South Florida Operating Engineers
Apprentice & Training 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 SOUTH FLORIDA OPERATING ENGINEERS APPRENTICE AND TRAINING FUND THURSDAY, FEBRUARY 9, 2017 MIAMI LAKES, FLORIDA

The following Trustees were present:

LABOR TRUSTEES	MANAGEMENT TRUSTEES
M. Schaunaman, Chairman	J. Turk, Secretary
J. Mullen	J. Epperson
S. Singer	M. Harrison
W. Utreras	F. Villella

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 November 10, 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 November 10, 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 February 9, 2017, 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 December 31, 2016 was $585,927.55. The fiscal year-to-date net return was 3.71% compared to the total index return of 3.24%. The Fund's total portfolio had a net return of 4.10% compared to the total index return of 3.06% for the period June 1, 2010 to December 31, 2016. The asset allocation was 74.5% in fixed income and 25.5% 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 February 9, 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 apprentices joined and four were released since the last Board meeting. Seventy-seven apprentices are enrolled in the Program.

B. Upgrading the Apprenticeship Program

He attended the monthly United Joint Apprentice Council ("UJAC") and Palm Coast Joint Apprenticeship Council Conference meetings. He was appointed chairperson of the UJAC. He attended the South Florida Building Trades Council meeting on February 1, 2017. He participated in the Broward County School Board and Greater Fort Lauderdale Alliance Career Technical Adult and Community Education Program on February 8, 2017. He will be participating in the Cooper City High School Annual College Career Fair on February 13, 2017 in Cooper City, Florida, and SCRA Career Day on February 4, 2017 in Tampa, Florida, utilizing the simulator for both programs. Mr. McCullers will also take the simulator to Apprentice Days on the Hill on March 14-17, 2017 in Tallahassee, Florida.

C. Training Site

Eighty apprentices signed up for the NCCCO written exams that were administered on January 15, 2017. The mobile hydraulic, fixed swing cab written NCCCO exam was administered on January 22, 2017. The mobile/lattice boom truck and crawler written NCCCO exam was administered on January 29, 2017. The tower crane written NCCCO exam was administered on February 5, 2017. The NCCCO written review is scheduled for February 12, 2017 and NCCCO written exams are scheduled for February 19, 2017. The Forklift (B class optional) class is scheduled for April 22-23, 2017. The Department of Transportation Flagging class is scheduled for May 6, 2017. Study materials were provided to apprentices for the NCCCO written exams at a cost of over $5,000. A calendar of upcoming classes has been distributed to the Union Hall.

Twenty-one NCCCO practical exams were administered this quarter; seventeen passed and four failed. Apprentices are now required to schedule dates and times for taking practical exams. Sixty-four visitors were logged on the on-site visitor list during this quarter. Training materials continue to be available to apprentices via email; however, members continue to request a large number of paper copies. The 2017 annual picnic and apprentice graduation is scheduled for March 12, 2017.

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

The School Board period ended on January 13, 2017 and a roster has been submitted to the SBBC.

E. Equipment

Batteries, hoses, and hydraulic cylinder packing kits continue to be the most frequent repairs on equipment. Body repair and painting are nearly completed on the 400 series Boom Truck received from Harrison Crane. New 10-ply tires were installed on the simulator.

V. ATTORNEY'S REPORT

Ms. Kathleen Phillips distributed a report titled "Trustees Report" dated February 9, 2017, 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 matters involving Pre-Con Construction, Inc. and Zeiger Crane Rental, Inc.

B. Payroll Audits

Ms. Phillips provided the following payroll audit status report:

Ebsary Foundation Company ("Ebsary")

The random audit of Ebsary found that it complied with the Collective Bargaining Agreement during the period October 1, 2014 through September 30, 2016 as it related to fringe benefit contribution requirements.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Ms. DuVall reviewed the Income and Expense Statement for December 31, 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 December 2016 were $2,687,859.62 compared to $2,294,709.46 in December 2015. Ms. DuVall presented a Comparative Income Statement for the twelve months ended December 31, 2016. She reported that for the month of December 2016, the Fund had total receipts of $76,644.73 and total expenses of $35,348.85, resulting in a surplus of $41,295.88.

B. Disbursements

Ms. DuVall presented the expense check register for December 2016, which indicated total disbursements of $19,541.08. She reviewed the payroll check register for December 2016, which indicated total payroll of $15,410.87.

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. Apprentice Selection Insurance Coverage

The quotation to renew the Apprentice Selection Insurance Coverage for the policy period March 1, 2017 through March 1, 2018 is $3,632. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to renew the Apprentice Selection Insurance Policy for the period March 1, 2017 through March 1, 2018.

B. Fiduciary Liability Policy

The Fund's Fiduciary Liability insurance policy was renewed for the policy period January 1, 2017 to January 1, 2018. The insurance broker offered two additional endorsements for consideration at an additional premium of $250 each including: 1) Investigatory Expenses Endorsement with Sub-Limit and 2) Broadened Coverage with Overpayments of Benefits Endorsement. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to ratify renewal of the Fiduciary Liability policy without the addition of optional endorsements.

C. Financial Report for School Board of Broward County ("SBBC")

The SBBC financial report for the period January 1 through June 20, 2016 was provided to the Apprentice School for submission to SBBC.

D. Tangible Personal Property Tax Return

The Fund office received a copy of the Tangible Personal Property Tax Return for Broward County, which confirmed the Fund's 100% tax exempt status.

VIII. NEXT MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled for Thursday, May 11, 2017 at 10:00 a.m. in Miami Lakes, Florida. The remaining regular Board meetings were scheduled for 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, February 9, 2017
Exhibit B: Apprenticeship Director's Report dated February 9, 2017
Exhibit C: Trustees Report from Fund Counsel, February 9, 2017
Exhibit D: Income and Expense Statement, December 31, 2016