



Volume 17 | Issue 1

### From the CEO's Desk Legacy of Leadership

As we make our way into spring, your international association has been focused on telling our story, planning the 2017 FCA International Leadership Council and delivering products and services that increase opportunities for FCA members and enhances their profitability. This year's International Leadership Council will be a truly special event; we are celebrating FCA's 20<sup>th</sup> anniversary, and we are excited to be joined by many of the original group that came together to form this international contractor association.



We're also tweaking the format of the International Leadership Council this year to make it an event that FCA members can't get anywhere else. While plenary and breakout sessions certainly provide value to attendees, there are several conferences available to contractors that offer that kind of education. What isn't currently available to FCA contractors is the chance to come together with their peers in the trades and regions to discuss, and identify solutions to, issues impacting their specific markets.

With our trade and regional forums, FCA members will have the opportunity to accomplish just that. We've held stand alone trade forums in the past, and they have provided members with the opportunity to enact change in their industry. We are excited to bring these to our event. These forums will be jam-packed with content, and if your company performs work in multiple trades (or regions), I encourage you to bring more representatives to sit in on each forum. You will *not* want to bounce between these.

I look forward to seeing you in May as we celebrate 20 years of FCA International, have real discussions and identify real solutions to keep moving our industry forward.

Glad you're here – Tony

## Industry Events



### **Trade Forums, Regional Forums, 20<sup>th</sup> Anniversary Celebration and Mike Ditka!**

The 2017 FCA International Leadership Council is being held from May 17-20 at Chicago's Palmer House Hilton hotel and [registration is open!](#) FCA put together a [quick video](#) to provide an overview of the event. This year's format has been updated to make the International Leadership Council an event that FCA members can't get anywhere else. Thursday will focus on trade forums where attendees will discuss business and profitability within their trades. Each forum will be facilitated by a third-party expert.

Friday will feature a Trade Forum Town Hall in the morning to reflect on Thursday's forums before breaking off into North American regional forums. During these forums, attendees will discuss labor management and other regional-specific topics. The North American regional forums will also be facilitated by a third-party experts.

This year's event will also be celebrating FCA's 20<sup>th</sup> anniversary. We're hosting a Platinum Anniversary Celebration on Thursday evening with special guest Mike Ditka. Ditka is a pro football hall of fame tight end and Super Bowl winning coach of the 1985 Chicago Bears, and he is being sponsored by [FCA of Chicago](#) and [FCA of Illinois](#).



[Click here](#) to register for the FCA International Leadership Council and access the most up-to-date schedule of events.

### **2017 Construction Employers of America National Legislative Conference**

FCA International is taking part in the 2017 Construction Employers of America's (CEA) National Legislative Conference from May 2-4 at Washington, D.C.'s Washington Marriott Georgetown. While the hotel cutoff has passed, there is still time for FCA members to register and join their peers on Capitol Hill. The CEA National Legislative Conference is your opportunity to speak directly with the individuals who create and pass legislation that impacts your business. Relationships built during legislative conferences such as these have helped FCA secure major wins for our industry on Capitol Hill, including multiemployer pension reform.

[Click here](#) to register for the event online!

### **Save the Dates: 2017 LMCI Attorneys Seminar/Finishing Industries Forum and the 2017 FCA Affiliate Executives' Conference**

All FCA members should make sure their calendars are marked for the *2017 LMCI Attorneys Seminar* and the *2017 LMCI Finishing Industries Forum (FIF)*. Both events will be held in Las Vegas' Mirage hotel. The Attorneys Seminar is being held Dec. 2-4, and FIF is being held Dec. 3-5.

FCA's Affiliates should mark an additional date on their calendar: the 2017 FCA Affiliate Executives' Conference. This year's conference is being held at San Diego's U.S. [Grant Hotel](#) from Sept. 7-8.

## Contractors

### Pension Update

#### *Tim Maitland Appointed as Administrator of the IPAT Industry Pension Fund*

Earlier in March, FCA participated in a pension meeting in Fort Lauderdale, FL. During the meeting, trustees of the International Painters and Allied Trades (IPAT) Industry Pension Fund voted unanimously to appoint Tim Maitland as the IPAT Pension Fund Administrator. Tim began his career with the IUPAT in 1982 and has experience as a job steward, financial secretary, BM/ST and has served as a trustee on several local funds. With Tim's industry experience, educational experience and the continued education the trustees are providing, he will have all the tools he needs to help the trustees strengthen the pension fund.

#### *Canadian MEPP Fund Status Quarterly Review: Q4 2016*

A Canadian MEPP Fund Status quarterly review was shared with trustees during the meeting. [Click here](#) to view the quarterly review of the Segal Group's Model MEPP for Q4 of 2016.

#### *Funding Improvement Plan Update*

The International Painters and Allied Trades Industry Pension Plan's (IPP) Trustees (appointed equally by FCA International and the IUPAT) have taken steps in the past to ensure that pension retirement benefits will continue to be available for IUPAT members. Due to the current status of the Fund and with the advice of the Fund professionals, the IPP's Trustees have determined that the Pension Protection Act of 2006 (PPA) requires that the Funding Improvement Plan (FIP), first implemented on Jan. 1, 2012, be updated.

The Fund has been certified as Endangered (or Yellow Zone) since 2009. It was required to adopt an FIP, which was designed to improve the funding level over a 13-year period ending Dec. 31, 2024, while meeting certain benchmarks along the way.



The Trustees relied on their professionals while developing the FIP and to make certain projections. Unfortunately, two of the most important projections – investment return and contribution hours – have not been met. Although the return on assets has a five-year average of 7.78 percent, the 1.07 percent and 5.83 percent returns in 2014 and 2015 respectively, along with the contribution hours missing the five-year projection by over 22 million hours, have created a shortfall.

Each year, the PPA requires that the IPP's actuary certify the Fund's zone status no later March 31. The IPP will be certified as **Seriously Endangered** (or **Orange Zone**) for the 2017 plan year. This is due to two factors: the funding percentage is estimated to be 62.8 percent, and there is a projected funding deficiency in the plan year beginning Jan. 1, 2022. The change in zone status requires the FIP schedules to be updated.

In response, the Trustees have updated the FIP schedules in order to satisfy the **Orange Zone** status change and also avoid any additional changes when the Update Plan is adopted.

Like the original FIP, the FIP Update is required to have two schedules: a Default and a Preferred. The IPP's actuary has not developed a default schedule yet. To this point, the Trustees and their professionals' attention has been devoted to development of the Preferred Schedule.

The following are the updates to the Preferred Schedule:

- Contribution Rate Increase

The Preferred Schedule requires an increase in the contribution rate by 50 percent from the rate in place beginning on Jan. 1, 2012, with a maximum increase of \$4.00 per hour. There is no specific requirement that the contribution rate increase comes from increases or be funded solely by additional contributions from employers. This is to be negotiated on the local level. It may come from reallocating existing monies in the current economic package, increased contributions from the contractors or both.

- Increase in Accrual Rate for Increased Contributions

As a result of the original FIP, which took place in 2012, the accrual rate was reduced to 0.50 percent. The accrual formula in the FIP update will provide the participants 2 percent accrual on all new contributions.

- Modification to Early Retirement Benefits

All pension benefits earned prior to Jan. 1, 2018 will be payable under the plan's current rules. All benefits earned on or after Jan. 1, 2018 will be calculated under the new rules. There are no lost benefits earned prior to Jan. 1, 2018. All additional benefits earned on or after that date will be calculated under the new rules. However, they will be in addition to the benefits earned prior to Jan. 1, 2018 under the current formula.

The early retirement benefits changes in the FIP update have ***no effect on retirement eligibility dates, pension payable at normal retirement date or pension payable to terminated vested participants.***

- If the investment return rate is negative in any given year, there will be a zero accrual rate in the second year following the negative return.

More information will be provided. If you have any questions, please contact FCA International at (866) 322-3477 or email us at [fca@finishingcontractors.org](mailto:fca@finishingcontractors.org).

### **FCA Safety Update: Safety Bulletin and Safety Webinars Available Online**

The FCA Safety Bulletin for March is now [available for download](#). Additionally, FCA's quarterly safety webinars are [available as a playlist](#) on FCA's YouTube page. Topics covered include: FCA's Toolbox Talk program, confined spaces, OSHA compliance for finishing contractors, effective safety management systems and OSHA's new Respirable crystalline silica standard for construction.

FCA members continue to utilize the Toolbox Talk Program and the FCA Safety Line. The **Toolbox Talk Program** features a comprehensive library of talks (in both English and Spanish) that are both trade and industry specific. The program also features a calendar of talks members can follow. If you would like to take advantage of this program, contact [Darlene Shonder](#).

The **FCA Safety Line** is a free service any FCA member can utilize to have their safety questions answered directly by a safety expert. To contact the safety line, call the number or email [safetyhelpline@finishingcontractors.org](mailto:safetyhelpline@finishingcontractors.org)!



### **FCA International Quality Program**

Developed in the fall of 2016, more and more FCA members are taking advantage of [FCA's Quality Program](#). Through this program, FCA provides trade-specific quality manual and control plan documents to its members. Customized jobsite-specific documents are also available. Contact your regional vice president to learn more or [request your free manual online!](#)

### **FCA International Video: Our Story**

Want to learn more about your international contractor association? FCA developed a quick video that provides an overview on how FCA works, its place in our industry structure and some of the products and services available to members that were designed to increase opportunities and enhance profitability. Click on the following image to learn more!



### **Affiliates**

#### **New FCA Affiliate: Hawaii Wall & Ceiling Industry Association**

[The Hawaii Wall & Ceiling Industry Association \(HWCIA\)](#), based out of Honolulu, HI, recognized the value of the FCA community and signed on to become an FCA Affiliate. The HWCIA is led by Barabara Kono, its executive director, and it represents the interests of drywall signatory contractors. FCA International is excited for Ms. Kono's leadership and for HWCIA members to become engaged with the FCA community.

### **Labor-Management**

#### **Anton Ruesing Appointed as Administrator of the LMCI**

Anton Ruesing was appointed as Administrator of the LMCI during an LMCI trustees meeting held in Florida earlier in March. Anton had been filling as the Interim Administrator since Dec. 2016. Anton will also continue his duties as the Director of the Finishing Trades Institute (FTI) International.

### **Industry Partners**

#### **Advanced Equipment Manufacturing Co. Becomes FCA Supporting Partner**

FCA is pleased to announce that [Advanced Equipment Manufacturing Co.](#) has signed on to be an FCA Supporting Partner. Based out of Chicago, Advanced Equipment has been manufacturing tools for drywall, wall covering, and painting since 1922. Over the years, Advance has "been the manufacturer behind the scenes of many of the industry's most recognized brands." Advance is able to offer such a great Private Label program because it manufactures in the United States.



“We always say we are stronger together than we are apart. Advanced Equipment understands this, and I look forward to working together to build a better future for our families,” Anthony Darkangelo, CEO of FCA, said.

[Click Here For Upcoming Events](#)

**FCA International Partners**



**FCA Collaborative Partner**

