

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

June 12, 2012

Minutes

1. Call to Order

The regular meeting of the Board of Trustees for the U.A Local 467 Defined Contribution 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

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. March 14, 2012 Minutes

It was **M/S/C** to approve the March 14, 2012 Minutes presented.

4. Communications

A. Kaufmann and Goble – Fund Fee Recoveries

Kaufmann and Goble returned a check to the fund in the amount of \$10,108.91 which represented fees in excess of Kaufmann and Goble's fees for the fourth quarter of 2011. In response to a question, it was confirmed that approximately \$10,000-\$12,000 is returned to the Plan each quarter.

5. Delinquency Report

Trustee Swanson distributed the Delinquency Report as of June 12, 2012 relating to several delinquent contractors for the payment of April fringe benefits due by May 20, 2012. He noted that five (5) contractors were 30 days or more past due and he continues to work

closely with them to ensure payment. Further, he reported on one (1) contractor that was turned over to the collections attorney.

The following contractors are 30 days or more past due:

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The following contractors are 30 days or more past due:

- 1) Dinelli Plumbing owes March and April 2012.
- 2) Pro Plumbing owes January, February, March and April 2012. Chairman Saunders said if the employer does not pay, benefits for the owner should not be provided.
- 3) Regina Plumbing owes March and April 2012. Mr. Kaufmann said this employer could be reviewed for possible withdrawal liability; however the Trustees indicated that the amount would probably be de minimis.
- 4) Roberts Firestop owes February, March and April 2012.
- 5) Synergy Mechanical owes for July and August 2011. Mr. Grosboll reported that this employer made some payments, but has stopped making payments. He said there is a judgment.

Contractor referred for Collections:

- 1) So. City Refrigeration & Air Conditioning

6. Attorney Report (Dick Grosboll)

A. Internal Revenue Service - Application for Redetermination

Mr. Grosboll said the Plan's IRS application is still pending. He said some defined contribution plans designed and with similar contribution rates as this plan have already received approval by the Internal Revenue Service. He indicated that he is hopeful of receiving a response from the IRS later this year.

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 Administrator, Consultant and Auditor and will report back on the status of the receipt of the notices at the next meeting.

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

Mr. Callow distributed the May 31, 2012 Portfolio Appraisal for the U.A. Local No. 467 Pension Trust Fund, Participant-Directed Defined Contribution Plan. The \$40,384,536 portfolio was allocated in investments of \$25,902,331 in twenty-nine individual Mutual Funds, \$14,481,393 in five Unit Trusts, and \$813 in Cash and Equivalents.

8. Distribution Report

Following review of the Monthly Installments, New Installments, Partial Lump Sum Distributions, Lump Sum Distributions, Lump Sum Additional Interest, Involuntary Termination of Employment and New Loan Reports, it was **M/S/C** to approve the reports as presented. The reports are attached to these Minutes.

Discussion took place about renewal of the Involuntary Termination of Employment Option. No action was taken.

9. Assets and Expenses

A. Financial Statements

Discussion took place about the Fund Fee Recoveries from Kaufmann and Goble. It was noted that this money could be used to pay Plan expenses. Certain Trustees indicated that they did not want to charge the members for administration. A question was raised about the income and expenses per year. It was noted that if a change is needed, time is needed to make that change. Mr. Callow asked how many participants are in the unitized funds. Mr. Kaufmann said there are 450 unitized accounts, which is the default account, out of the 600 total accounts in the Plan. Mr. Kaufmann said the Plan could set up a modest accrual account. Mr. Miller said about \$97,000 would be needed per year for operating expenses. After receiving the Fund Fee Recoveries of approximately \$50,000 from Kaufmann and Goble, about \$50,000 would still be needed each year.

It was **M/S/C** to direct Mr. Kaufmann to set up an accrual account using ten basis points of the unitized trusts as of July 1, 2012. It was pointed out that there is about \$14 million in unitized funds according to the Participant Activity Report provided by Kaufmann and Goble.

After a review and discussion, it was **M/S/C** to accept the financial statements for the months of January, February and March 2012, as presented

B. Payment of Bills

It was **M/S/C** to accept Checks #3484-3507 for the payment of bills as presented.

10. Actuary/Consultant Report, Kaufmann & Goble (Sidney Kaufmann)

Ms. Vukson distributed the U.A. Local Union 467 Defined Contribution Plan Participant Activity Report dated June 12, 2012, summarized its contents, and offered to answer any questions.

After a brief discussion regarding the report, it was **M/S/C** to accept the Participant Activity Report for the Defined Contribution Plan as presented. The report is on file with the Administrative Office.

11. Administrator Report, UAS

No report.

12. Old Business

None.

13. New Business

A. Financial Audit

Mr. Miller distributed and reviewed the financial audit for the years ending December 31, 2011 and 2010. He said the audit was an unqualified opinion. He highlighted key elements of the report including the Assets, Liabilities, Total Benefit Obligations, Employer Contributions, the Summary of Significant Accounting Policies and Footnotes.

Following discussion, it was **M/S/C** to accept the Hemming Morse, Inc. U.A. Local No. 467 Defined Contribution Fund Independent Auditor's Report and Financial Statements for December 31, 2011 and 2010 and to authorize the timely electronic filing of the Form 5500. The Auditor confirmed that the reports would be timely filed and available for review by all Trustees.

The Independent Auditor's Report and Financial Statements are on file with the Administrator's Office.


14. Next Meeting Date

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

15. Adjournment

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

Respectfully submitted,



Debbie Wolfe
Recording Secretary

**U.A. LOCAL 467 PENSION TRUST FUND
DEFINED CONTRIBUTION PLAN
MONTHLY INSTALLMENTS
June 12, 2012**

NAME	ID#	GROSS	FIT	SIT	AMOUNT	DATE PAID
Bentley, James	7650	\$ 1,000.00	\$ 200.00	-	\$ 800.00	07/01/11
		\$ 1,000.00	\$ 200.00	-	\$ 800.00	08/01/11
		\$ 1,000.00	\$ 200.00	-	\$ 800.00	09/01/11
Donnelly, Barry W.	9387	\$ 800.00	\$ 160.00	-	\$ 640.00	07/01/11
		\$ 800.00	\$ 160.00	-	\$ 640.00	08/01/11
		\$ 800.00	\$ 160.00	-	\$ 640.00	09/01/11
Harris, Huey R.	7616	\$ 625.00	\$ 125.00	-	\$ 500.00	07/01/11
		\$ 625.00	\$ 125.00	-	\$ 500.00	08/01/11
		\$ 625.00	\$ 125.00	-	\$ 500.00	09/01/11
Pettet, Jerry	8914	\$ 1,000.00	\$ 200.00	-	\$ 800.00	07/01/11
		\$ 1,000.00	\$ 200.00	-	\$ 800.00	08/01/11
		\$ 1,000.00	\$ 200.00	-	\$ 800.00	09/01/11
Ronning, Pedar	5710	\$ 600.00	\$ 120.00	-	\$ 480.00	07/01/11
		\$ 600.00	\$ 120.00	-	\$ 480.00	08/01/11
		\$ 600.00	\$ 120.00	-	\$ 480.00	09/01/11
Spencer, Alvin	9822	\$ 500.00	\$ -	-	\$ 500.00	07/01/11
		\$ 500.00	\$ -	-	\$ 500.00	08/01/11
		\$ 500.00	\$ -	-	\$ 500.00	09/01/11
Waters, Daniel M.	5926	\$ 1,000.00	\$ 200.00	-	\$ 800.00	07/01/11
		\$ 1,000.00	\$ 200.00	-	\$ 800.00	08/01/11
		\$ 1,000.00	\$ 200.00	-	\$ 800.00	09/01/11

**U.A. LOCAL 467 PENSION TRUST FUND
DEFINED CONTRIBUTION PLAN
NEW INSTALLMENTS
June 12, 2012**

NAME	ID#	GROSS	FIT	SIT	AMOUNT	DATE PAID
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NONE

U.A. LOCAL 467 PENSION TRUST FUND
DEFINED CONTRIBUTION PLAN
PARTIAL LUMP SUM DISTRIBUTIONS
June 12, 2012

NAME	ID#	GROSS	FIT	SIT	AMOUNT	DATE PAID
Jeireczek, James	6230	\$ 40,000.00	\$ 10,000.00	\$ 3,000.00	\$ 27,000.00	04/01/12
Perugi, Jerry	0492	\$ 2,089.64	\$ 522.41	\$ 125.38	\$ 1,441.82	04/01/12
Gordon, James	4000	\$ 20,000.00	\$ 4,000.00	\$	\$ 16,000.00	04/01/12

U.A. LOCAL 467 PENSION TRUST FUND
DEFINED CONTRIBUTION PLAN
LUMP SUM DISTRIBUTIONS
June 12, 2012

NAME	ID#	GROSS	FIT	SIT	AMOUNT	DATE PAID
Denny, Scott	8084	\$ 8,614.28		\$	8,614.28	04/01/12
Schledeck, Harry	2577	\$ 94,423.60		\$	94,423.60	04/01/12
McClay, Richard	9741	\$ 415,684.61		\$	415,684.61	05/01/12

U.A. LOCAL 467 PENSION TRUST FUND
DEFINED CONTRIBUTION PLAN
LUMP SUM ADDITIONAL INTEREST
June 12, 2012

NAME	ID#	GROSS	FIT	SIT	AMOUNT	DATE PAID
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NONE

**U.A. LOCAL 467 PENSION TRUST FUND
DEFINED CONTRIBUTION PLAN
INVOLUNTARY TERMINATION OF EMPLOYMENT
June 12, 2012**

NAME	ID#	GROSS	FIT	SIT	AMOUNT	DATE PAID
Bledsoe, William A	4754	\$ 12,314.80	\$ 2,462.96	\$	\$ 12,314.80	04/01/12

U.A. LOCAL 467 PENSION TRUST FUND
DEFINED CONTRIBUTION PLAN

NEW LOANS

June 12, 2012

NAME	ID #	LOAN PROCEEDS	INTEREST RATE	TERMS	DATE DISBURSED	PAYMENT AMOUNT	FIRST PAY DATE
Machado, Douglas	0246	8,000.00	3.25%	5	3/13/2012	\$ 144.64	5/1/2012
Saccoman, Neil	6580	15,000.00	3.25%	5	5/11/2012	\$ 271.20	6/1/2012
Scott, Robert	0809	10,000.00	3.25%	5	5/2/2012	\$ 180.80	6/1/2012