

IBEW LOCAL 332 PENSION PLAN, PART B
Meeting Minutes
August 25, 2016

A meeting of the Board of Trustees of the IBEW Local 332 Defined Contribution Pension Trust Fund was held on Thursday, August 25, 2016 at the NECA Office in San Jose, California.

1. CALL TO ORDER

The meeting was called to order by Chairman Gerald Pfeiffer.

2. ROLL CALL

Union Trustees

Gerald Pfeiffer
Larry Vasquez
Alan Wieteska

Management Trustees

Tom Barrow
Vic Castello
Tim Daniels

Also in Attendance:

George Kraw and Katie Roselin, Kraw Law Group
Brad Gates, Kaufmann and Goble
Joseph P. Herrle, J.H. Herrle and Associates
Michael Lyons, The Marco Consulting Group
Michael Vukson, Wells Fargo Advisors
Sue Campbell, Collection Attorney
Donna Rios, Sandy Stephenson and Debbie Wolfe, Administrative Office

3. MINUTES

Following review of the Minutes, it was **M/S/C** to approve the July 28, 2016 Minutes as presented.

4. CORRESPONDENCE

None for this meeting.

5. DISBURSEMENTS AND RECIPROCITY REPORTS

The Trustees reviewed checks 1276-1282. It was **M/S/C** to approve the paid bills as presented. Next, the Trustees reviewed the outgoing reciprocity reports for the months of April, May and June of 2016. The Trustees reviewed the incoming reciprocity reports for May, June and July of 2016. Also reviewed was a Master List of Locals.

6. FINANCIAL STATEMENT

The financial statement for the month of June of 2016 was reviewed. It was **M/S/C** to approve the financial statement as submitted.

8. REPORT BY INVESTMENT CONSULTANT – WELLS FARGO ADVISORS

A. Performance Update

Mr. Vukson reviewed his report. He reported that as of July 31, 2016 the balance in the Defined Contribution Plan was \$453,637,848.82. He gave an overview of the U.S. and International market environments. Next, Mr. Vukson provided an overview of the stock market.

Mr. Vukson informed the Trustees that representatives from five (5) investment firms would be invited to the Annual Meeting to make presentations.

Next, Mr. Vukson reviewed a letter from Matrix regarding sweep accounts. He said after conversations with Kaufmann and Goble, they concur that idle cash should be held in the Matrix Trust's transaction account effective October 1, 2016. No action is necessary by the Plan.

Mr. Vukson's report is attached to these Minutes.

7. REPORT BY ADMINISTRATOR

A. Mandatory Distributions

None.

B. Age 70½ Required Minimum Distributions

Ms. Rios reported that there were four (4) members that received a required minimum distribution during the month of August 2016. In response to a question, Ms. Rios confirmed that required minimum distributions for the year will be paid out by December 1, 2016.

C. Travelers Report

The Trustees reviewed a current list of travelers. Ms. Stephenson noted that the total number of travelers who decided to leave their pensions with the local is 117.

D. Annual Meeting Update

Plans are underway for the Annual Meeting at Quail Lodge from September 28-30, 2016. The Trustees and professionals reviewed a draft agenda.

E. Bill Paying Procedures

The Trustees reviewed a summary of the bill paying process for the Trust Fund, as well as UAS' administrative controls, UAS' internal auditing controls, controls by external auditors, Trustees' responsibilities in reviewing the paid bills and Trustee expenses.

9. REPORT BY KRAW LAW GROUP, ATTORNEYS

No report for this meeting.

10. REPORT BY ACTUARY AND CONSULTANT

No reports for this meeting.

11. OLD BUSINESS

None.

12. NEW BUSINESS

None.

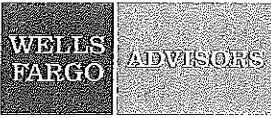
13. NEXT TRUSTEE MEETING DATE

The next regular meeting will be held at Quail Lodge on Thursday, September 29th and a General Meeting will be held on Friday, September 30th.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Debora Wolfe
Recording Secretary



Michael J. Vukson, CFP®, AIF®
First Vice President - Investments
CA Insurance Lic #0B88615

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To: **Trustees of I.B.E.W. Local 332**
From: Michael Vukson
Date: August 25, 2016
Re: I.B.E.W. Local 332 Trustee Meeting

Defined Contribution Plan Balance as of July 31, 2016 - \$453,637,848.82

Investment performance for the period ending 07-31-2016 is attached.

Market Commentary:

The stock market has been biding its time, holding its gains and waiting for the Federal Reserve Chairwoman, Janet Yellen's speech on Friday (8/26/2016).

July new home sales data, released earlier this month, fueled rising optimism for the U.S. housing market, as sales rose 12.4% to a seasonally adjusted annual rate of 654,000 units, the highest since 2007.

The National Association of Home Builders (NAHB)/Wells Fargo Housing Market Index released data from its monthly survey of builders that also signaled a brighter outlook for housing. In August, the overall NAHB/Wells Fargo Housing Market Index rose by 2 points to 60. A reading above 50 indicates more builders view conditions as good.

Annual Meeting:

Representatives from the following firms will be in attendance:

- Ferguson Wellman - 6th largest position in the Plan, assets ~\$38 million
- Prudential Retirement R/E - 2nd largest investment option chosen by Members, assets ~\$49 million
- Invesco (Stable Value Fund) - 15.9% of Plan, assets ~\$72.5 million (largest position in Plan and largest investment option chosen by Members, assets ~\$72.5 million)
- American Funds (EuroPacific) - 4th largest position in the Plan, assets ~\$53 million
- MainStay/(Winslow Capital¹) - 18.2% of Plan assets held with MainStay, total of ~\$82.4 million

All assets based on 7/31/16 Plan balance.

¹Winslow Capital is sub-advisor on MainStay Large Cap Growth Fund, assets ~\$29 million

Correspondence:

Matrix Trust Notification Letter Regarding Sweep Accounts (letter attached)

After conversations with Kaufmann & Goble, we concur that idle cash will be held in Matrix Trust's transaction account. No action is necessary by the Plan.

Together we'll go far

