



**South Florida Operating Engineers
Apprentice and Training Fund**
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**MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
SOUTH FLORIDA OPERATING ENGINEERS
APPRENTICE AND TRAINING FUND
THURSDAY, NOVEMBER 10, 2016
MIAMI LAKES, FLORIDA**

The following Trustees were present:

LABOR TRUSTEES

M. Schaunaman, Chairman
S. Singer

MANAGEMENT TRUSTEES

J. Turk, Secretary
J. Epperson
M. Harrison

Also present were:

D. Clutts – Associated Administrators, LLC
L. DuVall – Associated Administrators, LLC
J. Hart – SEI Global Institutional Group (via teleconference)
D. McCullers – Apprenticeship Director
K. Phillips – Phillips, Richard & Rind, PA

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 11, 2016, 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 11, 2016 as presented.**

III. INVESTMENT CONSULTANT'S REPORT

The Trustees welcomed Mr. John Hart from SEI Global Institutional Group ("SEI") to the meeting via teleconference.

Performance Report

Mr. Hart discussed SEI's investment management report dated November 10, 2016, a copy of which is attached to and made a part of these minutes as Exhibit A. Mr. Hart stated that the market value of the Fund assets in the total portfolio as of September 30, 2016 was \$586,615.66. The fiscal year-to-date net return was 3.83% compared to the total index return of 3.53%. The Fund's total portfolio had a net return of 4.29% compared to the total index return of 3.23% for the period June 1, 2010 to September 30, 2016. The asset allocation was 75% in fixed income and 25% in equity.

The Trustees thanked Mr. Hart for his report and excused him from the meeting.

IV. APPRENTICESHIP DIRECTOR'S REPORT

Mr. Daniel McCullers presented the Director's Report dated November 10, 2016, a copy of which is attached to and made a part of these minutes as Exhibit B. He reported the following:

A. Apprentices

Seven apprentices joined and thirteen were released since the last Board meeting. Eighty-one apprentices are enrolled in the Program.

B. Upgrading the Apprenticeship Program

Mr. McCullers attended the monthly United Joint Apprentice Council, the Palm Coast Joint Apprenticeship Council Conference meetings and the Commercial Vehicle "Class B" Driving Advisory Committee meeting at Sheridan Technical College on October 27, 2016. Mr. McCullers also attended the Building and Construction Trades Apprenticeship Training Conference in Ann Arbor, Michigan on October 12-13, 2016. Mr. McCullers stated he has been providing the Fund Office materials from each conference he attends, as requested by the Trustees.

C. School Board of Broward County ("SBBC")

Mr. McCullers attended a luncheon held by the SBBC on November 4, 2016 to recognize apprenticeship programs' dedication to training and education. The current School Board period ends on January 13, 2017.

D. Equipment

The simulator computers have been installed. The RT-48 crane center swivel damage has been repaired, including rebuilding the two rear stabilizers. Batteries, hoses and hydraulic cylinder packing kits continue to be the most frequent repairs on the equipment. Apprentice David Hernandez is completing body repair and painting the donated 400 series Boom Truck.

E. Training Site

Twenty-six NCCCO practical exams were administered: nineteen passed and seven failed. Over forty forklift certification tests were administered to apprentices at the Dolphin Stadium and certification cards were provided to the operators that passed. A total of 65 people visited the training site this past quarter, and 21 apprentice applicants were interviewed. Study materials continue to be distributed on an ongoing basis for NCCCO exams.

F. "Day on the Hill" State Apprentice Day

The annual Florida Building and Construction Trades "Day on the Hill" State Apprentice Day is scheduled for March 14 – 17, 2017 in Tallahassee, Florida. The cost for the Director to attend is approximately \$2,000.

RESOLVED to approve travel expenses not to exceed \$2,000 for the Apprenticeship Director to attend the "Day on the Hill" State Apprentice Days on March 14 - 17, 2017 in Tallahassee, Florida.

V. ATTORNEY'S REPORT

Ms. Kathleen Phillips distributed a report titled "Trustees' Report" dated November 10, 2016, a copy of which is attached to and made a part of these minutes as Exhibit C.

A. Delinquency and Collections

Ms. Phillips provided an update on the delinquency and collection matter involving Amquip Crane Rental.

Ms. Phillips reported that Amquip requested a waiver of service fees in the amount of \$543.75 for the untimely payment of contributions for one participant. The Fund's Collection Committee reviewed the request and granted the waiver in accordance with the Fund's Audit policy. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to waive service fees in the amount of \$543.75, in accordance with the Fund's Audit and Collections Procedures.

B. Payroll Audits

Ms. Phillips provided the following payroll audit status report:

Berkel & Company Contractors ("Berkel")

Berkel was advised on September 21, 2016 that the random audit of Berkel had revealed deficiencies in the amount of \$5,372.24. Berkel provided additional documentation to the auditor, resulting in a reduction of the total delinquent contributions to \$401.02. On October 19, 2016, a letter was sent to Berkel requesting a total of \$901.02, which included \$500 attorney fees. The employer was advised that in accordance with the Fund's Collection and Audit Procedures, the auditor fees of \$2,179.50 would be waived if the full amount of the delinquency plus attorney fees was remitted within thirty days. Berkel remitted \$901.02 to the Fund Office on October 26, 2016.

C. Participation Agreement for Employees of the Apprentice & Training Fund

Ms. Phillips informed the Trustees that Mr. McCullers, Apprenticeship Director, had requested that a non-bargaining unit employee, Pam Durant, be included under a Participation Agreement. The Trustees directed Ms. Phillips to prepare a Participation Agreement between this Fund and the Local 487 Health & Welfare Fund for their review.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Ms. DuVall reviewed the Income and Expense Statement for September 30, 2016, a copy of which is attached to and made a part of these minutes as Exhibit D. She reported total assets for the month of September 2016 were \$2,511,700.30, compared to \$2,243,421.67 in September 2015. Ms. DuVall presented a Comparative Income Statement for the twelve

months ended September 30, 2016. She reported that for the month of September 2016, the Fund had total receipts of \$64,829.41 and total expenses of \$44,130.79, resulting in a surplus of \$20,698.62.

B. Disbursements

Ms. DuVall presented the expense check register for September 2016, which indicated total disbursements of \$22,897.03. She reviewed the payroll check register for September 2016, which indicated total payroll of \$20,175.43.

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. DuVall reported the following:

A. Worker's Compensation Premium Audit

The Hartford Group performed a worker's compensation premium audit on July 28, 2016, that resulted in an additional premium cost of \$26 to the Fund.

B. Business Tax Exemption

The Fund Office received the Business Tax Exemption for the period October 1, 2016 to September 30, 2017.

C. Form 990

The Fund auditor confirmed that the Form 990 for the Plan year ended March 31, 2016 was filed on November 8, 2016, under the allowable extension of time to file.

D. Random Shop Audits

Ms. DuVall reported that the following contractors had been selected for shop audits: Alberici Constructors, Inc., Amquip Crane Rental, LLC, Day & Zimmerman/NPS Energy Service (two locations), Ebsary Foundation Company, Maxim Crane Works, and RW Harris.

VIII. NEXT MEETING DATE AND LOCATION

The next quarterly Board meeting was scheduled for Thursday, February 9, 2017 at 10:00 a.m. in Miami Lakes, Florida. The remaining regular Board meetings were scheduled for May 11, August 10, and November 9, 2017.

IX. ADJOURNMENT

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

Respectfully submitted,

Jonathan Turk, Fund Secretary

These Minutes were adopted on _____.

Exhibit A: SEI Investment Management Report, November 10, 2016

Exhibit B: Apprenticeship Director's Report dated November 10, 2016

Exhibit C: Trustees' Report from Fund Counsel, November 10, 2016

Exhibit D: Income and Expense Statement, September 30, 2016