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 SEPTEMBER 24, 2020
VIA ZOOM CONFERENCE CALL

The following Trustees were present via conference call:

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
Jackie Coyle - Novak|Francella, LLC
Tyler Geiman - Novak|Francella, LLC
Marcella Pascal - Novak|Francella, LLC
Brian Dana – Meketa Investment Group
Henry Jaung – Meketa Investment Group
Barbara Maiorano – Associated Administrators, LLC
Anne-Marie Sims – Associated Administrators, LLC

I. CALL TO ORDER

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

II. MINUTES

Board Meeting, June 4, 2020

Anne-Marie Sims reported she had received no comments on the revised draft of the subject minutes which had been circulated prior to this meeting.

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

> **RESOLVED that the revised minutes of the Board meeting held June 4, 2020 are approved.**

III. <u>INVOICES</u>

Ms. Sims presented a list of invoices dated September 18, 2020. 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 September 18, 2020 are approved for payment.**

IV. <u>PAYROLL AUDIT REPORT</u>

<u>Payroll Audit Collections Report</u>

Ms. Sims referred to the Payroll Audit Status Report 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 the status of open payroll audits as of September 17, 2020.

Ms. Coyle provided an overview of the current status of the payroll audits in progress. She reported that the payroll audits were completed and findings issued to the employers with respect to the Hilton Crystal City, Restaurant Associates and Sheraton Premier at Tysons Corner. Ms. Coyle stated the payroll audits showed no discrepancies for Hilton Crystal City, but that there is a dispute in the payroll audit finding for Restaurant Associates and Sheraton Premier at Tysons Corner. She reported that Novak had reviewed the disputes and revised reports were issued to both employers. Ms. Coyle noted that the payroll audit for the Embassy Suites Convention Center will begin in the upcoming weeks. The Trustees determined that after completing the audit of Embassy Suites Convention Center, Novak|Francella should delay auditing any more participating employers until after the first of the year 2021. Ms. Coyle exited the meeting following her report.

V. AUDITOR REPORT

Financial Statements for Years Ended December 31, 2019

Ms. Marcella Pascal of Novak|Francella, LLC ("Novak") reviewed the Financial Statements for year ended December 31, 2019, a copy of which is attached to and made a part of these minutes as Exhibit B. Ms. Pascal confirmed that the financial statements, in her opinion, present fairly, in all material respects, the financial status of the Fund. Ms. Pascal then reviewed the audit report in detail. Ms. Pascal reported that the Form 5500 and Financial Statements had been filed timely. Ms. Pascal exited the meeting following her report.

VI. CO-COUNSEL REPORT

A. Dental Provider Services

Co-Counsel reminded the Trustees that following Dentegra's advice that it could not temporarily change the plan of benefits to emergency services only as approved at the June 4, 2020 Trustees' meeting, the Trustees had approved via email poll waiving the COBRA premium through the end of this year for individuals who lose coverage to the extent necessary for any individual to obtain emergency services or in-progress services, and to authorize Local 25 to monitor eligibility for the premium waiver. Mr. Boardman noted that it had proven impossible for Local 25 to establish and monitor compliance with the eligibility criteria for the premium waiver.

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

RESOLVED, to discontinue the COBRA premium waiver program.

B. A-List Reserves

Mr. Boardman reminded the Trustees that, as he had reported during the June 2020 Trustees' meeting, there has been a significant decrease in banquet waiter work due to the pandemic. He requested that the Trustees consider utilizing the A-List reserves to pay for the costs of the employee portion of the Kaiser Healthcare premiums until reserves are depleted. After review of the financial reserves, A-List coverage should be depleted by the end of November 2020. A mailing to the A-List population was sent in early

September, informing participants of the upcoming termination of benefits. The A-List population has seen a significant decline in recent months, from 52 members to 20 members.

VII. ADMINISTRATIVE MANAGER'S REPORT

First Quarter 2020 Administrative Manager's Report

Ms. Sims presented and reviewed the First Quarter 2020 Administrative Manager's Report, a copy of which is attached to and made part of these minutes as Exhibit C. Mr. Boardman requested Ms. Sims to prepare and provide a statement of cash position for the Health and Welfare Fund, in order to determine Fund's financial position for the near future.

VIII. OTHER FUND BUSINESS

Fidelity Bond Renewal

Ms. Sims reported on the fidelity bond renewal effective October 4, 2020, explaining that the quoted premium was $2,730 for three years for the same $250,000 coverage level as currently in effect, with an option to pre-pay for $2,463 (in either event cancellable by the Fund during the three years with no penalty).

After discussion and on Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED to approve renewing the Fidelity Bond policy with Chubb at the current $250,000 limit of liability, for a prepaid premium amount of $2,463.00.**

Ms. Sims reminded the Trustees that they had approved by email poll at the end of August a renewal of the fiduciary insurance policy at no premium increase with the incumbent carrier, effective September 1, 2020, for a two-year policy period to lock in the premium (but cancellable by the Fund with no penalty).

IX. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting for Tuesday, December 8, 2020, commencing at 10:00 a.m.

X. <u>ADJOURNMENT</u>

There being no further business, the meeting was adjourned.

Approved by the Board of Trustees on __________, 2020

By: ________________________

Anne-Marie Sims, Associated Administrators, LLC.

AMS/bm
(Org. 09-24-2020)

Attachments:
Exhibit A: Payroll Audit Collections Report: Dated September 17, 2020
Exhibit B: Novak|Francella – Auditor Report – Financial Statements – PYE 2019
Exhibit C: Associated Administrators, LLC-Administrative Managers Report- Second Quarter 2020