



**South Florida Operating Engineers
Apprentice & 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, AUGUST 10, 2023
VIA VIDEOCONFERENCE**

The following Trustees were present:

LABOR TRUSTEES

M. Schaunaman, Chairman
S. Singer
W. Utreras

MANAGEMENT TRUSTEES

J. Turk, Secretary
S. Alfele
J. Epperson

Also present were:

T. Dubose – Legacy Wealth Financial
J. Herron - Associated Administrators, LLC
K. Phillips - Phillips, Richard & Rind, PA
A. Sims - Associated Administrators, LLC
M. Smith - Apprenticeship Director

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 11, 2023, which were pre-circulated to the Trustees before 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 11, 2023, as presented.

III. INVESTMENT CONSULTANT'S REPORT

The Trustees welcomed Mr. Tony Dubose from Legacy Wealth Management to the meeting.

A. Performance Report

Mr. DuBose reviewed a report titled "Portfolio Review," which is attached to and made a part of these minutes as Exhibit A. Mr. DuBose discussed information from the report with the Trustees. As of August 7, 2023, the portfolio's market value was \$1,463,553. The portfolio had an investment gain of \$13,081 from May 12, 2023, through August 7, 2023.

Mr. DuBose said that the asset allocation as of August 7, 2023, was 61.81% in cash, 26.07% in bonds, 8.41 in U.S. stocks, 3.19% in non-U.S. stocks, and 0.53 in other. Mr. DuBose said the Fund's investments comply with its Investment Policy Statement. Discussion ensued regarding permissible investments consistent with current asset allocations in the Investment Policy Statement. Mr. DuBose confirmed that the allocations were in compliance as well. He was asked to review the IPS and determine if he had any recommendations for revisions.

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

IV. DIRECTOR'S REPORT

Mr. Michael Smith presented the Director's Report dated August 10, 2023, a copy of which is attached to and made a part of these minutes as Exhibit B. He reported the following:

A. Apprentices

Four new apprentices joined the Apprenticeship Program. Since the last Board meeting, four graduated and ten apprentices were terminated from the Apprenticeship Program. Ninety-six apprentices are enrolled in the Apprentice Program.

B. Upgrading the Apprenticeship Program

Mr. Smith reported that there were forty-three applications for the Apprenticeship Program. Due to the high demand from contractors needing apprentices, advertising is done on Indeed, Google, and Facebook. Mr. Smith continues to visit contractors to discuss the apprenticeship training program and the apprentices.

Mr. Smith requests approval to update the Apprenticeship Standards in section 18 for apprentice advancement as outlined in his report. These changes are consistent with the state requirements.

After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED, to approve the updated Apprenticeship Standards section to be consistent with the state requirements.

Mr. Smith participated in the career fair at Hallandale High School on May 17, 2023. On May 24, 2023, Mr. Smith visited Robert Morgan to speak with the students about the Apprenticeship Program. Mr. Smith met with the South Florida Building Trades and Career Source of Broward County on June 7, 2023. Mr. Smith met with Milwaukee Tools on June 23, 2023, to see about getting some new equipment for the shop in the new building. Mr. Smith attended the 64th Annual Florida Apprenticeship Conference in Stuart, Florida, on July 11-14, 2023. On July 20, 2023, Mr. Smith participated in a webinar for the Pathways Grant. Mr. Smith attended the County Commissioner meeting on August 3, 2023, to discuss the Apprenticeship Program.

Mr. Smith has provided the requested documentation to the Supply Chain Automation Workforce Hub in support of the application for the grant. The grant in the amount of \$30,000 has been received and forwarded to the administrator. Mr. Smith continues to attend the PCJAC and UJAC meetings. He will send copies of the documents from those meetings to Associated Administrators as requested.

Mr. Smith requests a \$1.00/ hour increase for the Office Manager, Pam Durant. Her last increase was \$1.00/ hour on August 15, 2022. This would bring her pay to \$24.75 per hour.

After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED, to approve the \$1.00/ hour increase for the Office Manager Pam Durant.

C. Apprenticeship Classes

A Rigging Class was held at the Union Hall in Miami on May 20, 2023, and 16 apprentices attended. A Rigging practical was held on May 20, 2023, which 12 apprentices attended. A Rigging practical for Sims West Palm Beach was held on June 3, 2023, which 12 apprentices attended. A Signaling class was held on June 10, 2023, which 25 apprentices attended. An OSHA 30 class was held on July 8-9 & July 15-16, 2023, at the Union Hall, which 24 apprentices attended. A Forklift class will be held on August 5, 2023. An OSHA 10 class will be held on August 19-20, 2023. A Rigging class will be held on September 9, 2023. A Rigging practical will be held on September 23, 2023. A Signaling class will be held on October 7, 2023. An OSHA 10 class will be held on November 4-5, 2023.

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

A \$29,474.80 check was received from the School Board in accordance with its agreement with the JAC.

E. Equipment

Batteries, hoses, and hydraulic cylinder packing kits continue to be the most frequent repairs on equipment.

Mr. Smith reported that the hydraulic cylinder on the Manitex Boom Truck needs to be replaced. He received a quote of \$2,500.00 to replace the hydraulic cylinder.

After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED, to approve the purchase of a new hydraulic cylinder for \$2,500.00.

F. Training Site

Mr. Smith reported that ten NCCCO practical exams were given during the second quarter (6 passed / 1 failed / 3 no results). There were fifty-eight people signed in on the on-site visitors log this quarter. Mr. Smith reported that they will be hosting an “Open House” for the new building on November 17, 2023.

V. ATTORNEY’S REPORT

Ms. Phillips distributed the “Trustees Report” dated August 10, 2023, a copy of which is attached to and made a part of these minutes as Exhibit C.

A. Delinquency and Collections

1. **Berkel & Company** – On May 23, 2023, Fund Counsel’s office received Berkel’s additional payment and forwarded it to Associated Administrators.

2. **Florida Rigging & Crane Company**
On July 24, 2023, Fund Counsel’s office sent a demand letter via Certified Mail for \$809.69, including attorney’s fees of \$310. On August 9, 2023, Administrators confirmed that payment of \$499.69 was received on August 3, 2023, but the employer did not include the attorney’s fees. A letter will be sent to the employer for \$310.

3. **United Excavations, Inc.** – On August 4, 2023, Fund Counsel’s office received communication from the employer with copies of payments made and reports for May 2022 contributions and requesting a waiver of the \$1,074.51 assessed.

After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED, to approve the request to waive the additional fees.

4. **Malcolm Drilling** – On July 20, 2023, the administrators confirmed that the Key Man agreement was closed; no payment was due.

5. **North American Crane & Rigging, LLC** – A demand letter requesting reports and contributions for January, February, and a portion of March 2023 was sent. To date, no payment has been received.

6. **Keller North America, Inc.** – On July 20, 2023, the administrators confirmed that the Key Man agreement was closed; no payment was due.

B. Payroll Audits

Ms. Phillips provided the following payroll audit status report as provided by the Bellows firm:

1. **Sims Crane & Equipment** – pending documents from the contractor.
2. **Laney Directional Drilling** – In review.
3. **PreCon Construction** – pending documents from the contractor. Per the auditor's request, a letter was sent to this employer reminding them of their obligations under the CBA and Trust document to comply with payroll audit requests; the employer has agreed to provide certain additional information but has not fully complied. Follow-up is required.
4. **Williams Specialty Service** – In review. On 7/22/2023, the employer and its affiliated entities filed for Chapter 11 bankruptcy protection. So, any amounts that might be owed would have to go through the bankruptcy procedure. The deadline for filing a proof of claim with the bankruptcy court has not yet been set.
5. **Zeiger Crane Rental** – In review.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Income and Expense Statement

Mr. Herron reviewed the Income and Expense Statement for June 30, 2023, a copy of which is attached to and made a part of these minutes as Exhibit D. He reported that total assets on June 30, 2023, were \$7,008,781.44 compared to \$5,242,594.97 in June 2022. He also presented a Comparative Income Statement for the twelve months ending June 30, 2023. He reported that in June 2023, the Fund had total receipts of \$303,775.74 and total expenses of \$153,340.33, resulting in a \$150,435.41 surplus.

B. Disbursements

Mr. Herron presented the expense check register for June 2023, which indicated total disbursements of \$622,104.31, and he reviewed the payroll check register for June 2023, which showed total payroll of \$25,741.92.

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

A. Worker's Compensation Audit

Worker's Compensation Audit completed on 7/18/2023.

VIII. MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled via videoconference for Thursday, November 9, 2023, at 9 a.m.

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: _____

Attachments:

- Exhibit A: Portfolio Review – August 8, 2023
- Exhibit B: Director's Report, August 10, 2023
- Exhibit C: Trustees Report from Fund Counsel, August 10, 2023
- Exhibit D: Income and Expense Statement, June 2023