

**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 DECEMBER 10, 2013
VIA TELE-CONFERENCE**

The following Trustees were present:

UNION TRUSTEES

John Boardman - Chairman
Stephanie Steer
Linda Martin

EMPLOYER TRUSTEES

Solomon Keene - Secretary-Treasurer
Steve Smith
Joel Manion

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Fredric Singerman - Seyfarth Shaw, LLP
Anne-Marie Sims - Associated Administrators, LLC
Dawn Welch – Associated Administrators, LLC

I. CALL TO ORDER

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

II. MINUTES

Board Meeting, September 4, 2013

Ms. Sims reported that she had received no further comments on the 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 minutes of the Board meeting held
September 4, 2013 are approved.**

III. INVOICES

Ms. Sims presented a list of invoices dated December 10, 2013. It was 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 December 10, 2013 are approved for payment.

IV. AUDITOR REPORT

Financial Statements for Years Ended December 31, 2012 and 2011

Mr. Geiman of Novak | Francella, LLC (“Novak”) distributed copies of the Financial Statements for years ended December 31, 2012 and 2011, a copy of which is attached to and made a part of these minutes as Exhibit A. He confirmed that the financial statements, in Novak’s opinion, present fairly, in all material respects, the financial status of the Fund. Mr. Geiman then reviewed the audit report in detail. Mr. Geiman reported that the Forms 990 and 5500 would be filed under extension

V. PAYROLL AUDIT COLLECTIONS REPORT

Ms. Sims referred to the Payroll Audit Collections Report dated December 6, 2013 included in the meeting book. A copy of the report is attached to and made a part of the minutes as Exhibit B. Ms. Sims reviewed the report, which confirmed the results to date of the collection of payroll audit deficiencies after receipt of the audits from Calibre and before referral of unpaid billed deficiencies to the Fund’s Collection Counsel.

VI. COLLECTION COUNSEL REPORT

Ms. Sims reported that Mr. Dan Katz and Ms. Ellen Ranzman were unable to attend the meeting, but that there were no collection matters requiring Board action.

VII. CO-COUNSEL REPORT

A. Affordable Care Act Compliance 90-Day Eligibility Requirement Effective January 1, 2014

Ms. Mayerson reported that on March 21, 2013, the Departments of Treasury, Health and Human Services (HHS) and Labor (collectively, the “Departments”) published a proposed rule implementing the ban on eligibility waiting periods exceeding 90 days, which was enacted as part of the Affordable Care Act. She explained that the 90-day waiting period does not apply to the “excepted benefits,” such as the dental and vision benefits offered by the Fund, but it does apply to coverage for A-List employees. Ms. Mayerson reported that the current A-List eligibility requirement provides that the participant will become eligible for medical coverage on the first day of the month following six (6) consecutive months for which the Employer designates them as an A-List employee, which would not be in compliance with the proposed rule. After discussion, and on Motion made and seconded, the Trustees approved the following resolution:

RESOLVED to reduce the Plan’s eligibility requirement to 60-days, meaning A-List participants will be eligible for medical benefits on the first day of month following sixty (60) consecutive days for which their Employer designates them as A-List employees, effective January 1, 2014.

Co-Counsel said they would draft a Summary of Material Modification to send to A-List Participants.

B. Internal Revenue Service Ruling 2013-17

Ms. Mayerson reported that on August 29, 2013, the U.S. Department of Treasury and the Internal Revenue Service issued Revenue Ruling 2013-17 announcing that the IRS will recognize “all legal same-sex marriages...for federal tax purposes.” The IRS determined that a couple would be considered “married” for federal tax purposes if their marriage certificate was issued by a domestic or foreign jurisdiction having the legal authority to sanction marriages. Co-Counsel reported that no Plan amendments were necessary to comply with this ruling since the current Plan does not specifically define the term “spouse” to mean opposite-sex spouse only.

C. UNITE HERE Local 23

Ms. Mayerson reported that the Plan currently has a bargaining relationship with UNITE HERE Local 23 that allows them to continue to contribute to the Plan. She said a number of the Collective Bargaining Agreements for food services employers who participate in the Plan were previously transferred to UNITE HERE Local 23. Ms. Mayerson reported that the Trust Agreement will need to be amended to permit their continued participation in the Plan. She explained that these employers would be grandfathered to allow for their continued participation in the Plan until such time that they can negotiate benefits elsewhere.

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

RESOLVED to permit employers that were previously required to contribute to the Fund under collective bargaining agreements with UNITE HERE Local 25 and are now required to contribute to the Fund under collective bargaining agreements with UNITE HERE Local 23 to continue to participate in the Fund, provided that they enter into a Participation Agreement acceptable to the Trustees as soon as administratively practicable.

Co-Counsel reported that there were no further legal matters requiring Board action at this time.

VIII. ADMINISTRATIVE MANAGER'S REPORT

Second Quarter 2013 Administrative Manager's Report

Ms. Sims presented and reviewed the Second Quarter 2013 Administrative Manager's Report, a copy of which is attached to and made a part of these minutes as Exhibit C.

IX. OTHER FUND BUSINESS

Summary Annual Report

Ms. Sims reported that the Summary Annual Report for the 2012 Plan Year will be mailed to participants by the December 15, 2013 deadline.

X. NEXT MEETING DATE AND LOCATION

The Trustees will schedule their next regular Board meeting at a later date.

XI. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,
Solomon Keene
Secretary-Treasurer

AMS/klw
(Org. 12/15/13)

Attachments:

Exhibit A: Financial Statements for Years Ended December 31, 2012 and 2011

Exhibit B: Associated Administrators, LLC: Payroll Audit Collections Report dated December 6, 2013

Exhibit C: Associated Administrators, LLC: Third Quarter 2013 Administrative Manager's Report