



Cement Masons Local 600



January 2017

Also View on Local 600 Website

A MESSAGE FROM SCOTT

Dear Brothers and Sisters,

As we look back at 2016, we see our economy and construction projects improving greatly and there continues to be full employment for a large number of our members. We are actively organizing new members, both journeyman and apprentices to fill the need for Cement Masons in our industry. As stated in previous newsletters, if you are between jobs or laid off, please contact the Union office in your area and place yourself on our out of work list. This provides you with added income and benefits and assists your Local Union in manning our projects and protecting our work from other trades that will do our work if given a chance.

As to Organizing and protecting our work as Cement Masons, your Business Agents have signed 130 new agreements in 2016 with non-union contractors that provide work for our membership. Your Business Agents working alongside Richard Brain, Director of Compliance for Local 600 currently has 74 open cases on non-union contractors working in our area on prevailing wage projects. Because of their efforts, there has been \$1,176,330.81 received in stop notices by the State in penalties for non-union contractors not abiding by the same rules our contractors must follow. In addition, we have another \$509,043.37 in penalties under audit against non-union contractors that compete against our union contractors for prevailing wage projects such as schools and infrastructure work. Total penalties assessed against non-union contractors total \$1,685,347.10.

Financially, your Local Union is in great financial condition and continues to grow. The Net Assets of your Local Union has increased from \$2,649,920 as of January 01, 2016 to \$3,183,354.46 as the end of December 2016. This is an increase of \$533,434.40 for 2016. This is an increase of assets of 20.1% from 2015. Your Trust Funds also are very healthy and I am again pleased to announce the health of our Pension Plan is one of the top 3 in our industry and in the Green Zone. You also have a secondary IRA through Mass Mutual that most trades do not have. Our Health and Welfare plan is doing well, although all the Trustees continue to diligently monitor it in light of National double-digit increases in the cost of health care yearly. Should you have any questions on your benefits, you may contact the Trust Funds directly at 626.444.4600.

I am enclosing a Pension scenario in this newsletter (see page 3) based on current Cement Masons that have worked 30 years in our Trade and the benefits they have obtained to date. We have one of the best Pension Plans in the industry and hopefully this illustrates what your Pension can build to if you choose to work Union full time. In closing, please do not hesitate to contact your local business agent or myself for any reason you feel you may need assistance. It is our pleasure to serve you and the membership of this great Local Union. Best wishes for a Happy, Healthy and Prosperous 2017. God Bless!!

Sincerely & fraternally yours,

Scott Brain
Financial Secretary and Business Manager



Letter of Locals Consolidation from General President Daniel Stepano

December 27, 2016

Mr. Scott Brain
Financial Secretary-Treasurer/Business Manager
OPCMIA Local 600
5811 E. Florence Avenue
Bell Gardens, CA 90201

Mr. Raymond Schwahn
Financial Secretary-Treasurer/Business Manager
OPCMIA Local 394
1437 E. McDowell Road
Phoenix, AZ 85006

Re: Proposed Merger of Local 394 into Local 600

Dear Sirs and Brothers:

The Operative Plasterers' & Cement Masons' International Association of the United States and Canada, AFL-CIO ("OPCMIA" or "International Association") is the only union in the building trades that exclusively represents employees who work in the plastering, cement masonry and shop hand trades. Our trades are small by comparison to others, and the competition with the non-union sector is fierce. Nevertheless, united together as a Union, we have fought with unparalleled perseverance and commitment, as demonstrated by our many successes across the United States and Canada.

However, in some regions, our great Union has struggled to maintain its presence, let alone grow and strengthen. The American Southwest (excluding California) is one area in which our organization has struggled in recent years. Nowhere is this struggle more evident than in the State of Arizona. The OPCMIA has provided Local 394 with trade jurisdiction over Plasterers, Cement Masons and geographic jurisdiction over the entire state of Arizona.

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Dates to Remember

February 09, 2017, Bell Gardens Union Mtg. @ 7:00 pm

February 16, 2017, Bakersfield Area Mtg. @ 6:30 pm

**February 28, 2017, Santa Maria Area
Membership Mtg @ 6:30 pm**

**March 07, 2017, Ventura Area
Membership Mtg @ 6:30 pm**

March 09, 2017, Bell Gardens Union Mtg. @7:00 pm

**March 15, 2017, Palmdale Area
Membership Mtg. @ 6:30 pm**

April 13, 2017, Bell Gardens Union Mtg @ 7:00 pm

You Can Find These and Other Dates on Our Website

Visit: www.CementMasons600.org

General President Stepano continued

According to the Form LM-3 for the fiscal year ending June 30, 2016, which is the most recent form on file, Local 394 has only 94 members, \$53,561 in total assets and \$143,718 in total receipts. By contrast, for the fiscal year ending June 30, 2006, Local 394 had 215 members, \$290,050 in total assets and \$331,070 in total receipts. Thus, over the past ten years, the membership of Local 394 has declined by 56%, resulting in an associated loss of 57% in total receipts and a decline of 82% of its total assets.

Local 394's decline in membership, assets and receipts threatens the interests of the OPCMIA in the State of Arizona. There are tremendous opportunities in the Grand Canyon State. According to the Bureau of Labor Statistics, there are a significant number of Cement Masons and Plasterers who work in the State of Arizona, especially in the Phoenix-Mesa-Glendale area. Local 394's membership struggles and financial difficulties make it very difficult for the Local Union to administer its current collective bargaining agreements and represent its membership, let alone capitalize on the organizing opportunities that would enable the Union to grow and strengthen.

Article 10, Section 1 of the OPCMIA Constitution sets forth the General President's ability to merge Local Unions. Section 1 provides:

Whenever the General President decides there is superfluous number of Local Unions in any locality or that a merger would be in the best interests of the International Association, locally or at large, he shall have the power to order Local Union to consolidate under such conditions as the General President shall determine and to take all action and issue such orders as he deems necessary to implement, to enforce and to supervise the consolidation of Local Unions in such territory into one or more Local Unions, provided that the consolidation receives the sanction of the General Executive Board.

Under the circumstances, as described above, I hereby find that it would be in the best interests of the International Association, locally and at large, to merge Local 394 into Local 600.

Local 600 provides a stark contrast to Local 394. Over the past ten years, Local 600's membership has grown by 30%, its total assets have grown by 14% and its total receipts have increased by 27%. The Local Union has a financially stable situation and membership base, which puts it in the best position to assist the International Association in its efforts to grow our great Union in the State of Arizona.

Accordingly, I hereby direct that Local 394 be merged into Local 600, effective as of January 1, 2017. This merger will not affect the tenure of the existing officers of Local 600, who will continue to serve in their present terms of office. All books, records and property of Local 394 should be transferred to Local 600 along with any and all assets of Local 394.

Finally, I direct Executive Vice President Todd Lair to assist with the implementation of the merger. Brother Lair will advise me concerning any recommended changes to the Local 600 Constitution and Bylaws or any other actions that he may recommend as a result of this merger. Brother Lair will also ensure that the necessary LM reports are filed with the Department of Labor following the merger.

With continued cooperation, I am confident that this merger will ensure that the OPCMIA continues to thrive as a stronger and more effective representative for our members.



Fraternally yours,
Daniel E. Stepano
General President

We Welcome All Members of Local 394

To all new members of Local 600 residing in Arizona

On behalf of the Officers and Staff, I want to welcome you to Local 600 and look forward to assisting the membership in growing the work opportunities for members in Arizona. Some of our signatory contractors in Southern California perform work in Arizona as non-union. Based upon your high level of skill, and our relationship with these contractors in California, we want to showcase your abilities as we attempt to persuade them to hire union in Arizona. This will be a team effort from all of us.

Your current dues and death benefits will remain the same until further notice. Please remit your dues payments to our Bell Gardens office as listed in General President Stepano's letter to you. You may also pay your dues by phone using a credit card to 323.771.0991. I look forward to meeting you at upcoming Union meetings at the Phoenix office over the next few months.

Sincerely and Fraternaly

Scott Brain
Business Manager Local 600

Christmas Party at Local 600 Headquarters



With the help of the In & Out traveling burger wagon, the 2016 Local 600 Christmas party was another huge success. Among the fun was a holly jolly raffle.

Among the raffle winners were the two grand prize recipients; Jose Alvares (shown below left), and Eugenio Montelongo (with a cowboy hat).



Local 600 Pension Plan Scenarios

Pension DB Plan @ 30 years working Union, full time
\$2,000.00 payout per month (Defined Benefit Plan)

Pension DC Plan @ 30 years Approx \$200,000 @ 5%
\$833.00 per month (Interest only)

(Defined Contribution Plan) (IRA w/Mass Mutual)

Monthly payments per month over 20 years

\$833.00 per month (over 20 yrs)

Interest on declining balance (5%)

\$832.00 (declining)

Total: \$1,665.00 payout per month

Total payout per month (DB+Interest Only on DC Plan)

\$2,833.00

Total payout per month (DB+Interest on Declining balance of DC Plan over 20 yrs)

\$3,655.00

*Few trades have this 50/30 Pension provision where you can receive your DB check at 30 years service and 50 years of age (unreduced) and continue to work and accrue addition credits. You may adjust payout for extra-earned credits 3 times. In this scenario, a Cement Mason can receive an additional \$288,000 in Pension pay-

ment between age 50 and normal retirement age of 62. (12 yrs x 12 months @ \$2,000 per month)

*One of very few trades that has a double Pension. The monthly check (DB Plan) and Lump Sum Payout for the IRA with Mass Mutual (DC Plan) allows for flexibility (cash on hand or invest) and as a DC Plan can be willed to dependents. Most Trades with a DB Plan only have survivor benefit to the spouse and terminates upon spouses death.

*The participants also have the ability to convert their DC Pension (IRA) cash amount into their DB Pension to increase their monthly payment once the amendment to the Plan is approved by the IRS. They may convert a percentage or total amount, depending on how much they wish to increase their monthly pension payment. Given the above examples, if you roll \$200,000 from the IRA to the Defined Benefit Plan at age 55, your monthly payment would increase by approximately \$1,500 over your lifetime. Total combined monthly payment would be approximately \$3,500.

These numbers are based on working Union full time

Election Results

I want to thank all the members who took an active role and voted in our Local Union Election on October 15, 2016. That is what makes Unions great...member participation. Your confidence in the current officers and Business Representatives, including myself is greatly appreciated and will not be taken for granted. We will continue to grow our Local Union and add



to the 20.1% growth rate we have had in 2016. The cumulative results of the October elections are as follows:

Total Votes 332

President – Jim Andrews / Unopposed

Vice President – Raul Sanchez / Unopposed

Business Manager/Financial Secretary:

Scott Brain – 202 votes – 63.1%

Jose Salinas – 118 votes – 36.8%

Business Agent Area 893/191 – Jesus Mendez / Unopposed

Business Agent Area 627 (2 elected):

Fitzgerald Jacobs – 243 votes - 43.8% Elected

Thony Sarmiento – 217 votes – 39.1% Elected

Carlos Ambriz – 94 votes – 16.9%

Business Agent Area 741 - Mike Ciarmoli / Unopposed

Business Agent Area 775:

Daniel Schslingloff – 151 votes – 58.7% Elected

Fabien Garcia – 106 votes – 41.2%

Business Agent Area 923 – Mike Cammarano / Unopposed

Recording Secretary – Mike Phillips / Unopposed

Sergeant at Arms – Edgar Godinez / Unopposed

Executive Board (5 Elected):

Jose Alvarez – 185 votes – 16.8% Elected

Timothy Dortch -171 votes – 15.5% Elected

Robert Gurrero – 169 votes – 15.3% Elected

Lawrence Lopez – 167 votes – 15.1% Elected

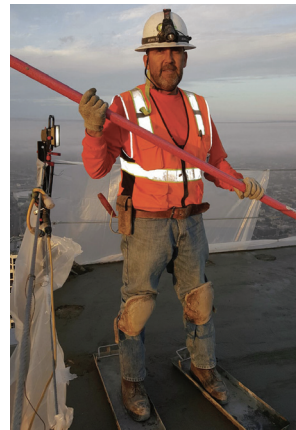
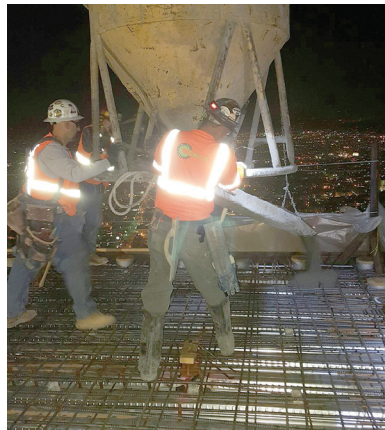
Jose Bolivar – 166 votes – 15% Elected

Jose Garcia – 122 votes – 11%

Miguel Aranda Jr. – 121 votes – 10%

Local 600 at Record Pace

Local 600 craftspersons utilize their expert skills toward setting a new world record for the largest continuous concrete pour to form the foundation of the new Wilshire Grand Center in Downtown Los Angeles. This pour included a total of 21,200 cubic yards of concrete, took a continuous 18 hours to complete. Conco Construction was the signatory concrete contractor for this project. Months later Cement Masons completed the helipad.



Left to right: Craftsmen topping off the Wilshire grand; Foreman Carlos Ambriz finishing the helipad; and a breathtaking view of Downtown Los Angeles from atop The Grand.

Visit: www.CementMasons600.org



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Dept. of Labor UPDATE

In an effort to keep you updated on the Department of Labor lawsuit against Jaime Briceno and I, a Federal Judge has issued his decision holding that Brother Briceno did not violate ERISA as alleged by the Department of Labor. Brother Briceno's actions were no different than the other Trustees who settled their cases before trial. This decision shows the Trustees were acting properly in their handling of issues before them.

In the same decision, which consists of 71 pages, the Federal Judge found that I violated ERISA notwithstanding that I acted no differently than all the other Trustees. Before the trial, there was extensive discovery where 25 depositions were taken and volumes of written records were exchanged. Throughout that process, several Trustees testified under oath that I acted properly in the matters before the Court. In fact, on the one vote that was the primary target of the case I did not vote. Quite simply, I am both perplexed and disappointed by the decision. In the decision, the Federal Judge has ruled that I can no longer sit as a Trustee on the Southern California Cement Masons Trust Funds notwithstanding my many years of serving your interests on these plans. I am appealing this decision because I believe the decision is wrong and I have not violated ERISA. The appeal has been filed and my attorneys will be filing our opening brief in March. Like most legal matters, the appeal will take time but I remain confident that in the end the Ninth Circuit Court of Appeals will reverse the decision.

Over the many years I have sat as a Labor Trustee, I have worked diligently with other Labor Trustees and Management Trustees to protect your hard earned benefits for you and your families and to make sure you are treated fairly in the administration of your plans. Pending the appeal, I cannot sit on Trust but am confident Labor Trustees Fitzgerald Jacobs, Jaime Briceno,

and Jess Mendez will continue to protect your benefits and faithfully carry out their responsibilities as Trustees.

Though not part of the original decision, at the Department of Labor's request the Federal Judge ruled that a copy of his decision must be mailed to every participant and beneficiary. In late December, you should have received a copy of the decision. It is difficult to fully understand the decision if you do not have all the background facts or do not have familiarity with legal jargon. Should you have any questions or hear negative spins in the field that concern you, please call me at any time to discuss. You can reach me at the office 323-771-0991 or on my cell 323-816-0761.

I very much appreciate the membership's support of me during these trying times. I have always worked hard to support my brother and sister cement masons as your elected Business Manager/Secretary Treasurer and will continue to do so.

Sincerely and fraternally yours,
Scott Brain

Local 600 on the Job



Visit: www.CementMasons600.org