



**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 14, 2019
TAMPA, FLORIDA**

The following Trustees were present:

LABOR TRUSTEES

M. Schaunaman, Chairman
J. Junecko
D. Sherman

MANAGEMENT TRUSTEES

P. Taylor, Secretary-Treasurer
J. Dixon

Also present were:

D. Clutts – Associated Administrators, LLC
T. DuBose – Legacy Wealth Management (via tele conference)
A. Lacey – FWCOE Apprenticeship Director
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 May 8, 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 May 8, 2019.**

III. Legacy Wealth Management ("Legacy")

The Trustees welcomed Mr. Tony DuBose of Legacy Wealth Management to the meeting via tele-conference.

Mr. DuBose reviewed a report titled "Florida West Cost Operating Engineers Portfolio Review" dated August 14, 2019, a copy of which and is attached to and made a part of these minutes as Exhibit A. Mr. DuBose discussed key information from the report with the Trustees. As of May 8, 2019, the portfolio's market value was \$1,020,308.10. The portfolio had investment returns for the period of \$16,038.90. The ending market value on July 29, 2019 was \$1,036,347.00. The internal rate of return for the portfolio was 1.57%. He said all of the investments are certificates of deposit and high quality fixed income securities. Mr. DuBose informed the Trustees that the Philip Morris Bond Fund investment had been replaced in the portfolio with a John Deere Bond Fund investment.

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 August 14, 2019, a copy of which is attached to and made a part of these minutes as Exhibit B. He reported the following:

A. Apprentices

Seven new apprentices joined the Program since the May Board meeting. A total of 35 apprentices are enrolled in the Program.

B. Upgrading the Training Program

The NCCCO audit for mobile cranes took place on May 14, 2019. Mr. Lacey passed the audit and practical exams. He was granted full status as an NCCCO Practical Examiner and is authorized to administer NCCCO practical exams for mobile cranes.

Mr. Lacey has completed the upgrades to the school site approved at the May 8, 2019 Board meeting, including replacement rigging, installation of roll-up doors, installation of floodlights, and re-wiring of the shop, among other improvements.

C. Training Classes

Thirty-five (35) candidates completed the NCCCO mobile crane exams on June 29 - 30, 2019. The pass rates were 92% for the telescopic swing exam, 89% for the telescopic fixed exam, and 50% for the lattice boom exam. Mr. Lacey conducted a forklift certification for one candidate. Ongoing Apprentice training classes are being held on Tuesdays, Thursdays and Saturdays this quarter.

Mr. Lacey attended the annual Florida Apprentice Conference on July 8 – 13, 2019 in Daytona Beach, Florida. He attended the Hoisting and Portable Equipment Training conference at the International Training and Conference Center on July 15 – 19, 2019 in Crosby, Texas. Mr. Lacey also attended the NCCCO Rigger Level 1 and Signalperson Accreditation Workshop in Houston, Texas, on July 22 – 26, 2019 where he passed the practical examiner accreditation written exams for Rigger Level 1 and Signalperson.

Mr. Lacey requested the Board consider purchasing an NCCCO Rigger Level 1 exam kit at a cost of \$2,458. The Trustees discussed the Rigger equipment testing requirement for Apprentices. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve purchase of an NCCCO Rigger Level 1 exam kit at a cost of \$2,458.

D. School Board of Hillsborough County ("SBHC")

The FWCOE-ATF renewed the Educational Agreement with the SBHC on June 11, 2019, with an estimated projected compensation of \$73,646.85 to the Fund for instruction and training of Hillsborough County students for the period of July 1, 2019 to June 30, 2020.

E. Equipment

Seals and cylinders were the most frequent repairs on equipment. The Grove RT630, Lull GTH-636, Ford Semi Truck L8000, Link-Belt Crawler, Neck Breaker Loraine, Dozer D7 Caterpillar, Case Backhoe, Kubota Lawn Mower, and John Deere Gator had various repairs and routine maintenance completed.

Chairman Schaunaman said the general membership of Local 487-D925 Union voted to donate funds to purchase a Tower Crane for the Training Center. The Trustees discussed the need for

a structural engineering study and a geo-tech assessment of foundation work for placement of a Tower Crane. Mr. Eric Venable will assess any documentation that may be required.

F. Training Site

Mr. Lacey presented the Trustees with an updated "To Do" list detailing additional upgrades and repairs needed at the Training Center, as shown on pages 6 and 7 of the Director's Report. The list included commercial landscaping required by Southwest Florida Water Management District, purchase and installation of an automatic gate and a back swing gate, purchase of a tractor and bush-hog, and the purchase of a crane simulator for enhanced training of Apprentices. 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 the following expenditures: commercial landscaping by Hardrock Landscaping Services at a cost not to exceed \$12,000, purchase and installation of a front electric gate by D & D Garage Doors, Inc. at a cost not to exceed \$4,200, purchase and installation of a double swing gate by USA Fence, Co. at a cost not to exceed \$2,000, purchase of a tractor and bush-hog at John Deere from Everglades at a cost not to exceed \$40,000, and purchase of a crane (simulator) training pack with maintenance package through CMLabs, at a cost not to exceed \$38,000.

The Trustees thanked Mr. Lacey for his report. Mr. Eric Venable discussed the need to add newly purchased equipment to the commercial insurance policy.

V. Attorney's Report

Mr. Eric Venable presented the Attorney's Report dated August 14, 2019, a copy of which is attached to and made a part of these minutes as Exhibit C.

A. Florida State Standards of Apprenticeship

Mr. Eric Venable said that Florida issued an updated Model Apprenticeship Standards document on June 25, 2019. He will work with Mr. Lacey to restate the Fund's Standards of Apprenticeship and present the revised standards for review and adoption at the November 13, 2019 Board meeting.

B. Department of Labor Proposed Form T-1 Rule

Mr. Venable reviewed his July 11, 2019 letter to the Trustees regarding a proposed rule from the Department of Labor which could require labor organizations to file a Form T-1 for trust funds.

C. Fiduciary Liability Coverage

Mr. Venable reported that he contacted the underwriter for the Fund's Fiduciary Liability insurance policy. Language limiting coverage for excise taxes and penalties has been resolved. Fiduciary Liability insurance coverage has been extended to include the Apprenticeship Director.

D. Apprentice Graduation Recognition

Mr. Venable provided a sample Graduation Ceremony Expenses Policy for Trustee consideration for future apprenticeship graduation recognition events.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Ms. Clutts reviewed the Income and Expense Statement for August 14, 2019, 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 2019 of \$2,722,499.33, compared to \$2,759,469.02 in June 2018. Ms. Clutts presented a Comparative Income Statement for the twelve months ended June 30, 2019. She reported that for the month of June 2019, the Fund had total income of \$38,013.27 and total expenses of \$49,104.44, resulting in a deficit of \$11,091.17 for the month. She noted that the PowerNet Credit Union school board sub-account had a balance of \$27,760.39 as of July 30, 2019. The Trustees requested the Administrative Manager monitor the PowerNet account balances and reserves. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to authorize the Administrative Manager to transfer funds from the PowerNet savings account to the checking account to cover monthly expenses of the Apprenticeship Program as needed.

B. Disbursements

Ms. Clutts presented the expense check register for June 2019 which indicated total disbursements of \$32,658.73. She reviewed the payroll check register for June 2019 which

indicated total payroll of \$20,480.50. 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. Rigger Level 1 Practical Examiner Accreditation Workshop

The Trustees were polled between Board meetings to approve the expenses related to the Apprenticeship Director's registration and attendance at the NCCCO Rigger Level 1 and Signal Person Practical Examiner Accreditation Workshop on July 22 – 25, 2019, at a cost not to exceed \$3,129.65. 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 the Apprenticeship Director's registration and travel expenses to attend the NCCCO Rigger Level 1 and Signperson Practical Examiner Accreditation Workshop on July 22 – 25, 2019 in Houston, Texas, at a cost not to exceed \$3,129.65.

B. Garage Doors

The Trustees were polled between Board meetings regarding approval of a proposal from D & D Garage Doors, Inc. to replace the garage doors for the Training Center workshop, at a cost not to exceed \$5,000. 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 D & D Garage Doors, Inc. to replace the Training Center workshop garage doors at a cost not to exceed \$5,000.

C. IRS Form 990

The Fund auditor filed Form 8868 with the IRS to extend the reporting deadline to February 15, 2020 for the Fund's Form 990 for the Plan year ended March 31, 2019.

D. Non-Bargaining Unit Participation Agreements

Non-bargaining unit participation agreements were executed with the Central Pension Fund for the Apprenticeship Director pension contributions.

E. Union Liability Policy

The Union Liability Policy was renewed for the policy period June 21, 2019 to June 21, 2020 for a premium of \$2,725.

F. Apprenticeship Director's Agreement

Wages and Fringe Benefits

Ms. Clutts reviewed a draft "Addendum to Apprenticeship Director's Agreement" to implement the Apprenticeship Director's increase in wages in accordance with the wage rates negotiated in the Crane Rental Collective Bargaining Agreement for the period of June 1, 2019 through May 31, 2022. The Trustees discussed the draft Addendum and determined the Industrial Collective Bargaining Agreement to be the appropriate wage rate scale to determine the Apprenticeship Director's hourly wage rate and fringe benefit contributions. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to pay the Apprenticeship Director the top hourly wage with the Foreman premium under the Industrial Collective Bargaining Agreement retroactive to June 1, 2019, including the specified pension and health and welfare contributions.

Use of Truck

At the recommendation of the Fund auditor, the Fund will use the "Commuting Rule" as the method of valuing the personal use of the Training Center truck by the Apprentice Director for tax purposes. The Trustees discussed allowing de minimus personal use of the truck by the Apprentice Director. After discussion, on motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to allow the Apprenticeship Director de minimus personal use (10%) of the 2018 Ford F-150 truck.

Trustee Sherman will provide the Fund Office with the Industrial Collective Bargaining Agreement. Ms. Clutts will revise the "Addendum to Apprenticeship Director's Agreement" to reflect these changes.

G. Part-Time Training Center Employee

The Trustees were polled between Board meetings and unanimously agreed to increase the wage rate of the Training Center office employee to \$20 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 increase the wage rate of the Training Center part-time office employee to \$20 per hour with no benefit contributions. The office employee is to work no more than 25 hours per week, with occasional additional hours as needed for special projects.

H. Workers Compensation Premium Audit

The workers compensation premium audit resulted in an additional premium of \$372.00.

I. Payroll Audits

Payroll audits of Maxim Crane, Moretrench Environmental Services, and North American Crane & Rigging are underway.

VIII. MEETING DATE AND LOCATION

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

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 – August 14, 2019

Exhibit B: Apprenticeship Director's Report – August 14, 2019

Exhibit C: Attorney's Report – August 14, 2019

Exhibit D: Income and Expense Statement – June 30, 2019