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
APPRENTICESHIP AND TRAINING FUND
THURSDAY, FEBRUARY 7, 2013
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:

L. DuVall – Associated Administrators, LLC
D. Haverly – SEI Global Institutional Group
J. Johnson – The Segal Company
L. Joyner – The Segal Company
D. McCullers – Apprenticeship Director
K. Phillips – Phillips, Richards, & Rind, PA

I. CALL TO ORDER

A quorum being present, Chairman Schaunaman called the meeting to order.

II. TRUSTEESHIP

Ms. DuVall presented a Trustee resignation letter dated December 21, 2012 from Mr. Richard Ebsary, a copy of which is attached to and made a part of these minutes as Exhibit A. Chairman Schaunaman stated that the Management Trustees appointed Mr. Michael Harrison from Harrison Crane Service to fill the Trustee vacancy on the Board effective February 7, 2013. Fund counsel presented a Trustee Acceptance Form for Mr. Harrison to sign. Mr. Harrison signed the Form, a copy of which is attached to and made a part of these minutes as Exhibit B. The Trustees welcomed Mr. Harrison.

III. MINUTES

The Trustees reviewed the minutes of the regular meeting held on November 29, 2012, 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 29, 2012 as presented.**

IV. APPRENTICESHIP DIRECTOR'S REPORT

Mr. Daniel McCullers distributed a Director's Report dated February 7, 2013, a copy of which is attached to and made a part of these minutes as Exhibit C. Mr. McCullers reported the following:

A. Apprentices

One apprentice graduated, seven apprentices joined, and six dropped out of the Apprenticeship Program since the last Board meeting. Twenty-nine apprentices are registered in the Program.

B. Apprenticeship Program

Mr. McCullers is in the process of changing the Apprenticeship Standards to submit for State approval. He requested that consideration be given to changing the Apprenticeship Program from a three-year to a four-year Program. The compliance audit for 2012 will take place upon acceptance of the revised Standards.

Classes planned for the first quarter include CCO review class on February 10, 2013; CCO written test on February 17, 2013; Rigging and Signaling on April 6 -7, 2013; and OSHA 10 Hour class May 4-5, 2013. The annual picnic and graduation will be held on March 9, 2013.

C. Broward County School Board

Mr. McCullers attended the UJAC meeting held at Miami Lakes Technical Center on December 8, 2012.

D. Apprenticeship Council

Mr. McCullers attended the Palm Coast JAC meetings on January 22, 2013, the UJAC (Dade County) meeting on December 8, 2012 and the FAC midwinter meeting in Merritt Island, Florida, on December 6, 2012. He plans to attend the SAAC meeting in Tallahassee, Florida, March 20, 2013, in conjunction with "Apprenticeship Day on the Hill."

E. Equipment

Mr. McCullers spoke to the Trustees about purchasing a used crane from Harrison Crane Service for training apprentices. Fund counsel discussed the need for due diligence before there could be any sale, exchange or leasing of property between the Plan and a participating employer of the Fund. The Board agreed to engage in due diligence.

F. Training Center

Mr. McCullers stated that mechanic Ron Ziegler is working on the machines at the Training Center. Six apprentices attended the Competent Rigger and Crane Signaling Class on December 1-2, 2012.

V. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Ms. DuVall reviewed the Income and Expense Statement for November 2012, a copy of which is attached to and made a part of these minutes as Exhibit D. She said total assets for the month of November 2012 were $2,182,475.42. She said the Fund had total income for the month of November 2012 in the amount of $23,606.35 and total expenses in the amount of $27,314.69 resulting in a total net income of ($3,708.34) for the month of November 2012. Ms. DuVall reviewed the income and expenses on the twelve-month rolling Comparative Income Statement.

B. Disbursements

Ms. DuVall presented the expense check register for November 2012, which indicated total disbursements of $15,196.95. She reviewed the payroll check register for November 2012, which indicated total payroll of $11,717.65.

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

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

VI. INVESTMENT CONSULTANT'S REPORT

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

A. SEI Taft-Hartley Client Symposium on June 12-14, 2013

Mr. Haverly reminded the Trustees that SEI would present an educational symposium on June 12-14, 2013 at its corporate headquarters in Pennsylvania. Fund counsel discussed prohibited transaction rules as well as Taft-Hartley issues. She recommended that union Trustees not attend the symposium. Mr. Haverly stated that the symposium is an educational event.

B. Performance Report

Mr. Haverly distributed SEI's investment management report dated February 7, 2013, a copy of which is attached to and made a part of these minutes as Exhibit E. Mr. Haverly stated that the Fund's portfolio had a net return of 6.35% compared to the total index return of 4.41% for the period June 1, 2010 to December 31, 2012. He said that the fiscal year-to-date net return was 4.78% compared to the total index return of 2.99%. Mr. Haverly stated that the asset allocation was 92.9% in fixed income and 7.1% in U.S. equity. He recommended reducing the Core Fixed Income from 52% to 18%. He stated that no Board action is needed, given that such change is within the scope of the investment manager's discretion.

C. Change in Name of the Enhanced LIBOR Opportunities Fund

Mr. Haverly stated that at a meeting on December 4, 2012, the Board of Trustees of SEI Institutional Investments Trust approved changing the name of the Trust's Enhanced LIBOR Opportunities Fund to the Opportunistic Income Fund effective January 1, 2013.

D. Investment Policy Statement

Mr. Haverly presented an Investment Policy Statement ("IPS") dated February 5, 2013, a copy of which is included in Exhibit E reference above. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to adopt the Investment Policy Statement dated February 5, 2013 as presented.

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

VII. ATTORNEY'S REPORT

[The following was presented at the Board of Trustees meeting of the IUOE Local 487 Pension Fund held before this meeting and is recorded in these minutes because it also applies to this Fund.]

Ms. Kathleen Phillips distributed a report titled Trustees' Report dated February 7, 2013, a copy of which is attached to and made a part of these minutes as Exhibit F.

A. Delinquency and Collections

Ms. Phillips provided an update on delinquency and collection matters involving Bunnell and Zeiger Crane.

B. Payroll Audit

Ms. Phillips said that Nicholson had remitted three payments to the Fund totaling $128,181.63, representing what it believed to be the delinquency amount after certain approved adjustments and waivers. Fund counsel sent a letter to Nicholson on January 28, 2013 confirming that it owed an additional $11,980.63. The Fund Office received the $11,980.63 payment from Nicholson on February 5, 2013.

C. Apprentice Instructor Rate of Pay

Ms. Phillips stated that between Board meetings the Trustees were polled and approved the Apprenticeship instructor hourly wage rate. She said that a resolution was needed to ratify that action. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to ratify the action taken by the Trustees to adopt the Apprenticeship instructor hourly wage rate effective January 1, 2013, to be paid in accordance with the current Crane Rental collective bargaining agreement at $28.80 per hour plus the current health and welfare contribution rate of $4.00 per hour plus the current pension contribution rate of $4.50 per hour, for a total current rate of pay of $37.30 per hour.

D. Statement of Policy on Payment and Reimbursement of Trustee Expenses

Ms. Phillips presented an updated Statement of Policy on Payment and Reimbursement of Trustee Expenses, a copy of which is attached to and made a part of these minutes as Exhibit G. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to adopt the Statement of Policy on Payment and Reimbursement of Trustee Expenses as presented.

The Trustees signed the Statement of Policy on Payment and Reimbursement of Trustee Expenses.

VIII. OTHER FUND BUSINESS

A. Administrative Services Contract Addendum

Ms. DuVall presented an Addendum reflecting the agreed-upon fee increases to the Fund's administrative services contract with Associated Administrators, LLC. The Trustees signed the Addendum.

B. Form 990 (Return of Organization Exempt from Income Tax)

Ms. DuVall reported that the Fund's Form 990 for the Plan year ended March 31, 2012 was electronically filed by the Fund auditor on January 10, 2013, under the allowable extension of time to file.

C. Fiduciary Liability Renewal

Ms. DuVall reported that the Fund's Fiduciary Liability insurance policy was renewed for the policy period January 1, 2013 to January 1, 2014.

D. 2013 Property Tax Exemption Renewal

Ms. DuVall stated that the Fund Office received a copy of the 2013 Property Tax Exemption Renewal application signed by Mr. McCullers on January 17, 2013.

IX. MEETING DATE

The next quarterly Board meeting is scheduled for Thursday, May 23, 2013 at 10:00 a.m. in Miami Lakes, Florida. The remaining 2013 quarterly meetings are scheduled for August 22 and November 21, 2013.

X. 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 ________________________________, 2013.

Attachments:
Exhibit A: Trustee resignation letter from Richard Ebsary dated December 21, 2012
Exhibit B: Trustee Acceptance Form signed by Michael Harrison on February 7, 2013
Exhibit C: Apprenticeship Director's Report dated February 7, 2013
Exhibit D: Income and Expense Statement, November 2012
Exhibit E: SEI Investment Management Report dated February 7, 2013
Exhibit F: Trustees' Report from Fund Counsel dated February 7, 2013
Exhibit G: Statement of Policy on Payment and Reimbursement of Trustee Expenses