

Alliance Annual Membership Meeting Minutes

01/31/2016

Meeting commenced 11:05 am

Audit:

Director Stengel apologized to the membership regarding the lack of an audit in 2015. The accountant that agreed to do one did not answer calls once the 2015 tax season was over and, once again, Alliance was unable to find a different firm to accept doing an audit.

Meeting with Attorney John Olson:

Director Stengel informed the membership of Alliance's meeting with Attorney John Olson. The questions that were asked are:

1. Exactly what "type" of corporation is Alliance considered? (PEO, Pass through Staffing Agency, ASO, etc...)
2. Based on the answer to question #1, what are Alliances obligations under the ACA?
3. Last year Alliance was told by our bank that we could no longer offer direct deposit to our members because we're considered a third party administrator. Does this have anything to do with the way the company is structured? (IE: the fact that we are a 501c3)
4. Is Alliance a "common law employer and, if so, what responsibilities would we have to the ACA?
5. Does Alliance have to comply with "IR-2015-127" which is an IRS request for information that states PEO's must be certified and meet certain bond and independent financial review requirements?
6. How much and what type of information can Alliance share with clients and the local?

As these questions get answered they will be shared with the membership.

Alliance BOD Election 2015:

Director Stengel informed the membership that Director Nielsen was re-elected to the Alliance BOD by acclamation because of no response to the notice of election that was sent to the membership in the newsletter sent on 10/09/2015.

Local 470 Education Fund:

Director Stengel informed the membership that Alliance is donating \$1500.00 to Local 470's education fund.

IRS Publication IR-2015-127:

Director Nielsen spoke about an IRS Publication received by Alliance. Essentially, this publication states that the IRS will be looking more closely to insure that PEO's are in compliance with certain regulations regarding certifications, audits, working capital, covered employees, etc...

Currently, this information is just an FYI as Alliance doesn't know if it's considered a PEO or not (that's one of the questions posed to the Attorney). If, however, these regulations do apply to Alliance, it could cause the dissolution of Alliance Inc. The reason would be that these regulations would be completely cost prohibitive to such a small company considering the types of certifications, audits, and so on that would be required for compliance.

Year in Review:

CBO Haluska presented and explained the 2015 Profit & Loss and Balance Sheets. Alliance made a slight profit in 2015 which enabled it to contribute to the Local 470 Education Fund.

The membership was informed that Alliance anticipates a rise in Workmans Comp rates due to an unusually large amount of claims in 2015.

Information was disseminated regarding changes to WI Unemployment reporting.

Alliance and the NBF:

Upon advice from Alliances tax accountant, NBF Funds that were being held in escrow since July 2015 were sent to the NBF and appropriated to accounts of the members choosing. (Annuity or H&W)

In all of the chaos created with the FCPAC contract and NBF, it was discovered that their CBA indicates that all funds are to go into the Annuity. Since Alliance is bound by what each CBA states, it can only comply with the language within each CBA.

Therefore, as of the FCPAC pay date of 01/29/2015 all funds are going only into the Annuity Fund.

During investigation of the NBF mess, it was discovered that each CBA should have a signed Trust Agreement between Local 470 and the venue or client unless the contract language complies with NBF requirements. As of this meeting, Alliance has received no copies of signed Trust Agreements or NBF approved contract language, (except for the FCPAC) it is requesting this information be forwarded to Alliance from Local 470 so funds can be allocated properly. Again, funds will be appropriated according to the CBAs.and/or signed Trust Agreements.

Motion:

Member Randal Darabosh presented a motion to amend the Alliance Liquidation by-law by changing the following:

Sentence two from:

Rather, upon dissolution of the corporation, the Board of Trustees shall after paying or making provisions for the payment of all the liabilities of the corporation, dispose of all the assets of the corporation exclusively for charitable, educational, or scientific purposes which shall at the time.....

To:

Rather, upon dissolution of the corporation, the Board of Trustees shall after paying or making provisions for the payment of liabilities of the corporation, **dispose of all the assets of the corporation exclusively to the charitable benevolent fund of IATSE Local 470 which shall at the time.....**

The motion was voted on and passed by the membership. Alliance will change the language when Local 470 actually has a Benevolence Fund/Committee set up and with the advice of an Attorney.

Suggestion:

Member Rick Moore suggested that sheets or cards be placed in the new hire paperwork to let new hires know who to list as their employers for each venue for unemployment purposes. It was not determined who would be responsible for the document.

Meeting adjourned 12:10 pm