effect. Mr. Grosboll will work with the Administrators, Consultants and Auditor and will report back on the progress of developing the disclosure notices at the next meeting.

Legal Counsel also discussed the fee disclosure to participant rules.

7. Investment Consultant Report, New Century Partners (Steven Callow)

Mr. Callow distributed the Quarterly Presentation of Investments Report dated March 14, 2012. He summarized his Commentary relating to some of the factors that affected the state of the economy in 2011 including Washington politics, the European economic crisis, and low interest rates. He expressed his disappointment in terms of the year-end returns and added that the January and February 2012 returns were positive. In addition, he reported on a Dow Jones Equity Analyst Outlook Conference that he attended in New York in January 2012.

Mr. Callow continued by reviewing recent changes in the portfolio including selling several mutual fund positions; and, he stated that those proceeds were reinvested in a variety of mutual funds. Further, he provided an overview of capital contributions paid out (purchases), cash distributions received and stock distributions received during the quarter.

He noted that Year-to-Date, funds totaling \$284,000 have been requested by United Administrative Services in order to pay benefits to Defined Benefit Plan Pension participants. It was also noted that while the one-year yields were down, the Plan continues to outperform the indexes over a longer period.

The total portfolio market value as of December 31, 2011 was \$229,753,640. The portfolio lost 4.5% in 2011 and that was recovered in the first two months of 2012. The economy is recovering slowly and 2012 should prove to be a better year than 2011. It was noted that while the one-year yields were down, the Plan continues to outperform the indexes over a longer period.

The Defined Benefit Plan Quarterly Presentation of Investments Report dated March 14, 2012 is on file with the Administrator's Office.

8. Investment Management Report, WhiteStar Advisors (James Bishop)

Mr. Bishop distributed the 2011 Fourth Quarter Report and reported on the real estate investments and holdings, the cash distributions, principal and interest payments amounts and the market value of the real estate equity investments. The total estimated market value of the real estate portfolio on December 31, 2011 was \$43,873,342, respectively.

Further, he reported on the operational and financial performance of the Ocean Colony Partners, LLC (OCP) and affiliates, which include two 18-hole championship golf courses, a restaurant, residential and commercial rental property, and land under development known as the Carnoustie Project, located adjacent to one of the golf courses. Mr. Bishop highlighted the Q4 2011 and the year-to-date 2011 gross base profit and, stated that large charitable events held in Q4 helped to increase the group golf rounds. Further, despite a positive finish to 2011, management is prepared to face the business challenges that will most likely continue through 2012.

Finally, he reported on the development projects relating to the construction of the model home and provided an update on the loan status, the building permits and issues regarding construction.

Discussion ensued regarding the recent valuation of the golf course first mortgages as well as appraisals of the golf courses and Wavecrest Plaza. The Chairman commented on the efforts to market services to prospective charitable organizations to secure more tournament rounds in 2012. He stated the Navy SEALs will be back in 2012 with a three course buy out.

The WhiteStar Advisors, LLC 2011 Fourth Quarter Report is on file with the Administrator.

9. Administrator Report; United Administrative Services (Judy Sargent)

Ms. Sargent reported on closing out the year and preparing year-end statements. She noted she anticipates she will receive the real estate year end valuation statement soon to finalize.

10. Approve Retirement Report

Ms. Sargent referenced the New Retiree List dated March 14, 2012. The Trustees reviewed the list.

It was **M/S/C** to approve the ten (10) retirements as presented.

Said Retirement List, is hereby made a part of these minutes.

11. Assets and Expenses

A. Financial Statements, October & November 2011

After a review and discussion, it was **M/S/C** to accept the financial statements for October and November 2011, as presented.

B. Payment of Bills, Check #6916-6944

The Trustees reviewed the itemized bills. Following discussion and questions about specific expenses, it was **M/S/C** to accept the payment of bills, checks 6916 through 6944, as presented.

12. Actuary/Consultant Report; Kaufmann & Goble (Sid Kaufmann)

Ms. Vukson reported that the Plan will continue to be in the Red Zone status, that the Actuary is still awaiting the December figures. She noted that work on the FRP includes a 50¢ increase in contributions.

13. Old Business

None.

14. New Business

None.

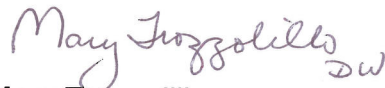
15. Announce Next Meeting Date

The next regular meeting is scheduled on Tuesday, June 12, 2012.

16. Adjournment

There being no further business, it was **M/S/C** to adjourn the Board of Trustees Defined Benefit Plan Trust Fund meeting.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary Trozzolillo" followed by a small monogram "DW".

Mary Trozzolillo
Recording Secretary