UNITE HERE Local 25 and Hotel Association of Washington, D.C.
Health and Welfare Fund

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DRAFT

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
HEALTH AND WELFARE FUND
HELD ON JUNE 2, 2021
VIA VIDEO CONFERENCE

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
John Boardman - Chairman	Solomon Keene
Stephanie Steer	Charles Hill
Linda Martin	Satinder Palta

Also present were:

Anne Mayerson – Bredhoff & Kaiser, PLLC
Fredric Singerman – Seyfarth Shaw, LLP
Brian Dana – Meketa Investment Group
Thomas Dunleavy – Meketa Investment Group
Barbara Maiorano – Associated Administrators, LLC
Anne-Marie Sims – Associated Administrators, LLC
Tyler Geiman – Novak|Francella, LLC
Jackie Coyle – Novak|Francella, LLC

I. CALL TO ORDER

A quorum being present, Chairman Boardman called the meeting to order.

II. MINUTES

Board Meeting, March 24, 2021

The Trustees reviewed the draft minutes of the March 24, 2021 meeting.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Board meeting held March 24, 2021 are approved as presented.**

III. INVOICES

Anne-Marie Sims presented a list of invoices dated June 2, 2021. She noted that there were no additions, deletions or changes to the list.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the invoices set forth in the list dated June 2, 2021 are approved for payment.**

IV. AUDITOR REPORT

Tyler Geiman reported that Novak|Francella has completed the fieldwork associated with the annual financial audit and will present draft auditors' report/financial statements at the next Trustee meeting.

V. PAYROLL AUDIT REPORT

Payroll Audit Collections Report

Ms. Sims referred to the Payroll Audit Collections Report dated June 2, 2021, included in the meeting book. A copy of the report is attached to and made part of the minutes as Exhibit A. Ms. Sims reviewed the report which contains results for collection of payroll audit deficiencies after receipt of the audits from Novak|Francella and before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

Jackie Coyle provided an overview of the current status of the payroll audits performed by Novak. Ms. Coyle reported that Novak|Francella has completed exit audits for the Marriott Wardman Park and Fairfax Embassy Row Hotel. She reported that the audit for the Marriott Wardman Park found no discrepancies, but there were findings for Fairfax Embassy Row. Ms. Coyle reported that the Fairfax Embassy Row was about be sold and due to the short timeline asked if it would be acceptable to send the preliminary report findings to the employer now for payment. The Trustees agreed that this action was acceptable and requested that a copy of the demand letters be sent to Ms. Steer.

VI. CO-COUNSEL REPORT

Ms. Mayerson reported that, as discussed at the March meeting, the American Rescue Plan Act includes a 100% COBRA subsidy for April 1 through September 30, 2021 for eligible participants who have had an involuntary termination of employment (or a reduction in hours) and their families. Ms. Sims said the Fund issued all required notices to individuals who lost coverage before April 1, 2021 and who are subsidy-eligible by the May 31 deadline. Mr. Boardman expressed his appreciation to Ms. Sims and her colleagues for getting the notices finalized and out the door on time.

Ms. Mayerson explained that, given the large numbers of participants eligible for the COBRA subsidy, Co-Counsel had worked with Dentegra to obtain an amendment to its contract providing that no upfront payments would be due for COBRA participants for the period April 1 through September 30, 2021; rather, the Fund will pay over to Dentegra the full amount of the reimbursement it receives from the federal government for the subsidies, and Dentegra will accept such amounts as full payment of any COBRA premiums due for this period. As previously authorized by the Board, Mr. Boardman and Mr. Keene had approved the contract amendment, along with a revised COBRA rate for 2021 since the methodology that has historically been used by Associated (which is based on the prior year numbers) produced anomalous rates for 2021 due to the extremely low number of active employees in 2020 as a result of the pandemic. The vision provider, GVS, has refused to accept the same payment arrangement as Dentegra, but Ethan Foxman, who is the broker, has advised that GVS will accept late payment of premiums to accommodate the Fund's anticipated need to wait until it its reimbursed for the subsidy to make payment for COBRA-eligible individuals for April through September.

The Trustees requested Ms. Sims to present the proposed COBRA rates for 2022 at the fourth quarter Trustees' meeting and to make this a standing practice going forward.

VII. ADMINISTRATIVE MANAGER'S REPORT

First Quarter 2021 Administrative Manager's Report

Ms. Sims presented and reviewed the First Quarter 2021 Administrative Manager's Report, a copy of which is attached to and made part of these minutes as Exhibit B. Ms. Sims noted that the first COBRA subsidy submission would be filed at the end of June based on elections through June 30.

VIII. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting for Thursday, September 30, 2021, commencing at 10:00 a.m.

IX. ADJOURNMENT

There being no further business, the meeting was adjourned.

Approved by the Board of Trustees on __________, 2021

By: ________________________

Anne-Marie Sims, Associated Administrators, LLC.

AMS/bm
(Org. 06-02-2021)

Attachments:
Exhibit A: Novak|Francella Payroll Audit Collections Report: Dated June 2, 2021
Exhibit B: Associated Administrators, LLC-Administrative Managers Report- First Quarter 2021