

**BOARD OF EMPLOYEE LEASING COMPANIES
TELEPHONE CONFERENCE CALL MEETING MINUTES
WEDNESDAY, OCTOBER 21, 2015
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. Abram Finkelstein, Board Chair.

II. ROLL CALL

MEMBERS PRESENT

Abram Finkelstein, Chair
John Jones, Vice-Chair
Eric Arfons
Scott Buchanan
Celeste Dockery
Emery Ellinger

MEMBERS ABSENT

STAFF PRESENT

Rick Morrison, Executive Director, DBPR
Krista Woodard, Government Analyst II, DBPR
Mary Ellen Clark, Board Counsel, Office of the Attorney General
James Fortunas, Prosecuting Attorney, DBPR

OTHERS PRESENT

Michael Miller, Kunkel, Miller & Hament, P.A.
Timothy Tack, Kunkel, Miller & Hament, P.A.
Karl Mohr
Todd Packard
Robert Cleghorn
Carlos Cardelle
Nick Capiotas

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

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

- A. HRSMARTER VI, LLC – GL Applicant**
- B. HRSMARTER VII, LLC – GM Applicant**
- C. HRSMARTER VIII, LLC – GM Applicant**
- D. HRSMARTER IX, LLC – GM Applicant**
- E. HRSMARTER X, LLC – GM Applicant**
 - Carl W. Guidice, CO 1096**
 - Anthony M. Dannon, CO 1122**

Mr. Finkelstein presented the group leader and group members' applications.

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

- F. Inspyre PEO, Inc. – GL Applicant**
- G. Inspyre PEO II, LLC – GM Applicant**
- H. Inspyre PEO III, LLC – GM Applicant**
- I. Inspyre PEO IV, LLC – GM Applicant**
 - Robert A. Cleghorn, Controlling Person Applicant**
 - Jeffrey S. Miles, Controlling Person Applicant**

Mr. Finkelstein presented the group leader, group members and the controlling person's applications.

MOTION: Ms. Dockery moved to approve the applications.
SECOND: Mr. Jones seconded the motion and it passed unanimously.

- J. PEI Ohio, Inc. – EL Applicant**
 - Todd Packard, Controlling Person Applicant**

Mr. Finkelstein presented the company application of PEI Ohio, Inc. and the controlling person application of Mr. Todd Packard.

Mr. Finkelstein advised that new additional information was recently e-mailed to the board members for review; however, he was not comfortable making a decision on the applications unless he had full disclosure of the pending unlicensed activity matter involving Mr. Packard.

Mr. Jones advised that he had questions about the financial statements and information disclosed on the application and within the credit report for Mr. Packard.

The remaining members of the board agreed with Mr. Finkelstein and Mr. Jones and the following motion was made.

MOTION: Ms. Dockery moved to table discussion of the applications until the November 2015 meeting at which time the information about the pending case will be included in the agenda materials.
SECOND: Mr. Buchanan seconded the motion and it passed unanimously.

IV. REVIEW AND CONSIDERATION OF CHANGE OF OWNERSHIP APPLICATIONS

- A. TCM PEO I, LLC – GL 225 (Filing 1)**
- B. Progressive Employer Management Company, Inc. – GL 105 (Filing 2)**
- C. Progressive Employer Management Company XXI, LLC – GL 150 (Filing 3)**
- D. Progressive Employer Management Company XXIII, Inc. – EL 360 (Filing 4)**
- E. TCM PEO I, LLC – GL 225 (Filing 5)**
- F. Progressive Employer Management Company, Inc. – GL 105 (Filing 6)**
- G. Progressive Employer Management Company XXI, LLC – GL 150 (Filing 7)**
- H. Progressive Employer Management Company XXIII, LLC – EL 360 (Filing 8)**

Mr. Tack and Mr. Miller presented the change of ownership applications.

MOTION: Mr. Jones moved to approve the change of ownership applications.
SECOND: Mr. Arfons seconded the motion and it passed unanimously.

V. DISCUSSIONS

- **Rule 61G7-5.0033, F.A.C. – Consolidated and Combined Financial Statements**

Ms. Clark advised that this rule was being presented due to the Board of Accountancy's repeal of Rule 61H1-20.007, F.A.C. which is referenced in this rule.

Ms. Clark recommended the following language to Rule 61G7-5.0033 (1), F.A.C. for the board's consideration.

All reviewed or audited financial statements submitted to the Department by Florida licensed employee leasing companies shall be presented in accordance with generally accepted accounting principles, as required by s. 468.525(3)(d), F.S.

After review of the recommended the language, the following motion was made.

MOTION: Mr. Finkelstein moved to approve the recommended language to Rule 61G7-5.0033, F.A.C.
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

After the motion, Ms. Clark asked if this change would have an adverse impact on small business or be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation.

MOTION: Mr. Jones moved that the proposed changes to Rule 61G7-5.0033, F.A.C. would not have an adverse impact on small business or be likely to directly or indirectly increase regulatory costs to any entity (including government) in excess of \$200,000 in the aggregate in Florida within 1 year after implementation.
SECOND: Ms. Dockery seconded the motion and it passed unanimously.

The Board determined this change would not require the preparation of a SERC.

- **DBPR EL 4518 – Board Approved Cross Guaranty Form**

Mr. Finkelstein advised that the recommended changes to the cross guarantee form had been made and a draft of the revised form was included in the agenda materials.

Mr. Miller asked if the first and second paragraphs on page two of the packet needed to be changed to state, "of the employee leasing company or group, or any company required to file the cross guarantee form..." being that the guarantor may not be a licensed employee leasing company. He also suggested adding "guarantor" to each of the boxes where it lists the name of the employee leasing company.

Mr. Tack also advised that the rule referenced in the second bullet on page one of the form needed to be corrected to properly reflect the correct rule section of 468.525(3), F.S.

After discussion, the board made the following motion.

MOTION: Mr. Finkelstein moved to approve the cross guarantee form with the recommended changes.

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

Ms. Clark advised that she would move forward with implementing the Board's vote and preparing a response letter to Ms. Holladay addressing the changes.

VI. REPORTS

A. Office of the Attorney General – Mary Ellen Clark

No Report.

B. Office of the General Counsel – Rebecca Hayes

No Report.

C. Executive Director – Rick Morrison

No Report.

D. Chairperson – Abram Finkelstein

No Report.

VII. OLD BUSINESS

None

VIII. NEW BUSINESS

None

IX. PUBLIC COMMENTS

None

X. ADJOURNMENT

MOTION: Mr. Buchanan moved to adjourn.

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

The meeting adjourned at 10:55 a.m.

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