UNITE HERE Local 25 and Hotel Association Of Washington, D.C.
Group Legal Services 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.
GROUP LEGAL SERVICES FUND
HELD ON FEBRUARY 28, 2013
WASHINGTON, D.C.

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
John Boardman - Chairman	Solomon Keene - Secretary-Treasurer
Stephanie Steer	Steve Smith

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Fredric Singerman - Seyfarth Shaw, LLP
Ellen Odell - Calibre CPA Group, PLLC
Paul Regan - Regan Associates, Chartered
Justin Sargeant - Calibre CPA Group, PLLC
Anne-Marie Sims - Associated Administrators, LLC
Karen Walsh - Associated Administrators, LLC

I. CALL TO ORDER

Mr. John Boardman a confirmed that Union Trustee Ms. Martin had given him her proxy for all matters to come before the Trustees during this meeting. Mr. Solomon Keene confirmed that Employer Trustee, Mr. Manion, had given him his proxy for all matters to come before the Trustees during this meeting. A quorum being present, Chairman Boardman called the meeting to order.

II. APPOINTMENT OF NEW TRUSTEE

Ms. Sims reported that she received written confirmation on January 16, 2013 from Mr. Solomon Keene in his capacity as President of the Hotel Association of Washington, D.C., confirming the appointment by the Association of Mr. Steve Smith, General Manager of the Hyatt Regency Washington on Capitol Hill, as Employer Trustee effective that date, replacing Mr. Stuart Damon who had recently retired from service.

III. MINUTES

Board Meeting, October 18, 2012

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 October 18, 2012 are approved.

IV. INVOICES

Ms. Sims presented a list of invoices dated February 28, 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 February 28, 2013 are approved for payment.

V. PAYROLL AUDITOR REPORT

Ms. Ellen Odell of Calibre CPA Group, PLLC ("Calibre") distributed copies of the "Pension Fund Compliance Audit Program Status Report for the Period From October 9, 2012 Through February 20, 2013," and reviewed the report in detail. A copy of the report is attached to and made a part of these minutes as Exhibit A.

Ms. Odell reported that its audit of Aramark – Verizon Center revealed that the employer failed to make contributions for the first 30 days of employment. Mr. Boardman confirmed that, although the collective bargaining agreement has a 30-day probationary period, contributions must be made on all hours worked. He agreed to call the employer and the Trustees agreed that, if he is unable to resolve this matter, it will be referred to collection counsel.

Ms. Odell reported that Calibre had recently made numerous attempts to schedule the payroll audit of the Hotel and Restaurant Temps and then the employer did not have the payroll records available when the auditors finally scheduled a date. She said multiple emails were sent to the employer enumerating what records were required but to date Calibre has received no response. Mr. Boardman said that this employer will be filing for bankruptcy in the near future, and because the employer is a cash business, would be unable to make payment on any audit claim. After considerable discussion, the Trustees concurred that the payroll audit on this employer should be closed due to the upcoming bankruptcy filing.

Ms. Odell reported that the Woodner audit was in process in New York, and that the audit of Loews (Madison Hotel), which had also previously been scheduled in New York, would now be conducted in Washington, D.C. because Loews had returned as operator of the Madison.

VI. PAYROLL AUDIT COLLECTIONS REPORT

Ms. Sims referred to the Payroll Audit Collections Report dated February 25, 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.

VII. 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.

VIII. CO-COUNSEL REPORT

Ms. Mayerson reported that, on February 21, she had received confirmation from Mike Viccora, counsel for Capitol Services, LLC (which operates the Marriott Wardman Park), that the employer was agreeable to proceeding in the manner requested by the Trustees and memorialized in her February 7, 2013 letter; that is, to conduct a self-audit of steady banquet waiters on the sampling basis described in the letter, and provide the Fund the results of the audit no later than March 29, 2013.

IX. PROVIDER REPORT

A. Fourth Quarter 2012 Utilization Report

Mr. Regan reviewed the Fourth Quarter 2012 Utilization Report. A copy of subject report is attached to and made a part of these minutes as Exhibit C.

B. Proposed Rate Increase

Mr. Regan reviewed his letter dated November 29, 2012 in which he requested an increase in rates for legal services from the current $0.1575 to $0.1675 per hour worked per member per month, for the period January 1, 2013 to December 31, 2015. He noted that the current rate of $.1575 per hour worked per member per month had not been increased since January 2007 and equates to an average hourly rate of $143. A copy of subject letter is attached to and made a part of these minutes as Exhibit D.

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

> **RESOLVED that Regan and Associates, Charter's rate increase request to $.1675 per hour worked per member per month, be approved as presented effective January 1, 2013.**

X. ADMINISTRATIVE MANAGER'S REPORT

A. Third Quarter 2012

Ms. Sims presented and reviewed the Third Quarter 2012 Administrative Manager's Report, a copy of which is attached to and made a part of these minutes as Exhibit E.

B. Administrative Services Agreement – Renewal January 1, 2013, 2014 and 2015

Ms. Sims summarized Associated's renewal proposal for 2013, 2014 and 2015 which was included in the meeting booklet. The proposal requests increases in the monthly administrative services fee by 4% in 2013, 4% in 2014 and 4% in 2015. The Trustees called for an Executive Session with Co-Counsel and excused Ms. Sims and Ms. Walsh from the meeting.

Following discussion in Executive Session, on Motion made and seconded, the Trustees unanimously voted approval of the following resolution:

> **RESOLVED to renew the Administrative Services Agreement for a 3-year period beginning January 1, 2013, with a 4% fee increase in the pmpm administrative services fee effective January 1, 2013, 4% fee increase effective January 1, 2014 and a 4% fee increase effective January 1, 2015.**

Ms. Sims expressed her appreciation to the Trustees for their continued confidence in Associated Administrators.

XI. OTHER FUND BUSINESS

A. Form 5500 for the Plan Year Ended December 31, 2011

Ms. Sims reported the timely filing, under extension, of the Form 5500 for the Plan year ended December 31, 2011.

B. Summary Annual Report

Ms. Sims reported that the 2012 Summary Annual Report was mailed to Participants prior to the September 30, 2012 deadline.

XII. NEXT MEETING DATE AND LOCATION

The Trustees scheduled a regular Board meeting to be held May 8, 2013, at the offices of the UNITE HERE Local 25, commencing at 10:00 a.m.

XIII. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully submitted,
Solomon Keene
Secretary-Treasurer

AMS/klw
(Orig. 3/1/13)

Attachments:

Exhibit A: Calibre CPA Group, PLLC: Compliance Audit Program Status Report for the Period From October 9, 2012 Through February 20, 2013

Exhibit B: Associated Administrators, LLC: Payroll Audit Collections Report dated February 25, 2013

Exhibit C: Regan Associates, Chartered: Fourth Quarter 2012 Utilization Report

Exhibit D: Regan Associates, Chartered: Rate increase letter

Exhibit E: Associated Administrators, LLC: Administrative Manager Report, Third Quarter 2012