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 4, 2020
VIA WEB-EX 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
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, February 27, 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 February 27, 2020 are approved.**

III. INVOICES

Ms. Sims presented a list of invoices dated June 4, 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 June 4, 2020 are approved for payment.**

IV. PAYROLL AUDIT REPORT

Payroll Audit Collections Report

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 May 27, 2020.

Jackie Coyle provided an overview of the current status of the payroll audits in progress. With respect to the Beacon Hotel audit for the period January 2017 through March 2018, Ms. Coyle reported that the prior owner's CFO and payroll administrator, Pattie Tipton, provided the requested documentation and the audit is complete. Ms. Coyle reviewed the findings and said that the employer is disputing findings relating to the payment of contributions for double-time hours worked on Inauguration day and will be providing Novak|Francella with additional information regarding this matter.

Ms. Coyle reported that initial testing is in progress with respect to the Hilton Crystal City, Restaurant Associates, and Sheraton at Tysons Corner. However due to the national COVID-19 crisis, audit progress is slow and/or halted, with limited response from hotel staff. Ms. Coyle suggested a need to discuss a new process for auditing the remaining hotels for 2020. Mr. Boardman requested that the audits be handled on a case by case basis and discussed the possible need to delay further audits and referring delinquencies to collections counsel until hotels resume operations.

After discussion, on Motion made and seconded, the Trustees voted approval of the following resolution:

> **RESOLVED to delegate to the Finance and Collections Subcommittee the authority to make adjustments to the current audit process as appropriate due to the COVID-19 pandemic and the resulting impact on employer staffing.**

V. CO-COUNSEL REPORT

CARES Act – Extension of Participant Deadlines

Ms. Mayerson reported that the Department of Labor ("DOL")/Employee Benefits Security Administration ("EBSA") and the Department of Treasury/Internal Revenue ("IRS") jointly issued guidance that requires plans to extend the deadline for participants and beneficiaries to file claims and appeals by disregarding the period from March 1, 2020 until 60 days after the announced end of the COVID-19 emergency, or other date announced by the federal government, for purposes of determining the deadline.

VI. 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 B.

VII. OTHER FUND BUSINESS

A. Dental and Optical Providers

Mr. Boardman reported that, due to the COVID-19 national emergency, many hotels have ceased operations or are open under limited capacity with a reduced workforce. He said that this has resulted in reduced hours worked and a significant decrease in contributions received by the Plan, with many participants losing eligibility for benefits. Mr. Boardman explained that Dentegra (dental provider) and GVS (optical provider) are paid monthly premiums for benefits based on hours worked, and because of the national emergency/ reduced workforce, they have experienced a significant reduction in premiums paid. Mr. Boardman reported that many dental providers have also ceased operations during this time and are offering only emergency services to participants. Because participants who have no income will likely not be able to afford COBRA coverage even where necessary, Mr. Boardman requested that the Trustees consider waiving the dental COBRA premium for participants who would otherwise lose coverage on or after March 1 and are mid-treatment for orthodontia or other services or who certify that they have an emergency for the period necessary to treat the services in progress or emergency.

Following discussion, upon Motion made and seconded, the Trustees voted approval of the following resolution:

> **RESOLVED to approve waiving the COBRA premium for participants who (i) are eligible under the Plan as of March 1, 2020 or become eligible thereafter and (ii) are in the middle of a course of treatment for orthodontia or other continuing treatment or who certify that they have an emergency, for the period necessary to compete the in-progress treatment or treat the emergency.**

Mr. Boardman also asked the Trustees consider changing the current plan of benefits for all participants to provide only emergency services and treatments currently in progress through the end of the year so as to help ensure that providing emergency benefits to individuals who are no longer eligible would not be cost-prohibitive.

Following discussion, upon Motion made and seconded, the Trustees voted approval of the following resolution:

> **RESOLVED to approve changing the current plan of dental benefits for all participants to provide only emergency services and services currently in progress through December 31, 2020, upon notice to participants and agreement by Dentegra.**

B. A-List Reserves

Mr. Boardman reported that during this COVID-19 crisis there has been a significant decrease in banquet waiter work. 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, at which time the Plan subsidy would end.

Following discussion, upon Motion made and seconded, the Trustees voted approval of the following resolution:

> **RESOLVED to approve utilizing the Plan's A-List reserves to pay for the cost of the employee portion of the Kaiser Healthcare Premiums until A-List reserves are depleted.**

VIII. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting for Thursday, September 24, 2020, commencing at 10:00 a.m.

XI. ADJOURNMENT

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. 06-04-2020)

Attachments:
Exhibit A: Payroll Audit Collections Report: Dated May 27, 2020
Exhibit B: Associated Administrators, LLC-Administrative Managers Report- First Quarter 2020