

Musical News

The Official Newsletter Of Musicians Union Local 6

Musicians Union localsix
SAN FRANCISCO
American Federation of Musicians

June / July, 2020 Vol. 92, No. 2



STAYING CONNECTED

President's Message by Kale Cummings

With the resurgence of COVID-19 numbers being reported, we are yet again faced with renewed challenges. The prospect of returning to work-as-usual remains mired in the unpredictable nature of the pandemic and governmental response. The possibility of returning to live performance carries with it a myriad of questions about new health and safety guidelines. Many of our members continue to struggle navigating the unemployment system. And we all are wondering what our industry will look like after this crisis is over. But, as our cover attests, Local 6 musicians are creative, resilient and resourceful. We have faced insurmountable odds together before and we will do it yet again. In fact, it seems likely to me that we will invent new, adaptive ways to make music that will last far beyond this crisis.

The staff at Local 6 have been busier than ever helping members. Navigating the unemployment system has been a particular concern. Our original project to host a webinar with an EDD official has grown into weekly member-to-member forum hosted by the California Labor Federation. Another difficulty for members has been applying for benefits with either just 1099 income or a mixture of W-2 and 1099. Both situations have their own obstacles and we've been working with the California Labor Federation and our own International to make the process easier and in some cases even possible for musicians to receive the benefits intended for them.

We've also been working closely with many of our CBA partners to negotiate safety, wages, and working conditions going forward. Many of our partners received PPP money they used to compensate musicians for the work that was cancelled because of the pandemic. In those cases, our dedicated colleagues presently serving on orchestra committees worked diligently with management to structure those payments most advantageously for musicians.

The ban on public performances immediately put immense pressure on negotiating terms for electronic media. We continue to assist as best we can to navigate these sometimes treacherous waters. It is particularly important that we understand and participate in the way our culture currently uses media, but it is equally important that we protect the ability for musicians to make a livelihood from their work.

The overall concern directing our efforts is and always will be the well-being of our members. As such, most of our work this year has been seeking relief and support for all our members. I'm happy to say that, through the generosity of several people – including many of our own members – we will be re-opening our relief fund. As before, we will have a time to receive donations and applications, then the board will meet to disperse the funds as equitably as we can. Please stay tuned for details.

So please don't hesitate to reach out if there is a way we might be of help to you. I am continually heartened by working with all of you and experiencing your spirit and determination. In fact, that's how I know we will find a way to not just make it through this setback, but to become something even better than we were before.

In Memoriam

Mielke, Robert
Oakley Jr., Roy
Segrove, Henry 'Hank'

2020 Membership Dues

Regular Membership	\$52.50/Quarter
35 Year Membership	\$38.50/Quarter
Life Membership	\$25.25/Quarter
70/20 Year Membership	\$29.25/Quarter

*Late fees are currently waived.

LOCAL 6 OFFICERS

Kale Cummings - President
Forrest Byram - Vice-President
Beth Zare - Secretary-Treasurer

BOARD OF DIRECTORS

Meredith Brown - Trustee
Gretchen Elliott - Trustee
John Fisher - Trustee
Josephine Gray - Director
Steve Hanson - Director

STAFF

Lori Ponton Rodriguez - Treasury x304
Katie Curran - Casuals x306
Cheryl Fippen - MPTF, Death Benefits x307

PRESIDENT EMERITUS

Melinda Wagner

MEETINGS SCHEDULE

General Membership

July 27, 2020 1:00 pm

Board Of Directors

Board meetings are open to the membership.
Call for schedules.

The Office Will Be Closed:

New Year's Day
Martin Luther King Jr. Day
Presidents' Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veterans Day
Thanksgiving Day (and day after)
December 24-25

Editor, Musical News

Beth Zare

The Musical News is published by Musicians Union Local 6, AFM. Any notice appearing herein shall be considered to be an official notice to the membership. The appearance herein of an article or an advertisement does not imply an endorsement by the editors.

MUSICIANS UNION LOCAL 6

116 - 9th Street
San Francisco, CA 94103
(415) 575-0777
info@afm6.org - www.afm6.org

*THE OFFICE IS CURRENTLY CLOSED BUT WE ARE STILL
MONITORING PHONE AND EMAIL MESSAGES.

IMPORTANT CHANGES FOR THE 2020 ELECTION

It is very important that we have your current email on file for electronic voting and balloting for the 2020 Local 6 elections. Please verify by sending your current email address to info@afm6.org. You may opt out of electronic notification and receive instructions by USPS on how to vote by phone by calling 415.575.0777.

The Board of Directors has established **Thursday, October 29, 2020** as the date of the next General Election for Local 6.

VOTING ELIGIBILITY: Members must be paid through the second quarter, which ended **June 30, 2020**, and must have paid any required initiation fees in full. The deadline for paying second quarter dues is **August 31, 2020**.

NOMINATIONS FOR OFFICE: Any member who meets the qualifications stated in this notice may be nominated and become a candidate for any office or delegation of this union, and thereby be entitled to have their name placed upon the ballot, as follows:

President
(delegate to the Convention)

Vice President

Secretary-Treasurer
(delegate to the Convention)

Board of Directors – (5)

Delegates to the Convention – (2)

Diversity Delegate – (1)

All officer and board positions have 3-year terms, which begin on the first Tuesday following the January General Meeting in 2021.

1) Nominees must be, and have been, full members in good standing of Local 6 for a period of two (2) years preceding **August 31, 2020**, which is the deadline for filing nomination petitions;

2) Nominees must be U.S. citizens;

3) Nominees must not have been found guilty of any malfeasance in office or theft of union property.

Nomination petitions, available online or by request, must contain a list of 10 or more members in good standing who support your candidacy and must be submitted to the Secretary-Treasurer no later than 4:00 p.m. on August 31, 2020

For any additional information regarding election procedures, please refer to Article IV of the Local 6 Constitution and Bylaws in the 2018 Directory or contact the office of the Secretary-Treasurer.

GENERAL MEMBERSHIP MEETING INFO JULY 27, 2020 AT 1:00 P.M.

Please join us via Zoom for a virtual meeting to update the membership on progress in our union.

<https://us02web.zoom.us/j/89534520377>

Meeting ID: 895 3452 0377

Dial by phone:

+1 669 900 6833

followed by: 895 3452 0377#

Send questions in advance to info@afm6.org or call 415.575.0777.



Next Unemployment Forum Wednesday, July 15th at 1:00 P.M.

The California Labor Federation is now hosting an Unemployment Member-to-Member Forum every other week for musicians and theatrical wardrobe union members. The forum is a place for union members to help each other out with confusing UI questions. Join your fellow union members and navigate the unemployment process together!

Join Zoom Meeting: <https://calaborfed.zoom.us/j/93106218622>
or call +1 669 900 6833
Meeting ID: 931 0621 8622#

CORRECTIONS TO THE APRIL/MAY 2000, VOL. 92, No 1. Newsletter:
We apologize that Patrick Johnson-Whitty's name was misspelled on pages 2 & 10 of the previous issue.

Roy Oakley Jr. 1948 - 2020

This article ran in the San Francisco Examiner Magazine, November 2000. Reprinted with permission from the author, Lisa Kaborycha.

The sun streams in to the hall as concert time draws near and the members of the Villa Sinfonia Orchestra begin to file in. There are kindergartners wearing suits with bow ties or crisp party dresses and shiny shoes. Preteens slouch past, in overalls and sneakers. Teenagers stride in, the girls wearing platform shoes and long skirts and the boys sporting impossibly white shirts and pressed slacks, hair slicked back. As the ritual of tuning comes to a close, the musicians take their places and the audience settles into their seats.

First on the program are the “Twinklers”, the youngest group of beginning Suzuki violin students, ages 3–6. As the applause fades, the children raise their tiny violins to their chins and begin to play. Contrary to all expectations, these kids sound great!

Dear Friends,

It is with great sadness that I have to tell you that Roy (Bud), the love of my life, passed away June 11th at 2:20am. He put up a valiant struggle these last 3 weeks following emergency surgery, but the damage was too great to overcome. The Kaiser ICU doctors and nurses tried valiantly to help him and keep him comfortable.

Our family will have a small family funeral up at Tahoe, and when Covid restrictions lift we are planning a celebration of Bud's life here in San Francisco. He had a full life and accomplished many great things although he always felt there was much more to do! His musicality and knowledge of violin playing was an inspiration to me and to others.

I want to thank those of you who sent cards and letters. Our son, Tom and I were blessed to be able to visit him three times (restricted due to COVID-19) and I read many of them to him. He was able to hear and sometimes would open his eyes in response. It meant a lot to him and to Tom and me.

I know that you might want to express your love of Bud with flowers. I would like to encourage you to donate instead to a charity of your choice, or to our favorite charity - St. Jude's. Over the past month I have been comforted by your well wishes and virtual hugs.

Sincerely,
Lynn Oakley

The children play the Suzuki variations on “Twinkle Twinkle Little Star” not only with perfect concert deportment and posture, but in tune and with musical expression! It does not hurt that they are accompanied from the pit by a full concert orchestra, and the sound is unbelievably good.

After the youngest children finish performing, the Villa Sinfonia Orchestra gets down to business playing Brahms, Bartok and Vivaldi. For the past 25 years, Lynn and Roy Oakley have taught over a thousand San Franciscans of all ages to play music together. What sets their violin studio apart from others is that they manage to pull off the miracle of uniting young and old, professional and amateur musicians in the sheer joy of making music. “By mixing it up, both the energy and the musical values are higher,” says conductor Roy Oakley, “the professionals set a standard of playing which everybody rises up to.”

Glancing around the orchestra pit, you see what he means by “mixing it up.” The majority of the string section is made up of the Oakleys’ students, of all ages. Father Phil, a 70 year-old Marist priest at the church of Notre Dame des Victoires who began studying violin two years ago sits beside violinist Vicki Martin, mother of 6-year-old Caitlin, also an Oakley student. Across the way sits Paul Yarbrough, the violist from the celebrated Alexander String Quartet.

Bay Area concert goers will in fact recognize many familiar faces in this group. Luis Baez, clarinetist with the SF Symphony and Carol Rice, principal cellist of the Berkeley Symphony are regulars with the Villa Sinfonia. Roland Feller, the well-known violin maker and string repairman sits in the cello section, sharing a music stand with a slender redheaded girl of eleven — his daughter, Miriam. Teachers sit beside their young students, parents with children and siblings.

What induces professional musicians, with their busy rehearsal, performance schedules and many touring engagements to participate in a children’s concert? Many, such as Feller, Baez, Yarbrough,



Roy leading members at the War Memorial Opera House

and Gail Edwards, the flutist, have children who study violin with Lynn or Roy Oakley and share their time and musical expertise with this group because they know what an important gift the Villa Sinfonia is contributing to the community. They also know how valuable it is for families to share musical experiences with their children as they are growing up and are frankly thrilled to be performing with their kids.

As Edwards, a music teacher at the San Francisco School of the Arts and San Francisco State University puts it: “One of the most rewarding parts of being a musician is playing music with other people. Making music this way in the Villa Sinfonia creates a special bond between the members of your family.”

Others, like professional bassoonist Bob Hughes, come back year after year to play with the group, because it is so satisfying musically. Says Hughes: “I have known Roy Oakley for 25 years; he is both an accomplished violinist and a dynamic conductor. Perhaps because of his experience as a seasoned orchestral player he has a multifaceted view of the orchestra — he can feel it from both inside and out. Like all conductors he is a kind of father figure, but he is never tyrannical. Instead he creates a familial atmosphere. The synergy of age and youth meeting in a common expressivity is a result of Roy’s magnetic leadership. Everyone always plays their best for him.”

While Roy is the center of attention on the podium, his wife Lynn, as concertmistress, works at pulling together loose ends and coaxing the best performance out of her students. She is also the force behind the scenes leading group classes in ear training and musicianship, which builds the musical resources that the young players need in order to play in these ensembles.

"Lynn really knows how to motivate kids," says Gail Edwards. "My daughter Rebecca started studying violin in kindergarten and is now thirteen. Over the years she's had a number of plateaus and valleys in her playing. Lynn has always been able to provide challenges and stimulate her interest, particularly during the middle school years when many kids drop music. Studying with the Oakleys, there is always something to look forward to, there is always a performance on the horizon; it is a joyful part of being a musician."

There is indeed always a performance on the horizon for the seemingly inexhaustible Oakleys. Over the years, their studio and goals have grown to include solo, ensemble, symphonic and choral concerts. In 1994 they established the Villa Sinfonia Foundation, a non-profit organization to



Roy and William Corbett Jones in performance

help promote and support the activities of the Villa Sinfonia Chamber Orchestra, the Villa Chamber Orchestra, the Adult Sinfonia and the Villa String Quartet.

Students, professionals and "professionals in training" have wide range of performance opportunities with the group. In addition to the yearly Winter concert, Spring concert, Family Ensemble concert, workshop concerts and master classes, the group's community outreach includes performances at Ghirardelli Square, the Veteran's and UC Hospitals. There is holiday caroling in San Francisco as well as concerts at Oakland's Jack London Square, for the Cancer Society and at the San Francisco Sequoias.

The Villa Sinfonia Foundation also sponsors a concert series each year in which the Oakleys perform for their students, an essential part of the learning experience. As Roy Oakley says, "Lynn and I feel that it is most important for all teachers to perform for their students. In this way students can directly experience

the love we feel with regard to making music." Also in the interest of furthering and deepening their students' musical experience, the Oakleys run a program every summer, the Zephyr Music Camp in Lake Tahoe which concentrates on chamber orchestra and ensemble practice. Here students get a chance to play music with their families and others, experimenting with new styles and music in a relaxed natural setting.

The group has toured extensively, in Germany, Austria and the United Kingdom and has performed at the Pacific Basin Music Festival in Hawaii. Upcoming plans include a tour to Boston, Newport and New York, with a possible performance at Carnegie Hall.

In the words of pianist Nancy Bachman, who has performed frequently with the Villa Sinfonia over the years, "Playing with the various Oakley groups is profoundly satisfying musically and personally. The world of professional classical music requires players to have a very high level of professional expertise and talent merely to survive in the field. Too little work, not much money and a highly competitive atmosphere combine to put great pressure on professional musicians. The Oakley school is the antidote to all that. Here the professionals play with all levels and ages of students, teaching and supporting each other like a huge family."

Family is key to the Villa Sinfonia experience. Once a year, the Oakleys organize a family ensemble concert. The group has grown so large that this concert must now happen in several installments. This concert is always a favorite, in which parents, siblings, young and old are encouraged to perform together. Recorder and violin, guitar and violin, trumpet and violin, traditional Chinese string instruments, you name it, this is when families get together to make a joyful noise. Last year Aliseo, Silvano and Lucia Purpura-Pontoniore, who study violin with Lynn Oakley, played in an ensemble with three of their siblings, one on cello and the others, still too young to formally study an instrument, provided rhythm on drums and sticks.

Instead of the sad and lonely message parents sometimes inadvertently give their children by saying "Get in your room and practice your instrument!", the love of music and families spending time together go hand in hand. The music

produced is better, and the family bonds are stronger. Lois Feller, who plays piano and French horn with her family in the Villa Sinfonia, says, "I get an enormous bang out of playing music with my kids in the Oakleys' concerts and family ensembles. It gives me much more enjoyment than studying piano alone ever did."

Patrick Galvin plays in the family concert each year with his mother, Helen on cello. Patrick began studying with Roy Oakley at the age of five. He is now eleven and wants to be a violinist when he grows up, "playing classical and romantic music as a soloist with orchestras." He got that chance this October when he soloed with the Oakland-East Bay Symphony, in the Bruch Violin Concerto. Asked what he thinks of playing with his mother in the family ensemble concert, Patrick immediately responds: "Really fun!" Several years ago he joined the Villa Sinfonia Orchestra which he said "was hard in the beginning because of all the sight reading, but then it got really fun." Chamber music? "Fun."

It seems only fitting to sum up the Villa Sinfonia experience this way. Despite all the hard work, care and professionalism that the Oakleys invest in every performance, what the musicians young and old, amateur and professional all seem to come away with is a sense of fun — the sheer joy of making music together.

Update on Villa Sinfonia since 2000

The Villa Sinfonia Foundation celebrated its 25th anniversary this past January, where it received a Certificate of Honor from Mayor London Breed. The Oakley Violin Studio has now been in existence for 45 years.

Since the article appeared, Villa Sinfonia has also toured to Italy and Prague, France, two performances in Carnegie Hall (2002 and 2015,) Washington, D.C.,

Scotland and England again, Budapest and Vienna, and was scheduled to tour to Barcelona, Spain in June 2020.

The Zephyr Chamber Music Camp at Tahoe sponsored by Villa Sinfonia continues to thrive and attracts students from throughout the United States.

Roy stepped down as conductor of the Villa Sinfonia and Villa Chamber Orchestra two years ago, choosing to play in these orchestras instead. Several former students have returned as professional musicians to teach and perform with the students and violinist David Ryther is now the conductor.

AMERICAN FEDERATION OF MUSICIANS
MUSICIANS UNION LOCAL 6
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of the American Federation
of Musicians Musicians Union Local 6
San Francisco, CA 94103

We have reviewed the accompanying financial statements of the American Federation of Musicians Union Local 6 (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets—modified cash basis as of December 31, 2019, and the related statement of revenues, expenses, and changes in net assets and cash flows—modified cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting.

Basis of Accounting

We draw attention to Note I of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Thielen & Associates

Campbell, CA
February 16, 2020

**AMERICAN FEDERATION OF MUSICIANS
MUSICIANS UNION LOCAL 6
STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS**

ASSETS	<u>2019</u>
Current Assets:	
Cash and equivalents	\$ 518,956
Prepaid expenses	<u>51,955</u>
Total Current Assets	570,911
Fixed Assets, at cost:	
Office equipment and furniture	121,101
Buildings and improvements	854,071
Land	151,742
Less: accumulated depreciation	<u>(497,124)</u>
Total Fixed Assets	629,790
Other Assets:	
Investments with maturities of more than one year	<u>2,270,000</u>
Total Assets	<u><u>\$ 3,470,701</u></u>
 LIABILITIES AND NET ASSETS	
Current Liabilities:	
Withholding taxes payable	\$ 2,635
Deferred dues revenue	930
Advances and deposits	<u>230,136</u>
	233,701
Total Liabilities	<u>233,701</u>
Net Assets:	
Unrestricted	1,612,759
Designated for death benefits	1,037,300
Designated for labor actions	<u>586,941</u>
Total Net Assets	3,237,000
Total Liabilities and Net Assets	<u><u>\$ 3,470,701</u></u>

See accompanying notes and independent accountant's review report.

**AMERICAN FEDERATION OF MUSICIANS
MUSICIANS UNION LOCAL 6
STATEMENT OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET ASSETS**

	<u>2019</u>
Revenue - Schedule 1	
Dues and admissions	\$ 1,101,435
Fines and fees	2,272
Designated funds	109,066
Hall rental	6,410
Other revenues	15,397
Total Revenue	<u>1,234,580</u>
 Operating expenses - Schedule 2	
Salaries and wages	443,518
Employer payroll expense	210,613
Dues and assessments	123,465
Special delegates	34,990
Office expenses	35,527
Administrative expenses	141,798
Membership services	21,746
Special projects	7,196
Building and occupancy	29,899
Designated activities	37,928
	<u>1,086,680</u>
 Income (loss) from operations	 147,900
 Other income	
Interest income	55,709
	<u>55,709</u>
 Other expense	
Depreciation	26,145
	<u>26,145</u>
 Net income (loss)	 177,464
 Net assets - beginning of period	 <u>3,059,536</u>
 Net assets - end of period	 <u><u>\$ 3,237,000</u></u>

See accompanying notes and independent accountant's review report.

**AMERICAN FEDERATION OF MUSICIANS
MUSICIANS UNION LOCAL 6
STATEMENT OF CASH FLOWS**

Cash Flows Used for Operating Activities:	<u>2019</u>
Excess Revenues (Expenses)	\$ 177,464
Adjustments to reconcile change in unrestricted net assets to net cash used for operating activities:	
Depreciation	26,145
(Increase) Decrease in prepaid expenses	(50,359)
Increase (Decrease) in payables	(74)
Increase (Decrease) in deferred revenue	(3,105)
Increase (Decrease) in advances	65,819
Net cash provided by (used for) operating activities	<u>215,890</u>
 Cash Flows Used for Investing Activities:	
(Increase) Decrease in fixed assets	(33,901)
(Increase) Decrease in investments	130,000
Net cash provided by (used for) investing activities	<u>96,099</u>
 Net Increase (Decrease) in Cash and Equivalents	 311,989
 Cash and Equivalents, Beginning of Period	 <u>206,967</u>
 Cash and Equivalents, End of Period	 <u><u>\$ 518,956</u></u>

See accompanying notes and independent accountant's review report.

**AMERICAN FEDERATION OF MUSICIANS
MUSICIANS UNION LOCAL 6
SCHEDULE OF REVENUE**

	<u>2019</u>
Dues and admissions	
Dues	\$ 239,771
Work dues	846,756
Admissions	<u>14,908</u>
	1,101,435
Fines and fees	
Fines	2,170
Agency fees	<u>102</u>
	2,272
Designated funds	
Death benefit fund	91,077
Labor action fund	<u>17,989</u>
	109,066
Hall rental	6,410
Other revenues	
Merchant fees	62
Miscellaneous	66
Payroll services	13,957
Advertising	<u>1,312</u>
	15,397

See accompanying notes and independent accountant's review report.

**AMERICAN FEDERATION OF MUSICIANS LOCAL 6
MUSICIANS UNION LOCAL 6
SCHEDULE OF OPERATING EXPENSES**

	2019
Salaries and wages	
Officers	\$ 157,446
Board of Directors	14,874
Assistants and others	271,198
	<hr/> 443,518
Employer payroll expense	
Payroll taxes	42,719
Pension contributions	58,055
Workers compensation	2,210
Health insurance	34,582
Employee benefits	73,047
	<hr/> 210,613
Dues and assessments	
American Federation of Musicians	111,901
San Francisco Labor Council	3,610
State Federation of Labor	4,200
Other local councils	3,754
	<hr/> 123,465
Special delegates	
AFM convention and negotiations	13,050
Other meetings	21,940
	<hr/> 34,990
Office expenses	
Repairs and maintenance	650
Supplies and services	6,358
Telecommunications	8,472
Postage and shipping	1,594
Information technology	9,865
Miscellaneous	8,588
	<hr/> 35,527

See accompanying notes and independent accountant's review report.

AMERICAN FEDERATION OF MUSICIANS LOCAL 6
MUSICIANS UNION LOCAL 6
SCHEDULE OF OPERATING EXPENSES

	2019
Administrative expenses	
Education and training	\$ 1,430
Legal fees	65,656
Accounting and review	9,350
Stewards	15,315
Insurance	2,331
Donations and gifts	1,750
Organizing and recruitment	3,090
Committees	18,548
Merchant fees	3,490
Miscellaneous	20,838
	<u>141,798</u>
Membership services	
Musical News and mailings	17,663
Elections and social media	4,083
	<u>21,746</u>
Special projects	
Luncheons and picnics	6,253
Other	943
	<u>7,196</u>
Building and occupancy	
Property taxes	10,318
Utilities	7,249
Insurance	5,816
Maintenance	6,516
	<u>29,899</u>
Designated activities	
Death benefit fund	36,000
Contract guarantee fund	1,928
	<u>37,928</u>

See accompanying notes and independent accountant's review report.

MUSICIANS UNION LOCAL 6

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

Nature of Operations

The Musicians Union Local 6 is an affiliate of the American Federation of Musicians, Inc. of the United States and Canada. The Union represents members with employers in labor negotiations and in general seeks to improve the welfare and economic status of its members. The Union also acts to provide additional benefits to members including setting wage scales, providing contract forms, providing limited guarantee of employer contracts, maintaining employer paid pension plans, providing referral services, promotional assistance, rehearsal space, recording studio facilities, newsletter and other publications, arranging instrument and liability insurance, access to self-paid group health and dental insurance, death benefits, free legal consultation and other services.

Basis of Accounting

The Union prepares its financial statements on a modified cash basis of accounting. Generally, revenues and assets are recognized when received, and the related expenses and liabilities are recognized when paid. Member dues collected in advance are deferred and recognized as revenue in the year earned. Certain expenses related to worker's compensation insurance, pension obligations, and work dues are consistently paid or accrued in the financial statements, thus recognized in the year incurred.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and Equivalents

Cash and cash equivalents include cash on hand, deposits in commercial banks, money market funds, and certificates of deposit with maturities of 90 days or less.

Investments

The Union bylaws require that investments of Union funds be in United States Government Bonds or other securities fully insured by agencies of the federal government. The Union's policy is to hold all investments to maturity at which time the funds will be used for operations or reinvested subject to the bylaws.

Depreciation

The Union's equipment, building, and improvements are depreciated using primarily the straight-line method.

Note 1 – Summary of Significant Accounting Policies (continued)

Income Taxes

The Union qualifies as an exempt organization under Internal Revenue Code Section 501(c)(5) and California Revenue and Taxation Code Section 23701(a) under the group exemption number 0122 of the American Federation of Musicians of the United States and Canada.

Date of Management's Review

Management has evaluated subsequent events through February 16, 2020, the date on which the financial statements were available to be issued.

Note 2 – Certificates of Deposit

The Union acquires certificates of deposit with the most favorable rates available at the time of purchase through its securities broker or through direct purchase from banks. The Union held \$-0- in certificates of deposit with maturities less than 90 days and \$-0- greater than 90 days but less than one year.

The Union held \$2,270,000 in certificates of deposit with maturities greater than one year. Most maturity dates on the certificates of deposit which will be held to maturity are between 2020 and 2028.

Certificate of deposit values change with the underlying market interest rates. Therefore at any given time prior to maturity the market values of the certificates will vary from the original purchase cost. In the event the Union would need to access the funds held in certificates prior to maturity, the Union would recognize a gain or loss of principal based on the market rate change. As of December 31, 2019, the Union had net unrealized gains of \$15,279 on the certificates of deposit held through its broker.

Note 3 – Fixed Assets

Fixed assets listed at cost consist of the following:

		<u>2019</u>
Building and improvements		\$854,071
Land		151,742
Furniture and equipment		<u>121,101</u>
	Subtotal	1,126,914
Less: accumulated depreciation		<u>(497,124)</u>
	Net fixed assets	<u>\$629,790</u>

Note 4 – Deferred Member Dues

Member dues collected in advance as of December 31, 2019 are:

General Fund		\$37,912
Death Benefit Fund		15,090
Defense Fund		<u>2,988</u>
	Total	<u>\$55,990</u>

Note 5 – Earthquake Insurance

The Union obtained cost estimates in 2003 to purchase earthquake insurance on the headquarters building located at 116 Ninth Street in San Francisco, California. Based on those estimates management has concluded that it is prohibitively expensive to purchase earthquake insurance and in view of this, none is carried.

Note 6 – Death Benefit Arrangements

The Union's by-laws establish a \$2,000 death benefit for eligible members in good standing. Additionally, the by-laws designate and segregate a minimum of \$200,000 for the payment of this benefit or the purchase of group life insurance for this purpose. In July 2004, the Union's insurance carrier prematurely terminated its two year rate agreement and imposed a 130% premium increase effective August 1, 2004. As a result of this proposed insurance cost increase, the Union began self-insuring death benefits on August 1, 2004. Due to the difficulty in obtaining reasonable cost insurance, management expects the Union will self-insure this obligation for the foreseeable future.

Accumulated death benefit receipts from members that exceed \$200,000 may be used for general purposes if approved by a two-thirds vote of a quorum at an official membership meeting. In the absence of a quorum, approval may be by a two-thirds vote of the Board of Directors. The death benefit and designation of death benefit funds may be ended by a vote of the membership.

No actuarial determination has been made of the assets or revenues required to meet the current and projected death benefit obligations.

Note 7 – Payroll Audits

Payroll audits of employers that have signed collective bargaining agreements are not conducted by the Union. Such audits would ascertain whether work dues are being remitted completely and correctly. Work dues are reviewed against available information to evaluate correctness.

Note 8 – Retirement Plans

For the year ended December 31, 2019, the Union contributed \$58,055 on behalf of employee members of the Musicians Union to a defined benefit plan sponsored by the American Federation of Musicians. The plan is a multi-employer plan. In April 2011, there was an increase from 10.4% to 10.9% in the American Federation of Musicians employer contribution rate. Declining investment earnings on accumulated funds in these plans have been partially offset by the increased contribution rates and reductions in projected benefits to future retirees.

It is the understanding of Union management that the Union has or may have potential liabilities for withdrawal from these defined benefit plans, but the amounts of these liabilities are not available. The Union has no intention of withdrawing from these plans.

Note 9 – Health Reimbursement Arrangement

Beginning in 2007, the Board of Directors adopted a Health Reimbursement Arrangement (HRA) to provide health benefits to Union staff. During 2019, eligible single individuals were allowed \$700 of monthly credits and staff with families were allowed \$1,450 of monthly credits. These amounts are credited to memo book ‘accounts’ for health insurance and qualified medical expenses.

The HRA provides for reimbursement of substantiated, qualified, medical and dental care expenses incurred by employees, their spouses, domestic partners, and dependents. Reimbursements are not included in the employee’s taxable income.

At the end of a calendar year, employees may carry forward up to \$1,000 of unused credits to the following year. The total amounts carried forward as of December 31, 2019 were \$2,021. At the discretion of the Board of Directors, the plan permits participants suffering catastrophic illness to have limited access to unused credits from the previous five calendar years. The assets designated for this plan are not segregated from operations, and except for catastrophic illness, cannot exceed the credited ‘book’ balances.

There are no post-employment benefits.

Note 10 – Unpaid Expenses

As of December 31, 2019, the Union had no significant unpaid expenses other than the ‘per capita’ dues of \$28,598 for the quarter ended December 31, 2019. Four quarters of payments were made during 2019, but the change in reporting periods several years ago required the Union to pay for members in good standing through calendar quarter ends. Therefore the membership census cannot be completed until after the quarter end, resulting in the payment in the following period.

Note 11 – Concentration of Credit Risk

The Union maintains cash, money market funds, and certificate of deposit accounts with banks, savings associations, and a brokerage firm. The bank account balances and certificates of deposit are insured by the Federal Deposit Insurance Corporation up to a limit of \$250,000 per depositor and per bank issuer. Savings and loan associations are insured for similar amounts by a similar government agency. The brokerage firm has private deposit insurance protecting accounts against failure of the brokerage firm for \$500,000. Market losses in securities and/or certificates of deposit are not covered by the insurance.

The Union attempts to limit any financial exposure, however, its cash balances at a single financial institution may at times exceed the insured limits. The Union has not experienced losses in cash, money market, and certificate of deposit accounts and management does not currently believe it is exposed to any significant credit risk on such investments.

Note 12 – Significant Events

The Union entered into an agreement with the Local 424 from Richmond, CA to merge the two locals into the Local 6 effective August 30, 2018. Due to complications out of the Local 6’s control the merger was not completed April 11, 2019. As of the end of 2019, the Local 6 has an outstanding balance due from former Local 424 officer Michael Sasaki of \$11,575.

Minutes

Board of Directors meeting minutes from March 30, 2020

Meeting called to order at 10:45AM by President Cumings.

Present via Zoom Video Conference: Zare, Brown, Elliott, Gray and Hanson. MSC to accept the new and reinstated members.

MSC to approve expenditures for February in the amount of \$78,459.85. No deaths were reported in February. MSC to continue to self-insure the Local 6 death benefit with monthly Board oversight.

The board discussed allowing members to retroactively resign at the end of 12/31/19 without payment of the first quarter. MSC to waive the late fees going into effect 4/1/20.

MSC to refund prepayment of Local 6 rehearsal hall rental fee due to unavailability of access to the hall. Secretary-Treasurer Zare reported that the annual labor report (LM2) would not be filed by the 3/30/20 deadline due to the inability to access financial information housed at the office.

Secretary-Treasurer Zare reported that the entire staff is working remotely in order to offer continued service to our members. Phone lines, computer service and daily staff meetings are currently in place and functioning well.

The board discussed the \$28,383.51 raised for our members by Jeannie Psomas and Patrick Johnson-Whitty through a fundraising site. An additional \$12,010 was donated directly to Local 6. MSC to divide the proceeds evenly among the 46 members in good standing who applied for aid.

MSC to close the Emergency Relief Fund to future requests.

President Cumings reported on negotiations and activities for our collective bargaining groups including groups that have cancelled services due to COVID-19.

The board discussed the creation of a Coronavirus Resource Page on our website.

The board discussed the need for a newsletter to communicate the upcoming Local 6 election.

V-P Byram requested an audit of the newly purchased furniture for the office. Meeting adjourned at 1:10PM in memory of Craig McAmis and Emil Miller. Submitted by S-T, Beth Zare

Board of Directors meeting minutes from April 9, 2020

Meeting called to order at 10:38AM by Vice-President Byram.

Present via Zoom: Cumings, Zare, Brown, Elliott, Gray and Hanson. Guests: Psomas and Johnson-Whitty. MSC to accept the amended minutes from March 30, 2020.

Secretary-Treasurer Zare reported on the March credit card charges in the amount of \$2932.55.

The board discussed the recommendations from AFM-IEB meeting. MSC to authorize purchases of furniture for renovated office area in the amount of \$9,699.47.

MSC to prepay a reservation at McNears Beach in the amount of \$330 which will be refundable if the park does not reopen in time for the Labor Day Picnic.

MSC to approve the changes recommended by the committee to the Area Wide Casual Wage Scale effective May 1, 2020 - April 30, 2021.

- 6L1 – remove 424
- 8h – soloist fee raised from \$20 to \$40
- 10 – Casual Dances changes to Casual Engagements
- 10e – take out all language. Instead the language goes to “Use Casual Engagement Scale” (essentially removes a category)
- 11 – take out “with or without dancing”
- 11 – add 6L to language
- All casual engagements and casual shows: all scales raise \$5
- 17d – More than fifty miles from San Francisco: musicians may be required to report 1/2 hour prior to playing time without extra charges
- 17h All engagements: three hours minimum. (Exception: engagements in Sonoma, Napa, Solano and Contra Costa Counties: two hours minimum)

The board discussed responses from the 46 members helped by donations collected by Jeannie Psomas, Patrick Johnson-Whitty and through the Local 6 website.

MSC to mail all member donors with physical thank you cards. President Cumings reported on negotiations and activities for our collective bargaining groups including an update on groups with services cancelled due to

COVID-19.

The board discussed members' obligation to report donated wages on their unemployment forms.

President Cumings reported on the IMA Organization List, Jeremy C. Cohen's teaching tool, Coronavirus Resource Management Ideas, and PPP Application Email.

Trustee Brown gave an update on a payment from Santa Rosa Symphony to a member who lost services due to PG&E outages.

Meeting adjourned at 12:46PM.

Submitted by S-T, Beth Zare

Board of Directors meeting minutes from April 23, 2020

Meeting called to order at 10:04a.m. by President Cumings.

Present via Zoom Video Conference: Zare, Byram, Brown, Elliott, Gray and Hanson.

MSC to accept the amended minutes from April 9, 2020.

MSC to accept the March expenses of \$65,141.08.

The board discussed the non-sustainability of operating the local at any deficit caused by the pandemic.

The board discussed the remaining money in the Local's temporary emergency fund. MSC to award \$895 to one member who submitted their application on time. MSC to award the remaining funds (\$305) to a member that applied to the Federation's emergency fund and was declined because COVID-19 does not qualify as an emergency.

Secretary-Treasurer Zare reported on the Newsletter which was recently sent to the printer.

The board discussed the upcoming General Membership meeting which will be held via Zoom video conference call.

President Cumings reported on negotiations and activities for our collective bargaining groups.

President Cumings reported on meetings with the stagehands union (IATSE) and the singers union (AGMA).

President Cumings reported on the changes to AB5 and how that will affect our members.

The board discussed a survey created by Jazz in the Neighborhood.

Meeting adjourned at 12:01p.m..

Submitted by S-T, Beth Zare

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fees too sharp?*

*Is their service
a little flat?*

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Deadline: Saturday, August 1, 2020

Eligibility: The child of any member in good standing of a local musician's union, who is a high school graduate and is planning to attend a college, university, community college or trade school in the fall of 2020

Awards: up to \$2,000

More information: contact
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