

**BOARD OF EMPLOYEE LEASING COMPANIES
TELEPHONE CONFERENCE CALL MEETING MINUTES
WEDNESDAY, OCTOBER 16, 2013
10:00 a.m. EST
MEET-ME-NUMBER: (888) 670-3525**

I. CALL TO ORDER

The meeting was called to order at approximately 10:04 a.m. EST by Mr. John Jones, Board Chair.

II. ROLL CALL

MEMBERS PRESENT

John Jones, Chair
Abram Finkelstein, Vice-Chair
Eric Arfons
Scott Buchanan
Keith Reeves

MEMBERS ABSENT

Suzette DiMascio (*excused*)
Philip Stamatyades

STAFF PRESENT

Rick Morrison, Executive Director, DBPR
Krista Woodard, Government Analyst II, DBPR
Mary Ellen Clark, Board Counsel, Office of the Attorney General
C. Erica White, Prosecuting Attorney, DBPR
Erin Moreno, Government Analyst I, DBPR

OTHERS PRESENT

Mark Mark, Department of Financial Services, Workers' Compensation
Michael Miller, Kunkel, Miller & Hament, P.A.
Timothy Tack, Kunkel, Miller & Hament, P.A.
Torben Madson, Kunkel, Miller & Hament, P.A.
Patricia Green
Kim Robbins
Karl Moore
Bonnie Upshaw
Brian Nugent
Adam Broussard
David Stone
Jim Biers

The meeting was opened with a roll call and a quorum was established.

III. REVIEW AND CONSIDERATION OF EMPLOYEE LEASING AND CONTROLLING PERSON APPLICATIONS

- A. Administrative Employer Services, Inc. (GL Applicant)**
- B. AES Management, Inc. (GM Applicant)**
- C. AES Select PEO Services, LLC (GM Applicant)**
- D. AES Select HR Services, LLC (GM Applicant)**
David Otto, Controlling Person Applicant

Mr. Jones presented the company applications of Administrative Employer Services, Inc. and the group member applications. He also presented the controlling person application of David Otto.

Mr. Jones asked if anyone for the applicants was present on the phone to answer questions. No one was present.

Mr. Reeves stated that the Financial Statements are too old. They are from 2011 and that the IRS 8821 form needed to be corrected to reflect whether it is a corporation or LLC.

Mr. Jones stated he would like for Mr. Otto to appear before the next board to answer questions about the tax liens listed on his credit report and other issues with the company applications.

Mr. Jones also asked the board staff to check into the name of "AES." He stated that he thought that there were companies already licensed with this name or a similar name.

MOTION: Mr. Finkelstein moved to table discussion of the applications until the November 2013 meeting at which time a request would be made for the applicant, Mr. Otto, to appear to answer questions.

SECOND: Mr. Jones seconded the motion and it passed unanimously.

- E. Trion Solutions, Inc. (GL Applicant)**
- F. Trion Solutions II, Inc. (GM Applicant)**
 - Bonner C. Upshaw III, Controlling Person Applicant**

Mr. Jones presented the company applications for Trion Solutions I and II, Inc. and the controlling person application for Bonner Upshaw.

Mr. Jones asked if anyone for the applicants was present on the phone to answer questions. Bonner Upshaw was present for the applicants.

Mr. Jones inquired into the relationship or ownership of Mr. Vanderburg due to Mr. Vanderburg being listed as the contact person for the applications.

Mr. Upshaw stated that Mr. Vanderburg was just a consultant and had no ownership in the companies.

Mr. Finkelstein asked Mr. Upshaw to define Mr. Vanderburg's consultant status and asked how he was paid.

Mr. Upshaw stated that Mr. Vanderburg was paid based on projects and that he only receives a 1099 for tax purposes.

Mr. Jones asked if anyone else within the companies were related to or associated with Mirabilis. Mr. Upshaw stated no.

Mr. Reeves stated that the financials did not include the VIE of the manufacturing company and that he would be interested in seeing the internal financials for that company. He also stated that the IRS 8821 form needed to include the corporate tax.

After further discussion, the board made the following motion.

MOTION: Mr. Jones moved to table discussion of the applications until the November 2013 meeting at which time Mr. Upshaw could provide the requested documents for the corrected IRS 8821 form and the internal financials for the VIE.
SECOND: Mr. Reeves seconded the motion and it passed unanimously.

G. Paychex PEO V, Inc. (GM Applicant)
Kevin Hill, CO 1000
Efrain Rivera, CO 982
Stephanie Schaffer, CO 986

Mr. Jones presented the company application of Paychex PEO V, Inc.

MOTION: Mr. Finkelstein moved to approve the application.
SECOND: Mr. Reeves seconded the motion and it passed unanimously.

IV. REVIEW AND CONSIDERATION OF DE MINIMIS EXEMPTION AND REGISTRATION APPLICATION

A. Optimum Employer Solutions, LLC
(Kevin Gramain, Owner)

Mr. Jones presented the company application of Optimum Employer Solutions, LLC

MOTION: Mr. Jones moved to approve the application.
SECOND: Mr. Finkelstein seconded the motion and it passed unanimously.

V. REVIEW AND CONSIDERATION OF EMPLOYEE LEASING COMPANY NAME CHANGES

A. Worklife HR of Florida 1, LLC – GL 150
TO: Progressive Employer Management Company XXI, LLC

B. Worklife HR of Florida 2, LLC – GM 373
TO: Progressive Employer Management Company XXII, LLC

Mr. Jones presented the name change applications.

MOTION: Mr. Finkelstein moved to approve the name change applications.
SECOND: Mr. Jones seconded the motion and it passed unanimously.

VI. REVIEW AND CONSIDERATION OF TERMINATION OF EMPLOYEE LEASING COMPANY OPERATIONS

A. HMS Physician Services, Inc. – EL 379
(Controlling Person Relinquishment – Christopher Durkin, CO 772)

Mr. Jones presented the termination of operations and controlling person relinquishment applications.

MOTION: Mr. Arfons moved to approve the applications.
SECOND: Mr. Finkelstein seconded the motion and it passed unanimously.

VII. REVIEW AND CONSIDERATION OF CONTROLLING PERSON RELINQUISHMENTS

- A. **Carlos E. Galarce, CO 1017**
AlphaStaff, Inc. – GL 49
Alpha Staff 2, Inc. – GL 125
AlphaStaff Holdings, Inc. – GL 180
(Group Members are included in list of companies)

Mr. Jones presented the controlling person relinquishment of Mr. Carlos Galarce.

MOTION: Mr. Finkelstein moved to accept the controlling person relinquishment.
SECOND: Mr. Jones seconded the motion and it passed unanimously.

VIII. REPORTS

- A. **Office of the Attorney General – Mary Ellen Clark**

Ms. Clark advised that she is continuing her efforts to get the changes to Rule 61G7-10.002, F.A.C. effective. She stated that she hopes to have a clean copy of the rule to present to the board at the November 2013 meeting.

- B. **Office of the General Counsel – C. Erica White**

No Report.

- C. **Executive Director – Rick Morrison**

No Report.

- D. **Chairperson – John Jones**

No Report.

IX. OLD BUSINESS

- A. **Proposed 2014 Meeting Dates**

Ms. Woodard advised that she was contacted by Suzanne with FAPEO concerning the February 2014 meeting dates. She stated that FAPEO wanted to know if the board would consider changing the start time of the meeting on February 11th to 1:00 p.m. which will allow the members of FAPEO to attend after leaving their Legislative Summit.

The board agreed to change to meeting times for the February 2014 meeting to the following:

February 11, 2014-

1:00 p.m. - Probable Cause Panel Meeting

February 12, 2014-

9:00 a.m. - General Business Meeting

X. NEW BUSINESS

A. E-mail from Mike Miller – Rule 61G7-10.0011, F.A.C. Annual Financial Statements

Ms. Clark advised that this information was included in the agenda materials as an FYI for discussion at the November 2013 in-person meeting.

Mr. Finkelstein stated he would be interested in how FAPEO feels about this possible rule change.

Mr. Miller stated he was merely representing his client ESAC and not the association with this language, but he would take it back to the association for their opinion.

Mr. Finkelstein stated he was not sure if this change would be in compliance with the Statutes but would save his comments until the November meeting.

XI. PUBLIC COMMENTS

None

X. ADJOURNMENT

MOTION: Mr. Arfons moved to adjourn.

SECOND: Mr. Finkelstein seconded the motion and it passed unanimously.

The meeting adjourned at 10:59 a.m.

Transcripts and/or recordings of the meeting can be obtained upon request.