

U.S. Department of Labor

Office of Labor-Management Standards
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September 30, 2020

Ms. Alicia Dolan, Secretary-Treasurer
Musicians Local 466
279 Shadow Mountain Drive
El Paso, TX 79912

Case Number: 420-6018260
LM Number: 004730

Dear Ms. Dolan:

This office has recently completed an audit of Musicians Local 466 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with you and President Steven Schiller on August 27, 2020, the following problems were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report Form LM-4 filed by Local 466 for the fiscal year ended December 31, 2019, was deficient in the following areas:

1. Total Disbursements

Local 466 failed to report the total disbursements made by your organization during the reporting period in Item 17. It appears Local 466 mistakenly reported their total disbursements minus payments to officers in Item 17. The union must include the total of all disbursements in Item 17.

2. Disbursements to Officers

Local 466 did not include some payments to officers totaling at least \$600 in the amounts reported Item 18 (Total Payments to Officers & Employees). It appears the union erroneously failed to report the total amount paid to officers.

The union must report most direct disbursements to Local 466 officers and some indirect disbursements made on behalf of its officers in Item 18 (Total Payments to Officers & Employees). A "direct disbursement" to an officer is a payment made to an officer in the form of cash, property, goods, services, or other things of value. An "indirect disbursement" to an officer is a payment to another party (including a credit card company) for cash, property, goods, services, or other things of value received by or on

behalf of an officer. However, indirect disbursements for temporary lodging (such as a union check issued to a hotel) or for transportation by a public carrier (such as an airline) for an officer traveling on union business should be reported in Item 17 (Total Disbursements).

3. Failure to File Bylaws

The audit disclosed a violation of LMRDA Section 201(a), which requires that a union submit a copy of its revised constitution and bylaws with its LM report when it makes changes to its constitution or bylaws. Local 466 amended its constitution and bylaws in 2012, 2016, and 2019 but did not file a copy with its LM report for those years.

Local 466 has now filed a copy of its constitution and bylaws.

Local 466 must file an amended Form LM-4 for the fiscal year ended December 31, 2019, to correct the deficient items discussed above. The report must be filed electronically using the Electronic Forms System (EFS) available at the OLMS website at www.olms.dol.gov. The amended Form LM-4 must be filed no later than **October 23, 2020**. Before filing, review the report thoroughly to be sure it is complete and accurate.

Other Issues

1. Expenditures Exceeding Income

From 2015 to 2019, Local 466's expenditures exceeded their income. OLMS recommends creating a budget and spending less money than the amount of income coming in to ensure that the Local 466 can fulfill its obligations to the membership

2. Monthly Bank Fee

Local 466 spent \$160 in monthly bank fees in 2019 (\$16 per month with two months not incurring the fee). OLMS recommends Local 466 look into options to avoid paying that high bank fee such as changing account types.

I want to extend my personal appreciation to Musicians Local 466 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Senior Investigator

cc: President Steven Schiller