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, MAY 31, 2018
MIAMI LAKES, FLORIDA**

The following Trustees were present:

LABOR TRUSTEES	**MANAGEMENT TRUSTEES**
M. Schaunaman, Chairman	J. Epperson
J. Mullen	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
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 February 15, 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 February 15, 2018 as presented.**

III. INVESTMENT CONSULTANT'S REPORT

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

Performance Report

Mr. Hart discussed SEI's investment management report dated May 31, 2018, 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 Fund assets in the total portfolio as of March 31, 2018 was $1,140,093. The fiscal year-to-date net return was -0.41% compared to the total index return of -0.43%. The Fund's total portfolio had a net return of 4.41% compared to the total index return of 3.46% for the period June 1, 2010 to March 31, 2018. The asset allocation was 74.1% in fixed income and 25.9% 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 May 31, 2018, a copy of which is attached to and made a part of these minutes as Exhibit B. He reported the following:

A. Apprentices

Four apprentices joined and two apprentices were released. Sixty-seven apprentices are enrolled in the Program.

B. Upgrading the Apprenticeship Program

Mr. McCullers attended the monthly United Joint Apprentice Council and Palm Coast Joint Advisory Council ("PCJAC") conference meetings. He participated in the Scoutmasters' Camporee at Markham Park on February 27, 2018, and brought the simulator with him to expose the 2,000 Scouts in attendance to the industry. He participated in the Associated General Contractors of South Florida Safety Fair on April 27, 2018 at Miami Dade College. He plans to attend the 60th Annual 2018 Florida Apprenticeship Conference on July 10 – 13, 2018 on Hutchenson Island, Florida, pending approval of the Board of Trustees. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve travel expenses not to exceed $1,000 for the Apprenticeship Director to attend the 60th Annual 2018 Florida Apprenticeship Conference on July 10 – 13, 2018 on Hutchenson Island, Florida.

C. Apprenticeship Classes

A sign-up sheet is available to apprentices for classes to be scheduled for forklift, signaling, rigging, and other certifications. The second NCCCO sign-up and General Knowledge refresher class was held on April 29, 2018. The refresher class for NCCCO Large/Small Hydro will be held on May 6, 2018. The refresher class for the Lattice Boom Crawler and Lattice Boom Truck will be held on May 20, 2018. The refresher class for the Tower Crane will be held on June 3, 2018. A review for all refresher classes will be held on June 10, 2018. The NCCCO written test will be held on June 24, 2018.

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

A revised SBBC Agreement with the Fund was reviewed and approved by Fund counsel. A check was received from the SBBC in the amount of $67,793.90. Mr. McCullers assisted with a forklift certification class at the Atlantic Technical College.

E. Equipment

Batteries, hoses, and hydraulic cylinder packing kits continue to be the most frequent repairs on equipment. No decision has been received on the status of the military surplus program. Periodic maintenance has been performed on all equipment. The golf cart has been restored. Jack cylinders were rebuilt on the LRT-180 crane. Boom stops were rebuilt on the P&H 430 crane, and a rebuilt water pump and new belts were installed on it.

F. Training Center

Twenty-seven NCCCO practical exams were administered, eighteen apprentices passed and nine failed. Thirty-nine visitors signed in on the on-site visitor list during the first quarter 2018. NCCCO training books were received for the second class with Equipment Training Solutions at the cost of $1,360.90. Training materials continue to be available to apprentices via email. However, members continue to request a large number of paper copies at a cost of $8,667.16 this year. The annual picnic and apprenticeship graduation was a huge success, and the site looked great. Pavers were installed on the hill, the silver buttonwoods by the classroom were removed and pavers were installed. The carport roof was resealed. The tin roof on the golf cart shed was replaced.

V. ATTORNEY'S REPORT

Ms. Kathleen Phillips distributed a report titled "Trustees Report" dated May 31, 2018, a copy of which is attached to and made a part of these minutes as Exhibit C.

A. Mortgage Loan Payoff

Ms. Phillips reported that the mortgage loan on the Training Center site located at 19700 S.W. 68th Court, Pembroke Pines, Florida, had been paid in full in the amount of $205,354.04, per prior direction of the Board of Trustees. She said she reviewed the payoff amount with Ms. Bellows and it was independently confirmed by Steven Eisenberg, the Union's CPA. Ms. Phillips said that the Release of Mortgage and Release of Promissory Note were executed and recorded in Broward County, Florida.

B. New Training Center and Facility Design

Ms. Phillips distributed three preliminary proposals from architects for building a new Apprenticeship Training Center. It was suggested that a construction manager may be needed in addition to an architect. After discussion, it was agreed that more research is needed to obtain references, make plans, and develop a budget.

C. Conflict of Interest and Whistleblower Policy – Annual Certification

Ms. Phillips distributed to the Trustees a copy of the Fund's Conflict of Interest and Whistleblower Policy. She provided each Trustee with a Conflict of Interest and Whistleblower Certificate form to complete and sign. Each Trustee present at the meeting completed and signed a Certificate during the Board meeting.

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

Ms. Phillips reported that the SBBC Agreement had been revised by the School Board of Broward County effective April 26, 2018. She said that the Fund is obligated to increase the liability limit from $500,000 to $1,000,000 on the Fund's Liability insurance policy and to add the SBBC as an additional insured at a total annual premium of $4,763. She said that the increase will be prorated for the remainder of the current policy period. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to increase the Fund's Liability insurance policy liability limit from $500,000 to $1,000,000 and to add the School Board of Broward County as an additional insured at a total annual premium of $4,763.**

E. Apprenticeship Program Policies

Ms. Phillips reported that she had drafted a Sexual Harassment Policy, and is in the process of reviewing the Program's Records Retention Policy and Disaster Recovery Policy. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the Sexual Harassment Policy as presented.

F. Delinquency and Collections

Ms. Phillips provided an update on delinquency and collection matters involving North American Crane & Rigging, LLC and Pre-Con Construction, Inc.

HJ Foundation Company ("HJ Foundation")

Ms. Phillips said that HJ Foundation requested a waiver of service fees in the amount of $7,434.10 for the untimely payment of its January 2018 contributions. 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 owed by HJ Foundation in the amount of $7,434.10, in accordance with the Fund's Audit and Collections Procedures.

G. Payroll Audits

Ms. Phillips provided the following payroll audit status report:

Amquip Crane Rental, LLC ("Amquip")

Ms. Phillips said that she has been working with the Fund auditor to finalize a payroll audit report on Amquip Crane Rental, LLC ("Amquip"). She said that the random audit of Amquip 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. Clutts reviewed the Income and Expense Statement for March 31, 2018, a copy of which is attached to and made a part of these minutes as Exhibit E. She reported total assets for the month of March 2018 were $3,170,557.42 compared to $2,953,868.56 in March 2017. Ms. Clutts presented a Comparative Income Statement for the twelve months ended March 31, 2018. She reported that for the month of March 2018, the Fund had total receipts of $159,024.15 and total expenses of $257,770.16, resulting in a deficit of $98,746.01.

B. Disbursements

Ms. Clutts presented the expense check register for March 2018, which indicated total disbursements of $235,854.34. She reviewed the payroll check register for March 2018 which indicated total payroll of $19,230.13.

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 that $250,000 was transferred from the Fund's bank account to SEI on February 21, 2018.

VIII. NEXT MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled for Thursday, August 9, 2018 at 10:00 a.m. in Miami Lakes, Florida. The remaining 2018 meeting is scheduled for November 15, 2018.

IX. ADJOURNMENT

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

Respectfully submitted,

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Jonathan Turk, Fund Secretary

These Minutes were adopted on __________________________________.

Exhibit A:	SEI Investment Management Report, May 31, 2018
Exhibit B:	Director's Report, May 31, 2018, 2018
Exhibit C:	Trustees Report from Fund Counsel, May 31, 2018
Exhibit D:	Income and Expense Statement, March 31, 2018