

**UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
THIRD QUARTER
2017**

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2017
CONTRIBUTIONS

COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
HOTEL ASSOCIATION CONTRACTS					
BEACON HOTEL	\$2.2500	09-15-22	34	\$36,779	16,346
CAPITAL HILTON	2.2500	09-15-22	246	247,507	110,003
CAPITOL SKYLINE HOTEL	2.2500	09-15-22	44	43,799	19,466
EMBASSY SUITES WASHINGTON D.C.-CONV. CTR	2.2500	09-15-22	122	123,714	54,984
FAIRFAX AT EMBASSY ROW	2.2500	09-15-22	69	64,685	28,749
HAY-ADAMS HOTEL	2.2500	09-15-22	148	158,562	70,472
HILTON WASH. EMBASSY ROW HOTEL	2.2500	09-15-22	72	84,267	37,452
HYATT REGENCY WASHINGTON ON CAPITOL HILL	2.2500	09-15-22	320	304,371	135,276
JEFFERSON HOTEL	2.2500	09-15-22	73	67,766	30,118
LIAISON CAPITOL HILL	2.2500	09-15-22	134	129,519	57,564
MANDARIN ORIENTAL	2.2500	09-15-22	212	195,336	86,816
MARRIOTT MARQUIS	2.2500	09-15-22	529	528,197	234,754
MARRIOTT WARDMAN PARK	2.2500	09-15-22	566	560,673	249,188
OMNI-SHOREHAM HOTEL	2.2500	09-15-22	405	364,948	162,199
PHOENIX PARK HOTEL	2.2500	09-15-22	28	29,709	13,204
RENAISSANCE MAYFLOWER HOTEL	2.2500	09-15-22	299	298,395	132,620
ST. REGIS WASHINGTON D.C	2.2500	09-15-22	136	136,976	60,878
THE MADISON WASH DC, A HILTON HOTEL	2.2500	09-15-22	154	117,054	52,024
WASHINGTON COURT HOTEL	2.2500	09-15-22	122	111,479	49,546
WASHINGTON HILTON HOTEL & TOWERS	2.2500	09-15-22	542	459,079	204,035
W HOTEL	2.2500	09-15-22	204	211,649	94,066
SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
HARRINGTON HOTEL	2.2500	09-15-22	35	35,534	15,793
POWERSCOURT RESTAURANT	2.2500	09-15-22	10	5,823	2,588
INDEPENDENTS					
ARAMARK @ CAPITAL ONE ARENA	2.0000	12-02-17	6	3,230	1,615
DOUBLETREE HOTEL CRYSTAL CITY-AIRPORT	2.2500	10-15-17	193	214,126	95,167
EMBASSY SUITES CRYSTAL CITY-NATL. AIRPORT	2.2500	10-15-17	74	83,340	37,040
GAYLORD NATL.RESORT AND CONFERENCE CTR	2.2500	11-01-22	1,075	933,449	414,866
HILTON CRYSTAL CITY HOTEL@ REAGAN	2.2500	11-15-22	115	119,153	52,957
HILTON MCLEAN TYSONS CORNER	2.2500	10-15-17	192	191,489	85,106
LEVY RESTAURANTS AT CAPITAL ONE ARENA	1.9500	12-02-15	25	5,975	3,064
NATIONAL DEMOCRATIC CLUB	2.1000	04-30-20	12	8,534	4,064
RESTAURANT ASSOC./KENNEDY CENTER	2.1000	07-15-16	102	72,773	34,654
SHERATON PREMIERE HOTEL AT TYSONS CORNER	2.2500	11-15-22	117	117,666	52,296
UNITE HERE LOCAL 25	2.3600	09-15-22	23	26,961	11,424
UNITE HERE LOCAL 25 TEMP. EMP	2.2500	09-15-22	3	2,129	946
WOODNER HOTEL	2.2500	11-30-17	8	9,086	4,038
			6,449	\$6,103,732	2,715,378

AVG HR CONTRIBUTION \$2.248

AVG HRS PER MONTH
PER PARTICIPANT 140.35

THIRD QUARTER 2017 EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	\$4,273,308	\$1.574	95.08%
DEATH BENEFITS	12,000	\$0.004	0.27%
SUBTOTAL	\$4,285,308	\$1.578	95.35%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
AUDITOR	9,750	\$0.004	0.22%
ACTUARIAL FEE	28,092	0.010	0.63%
ADMINISTRATION	85,427	0.031	1.90%
BREDHOFF & KAISER	5,126	0.002	0.11%
INVESTMENT MGMT. FEES	53,471	0.020	1.19%
PAYROLL AUDITOR	20,154	0.007	0.45%
POSTAGE	3,481	0.001	0.08%
SEYFARTH SHAW	3,625	0.001	0.08%
SUBTOTAL	\$209,126	\$0.076	4.66%
TOTAL EXPENSES	\$4,494,434	\$1.654	100.0%

RETIREES	2,294	AVERAGE MONTHLY PAYOUT	\$620.94
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DEATH CLAIMS	6	AVERAGE COST/CLAIM	\$2,000.00
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THIRD QUARTER 2017
QUARTERLY RECAP

	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	TOTAL
CONTRIBUTIONS	\$5,758,595	\$6,329,817	\$6,103,732		\$18,192,144
MISCELLANEOUS INCOME ¹	3,750	6,287	2,500		12,537
INTEREST & DIVIDENDS	7,281	13,577	22,099		42,957
INVESTMENT INCOME	6,872,197	2,221,422	4,941,305		14,034,924

TOTAL INCOME	\$12,641,823	\$8,571,103	\$11,069,636		\$32,282,562
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BENEFIT EXPENSES					
PENSION BENEFITS	\$2,871,095	\$2,913,565	\$4,276,308		\$10,060,968
DEATH BENEFITS	36,000	22,000	9,000		67,000
SUBTOTAL	\$2,907,095	\$2,935,565	\$4,285,308		\$10,127,968

OPERATING EXPENSES					
ADMINISTRATION	\$80,655	\$84,029	\$85,427		\$250,111
MISCELLANEOUS	95,720	95,353	123,699		314,772
SUBTOTAL	\$176,375	\$179,382	\$209,126		\$564,883

TOTAL EXPENSES	\$3,083,470	\$3,114,947	\$4,494,434		\$10,692,851
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TOTAL INCOME	\$12,641,823	\$8,571,103	\$11,069,636		\$32,282,562
TOTAL EXPENSES	3,083,470	3,114,947	4,494,434		10,692,851
SURPLUS (DEFICIT)	\$9,558,353	\$5,456,156	\$6,575,202		\$21,589,711

TOTAL PARTICIPANTS	6,670	6,621	6,449		
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¹ MISCELLANEOUS INCOME: THE LIAISON CAPITOL HILL WITHDRAWAL LIABILITY ESTIMATED FEE \$1,250.00. MADISON HOTEL WITHDRAWAL LIABILITY ESTIMATED FEE \$1,250.00.

2016
QUARTERLY RECAP

	FIRST 2016	SECOND 2016	THIRD 2016	FOURTH 2016	TOTAL
CONTRIBUTIONS	\$5,107,707	\$6,073,851	\$6,069,191	\$5,771,573	\$23,022,322
MISCELLANEOUS INCOME	2,500	12,227	9,512	0	24,239
INTEREST & DIVIDENDS	2,903	4,834	3,919	4,864	16,520
INVESTMENT INCOME	666,513	6,025,121	4,182,461	(1,428,472)	9,445,623
WITHDRAWAL LIABILITY	294,001	0	0	0	294,001

TOTAL INCOME	\$6,073,624	\$12,116,033	\$10,265,083	\$4,347,965	\$32,802,705
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BENEFIT EXPENSES					
PENSION BENEFITS	\$2,689,776	\$2,782,562	\$2,893,744	\$2,847,303	\$11,213,385
DEATH BENEFITS	14,000	28,000	22,000	8,000	72,000
SUBTOTAL	\$2,703,776	\$2,810,562	\$2,915,744	\$2,855,303	\$11,285,385

OPERATING EXPENSES					
ADMINISTRATION	\$79,445	\$79,026	\$83,188	\$79,346	\$321,005
MISCELLANEOUS	76,446	145,183	155,717	365,442	742,788
SUBTOTAL	\$155,891	\$224,209	\$238,905	\$444,788	\$1,063,793

TOTAL EXPENSES	\$2,859,667	\$3,034,771	\$3,154,649	\$3,300,091	\$12,349,178
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TOTAL INCOME	\$6,073,624	\$12,116,033	\$10,265,083	\$4,347,965	\$32,802,705
TOTAL EXPENSES	2,859,667	3,034,771	3,154,649	3,300,091	12,349,178
SURPLUS (DEFICIT)	\$3,213,957	\$9,081,262	\$7,110,434	\$1,047,874	\$20,453,527

TOTAL PARTICIPANTS	6,524	6,698	6,582	6,652	
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THIRD QUARTER 2017
HOURLY RECAP

	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	AVG. TOTAL
CONTRIBUTIONS	\$2.132	\$2.235	\$2.248		\$2.2050
MISCELLANEOUS INCOME	0.001	0.002	0.001		0.0013
INTEREST PNC	0.003	0.005	0.008		0.0053

TOTAL INCOME	\$2.136	\$2.242	\$2.257		\$2.2116
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BENEFIT EXPENSES					
PENSION BENEFITS	\$1.063	\$1.029	\$1.575		\$1.222
DEATH BENEFITS	0.013	0.008	0.003		0.008
SUBTOTAL	\$1.076	\$1.037	\$1.578		\$1.230

OPERATING EXPENSES					
ADMINISTRATION	\$0.030	\$0.030	\$0.031		\$0.030
MISCELLANEOUS	0.035	0.033	0.045		0.038
SUBTOTAL	\$0.065	\$0.063	\$0.076		\$0.068

TOTAL EXPENSES	\$1.141	\$1.100	\$1.654		\$1.298
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TOTAL INCOME	\$2.136	\$2.242	\$2.257		\$2.212
TOTAL EXPENSES	1.141	1.100	1.654		1.298
SURPLUS (DEFICIT)	\$0.995	\$1.142	\$0.603		\$0.914

2017 CONTRIBUTIONS AND HOURS RECAP
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	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	TOTAL
CONTRIBUTIONS	\$5,758,595	\$6,329,817	\$6,103,732		\$6,064,048
HOURS	2,701,464	2,832,587	2,715,378		2,749,810
TOTAL PARTICIPANTS	6,670	6,621	6,449		6,580

2016 CONTRIBUTIONS AND HOURS RECAP
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	FIRST 2016	SECOND 2016	THIRD 2016	FOURTH 2016	TOTAL
CONTRIBUTIONS	\$5,107,077	\$6,073,851	\$6,069,191	\$5,771,573	\$5,755,423
HOURS	2,597,493	2,908,516	2,889,822	2,748,739	2,786,143
TOTAL PARTICIPANTS	6,524	6,698	6,582	6,652	6,614

THIRD QUARTER 2017 DELINQUENT EMPLOYERS
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EMPLOYER	CONTRIBUTION MONTH	FIRST LETTER SENT	REFERRED TO COUNSEL
NONE TO REPORT			

HERE 25 PENSION FUND
Balance Sheet
September 30, 2017

ASSETS

Current Assets

UNITED BANK BENEFIT ACC	\$ 1,198,013.67
CASH - 20-46-002-6786563	38,615.77
PREPAID INSURANCE	4,242.60
TEMPORARY ASSET	<u>859,390.00</u>

Total Current Assets

2,100,262.04

Other Assets

PNC GOVT MONEY MARKET FUND	7,713,922.79
STIF MSD&T 3338209	2.52
BUILDING INVESTMENT TRUST	12,808,467.81
HOUSING INVESTMENT TRUST	4,095,230.67
PIMCO FDS	2.90
MV APPR PIMCO FDS	(0.08)
VANGUARD VIPIX	10,763,743.25
MV APPR VANGUARD VIPIX	(500,507.31)
SHMDX STONE HARBOR	7,095,564.59
SHMDX STONE HARBOR MARKET VALU	77,973.72
SSGA S&P GLOBAL LARGE MID CAP	5,500,000.00
SSGA S&P GLOBAL LARGE CAP MV	(306,128.05)
SKY HARBOR CAP MGMT	3,572,875.00
SKY HARBOR CAP MGMT MV	18,861.00
SKY HARBOR CAP MGMT MONEY MKT	52.46
VANGUARD VICBX	6,981,722.45
VANGUARD VICBX MKT VALUE	(39,261.28)
LOOMIS SAYLES (LSFYX)	6,789,265.24
LOOMIS SAYLES MV (LSFYX)	(245,371.84)
VANGUARD (VGRSX)	2,495,739.94
VANGUARD MV (VGRSX)	520,498.54
REALITY ASSOC FUND	1,760,095.15
REALITY ASSOC FUND MV	573,838.66
RIDGEMONT EQUITY PARTNERS	1,992,232.78
RIDGEMONT EQUITY PARTNERS MV	266,367.00
VANGUARD VTMGX	12,137,581.07
VANGUARD VTMGX MV	1,570,450.77
VANGUARD BD INDEX VDBTIX	33,793,834.70
VANGUARD BD INDEX FV MV VDBTIX	(326,380.34)
DRA GROWTH AND INCOME #31	2,120,152.00
DRA GROWTH AND INCOME MV #31	270,192.00
AFL-CIO	22,041,992.49
MV APR AFL-CIO	6,576,962.85
STATE STREET EM MARKETS	6,673,945.87
STATE STREET EM MARKETS MV	229,148.51
VANGUARD S/T VTSPX	10,156,731.23
VANGUARD S/T VTSPX MKT VALUE	10,266.35
ARTISAN GLOBAL VALUE -INS	7,227,000.00
ARTISAN GLOBAL VALUE -INS MV	1,076,164.31

STRATEGIC INVESTORS FUND VIII,	329,505.00	
FIRST EAGLE GLOBAL FUND CLASS	7,227,000.00	
FIRST EAGLE GLOBAL CLASS 1 MV	481,543.19	
FIRST EAGLE FUND CLASS 1	4,940,000.00	
FIRST EAGLE FUND CLASS 1 MV	(148,944.73)	
DRA GROWTH & INCOME IX LLC	1,129,526.00	
ULLICO PREFERRED 8%	1,947,577.52	
CORPORATE STOCK VALUATION	(595,824.32)	
MULTI. EMP TRUST	(0.01)	
ACCRUED INT. AND OTHER	69,926.90	
Total Other Assets		<u>190,873,539.27</u>
Total Assets		<u><u>\$ 192,973,801.31</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE	\$ 611.64	
DUE TO OTHERS	(16,802,186.00)	
Total Current Liabilities		(16,801,574.36)
Long-Term Liabilities		
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		(16,801,574.36)
Capital		
FUND BALANCE	190,275,368.94	
Net Income	19,500,006.73	
Total Capital		<u>209,775,375.67</u>
Total Liabilities & Capital		<u>\$ 192,973,801.31</u>

HERE 25 PENSION FUND
Income Statement
For the Nine Months Ending September 30, 2017

	Current Quarter	Year to Date
Revenues		
WASHINGTON COURT	\$ 106,269.74	\$ 279,735.27
HAY - ADAMS HOTEL	155,110.42	394,131.35
MAYFLOWER	325,989.45	804,836.37
PHOENIX PARK HOTEL	29,122.23	78,797.30
HILTON WASH. EMBASSY ROW	79,623.91	198,312.92
HARRINGTON HOTEL	35,602.31	90,895.36
WASHINGTON HILTON	493,789.92	1,255,095.51
HYATT REGENCY	319,402.51	821,875.53
WOODNER HOTEL	9,919.12	23,618.48
NATIONAL DEMOCRATIC	9,409.67	29,501.05
RESTAURANT ASSOC./KENNEDY CTR	85,166.49	216,859.34
BEACON HOTEL	51,473.35	96,279.38
HOLIDAY INN ON THE HILL	133,072.68	329,618.85
LEVY@VERIZON CENTER	8,942.27	38,517.87
ST. REGIS WASHINGTON	151,648.09	369,841.69
OMNI-SHOREHAM HOTEL	548,016.29	1,015,376.10
CAPITAL HILTON	256,634.10	639,915.31
MADISON HOTEL	152,264.43	395,960.35
CAPITOL SKYLINE HOTEL	49,441.73	115,358.66
FAIRFAX AT EMBASSY ROW	66,047.25	170,366.91
JEFFESON HOTEL	70,280.33	183,202.78
MARRIOTT WARDMAN PARK	617,456.25	1,463,292.96
UNITE HERE LOCAL 25	28,393.44	76,940.89
ARAMARK@VERIZON CENTER	2,552.36	10,670.34
POWERSCOURT RESTAURANT	5,689.31	19,885.24
SHERATON PREMIER@TYSON	120,297.91	310,442.15
MANDARIN ORIENTAL	196,070.70	533,886.46
EMBASSY SUITES CONV CTR	132,975.10	319,929.52
W HOTEL	214,472.26	518,749.13
HILTON MCLEAN @ TYSON CORNER	207,264.69	497,943.61
DOUBLETREE HOTEL	156,076.92	495,126.69
GAYLORD NATL. RESORT	1,295,165.29	2,450,489.71
HILTON CRYSTAL CITY @REAGAN	119,214.84	309,323.23
MARRIOTT MARQUIS	368,424.79	1,188,158.91
HILTON EMBASSY CRYSTAL CITY	83,470.77	199,731.41
OTHER INCOME	0.00	54,696.00
INTEREST & DIV.	655,248.10	1,980,825.66
CAPITAL GAIN DIST	0.00	64,788.15
UNREALIZED G/L ON INV	4,044,808.42	6,349,876.69
REALIZED GAIN LOSS	263,346.89	5,731,332.97
P/R AUDIT INCOME	0.00	4,235.61
WITHDRAWAL LIABILITY ESTIMATE	2,500.00	7,500.00
PAYROLL AUDIT INTEREST INCOME	0.00	801.17
Total Revenues	11,650,654.33	30,136,722.88
Gross Profit	11,650,654.33	30,136,722.88

For Management Purposes Only

	Current Quarter	Year to Date
Expenses		
PENSIONS PAID TO MEMBERS	4,281,900.18	10,115,246.91
INVESTMENT MANAGEMENT FEES	6,110.77	12,045.07
INVESTMENT CONSULTANT	24,999.99	66,666.64
ACTUARIAL FEES	28,092.00	47,664.75
ADMINISTRATOR FEES	85,427.30	244,456.35
AUDIT FEE FINANCIAL	9,750.00	16,750.00
AUDIT FEES PAYROLL	20,153.74	28,542.94
LEGAL FEE	8,750.75	32,877.73
INSURANCE AND BONDING	0.00	47,839.65
IFEBP	0.00	995.00
MEETING EXPENSE	0.00	293.71
BANK FEE	1,383.10	4,249.63
PRINTING, POSTAGE & OFFICE	3,480.89	19,087.77
Total Expenses	4,470,048.72	10,636,716.15
Net Income	\$ 7,180,605.61	\$ 19,500,006.73