Team Meeting to discuss plans, percentages, and company structure

5/2/22

Attending:

* Review triple play plan for recovering from the cash flow issues
  + Price increase across the board
  + New sales – new prices, assessing configuration, setup, training, and ongoing support
  + Trimming where needed – cuts and limits on hours or projects
* K-1’s, 1099’s, and W-2’s – year end tax documents
* 1099’s and requirements – much tighter line and/or target to hit
  + Employment is the default – If they don’t know or can’t tell, it is considered employment
  + If more than $1,500 per quarter or more than 20 weeks in a row – all show employment
  + Other requirements – list them out – See EOT # 8907 for more details – tons of requirements and things change over time
  + Even commissions are considered employment
* Expanding the MMLLC (multi member LLC)
  + 1099 used to get pretty good write-offs (used to be)
  + As owners (with a percentage) we could create a document – aka a write-off list – office equipment, computers, transportation, supplies, etc., etc.
    - This document could be expanded as needed. We just need to file it as part of the state docs
    - Steve was talking about other possible perks
* Percentages and the transfer of ownership
  + Any new person – start with 1/10th
  + Scale for buying new percentages – every x years you could buy m – 6 months, a quarter, a year – some sort of time frame
  + 1/10 as a retirement type perk – possibility
  + Possible trial period – or a maturity level
  + On sales or developers – setup a minimum – a starter project – Say $450 to do x or whatever the numbers are – fixed start and end values
    - Let them see what we are like and if they like the work
  + Time working – longevity
  + Formula – There was quite a bit of discussion on time worked with Adilas. This may need to be looked at. Those who really have played want to have more of an option.
    - Proposed 3 options – 1. we divvy 10%, 2. open up to 1% open, or 3. Mixed (divvy up plus open model)
    - We had some votes on the straight divvy up. Seems to be the fairest way – currently – Steve, Alan, Bryan, Shari O,
    - Brandon voted on the mixed model
    - John and Dustin wanted to wait to talk to the CPA tomorrow before making a decision.
      * Send all questions to Shari O. via email
  + Steve – wanted to go on record – trying to build something that would last and go forward – ongoing – retirement plans – succession – etc.
* Define Pro Rata – Distributions and Liability
  + Tax questions
  + Profits – and showing profits on the P&L
    - Steve would rather distribute it vs showing a major profit
    - We are not tied to pro rata – real pro rata is equal based on perfect percentages
    - Steve would recommend that we don’t do pro rata distributions – we use increased guarantees, bonuses, perks
  + Certain things are always pro rata – making a profit, distributions to owners, liabilities – even though these things are required, you can still control them
  + We can decide certain things to roll them out differently
* Ideas for the Adilas Trust
  + Do we want to stack companies? Yes, no
  + It would be cleaner if we just kept it all together
  + Steve was suggesting baby steps
  + At some point, we will need something or someone to control some of the future money (banking) type options.
  + From Alan – he assumed that the adilas trust was just getting the ownerships distributed to all of the players.
  + Steve – recommending that our guys/gals talk to their CPA’s about the transfer between 1099 to K-1 (co-owners with percentages)
* Ideas for by laws, rules, regulations, procedures, processes, etc. – how do we play the game?
  + Open to chat…
  + Retirement plan
  + Future projects – fracture, wanderways (campground stuff)
    - Setup aside a budget of time and resources to push on fracture – every week
  + Set aside time to do something fun, valuable, increase training, building and pushing the limits
  + From Steve - Everyone makes a large amount per hour plus company expenses plus retirement.
  + Dedicated time for training – keeping your skills up
  + Conferences – user conferences, developers conference, get togethers
    - Set it up, somewhere cool, do the conference, and then go do some playing… :)
    - See what the locals do
  + Kelly – do what is best for adilas – focus there – help it support us all
  + Steve – this is just the first baby step (of many to come) – how do we keep this thing running over time?
  + Comments from the team