Florida West Coast Operating Engineers
Apprenticeship Trust Fund
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MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
FLORIDA WEST COAST OPERATING ENGINEERS
APPRENTICESHIP TRUST FUND
WEDNESDAY, NOVEMBER 8, 2017
TAMPA, FLORIDA

The following Trustees were present:

LABOR TRUSTEES	**MANAGEMENT TRUSTEES**
M. Schaunaman, Chairman	P. Taylor, Secretary-Treasurer
J. Junecko	L. Izzo
D. Sherman	

Also present were:

D. Clutts – Associated Administrators, LLC
L. DuVall – Associated Administrators, LLC
E. Venable – Venable Law Firm, P.A.
P. Venable – Venable Law Firm, P.A.

I. CALL TO ORDER

A quorum being present, Chairman Schaunaman called the meeting to order.

II. MINUTES

The Trustees reviewed the minutes of the regular meeting held on August 22, 2017, which were circulated to the Trustees in advance of the meeting. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve the minutes of the regular Board meeting held on August 22, as presented.**

III. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Ms. DuVall reviewed the Income and Expense Statement for September 30, 2017, a copy of which is attached to and made a part of these minutes as Exhibit A. Ms. DuVall reported total assets for the month of September 2017 of $993,499.42, total liabilities of $5,927.53, and total equity of $987,571.89. She reported that for the month of September 2017, the Fund had total income of $31,142.14 and total expenses of $25,207.35, resulting in a surplus for the month of $5,934.79. The net income from April 1, 2017 through September 30, 2017 was $188,750.90.

Ms. DuVall said that the September 30, 2017 balances on two of the Fund's accounts at PowerNet Credit Union ("PowerNet") exceed the FDIC/NCUA insurance protected limit of $250,000. The Trustees asked Ms. DuVall to find out from PowerNet if it has any additional insurance protection on the Fund's accounts and to report her findings to the Trustees at the next Board meeting. The Trustees discussed the possibility of investing some of the Fund's assets. Chairman Schaunaman said he will invite the investment firm of Legacy Wealth Management to the next Board meeting to discuss their services.

B. Disbursements

Ms. DuVall presented the expense check register for September 2017 which indicated total disbursements of $16,613.95. She reviewed the payroll check register for September 2017 which indicated total payroll of $7,272.83.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to accept the Administrative Manager's Report, as presented.**

C. Unallocated Funds

On August 21, 2017, the Fund Office received a check in the amount of $1,168.82 from Southern Benefit representing the remaining balance in the escrow account at First Tennessee Bank. Currently, $1,168.82 is shown as unallocated funds on the Fund's monthly financial statement. Mr. Eric Venable suggested that the $1,168.82 be allocated to Employer contributions on the financial statement. The Trustees agreed.

IV. Payment/Reimbursement Procedures for Department of Transportation ("DOT") Physicals, Transportation Workers Insurance Certification ("TWIC") Cards, and the National Commission for the Certification of Crane Operators ("NCCCO") Certifications

In follow up to the August 22, 2017 Board meeting, Ms. DuVall provided draft reimbursement procedures for DOT physicals, TWIC cards, and NCCCO Crane Certification exams. The Trustees reviewed the document and directed that the draft be changed to read "obtaining/maintaining" for the NCCCO certifications. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to adopt the Payment/Reimbursement Procedures for DOT Physicals, TWIC Cards, and the NCCCO Certifications (subject to changing the aforementioned wording).**

V. APPRENTICESHIP DIRECTOR'S REPORT

Mr. Michael Howard presented the Director's Report dated November 8, 2017, a copy of which is attached to and made a part of these minutes as Exhibit B. He reported the following:

A. Apprentices

Two new apprentices joined the Program since the August meeting. A total of thirty-one apprentices are enrolled in the Program.

B. Upgrading the Apprenticeship Program

The Apprenticeship Program is currently awaiting audit dates from the Signal and Rigging Examiner. An audit date will be requested from the Mobile Crane Examiner as soon as the training course layout is completed.

C. Training Classes

Once the Operating Engineers Certification Program paperwork is received from the IUOE National Training Fund ("NTF"), a date will be set for the IUOE Signal and Rigging Safety class for apprentices, as well as journeymen.

D. Equipment

Mr. Howard stated that he is still waiting to hear the status of the Government Excess Program. He attained license plate and registration for the Ford 9000 truck, which will need to be relocated from Miami to Plant City, Florida. The Grove 30 ton RT crane is still experiencing electrical problems. The excavator and loader that were on loan from the NTF were returned. The Apprentice Program received a John Deere excavator simulator on loan from the NTF. Mr. Howard discussed purchasing a forklift needed for training purposes.

After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to appoint a subcommittee consisting of the Apprenticeship Director Michael Howard and Trustees Sherman and Taylor to research purchase of a forklift at a price not to exceed $30,000.**

E. Training Site

Estimates were provided to pour the concrete slab required for the NCCCO practical exam at the Training site. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following:

> **RESOLVED to approve contracting with Velez Concrete Construction Inc. ("VCC") to pour a concrete slab at the Training site at a proposed cost of $17,100, subject to VCC providing proof of liability insurance, workers compensation insurance, and Form W-9.**

VI. Attorney's Report

Mr. Eric Venable introduced Mr. Patrick Venable from the Venable Law Firm, P.A. to the Trustees and requested that the Administrative Manager include Mr. Patrick Venable on Board meeting notices going forward.

A. Merrill Lynch Investment Account

Mr. Eric Venable stated that there had been no response to his letter dated October 31, 2017 to Merrill EDGE Advisory Center ("Merrill") regarding closing the existing Merrill account and establishing a new account for the FWCOE Apprenticeship Fund. He recommended waiting for receipt of the December statement from Merrill to see if the requested changes had been made. Otherwise, he suggested that Chairman Schaunaman and Secretary Taylor attempt to contact Merrill to pursue the matter.

B. Property Tax Exemption

Mr. Eric Venable stated that last year the Board of Trustees made a decision to delay submitting a request for a property tax exemption on the Plant City property until training sessions were held there. He stated that the deadline for application is March 1, 2018, and provided a list of documents/information required to accompany the application. Once he has assembled the necessary documents/information, he will complete the application and present it to the Trustees for review.

C. Tangible Personal Property Tax Return

Mr. Eric Venable said that he would check with the Fund auditor to determine whether the Fund filed or needs to file a Tangible Personal Property Tax Return.

D. Application for Recognition of Exemption from Federal Tax

Mr. Eric Venable reported that in August 2017 the Fund auditor submitted an application for federal tax exemption under Section 501(c)(3) of the Internal Revenue Code. To date, no response had been received.

E. Trustee Designation and Authorization Form

Mr. Eric Venable presented a Trustee Designation and Authorization Form confirming that any two Trustees, provided one is an Employer (Management) Trustee and one is an Employee (Labor) Trustee, may act on behalf of the Board and may execute any certificate or other written direction on behalf of the Fund. This includes the direction for transfer of assets from the Trust Fund to a replacement Investment Manager or replacement Custodian and the reallocation of monies among accounts, including transfers to bank accounts in the name of the Trust Fund on behalf of the full Board of Trustees of the Fund. A copy of the Trustee Designation and Authorization Form is attached to and made a part of these minutes as Exhibit C. Mr. Eric Venable suggested that the Trustees sign the Form. The Form was signed by the Trustees in attendance at the meeting.

VII. OTHER FUND BUSINESS

Ms. DuVall reported the following:

A. Gramling and Haya Invoices

Gramling & Haya ("Gramling"), Fund auditor, submitted two invoices (along with time records) seeking payment for work performed out of scope of the audit engagement letter. The invoices were for "bookkeeping and related services for the year ended March 31, 2017 for purposes of doing the audit" (billed $1,575) and "Preparation of Form 1023, Application for Exemption Section 501(c)(3)" (billed $4,250). After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following:

> **RESOLVED that the two invoices totaling $5,825 from Gramling & Haya are approved for payment.**

B. Florida Business Tax Application

The Fund Office worked with the Fund auditor to obtain the necessary Florida Business Tax identification information that allows the Fund office to file Florida reemployment (formerly unemployment) taxes on behalf of the Fund.

C. International Foundation of Employee Benefits ("IFEBP")

The Trustees were provided a registration form for the IFEBP New Trustees Institute scheduled to be held in Orlando, Florida, in February 2018.

D. Trustee Expense Policy

A Statement of Policy on Payment and Reimbursement of Trustees Expenses was distributed to the Trustees, a copy of which is attached to and made a part of these minutes as Exhibit D. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following:

> **RESOLVED to adopt the Statement of Policy on Payment and Reimbursement of Trustees Expenses, as presented.**

The Policy was signed by the Trustees in attendance at the meeting. The Administrative Manager will provide each Trustee with a copy of the Policy, along with a blank copy of the IFEBP Trustee Expense Voucher.

E. <u>School Board of Hillsborough County ("SBHC) Educational Agreement</u>

The Fund Office received a signed copy of the SBHC Educational Agreement for the period of July 1, 2017 through June 30, 2018, a copy of which is attached to and made a part of these minutes as Exhibit E. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following:

> **RESOLVED to ratify the Fund's Agreement with the School Board of Hillsborough County for the period of July 1, 2017 through June 30, 2018.**

F. <u>Reporting Delinquent Employer Contributions</u>

The Fund's prior third party administrator, Southern Benefit, confirmed that no records were maintained on delinquent employer contributions. The Trustees directed that Associated Administrators, LLC begin tracking and reporting any future delinquent contributions and include such a report in its Administrative Manager Report going forward. The Board will assign a subcommittee to review any delinquent employer contributions and provide further direction to the Administrative Manager.

G. <u>Apprenticeship Director Agreement</u>

A draft Apprenticeship Director Agreement was presented to the Trustees for review, a copy of which is attached to and made a part of these minutes as Exhibit F. Chairman Schaunaman stated that the Apprenticeship Director needs a truck to use in the performance of his duties and that the Union is willing to donate one of its trucks to the Fund. Mr. Eric Venable commented that if the Fund provides a vehicle to the Apprenticeship Director that may be available to him for personal use, it would be considered part of his compensation and, therefore, would need to be reflected as such in the Apprenticeship Director Agreement. The Trustees directed Mr. Eric Venable to draft language to be added to the draft Apprenticeship Director Agreement stating that the vehicle would be considered as additional compensation and that the Director would be responsible for any taxes and reporting of such personal usage. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following:

> **RESOLVED to approve the Apprenticeship Director Agreement, subject to adding language to be provided by Fund counsel concerning personal use of a vehicle as part of the Apprenticeship Director's compensation. It was further RESOLVED to approve purchasing insurance coverage on the vehicle (up to the umbrella policy limitations) once the donation of the vehicle has been finalized.**

VIII. MEETING DATE AND LOCATION

The next quarterly Board meeting was scheduled for Wednesday, February 14, 2018 at 1:00 p.m. at IUOE Local 487-D925 Union office in Tampa, Florida. The remaining 2018 quarterly meeting dates were scheduled for May 9, August 8, and November 14, 2018.

IX. ADJOURNMENT

There being no further business to come before the Board of Trustees, the meeting was adjourned.

Respectfully submitted,

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Chairman

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Secretary-Treasurer

These Minutes were adopted on ______________________________.

Attachments:

Exhibit A: Income and Expense Statement – September 30, 2017
Exhibit B: Apprenticeship Director's Report – November 8, 2017
Exhibit C: Trustee Designation and Authorization Form
Exhibit D: Trustee Expense Policy
Exhibit E: School Board of Hillsborough County Educational Agreement
Exhibit F: Apprenticeship Director Agreement