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 NOVEMBER 20, 2019
IN WASHINGTON, D.C.

The following Trustees were present:

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

Also present were:

Anne Mayerson – Bredhoff & Kaiser, PLLC
Fredric Singerman – Seyfarth Shaw, LLP
Brian Dana – Meketa Investment Group
Jackie Coyle - Novak|Francella, LLC
Ethan Foxman – Dentegra Insurance Company
Tyler Geiman - Novak|Francella, LLC
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, August 6, 2019

Ms. Sims reported she had received no further comments on the draft of the subject minutes which had been circulated prior to this meeting. Counsel noted that the minutes included in the meeting materials was a prior draft that did not fully reflect counsels' comments. The

Trustees deferred approval of minutes of the Board meeting held August 6, 2019 to the next meeting.

III. INVOICES

Ms. Sims presented a list of invoices dated November 20, 2019. 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 November 20, 2019 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 results for collection of payroll audit deficiencies after receipt of the audits from Calibre and Novak|Francella before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

Ms. Sims reported that after numerous attempts to collect payment on the audit findings for Aramark – Capital One Arena, the Fund office has not received a response or payment. After discussion, the Trustees requested that this matter be referred to Collection Counsel.

Ms. Jackie Coyle provided an overview of the current status of the payroll audits being performed by Novak. She explained Novak was experiencing audit entry issues with Hilton Washington Embassy Row (January 2017 through January 2019 audit period) and Centerplate (January 2016 through December 2017 audit period). With respect to Embassy Row, Ms. Coyle reported that the new operator, Crescent Hotels and Resorts, has advised it does not have the payroll records for Destination Hotels, which was the operator during the audit period (the property was sold and the operator changed in December 2018). Mr. Boardman said that he would try to obtain a contact at Destination.

With respect to the Centerplate audit, Ms. Coyle said that no one has responded to her phone calls or emails, and mail has been returned as undeliverable. Mr. Boardman explained that Centerplate left the Convention Center in March 2019 and he would attempt to obtain contact information from HERE International.

The Trustees asked Anne Mayerson to send audit entry letters to Destination and Centerplate, if necessary, once contact information has been established.

Ms. Coyle reported that, with respect to the Beacon Hotel audit (January 2017 through March 2018), the seller's CFO and payroll administrator, Pattie Tipton, has agreed to provide the requested documentation.

Ms. Coyle reported that, with respect to the Capitol Skyline audit (January 2016 through December 2018), Novak has completed the audit report, and she briefly summarized the findings. She confirmed that Novak generally sends a draft report to the employer before issuing a final report to the Fund office.

Mr. Boardman noted that there were a number of upcoming sales of hotels and/or changes in operator, including Hilton Crystal City, which is going to sale on Friday and is also changing operators from Crescent to Hilton. He also noted that Sheraton Tysons Corner has been on the market for six months. The Trustees discussed the need to come up with procedures for notifying operators of closing audits in a timely manner.

V. COLLECTION COUNSEL REPORT

Ms. Sims reported there were no collection matters requiring Board action.

VI. CO-COUNSEL REPORT

Co-Counsel reported there were no legal matters requiring Board action.

VII. PROVIDER REPORT

Dentegra

Mr. Ethan Foxman reported that the current Group Dental EPO Insurance Contract between the Plan and Dentegra Insurance Company provides for rates to be increased for the period January 1, 2020 through December 31, 2020 of the Agreement (that is, the 4^{th} year of the contract) to $0.342 per hour worked. This provision is followed by a note that provides that and further includes a 4^{th} year rate cap provision that rates will not exceed $0.342 per hour worked. Mr. Foxman provided a copy of the "Dentegra Risk Financial Report Package" that showed premiums paid in the amount of $4,105,990 and incurred claims in the amount of $4,095,118 for the period of November 1, 2018 through October 31, 2019. Mr. Foxman requested that the Trustees approve an increase in the rate to be Dentegra to $0.342 per hour worked, effective January 1, 2020.

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

> **RESOLVED to approve the rate increase under the Dentegra Insurance Contract, effective January 1, 2020, to $0.342 per hour worked.**

VIII. ADMINISTRATIVE MANAGER'S REPORT

Second Quarter 2019 Administrative Manager's Report

Ms. Sims presented and reviewed the Second Quarter 2019 Administrative Manager's Report, a copy of which is attached to and made part of these minutes as Exhibit B.

The Trustees reviewed the current investments and had no changes.

IX. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the next regular Board meeting for Thursday, February 27, 2020, commencing at 10:00 a.m.

X. NEW BUSINESS

Mr. Boardman said that the allowance for eyeglass frames had not been increased for many years. He will ask the provider to cost out an increased allowance for discussion at the next meeting.

XII. ADJOURNMENT

There being no further business, the meeting was adjourned.

Approved by the Board of Trustees on __________, 2020

By: ________________________

Solomon Keene, Secretary-Treasurer [or John Boardman, Chair]

AMS/bm
(Org. 12-2-2019)

Attachments:
Exhibit A: Payroll Audit Collections Report: Dated November 20, 2019
Exhibit B: Associated Administrators, LLC-Administrative Managers Report- Second Quarter 2019