



**Florida West Coast Operating Engineers
Apprenticeship Trust Fund**
911 Ridgebrook Road
Sparks, MD 21152-9451
Phone: 877-291-2387
www.associated-admin.com

**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
FLORIDA WEST COAST OPERATING ENGINEERS
APPRENTICESHIP TRUST FUND
WEDNESDAY, MAY 8, 2019
TAMPA, FLORIDA**

The following Trustees were present:

LABOR TRUSTEES

M. Schaunaman, Chairman
J. Junecko
D. Sherman

MANAGEMENT TRUSTEES

P. Taylor, Secretary-Treasurer

Also present were:

D. Clutts – Associated Administrators, LLC
T. DuBose – Legacy Wealth Management
A. Lacey – FWCOE Apprenticeship Director
E. Venable – Venable Law Firm, P.A.

I. CALL TO ORDER

Chairman Schaunaman called the meeting to order. He noted that one Management Trustee was present and requested that Fund Counsel research the Declaration of Trust regarding language defining a quorum of Trustees and voting procedures.

II. MINUTES

The Trustees reviewed the minutes of the regular meeting held on February 13, 2019, 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 February 13, 2019.

III. Legacy Wealth Management (“Legacy”)

The Trustees welcomed Mr. Tony DuBose of Legacy Wealth Management to the meeting.

Mr. DuBose distributed a report titled “Florida West Cost Operating Engineers Portfolio Review” dated May 8, 2019, a copy of which is attached to and made a part of these minutes as Exhibit A. Mr. DuBose reviewed key information from the report with the Trustees. As of December 31, 2018, the portfolio’s market value was \$996,668.46. The portfolio had investment returns for the period of \$22,657.28. The ending market value on April 26, 2019 was \$1,019,325.74. The internal rate of return for the portfolio was 2.27%. He said that all of the investments are certificates of deposit and high quality fixed income securities.

Ms. Clutts asked if any of the investments are subject to the Report of Foreign Bank and Financial Accounts (“FBAR”) requirements. Mr. DuBose indicated he did not believe so, but noted that he would research one investment in a Philip Morris bond. Mr. DuBose will report his findings to the Administrative Manager. Mr. DuBose confirmed that foreign investments are prohibited by the Fund’s Investment Policy Statement, a copy of which is included in the Legacy Portfolio Review.

The Trustees thanked Mr. DuBose and he was excused from the meeting.

IV. APPRENTICESHIP DIRECTOR’S REPORT

Mr. Adrian Lacey presented the Director’s Report dated May 8, 2019, 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 February Board meeting. A total of 30 apprentices are enrolled in the Program.

B. Upgrading the Training Program

Mr. Lacey took the National Commission for the Certification of Crane Operators (“NCCCO”) written exam for the lattice boom crawler on April 16, 2019. The NCCCO Apprenticeship Program audit is scheduled for May 14, 2019. He has completed the majority of upgrades to the school

site approved at the February 13, 2019 Board of Trustees meeting, including installation of security cameras, completion of the crawler test site concrete pad, new electrical wiring in the shop, roof replacement, and plumbing and septic repair, among other improvements.

C. Training Classes

Nine candidates participated in the NCCCO practical testing on Sunday, March 3, 2019. All of the candidates but one passed the exam. Mr. Lacey conducted forklift certifications for two candidates in the past quarter.

The annual Florida Apprentice Conference is scheduled for July 8 – 13, 2019 in Daytona Beach, Florida. The cost for the Director to attend is approximately \$1,200. Chairman Schaunaman noted that the Hillsborough County School Board Agreement with the Apprenticeship School requires the Apprenticeship Director to attend training conferences. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve travel expenses not to exceed \$1,200 for the Apprenticeship Director to attend the Florida Apprentice Conference on July 8 – 13, 2019 in Daytona Beach.

Mr. Lacey also requested approval to attend an upcoming NCCCO Workshop on Rigging Level 1 and Signal Person scheduled for July 21 – 26, 2019 in Houston, Texas. He said this training and certification is necessary for him to properly train the apprentices in these skill areas.

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

RESOLVED to approve the Apprenticeship Director's registration and attendance at the NCCCO Rigging Level 1 and Signal Person on July 21-26, 2019 in Houston, Texas. Mr. Lacey is to provide registration and cost information to the Chairman and Secretary for approval between Board meetings.

D. Equipment

Cylinders and hoses were the most frequent repairs on equipment. The Grove RT630, Link-Belt Crawler, Neck Breaker Lorain LRT110, Dozer D7 Caterpillar, and Case Backhoe 580L had various repairs and maintenance work completed. Mr. Lacey said a 2019 John Deere Gator had been purchased for the site, as previously approved by the Trustees. Chairman Schaunaman

discussed the need to purchase a Tower Crane for apprentice training and standards testing in the future.

E. Training Site

Mr. Lacey reviewed additional repairs needed at the Training Center. He presented the Trustees with an updated "To Do" list detailing requested upgrades and repairs, as shown on page 5 of the Director's Report. The list included replacement rigging for all equipment (cost not to exceed \$7,000), stump grinding (cost not to exceed \$300), floodlights and enhanced lighting in the shop (cost not to exceed \$2,030), and replacement of the rollup doors (cost to be determined). Mr. Lacey requested the Trustees consider purchasing t-shirts for the apprentices with the Apprentice School logo, so that apprentices could be easily identified on job sites (cost not to exceed \$1,300). Mr. Lacey also sought approval to host a dinner for graduating apprentices (cost not to exceed \$1,000). The Trustees discussed the bids that Mr. Lacey obtained for each of the requested items.

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

RESOLVED to approve spending up to \$11,630 for equipment upgrades and shop repairs including rigging equipment, stump grinding, apprentice school lighting, and to include apprentice t-shirts and a year-end dinner for apprentices only.

Mr. Lacey will hold the bid for replacement rollup doors and further research the available types of rollup doors and cost options. The Trustees thanked Mr. Lacey for his report.

V. Attorney's Report

Mr. Eric Venable presented the Attorney's Report dated May 8, 2019, a copy of which is attached to and made a part of these minutes as Exhibit C.

A. Non-Discrimination and Affirmative Action Policy

Mr. Venable distributed a draft Non-Discrimination and Affirmative Action Policy, a copy of which is attached to and made a part of these minutes as Exhibit D. He said the Policy incorporates new standards issued by the Department of Labor. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to adopt the Non-Discrimination and Affirmative Action Policy as presented.

B. Florida State Standards

Mr. Venable will work with Mr. Lacey to update the Fund's Standards of Apprenticeship for the State of Florida, incorporating the newly adopted Non-Discrimination and Affirmative Action Policy.

C. Fiduciary Liability Coverage

Mr. Venable reported he had contacted the underwriter for the Fund's Fiduciary Liability insurance policy and that the policy had been re-written to eliminate concerns about excluded liability coverage.

D. Clerical Employee

Mr. Venable confirmed that there is no obligation to pay pension or medical fund contributions for the newly hired part-time office employee for the Training Center.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Ms. Clutts reviewed the Income and Expense Statement for March 31, 2019, a copy of which is attached to and made a part of these minutes as Exhibit E. Ms. Clutts reported total assets for the month of March 2019 of \$2,803,636.16, total liabilities of \$20,441.94, and total equity of \$2,783,194.22. She reported that for the month of March 2019, the Fund had total income of \$64,103.79 and total expenses of \$96,880.16, resulting in a deficit of \$32,776.37 for the month.

B. Disbursements

Ms. Clutts presented the expense check register for March 2019 which indicated total disbursements of \$80,486.11. She reviewed the payroll check register for March 2019 which indicated total payroll of \$24,034.26.

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

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

VII. OTHER FUND BUSINESS

Ms. Clutts reported the following:

A. IRS Form 990

The Form 990 was filed by the Fund auditor on February 14, 2019 under the allowable extension of time to file.

B. Fiduciary Liability Policy

The Fiduciary Liability Policy was renewed for the policy period March 14, 2019 to March 14, 2020.

C. Union Liability Policy

The Fund office completed the application for renewal of the Union Liability Policy for the policy period June 21, 2019 to June 21, 2020. Chairman Schaunaman signed the application.

D. Concrete Slab at NCCCO Test Site

The Trustees were polled between Board meetings regarding approval of a proposal from Velez Concrete Construction to pour a concrete slab at the Training Center's NCCCO permanent test site at a cost not to exceed \$9,850. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to ratify the action taken between Board meetings to approve hiring Velez Concrete Construction to pour a concrete slab at the Training Center's NCCCO permanent test site at a cost not to exceed \$9,850.

E. Part-Time Office Employee

The Trustees were polled between Board meetings and unanimously agreed to hire a part-time office employee for the Training Center to assist with administrative and office duties. The employee will work 25 hours per week at the wage rate of \$15 per hour with no benefits. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to ratify the action taken between Board meetings to hire a part-time office employee to work 25 hours per week at the wage rate of \$15 per hour with no benefits.

F. Workers Compensation Premium Audit

A workers compensation premium audit questionnaire was submitted to Associated Industries Insurance Company, Inc. at the request of the insurance carrier.

G. Gramling and Haya CPAs, PA

Ms. Clutts distributed a copy of the audit engagement letter submitted by Gramling and Haya CPAs, PA, for the Plan year April 1, 2018 through March 31, 2019. She said that no fee increase was proposed over the prior Plan year. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the audit engagement of Gramling and Haya CPAs, PC for the Plan year April 1, 2018 through March 31, 2019 as presented.

H. Reimbursement Procedures for DOT Physical, TWIC Card, and NCCCO Certification

Ms. Clutts requested that the Reimbursement Procedures for Department of Transportation ("DOT") physicals, Transportation Workers Insurance Certification ("TWIC"), and NCCCO exam expenses be amended to require that such requests be submitted in a timely manner to keep accounting records updated. The Trustees agreed that it is acceptable to amend the Policy. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to amend the Reimbursement Policy for the DOT Physical, TWIC Card and NCCCO Certification to require participants to submit receipts for the DOT Physical and TWIC card and the NCCCO Certification within 90 days of completion or receipt of certification.

I. Payroll Audits

The Fund office sent notices to Maxim Crane, Moretrench Environmental Services, and North American Crane & Rigging, LLC to notify them of their selection for random payroll audits. The Fund's auditor, Gramling and Haya CPAs, PC, will contact the selected companies to begin the payroll audits.

VIII. MEETING DATE AND LOCATION

The next quarterly Board meeting was scheduled for Wednesday, August 14, 2019 at 1:00 p.m. at the IUOE Apprentice School site in Plant City, Florida. The remaining 2019 quarterly meeting dates were scheduled for August 14 and November 13, 2019.

IX. 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: Legacy Wealth Management FWCOE Portfolio Review – May 8, 2019
- Exhibit B: Apprenticeship Director's Report – May 8, 2019
- Exhibit C: Attorney's Report – May 8, 2019
- Exhibit D: Non-Discrimination and Affirmation Action Policy
- Exhibit E: Income and Expense Statement – March 31, 2019