International Union of Operating Engineers
Local 487 Pension Fund
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MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF TRUSTEES OF THE
INTERNATIONAL UNION OF OPERATING ENGINEERS
LOCAL 487 PENSION FUND
SEPTEMBER 4, 2013 VIA TELECONFERENCE

The following Trustees were present:

LABOR TRUSTEES	**MANAGEMENT TRUSTEES**
M. Schaunaman, Chairman	J. Epperson
J. Mullen	M. Harrison
S. Singer	F. Villella
W. Utreras	

Also present were:

N. Durkin – Associated Administrators, LLC
L. DuVall – Associated Administrators, LLC
R. Joyner – The Segal Company
K. Phillips – Phillips, Richards, & Rind, PA

I. CALL TO ORDER

A quorum being present, Chairman Schaunaman called the meeting to order for the purpose of discussing a possible merger of the International Union Local 487 Pension Fund ("Fund") and the Central Pension Fund of the International Union of Operating Engineers and Participating Employers ("CPF").

II. COUNSEL'S REPORT

Kathleen Phillips explained that, as had been discussed at the August 22, 2013 Board meeting, the CPF provided a letter dated June 10, 2013 from its actuary stating an initial opinion that the Fund represented a reasonable merger candidate and recommended a merger study be completed at an estimated cost to the Fund of $25,000 to $40,000. Ms. Phillips stated that in addition to the CPF merger study, the Fund would need to perform and pay the cost for its own analysis and due diligence.

III. ACTUARY'S REPORT

The Trustees welcomed Mr. Rocky Joyner of the Segal Company to the meeting. Mr. Joyner discussed the June 10, 2013 letter from Horizon Actuarial Services LLC ("Horizon"), actuary to the CPF, copy of which is attached to and made a part of these minutes as Exhibit A. Questions arose regarding the Trustees' ERISA fiduciary responsibilities in considering the plan merger and post-merger, withdrawal liability assessment, and what becomes of the Plan's unfunded vested benefit liability.

After discussion, the Trustees asked Mr. Joyner to contact the CPF actuary to further inquire about the potential merger and find out, for example, if there would be bonding requirements on the part of the contributing employers with regard to the Plan's unfunded vested benefit liabilities and what would be included in a typical CPF merger provision with a candidate like this Plan.

IV. MEETING DATE

The Board agreed to schedule another special meeting via teleconference on Tuesday, September 10, 2013 at 2:00 p.m. to review Mr. Joyner's findings and to decide whether to authorize the CPF merger study or not.

V. ADJOURNMENT

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

Respectfully submitted,

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Mark Schaunaman, Chairman

These Minutes were adopted on ________________________________, 2013.

Attachment:
Exhibit A: June 10, 2013 Letter from Horizon Actuarial Services, LLC to CPF.