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, FEBRUARY 10, 2022
VIA VIDEOCONFERENCE

The following Trustees were present:

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

Also present were:

C. Durant – Itasca Construction
J. Hart – SEI Global Institutional Group
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 being present, Chairman Schaunaman called the meeting to order.

II. MINUTES

The Trustees reviewed the minutes of the regular meeting held on November 11, 2021, 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 11, 2021 as presented.**

The Trustees reviewed the minutes of the special meeting held on December 15, 2021, 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 special Board meeting held on December 15, 2021 as presented.**

III. INVESTMENT CONSULTANT'S REPORT

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

A. Performance Report

Mr. Hart discussed SEI's Investment Fiduciary Management Review for the fourth quarter 2021 dated November 11, 2021, a copy of which is attached to and made a part of these minutes as Exhibit A. He stated that the market value of Fund assets in the total portfolio as of December 31, 2021 was $2,247,033. The fiscal year-to-date net return was 2.47% compared to the total index return of 2.75%.

B. Asset Allocation

Mr. Hart reviewed the Fund's current asset allocation. Mr. Hart suggested that the Trustees consider a change to Asset Target Allocations. Current allocation targets are 47% in fixed income, 35% in cash and equivalents, and 18% in total equity. Mr. Hart suggested lowering fixed income to 43% and adding a new asset, Multi-Asset Class, at 4%. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED, to approve changing the fixed income target to 43% and adding Multi-Asset Class at 4%.**

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

IV. DIRECTOR'S REPORT

Mr. Michael Smith presented the Director's Report dated February 10, 2022, a copy of which is attached to and made a part of these minutes as Exhibit B. He reported the following:

A. Apprentices

Thirteen new apprentices joined the Apprentice Program. Three apprentices were terminated from the Apprentice Program since the last Board meeting. Sixty-three apprentices are enrolled in the Apprentice Program.

The Apprenticeship Program continues to adhere to guidelines from the Centers for Disease Control and Prevention ("CDC"). Apprentices are required to complete a COVID-19 Questionnaire. They must wear masks, practice safe distancing, undergo temperature testing, and use hand sanitizer.

B. Upgrading the Apprenticeship Program

Mr. Smith reported there were 42 inquiries for the Apprenticeship Program and 18 applications. Due to the high demand from contractors needing apprentices, advertising is being done on Indeed and Craigslist. Mr. Smith has also been visiting Miami Lakes Technical, Sheridan Technical, and Robert Morgan Technical.

Mr. Smith attended the class "Time to Get Uncomfortable" (member Assistance Program) in Crosby, Texas on November 14 through November 17, 2021. Mr. Smith and Chairman Schaunaman participated in the Building Trades meeting with Commissioner Steve Geller on November 18, 2021. Mr. Smith participated in a Career Fair with John Mullen on December 10, 2021. Mr. Smith attended a speaking event at Bowman Ashe-Doolin K-8 in Homestead, Florida on December 15, 2021. Mr. Smith participated in two job fairs, the City of Fort Pierce Job Fair with Eyhal Cohen (South Florida Water Management) on January 20, 2022 and the South Fork High School Job Fair on January 27, 2022. Mr. Smith will be participating in the John I. Leonard Job Fair on February 7, 2022. Mr. Smith continues to attend PCJAC, MDYPA and UJAC meetings. Mr. Smith reported that he was invited to teach an Introduction to Tower Crane Operations (Level 1) class at the ITC (International Training Center) in Crosby, Texas on February 21-25, 2022. The Fund would be reimbursed for his time through the ITC.

Mr. Smith proposed an increase to the NCCCO reimbursement from $300.00 to $500.00. It would apply to any operator working under a covered contract or on the out of work list. Reimbursements would be limited to once per certification period (5 years), except that an additional reimbursement would be issued if an additional crane is added during that certification period. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the reimbursement rate increase from $300.00 to $500.00 under the circumstances described.

C. <u>Apprenticeship Classes</u>

Twenty apprentices attended a signaling certification class on November 13, 2022. The NCCCO review classes are being held virtually. The NCCCO Written exam will be held in person on February 20, 2022, at the Union Hall. OSHA 10 certification classes are being held on April 2 & 3, 2022. An email will be sent out to all union members for both OSHA 10 classes. A Forklift certification class is scheduled for March 19, 2022. Another Signaling certification class is scheduled for November 13, 2021.

Mr. Smith requested approval to attend the FAC Conference that will be held on July 12- July 15, 2022. At this time he has no information on cost for the conference. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to allow Mike Smith to attend the FAC conference, not to exceed $2,500.00 in costs.

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

A check in the amount of $30,179.60 was received for the winter term and has been submitted to the Fund administrator.

E. <u>Equipment</u>

Batteries, hoses, and hydraulic cylinder packing kits continue to be the most frequent repairs on equipment. The Link-belt 8030 Rough Terrain was purchased from Select Crane Sales and will be delivered on February 5, 2022 by Sim's Crane. At the previous meeting, The Board of Trustees approved the purchase of a Forklift not to exceed the amount of $50,000.00. The Forklift obtained was a 2014 SkyTrak 6042 for $59,000.00, plus $4,000.00 to have the forklift painted. Mr. Smith is requesting approval for the additional cost. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve an additional $15,000.00 to cover forklift costs.

F. Training Center

Mr. Smith reported that fifteen NCCCO practical exams were administered during the fourth quarter of 2021. Seventy-eight visitors signed the on-site visitor list during the fourth quarter of 2021. The training materials continue to be emailed to members with computer access. Members are requesting paper copies as well. Mr. Smith stated the new NCCCO practical exam test pads need to be poured. He is asking the Board for approval of the concrete and finishers. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve the quote of $5,125.00 from Concrete Strong for the concrete pour and finishers.**

Mr. Smith advised that the office trailer needs to be moved before the building is built. He received a quote that included labor and materials to break down, dismantle, and block one 24'X36' double wide mobile office to an existing pad on the same property for $6,650.00. Trustee Epperson questioned if they need to have a permit to move the trailer from the City. Chairman Schaunaman asked Mike Smith to follow up on whether permits would need to be filed. After discussion, on Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to approve the cost of moving the trailer, pending necessity for permits.**

The Trustees welcomed Mr. Chase Durant from Itasca Construction to the meeting.

Mr. Durant reported that he has received all permits and they were resubmitted to the City of Pembroke Pines. He has received comments on drawings from mechanical and plumbing, but is waiting on electrical, structural, and zoning. If no substantial comments are made regarding the drawings, the building permit will be filed. After the building permit is filed, Itasca can be onsite within two weeks. Pricing and contracts have been received by all trades except frame and drywall. Concerns were raised and sent to the architect. Chairman Schaunaman approved the architect to explore comments further. The final step would be to finalize and sign the contract with Itasca to begin construction. Mr. Durant was excused from the meeting.

V. ATTORNEY'S REPORT

Ms. Phillips presented a report titled "Trustees Report" dated February 10, 2022, 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 delinquency and collection matters involving Laney Directional Drilling Company.

B. Payroll Audits

Ms. Phillips provided the following payroll audit status report:

B & M Marine Construction, Inc. - In process of gathering documents
BHI Specialty Services - In process of gathering documents
Bigge Crane & Rigging Company – Have not responded yet
HJ Foundation Company – Have not responded yet
DLS Prestressed, Inc. – In process of setting up a field visit date
Malcolm Drilling Company, Inc. – Have not responded yet

C. No Conflict of Interest

No Conflict of Interest Acknowledgement will be sent out through Docusign for everyone to sign.

D. Tax Exempt Status

Confirmed that the Fund is still exempt from Tangible Tax until there is a transfer of ownership.

E. Florida International University

Florida International University changed the agreement and their documents need to be approved by the state of Florida again.

F. Phillips, Richard and Rind, PA Renewal

Ms. Phillips requested an increase to Phillips, Richard and Rind's fee arrangement with the Fund from the previous rate of $285 per hour to $310 per hour, reminding the trustees that the last increase was in 2019. 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 $310 per hour.**

VI. ADMINISTRATIVE MANAGER’S REPORT

A. Income and Expense Statement

Mr. Ianniello reviewed the Income and Expense Statement for December 31, 2021, a copy of which is attached to and made a part of these minutes as Exhibit D. He reported total assets for the month of December 31, 2021 were $4,875,782.76 compared to $4,579,722.21 in December 2020. He presented a Comparative Income Statement for the twelve months ended December 31, 2021. He reported that for the month of December 2021, the Fund had total receipts of $86,025.49 and total expenses of $50,871.49, resulting in a surplus of $35,154.00.

B. Disbursements

Mr. Ianniello presented the expense check register for December 2021, which indicated total disbursements of $32,234.63. He reviewed the payroll check register for December 2021, which indicated total payroll of $21,705.62.

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

Mr. Ianniello reported the following:

A. 2020 Form 990

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

> **RESOLVED to approve the 2020 Form 990 and have the Auditor file it by 2/15/2021.**

B. Travel Expenses to Denver Convention Oct 17-20, 2021.

Mr. Smith was previously approved for $3,000.00 in expenses for the Denver Convention. Mr. Smith requested reimbursement of an additional $699.42 in expenses. On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the remaining $699.42 reimbursement.

C. <u>Union Liability Renewal</u>

A quote in the amount of $4,353.26 was received for the renewal of the Union Liability Policy for a one-year period March 1, 2022 to March 1, 2023.

RESOLVED to approve the renewal of the Union Liability Policy for the period of March 1, 2022 to March 1, 2023.

VIII. MEETING DATES AND LOCATION

The next quarterly Board meeting was scheduled for Thursday, May 12, 2021 at 9 a.m., via videoconference.

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 ________________.

Attachments:

Exhibit A: SEI Investment Fiduciary Management Review for Fourth Quarter 2021, November 11, 2021
Exhibit B: Director's Report, February 10, 2021
Exhibit C: Fund Counsel's Trustees Report
Exhibit D: Income and Expense Statement, December 31, 2021