**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, NOVEMBER 14, 2024**
**VIA VIDEOCONFERENCE**
**(DRAFT)**

The following Trustees were present:

| **LABOR TRUSTEES** | **MANAGEMENT TRUSTEES** |
|---|---|
| M. Schaunaman, Chairman | J. Turk – Secretary |
| J. Kammer | S. Alfele |
| C. Potter | D. Short, Jr |
| W. Utreras | |

Also present were:

D. Bellows-Levine – Bellows CPA's
T. Dubose – Legacy Wealth Financial
J. Herron - Associated Administrators, LLC
J. Ianniello - Associated Administrators, LLC
K. Phillips - Phillips, Richard & Rind, PA
M. Smith - Apprenticeship Director

## I. CALL TO ORDER

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

## II. MINUTES

The Trustees reviewed the minutes of the regular meeting held on August 14, 2024, which were pre-circulated to them 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 August 14, 2024, 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 October 30, 2024, the portfolio's market value was $1,572,778. The portfolio had an investment gain of $18,043 for the third quarter of 2024.

Mr. DuBose said that the asset allocation as of October 30, 2024, was 51.31% in bonds, 30.75% in cash, 12.12% in U.S. stocks, 4.92% in non-classified, 0.22% in non-U.S. stocks, and 0.68% in other.

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

## IV. AUDITOR'S REPORT

The Trustees welcomed Ms. Dina Bellows-Levine from Bellows Associates, CPA, to the meeting.

### A. Audited Financial Statements for Years Ended March 31, 2024

Ms. Bellows-Levine presented a Summary of the draft Audited Financial Statements for the Plan years ended March 31, 2024, a copy of which is attached to and made a part of these minutes as Exhibit B. She expressed an unmodified (clean) opinion on the Financial Statements, meaning that, in her opinion, the Financial Statements present fairly, in all material respects, the financial status of the Fund as of March 31, 2024. She reviewed the audit and reported that the net assets available for benefits as of March 31, 2024, were $6,279,069 compared to $5,745,963 as of March 31, 2023, representing an increase of $533,106. Ms. Bellows-Levine reviewed the Notes to Financial Statements as of the years ended March 31, 2024.

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

> **RESOLVED, to approve the audited Financial Statements for the Plan years ended March 31, 2024, as presented.**

**B. Form 990 for plan Year Ended March 31, 2024**

Ms. Bellows-Levine said that for the Plan Year ended March 31, 2024, Form 990 would be filed before February 15, 2025, under the allowable extension of time to file.

The Trustees thanked Ms. Bellows-Levine for her report and excused her from the meeting.

## V. DIRECTOR'S REPORT

Mr. Michael Smith presented the Director's Report dated November 14, 2024, a copy of which is attached to and made a part of these minutes as Exhibit C. He reported the following:

### A. Apprentices

Eleven new apprentices joined the Apprenticeship Program. Since the last Board meeting, three apprentices graduated, and five apprentices were terminated. Ninety-seven apprentices are enrolled in the Apprenticeship Program.

### B. Upgrading the Apprenticeship Program

Mr. Smith reported that there were thirty-seven 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 reported that the Apprenticeship Fund is in the process of being awarded a $500,000 grant from the Department of Commerce to be spent over the next five years; and a $239,552.00 Pathways Grant through the state of Florida is also pending.

Mr. Smith advised the Trustees that the Fund would have to create a SunBiz account with the state of Florida to access the Pathways grant money. Fund Counsel advised that incorporating the Fund requires additional reporting and fees and would need approval from the Trustees to Incorporate the Apprenticeship Fund.

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

> **RESOLVED, to allow Fund Counsel to incorporate the Apprenticeship Fund.**

Mr. Smith wants to use the Department of Commerce Grant money to purchase a $165,000.00 2012 Terex Boom Truck Crane. The Trustees asked Mr. Ianniello and the Fund Counsel to put together a flow chart with the list of purchases that the grant would be used for so they would better understand how the grant money would be used and paid back to the Fund.

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

> **RESOLVED, to purchase the Boom Truck Crane, after the Trustees and Fund Counsel have reviewed the flow chart for the grant money.**

Mr. Smith attended the 65th Annual Florida Apprenticeship Conference in Panama City Beach, Florida, on July 16-18, 2024. He attended the H&P Conference at the International Training Center on August 19-22, 2024. Mr. Smith attended the South Atlantic Conference for Apprenticeship Training Directors in Key West, Florida, on October 19-24, 2024. Mr. Smith has submitted the pre-apprenticeship standards to the Florida Department of Education. They are currently being reviewed to have them finalized by the attorney and committee members. Mr. Smith continues to go to the PCJAC and UJAC meetings.

Mr. Smith requested approval to attend the 2025 Institute for Apprenticeship Training & Education conference held on January 13-15, 2025, in Orlando, Florida.

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

> **RESOLVED, to approve the Apprenticeship Director to attend the 2025 Institute for Apprenticeship Training & Education conference on January 13-15, 2024, in Orlando, Florida, with expenses not to exceed $3,000.00.**

Mr. Smith would like to add Leslie Ianuzzi as an Assistant NCCCO Proctor. She would be used if Ms. Pam Durant is unavailable, allowing Pam the necessary breaks during testing.

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

**RESOLVED, to add Ms. Ianuzzi as an Assistant NCCCO proctor.**

Mr. Smith is requesting 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 $2.00/hour increase for the Office Manager Pam Durant effective next pay period.**

Mr. Smith requests that Pam Durant be added to the General Pension Fund.

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

**RESOLVED, to add Pam Durant to the General Pension Fund.**

Mr. Smith is requesting the purchase of a Friction Crane Link Belt 108B 50-ton truck not to exceed $25,000.00.

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

**RESOLVED, to approve the purchase of the Friction Crane Link Belt 108B 50-ton truck not to exceed $25,000.00.**

**C. <u>Apprenticeship Classes</u>**

On August 18, 2024, the NCCCO event online test was held at the training center; 33 apprentices were tested, and 54 written tests were administered. Three apprentices attended a CPR class on August 3, 2024. Another CPR class was held on October 19, 2024, and five apprentices attended it. Three apprentices attended the OSHA 30 class on August 24-25 & September 7-8, 2024. Nineteen apprentices attended a Forklift class on September 7, 2024. Twelve apprentices attended a Backhoe Trench & Safety class on September 21, 2024. Twenty-one apprentices attended the Rigging class held on October 5, 2024, and the practical held on October 19, 2024.

**D. <u>School Board of Broward County ("SBBC")</u>**

The Apprenticeship Fund received a $67,516.60 check from the School Board for the summer term.

**E. <u>Equipment</u>**

The collector ring was replaced in the Link belt RTC 8030 Series 2. Batteries, hoses, and hydraulic cylinder packing kits continue to be the most frequent repairs on equipment.

**F. <u>Training Center</u>**

Mr. Smith reported that sixteen NCCCO practical exams were given during the quarter (13 passed / 3 failed). Fifty-three people were signed in on the on-site visitors log this quarter. The Apprenticeship Fund is partnering with Milwaukee and DeWalt Tools. Elevator Local 71 used the training center classrooms on October 15-16, 2024, paying the apprenticeship fund $125.00 daily. Mr. Smith reported that the 30-ton Grove Crane was sold as part of the GSA Program for $4,000.00.

## VI. <u>ATTORNEY'S REPORT</u>

Ms. Phillips distributed the "Trustees Report" dated November 14, 2024, a copy of which is attached to and included in these minutes as Exhibit D.

**A. <u>Delinquency and Collections</u>**

Ms. Phillips provided an update on delinquency and collection matters involving PCI Energy Services, LLC.

1. **<u>PCI Energy Services, LLC</u>** – Owes $5,461.89 for March 2024 contributions and Attorney's fees. Payment has not been received as of November 14, 2024, and a second demand letter was sent on November 12, 2024, via electronic mail and Certified mail.

**B. Payroll Audits**

Ms. Phillips provided an update on the current Payroll Audits. Bellows advised that they are in the final review process, and reports should be ready by the end of November 2024. Bellows also reported that none of them had any findings of noncompliance.

**C. Rate Request – Phillips, Richard and Rind, PA**

Ms. Phillips proposed increasing Phillips, Richard, and Rind's fee arrangement with the Fund from the previous rate of $310 per hour to $350 per hour.

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

> **RESOLVED to approve Phillips' Richard and Rind's proposed fee increase to $350 per hour.**

## VII. ADMINISTRATIVE MANAGER'S REPORT

**A. Income and Expense Statement**

Mr. Ianniello reviewed the Income and Expense Statement for September 30, 2024, a copy of which is attached to and made a part of these minutes as Exhibit E. He reported that total assets on September 30, 2024, were $7,507,934.96 compared to $7,153,301.36 in September 2023. He also presented a Comparative Income Statement for the twelve months ending September 30, 2024. He reported that in September 2024, the Fund had total receipts of $121,377.44 and total expenses of $71,560.15, resulting in a $49,817.29 surplus.

After careful consideration, the Trustees concluded that until the Fund knows more about the grants it has been awarded, it should move $100,000.00 from Legacy Wealth to the Truist operating bank account.

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

> **RESOLVED, to move $100,000 from Legacy Wealth to the Truist operating bank account.**

**B. Disbursements**

Mr. Ianniello presented the expense check register for September 2024, which indicated total disbursements of $37,151.98, and he reviewed the payroll check register for September 2024, which showed total payroll of $34,187.47.

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

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

## VIII. OTHER FUND BUSINESS

**A. International Foundation for Employee Benefit Plans (IFEBP) Membership**

The Fund's IFEBP membership renewal invoice was received, listing dues for $1,525 for 2025.

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

> **RESOLVED to renew the IFEBP membership for $1,525, with $1,220 to be paid by the Health & Welfare Fund and $305 to be paid by the Apprentice and Training Fund (80/20% split).**

**B. Fiduciary Liability Renewal**

A quote was received for the renewal of the Fiduciary Liability Policy from January 1, 2025, to January 1, 2026. The renewal premium is $11,920.00, with a base policy premium of $11,720.00 and a waiver of recourse premium of $200.

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

> **RESOLVED, to approve the renewal of the fiduciary liability insurance policy for the period January 1, 2025, to January 1, 2026, at a premium of $11,920 ($11,720 base premium and $200 waiver of recourse premium), with $9,376 to be paid by the Health & Welfare Fund and $2,344 to be paid by the Apprentice and Training Fund.**

**C. <u>Crime Policy Renewal</u>**

A quote for $2,855 was received for the renewal of the Crime Policy for the three years, December 1, 2024, to December 1, 2027, with the same premium as the expiring policy. The premium would be split with 80% paid by the Health and Welfare Fund and 20% paid by the Apprentice and Training Fund.

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

> **RESOLVED to approve the renewal of the Crime Policy for $2,855 for the three years, December 2024 to December 1, 2027, with $2,284 to be paid by the Health & Welfare Fund and $571 to be paid by the Apprentice and Training Fund.**

**D. <u>Associated Administrator's LLC Renewal</u>**

Mr. Ianniello stated that Associated Administrators, LLC's contract expires on December 31, 2024. He presented a request for a three-year extension of the contract and reviewed the request for renewal.

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

> **RESOLVED to approve the renewal of the three-year contract with Associated Administrator's LLC at the following rates per year:**
>
> **1/1/2025 through 12/31/2025: $3,760**
> **1/1/2026 through 12/31/2026: $3,948**
> **1/1/2027 through 12/31/2027: $4,145**

**E. <u>Wiring Harness</u>**

The Collector Ring Assembly on the Link-Belt RTC 8030 Series 2 crane needed to be repaired between meetings, so an email vote was sent between meetings.

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

> **RESOLVED, to ratify the purchase of the collector ring assembly for the Link-Belt RTC 8030 Series 2 crane for $14,150.06.**

## IX. MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled for Thursday, February 13, 2025, at 9 a.m., via videoconference. The remaining regular Board meetings were scheduled for May 15, August 14, and November 13, 2025.

## X. 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: | Legacy Wealth Management Report – November 1, 2024 |
| Exhibit B: | Actuarial Valuation and Review of Postretirement Welfare Benefits as of March 31, 2024 |
| Exhibit C: | Director's Report – November 14, 2024 |
| Exhibit D: | Trustees Report from Fund Counsel, November 14, 2024 |
| Exhibit E: | Income and Expense Statement, September 30, 2024 |