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ATTORNEYS AT LAW

OF COUNSEL:
LIBBY HERRERA-NAVARRETE, P.A.

IUOE LOCAL 487 FRINGE BENEFIT TRUST FUNDS

Trustees' Report¹

Thursday, August 4, 2022

COLLECTIONS²

Laney Directional Drilling Co.

Referenced for service fees

On January 26, 2022 administrators sent a collection letter in the amount of \$805.64 for the unpaid service fee assessed for the late payment of contributions for the period of November 2021, and on February 4, 2022 for the unpaid service fee assessed for the late payment of contributions for the period of December 2021. A second letter was sent by the administrators on February 11, 2022 and on February 28, 2022 without a response or a payment. A demand was sent by the fund counsel on April 11, 2022 via Certified Mail for the total amount of \$1,789.89 (\$1,514.89 plus \$275.00 in attorney's fees and costs). **Administrators indicated that a payment in the amount of \$1,514.89 was received on May 24, 2022 for the late payment of November and December 2021 contributions, but they failed to include the \$275.00 assessed for attorney's fees and costs. A demand letter was sent on July 5, 2022 for the unpaid amount of \$275.00; however, as of today payment has not been received.**

Tricon Group, Inc.

Referenced for service fees

The Administrators sent a collection letter on December 30, 2021 for the amount of \$125.93 for the service fees assessed for late the payment of contributions for the period of November 2021. A separate collection letter was sent on May 9, 2022 in the amount of \$132.56 for late payment of contributions for the period of March 2022. **A second letter was sent by the administrators on June 7, 2022 without a response or payment. A demand letter was sent via Certified Mail by the fund counsel on June 9, 2022 in the amount of \$533.49 (\$258.49 plus \$275 in attorney's fees and costs), for the late payment of contributions for the period of November 2021 and**

¹ **Confidentiality:** The information contained in this report is intended for the use of the Trustees of the above-designated Funds. It is an attorney-client communication and, as such, is privileged and confidential. Review by anyone other than a designated Trustee is prohibited, as is dissemination, distribution or copying of this report.

² **Collection Policy:** Per the policy of this board, the threshold for collection of service fees is \$250. Waivers of service fees per the board policy are allowed if the following requirements have been met: 1) Waivers are not granted automatically. Employers must show they qualify and are eligible for the waiver; 2) The Employer must be current in its contribution payments and must have timely made all other contribution payments within the last 12 months; 3) Waivers may only be granted once in a three (3) year rolling period upon request; 4) Waivers can only be granted for a two (2) month consecutive period within the three-year period; 5) All other fees remain due and owing and must be paid in full prior to the waiver of the fees; 6) Current economic conditions will be considered.

March 2022. On June 22, 2022, company owner, Lazaro J. Diaz, contacted fund counsel's office to request a waiver of the service fees assessed, and followed up with a written request dated June 24, 2022. After reviewing our records and the applicable collection policy², it was determined that Tricon Group, Inc. does not qualify for the waiver of the November 2021 and March 2022 late fees, as waivers can only be granted for a (2) month consecutive period within the three-year period. A waiver however may be granted for either one of the months, which presumably would be the March month as it is the higher amount.

RANDOM SHOP AUDITS

Referenced for Random Audit

On August 26, 2021, the administrators identified these six employers for random shop audit. Correspondence dated September 20, 2021 was mailed to the following employers advising of the payroll audit being conducted by Bellows Associates in accordance with the Agreement and Declaration of Trust and Collection Procedures.

On July 27, 2022, the Auditors provided us with an update and following is the status of each request by Employer:

- **B & M Marine Construction, Inc.** – Audit completed; found to be in compliance.
- **DLS Prestressed, Inc.** – Audit completed; found to be in compliance.
- **BHI Specialty Services** – In review.
- **Bigge Crane & Rigging Company** – In review.
- **HJ Foundation Company** – Audit period was recently changed to 1/1/19 – 12/31/19, pending documents for the new audit period from the contractor.
- **Malcolm Drilling Company, Inc.** – In progress.



International Union of Operating Engineers
Local 487 Fringe Benefit Funds
Attn: Mr. Mark Schaunaman
Business Manager
1425 NW 36th St
Miami, FL 33142

June 24, 2022

RE: 10% Service Fee for late filing of contributions; Employer Code: XO2375

Mr. Mark Schaunaman:

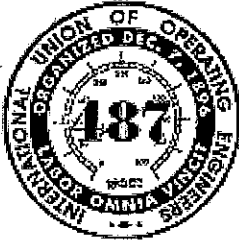
This letter is regarding service fees for untimely filings in November 2021 and March 2022 made by Tricon Group Inc. The report for November 2021 was postmarked December 22, 2021, five business days after the due date of December 15, 2021. The report for March 2022 was postmarked April 21, 2022, five business days after the due date of April 15, 2022. We are asking for the associated service fees for late filing to be waived this one time as Tricon Group Inc. has always filed on time otherwise and the two late filings referenced in this letter were only five days late. Many of our staff had been out with Covid in December, which resulted in the late filing of the November 2021 report. The accountant, who sends these filings, was out of office with personal family matters in April resulting in the late filing of the March 2022 report. Tricon Group Inc. kindly asks for this one time forgiveness as these filings were only a few days late and we have a track record of timely filings otherwise. Please advise what can be done to rectify this situation, and we thank you for your consideration on this matter.

If you need further information, please contact me directly at 305-987-1001. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Lazaro J. Diaz", is written over a blue background.

Lazaro J. Diaz
President



**International Union of Operating Engineers
Local 487 Fringe Benefit Funds**

911 Ridgebrook Road
Sparks, MD 21152-9451
Phone: 877-291-2387
www.associated-admin.com

May 9, 2022

Tricon Group, Inc.
12252 SW 128th Court
Suite 109
Miami, FL 33186

XO2375

Re: 10% Service Fee for late filing of contributions

Gentlemen:

The Collective Bargaining Agreement provides for a 10% service fee payable for each month the contribution is delinquent. Reports and contributions are due by the 15th of the month following the month in which the hours were worked and are delinquent after that date.

Our records indicate that your March 2022 report was postmarked on 4/21/22; therefore, a service fee in the amount of \$132.56 is due.

Please remit the above amount payable to **OPERATING ENGINEERS LU 487 ESCROW ACCOUNT** and mail to:

**Fund Office
IUOE 487 Fringe Benefit Funds
PO Box 1037
Sparks, MD 21152-1037**

If the above amount is not received within (10) days from the date of this letter, we will immediately refer this matter to the Collection Sub-Committee. Should the Sub-Committee be required to use the services of Fund Counsel to collect this amount, then you will be assessed additional attorneys fees and costs of collection, up to and including litigation, in accordance with the provisions of the plan.

If you should have any questions, please do not hesitate to contact our office.

Sincerely,

Irina Brover

Irina Brover
For the Board of Trustees

cc: Mr. Mark Schaunaman, Business Manager

FOR OFFICIAL USE ONLY

PAID AS OF: _____

CHECK#: _____

UNPAID AS OF: _____

WAIVED DATE: _____



**International Union of Operating Engineers
Local 487 Fringe Benefit Funds**

911 Ridgebrook Road
Sparks, MD 21152-9451
Phone: 877-291-2387
www.associated-admin.com

June 7, 2022

Tricon Group, Inc.
12252 SW 128th Court
Suite 109
Miami, FL 33186

Employer Code: XO2375
RE: 10% Service Fee for late filing of contributions

Gentlemen:

Previously, we requested that you remit service fees for the untimely payment of contributions. As you know, the Collective Bargaining Agreement provides for a 10% service fee payable for each month the contribution is delinquent. Reports and contributions are due by the 15th of the month following the month in which the hours were worked and are delinquent after that date.

Our records indicate that your March 2022 report was postmarked on 4/21/22; therefore, a service fee in the amount of \$132.56 is due.

Please remit the above amount payable to OPERATING ENGINEERS LU 487 ESCROW ACCOUNT and mail to:

Fund Office
IUOE 487 Fringe Benefit Funds
PO Box 1037
Sparks, MD 21152-1037

Since you failed to remit the service fees following our last request, this matter was referred to the Sub-Committee. The Sub-Committee has advised us to refer this matter to Fund Counsel for collection, unless the above amount is received within (10) days from the date of this letter.

If you should have any questions, please do not hesitate to contact our office.

Sincerely,

Irina Brover

Irina Brover
For the Board of Trustees

cc: Mark Schaunaman, Business Manager
Mr. Jack Epperson, Trustee
Kathleen M. Phillips, Esq

FOR OFFICIAL USE ONLY

PAID AS OF:

CHECK#:

UNPAID AS OF:

WAIVED DATE: