

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

September 11, 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
Michael Vlaming
Ken Westphal
Bill Whitney

Also Present

Marci Vukson and Sid Kaufmann; Kaufmann and Goble
Dick Grosboll; Neyhart, Anderson, Flynn & Grosboll
Steven Callow; New Century Partners
Alex Miller; Hemming Morse Inc.
James Bishop; White Star Advisors
Jean Sukovez, Judy Sargent and Debbie Wolfe; United Administrative Services

3. Minutes

A. June 12, 2012

The Trustees discarded the Minutes that were included in the meeting packet. Revised Minutes were distributed and reviewed. Following review, it was **M/S/C** to approve the revised Minutes as presented.

Chairman Saunders requested that going forward that draft copies of the Minutes be sent in one e-mail by fund to him and to all fund professionals. Mr. Saunders will also be mailed a hard copy of the draft Minutes. The professionals were asked to review the Minutes as soon as possible and to send their changes to the Administrator's Office.

4. Communications

A. NCCMP Annual Dues

The Trustees reviewed an invoice from the National Coordinating Committee for Multiemployer Plans (NCCMP) for annual dues for the period of June 1, 2012 to May 31, 2013. The Trustees were in agreement that membership is educational and benefits the Plan and the Plan's Participants. It was **M/S/C** to approve payment of the \$3,000 dues which will be split equally with the Health and Welfare Trust Fund.

B. Trustee Resignation

Stephen R. Singewald sent the Trustees a letter dated September 5, 2012 resigning as a Trustee on the Fund effective immediately. It was reported that Mr. Singewald served on the Fund for over 30 years.

The Administrator's Office was asked to verify Mr. Singewald's years of service and to forward that information to Chairman Saunders who will send Mr. Singewald a thank you letter on behalf of the Trust Fund. Mr. Singewald was praised for his significant contributions to the Trust and on behalf of the Participants.

The Administrator's Office will obtain a new signature card for Mr. Vlaming who will replace Mr. Singewald as a signer on behalf of the Trust Fund.

5. Delinquency Report

Trustee Swanson distributed the Delinquency Report as of September 11, 2012 relating to several delinquent contractors for the payment of July fringe benefits due by August 20, 2012. He noted that six (6) contractors were 30 days or more past due and he continues to work closely with them to ensure payment. Further, he reported on two (2) contractors that were turned over to the collections attorney. Mr. Swanson said the contractors are experiencing cash flow issues.

The following contractors are 30 days or more past due:

- 1) Ayoob Mechanical owes June and July 2012.
- 2) Dinelli Plumbing owes May, June and July 2012.
- 3) Northern Refrigeration owes for June and July 2012.
- 4) Olsson Plumbing owes June and July 2012.
- 5) Peninsula Air Conditioning owes June and July 2012.
- 6) Roberts Firestop owes April, June and July 2012.

Questions were raised about a few of the delinquencies and the follow-up action to be taken.

Contractors referred for Collections:

- 1) Cal Pacific Plumbing. Legal Counsel reported that Ben Lunch in his office is pursuing a Default Judgment against Cal Pacific as the employer did not respond to the Complaint.
- 2) So. City Refrigeration & Air Conditioning. Legal Counsel said his office is seeking to enforce the Judgment. The last attempt on it bank account yielded no funds. The Company may have a new alias. An investigator may be used to elicit more information.

6. Attorney Report (Dick Grosboll)

A. Status of Pending Matters

Mr. Grosboll reported that the IRS responded to his office relating to the application for the Plan's IRS Determination letter. He said the IRS requested several documents and asked for some language changes. Mr. Grosboll indicated he would soon provide the response.

B. Update on 408(b)(2) Disclosures

Mr. Grosboll reported that the Administrator's Office sent requests to the Plan's providers relating to 408(b)(2). The disclosure relates to compensation including indirect payments received by the providers (or that will be received in the future). He said he would review the documents received by the Administrator and he will report back to the Trustees if any of the documentation from the providers needs additional handling. At this stage, based on a preliminary review, he believes there are no problems.

C. Review of Rehabilitation Plan

Mr. Grosboll reported that the Rehabilitation Plan is currently being reviewed and it is being monitored by Legal Counsel and by the Actuary. There may be a revised Rehabilitation Plan for review at the next meeting.

Lengthy discussion took place about proposed work hours for 2013 as the Actuary reminded the Trustees that under the PPA the Trustees have the responsibility to provide the actuary with reasonable estimates. Mr. Saunders estimated that work hours would total 1.25 million in 2013.

D. Summary Plan Description

Mr. Grosboll recommended that the Summary Plan Description be revised since it has been approximately five years since the last revision. It was **M/S/C** to direct Legal Counsel and the professionals to begin revising the Summary Plan Description for all plans. Legal Counsel indicated that the process will take a few months, but that the goal is completion of the review in early 2013.

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

Mr. Callow distributed the U.A. Local No. 467 Pension Trust Fund Defined Benefit Plan Quarterly Presentation of Investments as of August 31, 2012. He summarized his Economic/Market Commentary, and then reviewed portfolio activity during the preceding quarter including some mutual fund sales and purchases, capital contributions made to venture capital and private equity partnerships, and cash distributions received from venture capital and private equity partnerships.

As of August 31, 2012, the \$242,104,328 portfolio was allocated in investments of \$9,772,753 in Cash & Equivalents, \$7,962,015 in Common Stocks, \$125,668,470 in Mutual Funds, \$45,741,906 in Private Equity, \$12,273,174 in Venture Capital, \$13,227,440 in Real Estate Secured Notes & Bonds, \$17,211,805 in Real Estate Loans and \$10,246,765 in Real Estate Partnerships.

Mr. Callow said he would reallocate some investments between meetings. He said he was awaiting review of paperwork on a private equity investment which might be funded in the first quarter of 2013. Mr. Callow said he would be selling some of the common stock before the end of the year.

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

Mr. Bishop distributed the 2012 Second 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 June 30, 2012 was \$42,513,788, respectively. A total of approximately \$311,000 was paid out in cash distributions during the quarter. Approximately \$380,000 was accrued on the golf course and Carnoustie loans.

The Executive Summary was reviewed in detail and Mr. Bishop responded to questions of the Trustees.

Discussion took place about golf rounds, which increased by 133 rounds over the projected budget. Overall, rounds are about 1,400 over budget year-to-date. Mr. Bishop said the increase was probably due to a tournament held in conjunction with the U.S. Open Championships.

It was noted that Trunk Traffic increased by 16% compared to the second quarter of 2011 and it is up 21% year-to-date.

Mr. Bishop reported that sales at Carnoustie are slow. He also said that loans are performing as expected. Mr. Bishop reported that there were no late payments and that there were no delinquent payments. Relating to Skycrest, Mr. Bishop said loan paydowns are ahead of schedule.

Mr. Saunders reported that bids for construction of housing are \$40,000-\$50,000 over budget and the price per unit was increased by \$40,000-\$50,000 per unit. The model home has not yet been sold. Chairman Saunders provided an update on the model home.

WhiteStar Advisors, LLC 2011Second Quarter Report 2012 is on file with the Administrator.

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

A. Retirement Report

Ms. Sargent referenced the New Retiree List dated September 11, 2012. The Trustees reviewed the list. It was **M/S/C** to approve the four (4) retirements as presented. The Retirement List is attached to the Minutes.

B. E-Mailing of Financial Statements

In response to a question from the Administrator, the Trustees confirmed that they want to receive the financial statements between meetings via e-mail. Chairman Saunders requested e-mail and hard copies of the financial statements.

10. Assets and Expenses

A. Financial Statements

After a review and discussion, it was **M/S/C** to accept the financial statements for March, April and May 2012 as presented.

B. Payment of Bills

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 6976 through 7008 as presented.

11. Actuary/Consultant Report; Kaufmann and Goble (Sid Kaufmann)

Mr. Kaufmann reported that the Actuarial Valuation will be provided to the Trustees later this year.

12. Old Business

None.

13. New Business

A. Request for Fee Increase

Mr. Miller stated verbally that for the financial audit services the total fees increased a total of \$7,000 from \$81,500 to \$88,500 per year effective immediately. It was reported that the fee covers all four trust funds. In response to a question, Mr. Miller said the last fee increase was granted three years ago. It was **M/S/C** to approve Hemming Morse's request for a fee increase. The Trustees confirmed that they continue to be pleased with Hemming Morse's performance.

B. K-1 Forms

Mr. Miller reported that WhiteStar Advisors still needs to submit its firm's K-1 and File 990 T's to the auditor. Mr. Bishop said Ocean Colony Partners is working on this. Mr. Miller said the required documents are in regard to unrelated business taxes which need to be filed by October 15, 2012. If the forms are late this year, any penalties assessed will be paid by the entity that is late. It was noted that Mr. Callow has already submitted the required documents to Mr. Miller.

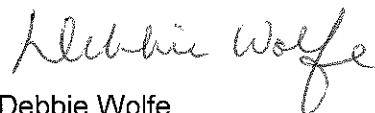
14. Next Meeting Date

The next regular meeting is scheduled on Tuesday, December 11, 2012.

15. 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,



Debbie Wolfe
Recording Secretary

**U.A. LOCAL 467 PENSION TRUST FUND
 DEFINED BENEFIT PLAN
 NEW RETIREE LIST
 SEPTEMBER 11, 2012**

NAME	ID #	AGE	BIRTH DATE	VESTING	PENSION	OPTION	AMOUNT	RET DATE
Dominguez, Salvador	0731	65	6/14/1947	10.40	Normal	SLA	\$ 339.90	07/01/12
Garban, Richard	2515	55	7/14/1957	31.40	Early Non-Reduced	SLA	\$ 7,468.30	08/01/12
Lissner, David	4104	55	9/27/1957	31.20	Early Non-Reduced	100% J&S	\$ 6,281.60	10/01/12
Sakaguchi, Scott	3318	55	9/23/1957	29.30	Early Non-Reduced	SLA	\$ 6,196.50	10/01/12

The Application for pension under Retirement Plan #2 of the following named employee has been checked and found to be in order. The employee is entitled to a monthly pension in the amount stated.

Local Union Number: 467
Name of Retiree: Salvador Dominguez
Identification #: XXX-XX- 731
Retirement Date: July 1, 2012
Monthly Benefit: \$ 339.90

Past Service: 0.00 Years
Total Benefit Credit: 10.40 Years
Total Vesting Credit: 10.40 Years

Type of Retirement:

XX Normal Retirement
 Early Retirement
 (Non-Reduced)
 Early Retirement
 (Reduced)
 Disability Retirement
 Pre-Retirement Death

Form of Payment:

XX Life Annuity
XX 36 Month Guarantee
 50% Joint & Survivor
 75% Joint & Survivor
 100% Joint & Survivor

Comments:

The Application for pension under Retirement Plan #2 of the following named employee has been checked and found to be in order. The employee is entitled to a monthly pension in the amount stated.

Local Union Number: 467
Name of Retiree: Richard M Garban
Identification #: XXX-XX- 2515
Retirement Date: August 1, 2012
Monthly Benefit: \$ 7,468.30

Past Service: 0.00 Years
Total Benefit Credit: 31.10 Years
Total Vesting Credit: 31.40 Years

Type of Retirement:

Form of Payment:

 Normal Retirement

XX Life Annuity

XX Early Retirement
(Non-Reduced)

XX 36 Month Guarantee

 Early Retirement
(Reduced)

 50% Joint & Survivor

 Disability Retirement

 75% Joint & Survivor

 Pre-Retirement Death

 100% Joint & Survivor

Comments:

The Application for pension under Retirement Plan #2 of the following named employee has been checked and found to be in order. The employee is entitled to a monthly pension in the amount stated.

Local Union Number: 467
Name of Retiree: David Lissner
Identification #: XXX-XX- 4104
Retirement Date: October 1, 2012
Monthly Benefit: \$ 6,281.60

Past Service: 0.00 Years
Total Benefit Credit: 31.20 Years
Total Vesting Credit: 31.20 Years

Type of Retirement:

Form of Payment:

 Normal Retirement

 Life Annuity

 XX Early Retirement
(Non-Reduced)

 36 Month Guarantee

 Early Retirement
(Reduced)

 50% Joint & Survivor

 Disability Retirement

 75% Joint & Survivor

 Pre-Retirement Death

 XX 100% Joint & Survivor

Comments:

The Application for pension under Retirement Plan #2 of the following named employee has been checked and found to be in order. The employee is entitled to a monthly pension in the amount stated.

Local Union Number: 467
Name of Retiree: Scott Sakaguchi
Identification #: XXX-XX- 3318
Retirement Date: October 1, 2012
Monthly Benefit: \$ 6,196.50

Past Service: 0.00 Years
Total Benefit Credit: 29.30 Years
Total Vesting Credit: 29.30 Years

Type of Retirement:

Form of Payment:

 Normal Retirement

XX Life Annuity

XX Early Retirement
(Non-Reduced)

XX 36 Month Guarantee

 Early Retirement
(Reduced)

 50% Joint & Survivor

 Disability Retirement

 75% Joint & Survivor

 Pre-Retirement Death

 100% Joint & Survivor

Comments:

The Application for pension under Retirement Plan #2 of the following named employee has been checked and found to be in order. The employee is entitled to a monthly pension in the amount stated.

Local Union Number: 467
Name of Participant: Michael B. Mason
Name of Beneficiary: Melanie A. Mason
Identification #: XXX-XX-2753
Retirement Date: 7/1/2012
Benefit: \$ 84,090.16

Past Service: 0.00 Years
Total Benefit Credit: 12.80 Years
Total Vesting Credit: 13.80 Years

Type of Retirement:

Form of Payment:

Normal Retirement
 Early Retirement
(Non-Reduced)
 Early Retirement
(Reduced)
 Disability Retirement
 Pre-Retirement Death

Unreduced Benefit
(for 36 months)
 36 Month Guarantee
 Lump Sum*
 50% Survivor Benefit
(for spouses only)

Comments:

*The Lump Sum is equal to 36 monthly payments of the unreduced benefit.

Dated at San Jose, California on 6/13/2012.

**U.A. LOCAL 467 PENSION TRUST FUND
DEFINED BENEFIT PLAN
EX-SPOUSES
September 11, 2012**

#	EX-SPOUSE'S NAME	ID #	MEMBER'S NAME	ID #	PENSION	OPTION	AMOUNT	RET DATE	DATE PAID
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None

**U.A. LOCAL 467 PENSION TRUST FUND
 DEFINED BENEFIT PLAN
 PRE-RETIREMENT DEATHS
 September 11, 2012**

#	NAME	ID #	AGE	BIRTH DATE	VESTING	DATE OF DEATH	OPTION	AMOUNT	DATE PAID
1	Mason, Michael B.	2882	42	12/22/1969	13.80	2/15/2012			
	Mason, Melanie A.	2753	52	3/24/1960			Lump Sum	\$ 84,090.16	07/01/12