



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, AUGUST 8, 2018
TAMPA, FLORIDA**

The following Trustees were present:

LABOR TRUSTEES

M. Schaunaman, Chairman
J. Junecko
D. Sherman

MANAGEMENT TRUSTEES

P. Taylor, Secretary

Also present were:

D. Clutts – Associated Administrators, LLC
L. DuVall – Associated Administrators, LLC
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 May 30, 2018, 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 May 30, 2018, as presented.

III. APPRENTICESHIP DIRECTOR'S REPORT

Chairman Schaunaman presented the Director's Report dated August 8, 2018, a copy of which is attached to and made a part of these minutes as Exhibit A. He reported the following:

A. Apprentices

One apprentice transferred and one apprentice left the Apprenticeship Program since the May 2018 Board meeting. A total of thirty-five apprentices are enrolled in the Program.

B. Upgrading the Apprenticeship Program

Work continues on the NCCCO course to maintain all equipment in good working order. Mr. Howard attended the grand opening for the IUOE International's new Training and Conference Center on June 23, 2018 in Crosby, Texas. Mr. Howard also attended the 2018 Training, Safety and Health Conference on July 17 – 19, 2018 at the new facility.

C. Training Classes

Mr. Howard is maintaining a certification sign-up sheet for courses in forklift, signaling and rigging. When there is enough interest, he will schedule class dates. A forklift certification class was held on July 21, 2018.

D. Equipment

The Grove swing cab hydro is in operating condition. The Outrigger beam cylinder is currently at a vendor being rebuilt. Mr. Howard is seeking surplus equipment from other IUOE apprenticeship schools to further enhance the Apprenticeship Program.

E. Training Site

Seven NCCCO practical exams were administered at the training site. Four apprentices passed and three failed. Mr. Dan McCullers, Apprenticeship Director for the South Florida Operating Engineers Apprenticeship and Training Program, assisted with preparation for the testing. Training materials continue to be available to apprentices who request them. Apprentices are being advised on how to take NCCCO computer based exams. Mr. Schaunaman provided an update on the upgrades to the school building. He reported that the building repairs were complete. The Trustees discussed the repairs that had been completed at the school site and the additional expenses incurred. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to amend the May 30, 2018 Motion to increase the funds to pay the final invoice for the completion of the School building repair work performed by Apollo Construction to a cost not to exceed \$51,000.

Trustee Schaunaman discussed lawn mowing at the school site. The lawn mowing contract with Deere-Scape Landscaping was terminated. The school purchased a Kubota Zero-Turn mower at a cost of \$14,591.50 as previously approved by the Board.

IV. Attorney's Report

Mr. Patrick Venable presented the Attorney's Report dated August 8, 2018, a copy of which is attached to and made a part of these minutes as Exhibit B.

A. Legacy Wealth Management ("LWM")

Mr. Venable reported that all required paperwork had been completed to hire LWM as the Fund's investment manager. He confirmed that the Merrill Lynch account had been liquidated with Trustee Taylor's assistance and the account balance of \$88,314.53 has been invested with LWM. Ms. Clutts said that \$912,000 was transferred from PowerNet Credit Union to LWM on July 9, 2018, bringing the total assets invested to \$1,000,315. The Trustees requested that Mr. Tony DuBose of LWM be invited to the November 14, 2018 Board meeting.

B. Property Tax Exemption

Mr. Venable said that the application for a property tax exemption for the Plant City property had been filed on February 18, 2018, but no response had yet been received.

C. Collection and Audit Procedures

The Fund Office drafted and Fund Counsel reviewed Collection Procedures for the Trustees' consideration, copies of which are attached to and made a part of these minutes as Exhibit C. In accordance with Trust Amendment No. 2, the Collection Procedures include a 15% annual interest assessment for delinquent contributions. The Trustees reviewed the Collection Procedures and accompanying delinquency letters.

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

RESOLVED to adopt the Collection Procedures and delinquency letters as presented by the Administrative Manager.

RESOLVED to establish a Collection Committee to consist of the Board Chairman and Secretary.

The Trustees reviewed a draft Payroll Audit Procedures. Mr. Venable inquired about coordinating payroll audits with other IUOE Funds as a possible cost savings measure. The Trustees determined it would first be appropriate to obtain a quote to perform payroll audits from the Fund's audit firm, Gramling and Haya, Certified Public Accountants, PA ("Gramling"). The Fund Office will contact Gramling to obtain this information and will communicate it to the Trustees between Board meetings.

V. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Ms. Clutts reviewed the Income and Expense Statement for June 30, 2018, a copy of which is attached to and made a part of these minutes as Exhibit D. Ms. Clutts reported total assets for the month of June 2018 of \$2,759,469.02, total liabilities of \$15,572.33, and total equity of \$2,743,896.69. She reported that for the month of June 2018, the Fund had total income of \$29,748.88 and total expenses of \$37,379.91, resulting in a deficit spending of \$7,631.03.

B. Disbursements

Ms. Clutts presented the expense check register for June 2018 which indicated total disbursements of \$37,537.79. She reviewed the payroll check register for June 2018, which indicated total payroll of \$13,244.37. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

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

VI. OTHER FUND BUSINESS

Ms. Clutts reported the following:

A. Union Liability Insurance Policy for Apprentice Employment Practices

Per the Trustees' direction at the May 30, 2018 Board meeting, and after review of the Policy language by Mr. Venable, a Union Liability Insurance Policy was issued by Ullico Insurance Company at a premium of \$2,591 effective June 21, 2018 through June 21, 2019. The Policy includes a Final Adjudication Endorsement covering Trustees and the Apprenticeship Director at no additional cost to the Fund.

B. Worker's Compensation Premium Audit

Associated Industries Insurance Company performed a worker's compensation premium audit for the policy period of March 23, 2017 to March 23, 2018, which resulted in an additional \$69 premium.

C. Trustee Web Portal

Mr. Patrick Venable requested access to the Trustee Web Portal on Associated Administrator's website. The Trustees agreed and requested that the Fund Office provide access information to Mr. Venable.

VII. MEETING DATE AND LOCATION

The next quarterly Board meeting is scheduled for Wednesday, November 14, 2018 at 1:00 p.m. at IUOE Local 487-D925 Union office in Tampa, Florida.

VIII. ADJOURNMENT

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

Respectfully submitted,

Chairman

Secretary-Treasurer

These Minutes were adopted on _____.

Attachments:

Exhibit A: Apprenticeship Director's Report – August 8, 2018

Exhibit B: Attorney's Report – August 8, 2018

Exhibit C: Draft Collection and Audit Procedures

Exhibit E: Income and Expense Statement – June 30, 2018