**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 27, 2020
IN WASHINGTON, D.C.

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
John Boardman - Chairman	Solomon Keene
Linda Martin	Charles Hill
Stephanie Steer	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
Henry Jaung – Meketa Investments
Barbara Maiorano – Associated Administrators, LLC
Kevin Regan – Regan and Associates Chartered
Paul Regan – Regan and Associates Chartered
Anne-Marie Sims – Associated Administrators, LLC

I. CALL TO ORDER

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

II. APPOINTMENT OF NEW TRUSTEE

Ms. Sims reported that she received written confirmation 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. Satinder Palta, General Manager of the Marriott Marquis Hotel, as Employer Trustee effective February 6th, 2020, replacing Mr. William Walsh who had recently provided his resignation as Trustee. Mr. Singerman reported that Mr. Palta had previously been a Trustee on the Funds and had received fiduciary training at that time.

III. MINUTES

Board Meeting, Revised August 6, 2019

Ms. 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 August 6, 2019 are approved, and Ms. Sims is authorized to execute the minutes on behalf of the Trustees.**

Board Meeting, November 20, 2019

Ms. Sims reported she had received no 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 November 20, 2019 are approved, and Ms. Sims is authorized to execute the minutes on behalf of the Trustees.**

IV. INVOICES

Ms. Sims presented a list of invoices dated February 14, 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 February 14, 2020 are approved for payment.

V. 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 February 18, 2020.

Ms. Jackie Coyle provided an overview of the current status of the payroll audits being performed by Novak. With respect to Hilton Washington Embassy Row, Mr. Boardman has not been able to obtain a contact for Destination Hotels, which was the operator during the audit period (the property was sold and the operator changed in December 2018). Mr. Boardman and Mr. Keene said they would try to obtain a contact at Destination.

The Trustees asked Anne Mayerson to send audit entry letters to Destination, 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 provided the requested documentation and the audit is complete. Ms. Coyle reviewed the findings and asked whether contributions are due for the hours worked when someone works double time. She said that the employer is paying contributions on regular hours and overtime hours but not double time hours on Inauguration Day. After discussion, the Trustees referred this issue to the Finance and Collection Trustees and Co-Counsel.

Ms. Coyle reported that, with respect to the Capitol Skyline audit (January 2016 through December 2018), Novak has completed the audit report, and a draft report has been sent to the employer before Novak issues a final report to the Fund office.

Ms. Coyle reported that Novak has received payroll records from the Sheraton Tyson Corner. Mr. Boardman noted that noted that Sheraton Tysons Corner has been on the market for six months. The Trustees discussed the need to extend the audit period for this employer through 2019.

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

> **RESOLVED to extend the audit period for Sheraton Tysons Corner through 2019.**

[Note: the audit period was subsequently extended through the April 3, 2020 closure date of the Sheraton Tysons Corner]

VI. COLLECTION COUNSEL REPORT

Ms. Sims reported that after numerous attempts to collect payment on the audit findings for Aramark at Capital One Arena this matter was referred to Collection Counsel.

VII. CO-COUNSEL REPORT

A. SECURE ACT

Ms. Mayerson reported that the SECURE ACT was recently passed into law and provides for increased penalties to all Funds for the late filings of the annual Form 5500.

B. Seyfarth Shaw – Engagement Letter

Mr. Singerman reported that Seyfarth Shaw is preparing a new engagement letter for Trustee consideration and requested that this be delegated to the Finance and Collections Committee.

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

RESOLVED to delegate to the Finance and Collections Committee authority to approve revisions to Seyfarth Shaw's engagement letter.

C. Collection Policy

Ms. Mayerson distributed a redlined version of the revised collection policy for Trustee consideration. The revision incorporates language to address the employer's obligation to retain records, as previously approved by the Board of Trustees.

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

RESOLVED to adopt the Collection Policy as presented.

VIII. UNITE HERE Local 23 Participating Employers

Ms. Mayerson reported that three Local 23 employers remain in the Fund: Restaurant Associates, Aramark Verizon Center (Premium) and Aramark Verizon Center Concessions). Mr. Boardman discussed the challenges posed to the Fund because Local 25 does not have visibility into the contract terms governing Fund contributions or transactions that would potentially affect the Fund.

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

RESOLVED to terminate the participation of all UNITE HERE Local 23 employers in the Legal Fund, effective May 1, 2020.

IX. PROVIDER REPORT

The Trustees welcomed Mr. Paul Regan and Mr. Kevin Regan from Regan and Associates Chartered to the meeting. Mr. Regan reviewed the Year End 2019 Utilization Report provided by Regan and Associates Chartered as contained in the meeting booklet. A copy of the subject reports is attached to and made a part of these minutes as Exhibit B.

Mr. Paul Regan reported that the firm has hired additional lawyers in anticipation of the increased work load resulting from MGM coming into the Plan.

X. ADMINISTRATIVE MANAGER'S REPORT

A. Third Quarter 2019 Administrative Manager's Report

Ms. Sims presented and reviewed the Third Quarter 2019 Administrative Manager's Report, a copy of which is attached to and made part of these minutes as Exhibit C. Mr. Boardman observed the Legal Fund reserves have dipped below the level of the September 15, 2017 reserves as a result of the increase in the rate paid to Regan and Associates Chartered, which may trigger a contribution increase under Section 14.12 of the Collective Bargaining Agreement (CBA).

B. Fourth Quarter 2019 Administrative Manager's Report

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

The Trustees reviewed the current investments and had no changes.

XI. OTHER FUND BUSINESS

A. Form 5500 for the Plan Year Ended December 31, 2019

Ms. Sims reported the timely filing, under extension, of the Form 5500 for the Plan Year ended December 31, 2019.

B. Summary Annual Report

Ms. Sims reported that the Summary Annual Report had been mailed to Participants on time.

C. Fund Auditor Engagement Letter – 2019 Plan Year

Ms. Sims reported that copies of the proposed audit engagement letter for the 2019 Plan Year from Mr. Tyler Geiman of Novak|Francella, LLC ("Novak") had been circulated prior to the meeting. A copy of the subject letter is attached to and made a part of these minutes as Exhibit E.

Ms. Sims noted that the requested fee of $8,250 for 2019 for the audit and related services is a 4% increase from the prior year.

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

> **RESOLVED that, the engagement of Novak|Francella, LLC for the 2019 audit and related services is approved at the requested fee of $8,250.**

XII. <u>NEXT MEETING DATE AND LOCATION</u>

The Trustees scheduled the next regular Board meeting for Thursday, June 4th, 2020, commencing at 10:00 a.m.

XIII. <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. 02-27-2020)

Attachments:
Exhibit A: Payroll Audit Collections Report: Dated February 27, 2020
Exhibit B: Regan and Associates Chartered – Fourth Quarter 2019 Utilization Report
Exhibit C: Associated Administrators, LLC – Administrative Managers Report – Third Quarter 2019
Exhibit D: Associated Administrators, LLC – Administrative Managers Report – Fourth Quarter 2019