

**UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
THIRD QUARTER
2014**

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2014
CONTRIBUTIONS

COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
HOTEL ASSOCIATION CONTRACTS					
BEACON HOTEL	\$1.8000	09-15-17	36	\$32,137	17,854
CAPITAL HILTON	1.8000	09-15-17	250	202,354	112,419
CAPITOL SKYLINE HOTEL	1.8000	09-15-17	63	44,662	24,812
EMBASSY SUITES WASHINGTON D.C.-CONV. CTR	1.8000	09-15-17	122	98,158	54,532
FAIRFAX AT EMBASSY ROW	1.8000	09-15-17	104	86,998	48,332
HAY-ADAMS HOTEL	1.8000	09-15-17	150	116,068	64,482
HILTON WASH. EMBASSY ROW HOTEL	1.8000	09-15-17	57	44,869	24,927
HOLIDAY INN GEORGETOWN	1.8000	09-15-17	36	32,166	17,870
HYATT REGENCY WASHINGTON ON CAPITOL HILL	1.8000	09-15-17	362	274,342	152,412
JEFFERSON HOTEL	1.8000	09-15-17	70	54,983	30,546
LIAISON CAPITOL HILL	1.8000	09-15-17	146	120,519	66,955
MADISON HOTEL	1.8000	09-15-17	195	163,195	90,664
MANDARIN ORIENTAL	1.8000	09-15-17	230	157,975	87,764
MARRIOTT MARQUIS	1.8000	09-15-17	414	331,866	184,370
MARRIOTT WARDMAN PARK	1.8000	09-15-17	580	452,333	251,296
OMNI-SHOREHAM HOTEL	1.8000	09-15-17	408	310,811	172,673
PHOENIX PARK HOTEL	1.8000	09-15-17	34	26,933	14,963
RENAISSANCE MAYFLOWER HOTEL	1.8000	09-15-17	272	222,088	123,382
ST. REGIS WASHINGTON D.C	1.8000	09-15-17	136	107,775	59,875
TWELVE & K HOTEL ¹	1.8000	09-15-17	45	35,662	19,812
WASHINGTON COURT HOTEL	1.8000	09-15-17	139	91,157	50,643
WASHINGTON HILTON HOTEL & TOWERS	1.8000	09-15-17	611	421,411	234,117
W HOTEL	1.8000	09-15-17	195	130,286	72,381
SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
HARRINGTON HOTEL	1.8000	09-15-17	33	26,536	14,742
POWERSCOURT RESTAURANT	1.8000	09-15-17	16	4,622	2,568
INDEPENDENTS					
ARAMARK @ VERIZON CENTER	2.0000	12-02-13	5	2,566	1,283
DOUBLETREE HOTEL CRYSTAL CITY-AIRPORT	1.8000	10-15-10	201	152,791	84,884
EMBASSY SUITES CRYSTAL CITY-NATL. AIRPORT	1.8000	10-15-10	72	55,231	30,684
GAYLORD NATL.RESORT AND CONFERENCE CTR ⁴	1.8000	10-31-13	1,006	817,685	428,966
HILTON CRYSTAL CITY HOTEL	1.8000	11-14-17	114	98,208	54,560
HILTON MCLEAN TYSONS CORNER	1.8000	10-15-10	187	152,289	84,605
LEVY RESTAURANTS AT VERIZON CENTER	1.6500	12-02-15	15	5,721	3,467
NATIONAL DEMOCRATIC CLUB	1.0000	02-28-10	20	7,730	7,730
RESTAURANT ASSOC./KENNEDY CENTER	1.8000	07-15-16	107	66,825	37,125
SHERATON PREMIERE HOTEL AT TYSONS CORNER	1.8000	11-15-17	127	97,684	54,269
UNITE HERE LOCAL 23	1.9100		2	2,017	1,056
UNITE HERE LOCAL 25	1.9100		19	18,069	9,460
UNITE HERE LOCAL 25 TEMP. EMP.	1.8000		4	691	384
WOODNER HOTEL	1.8000	11-30-17	8	7,331	4,073
			6,591	\$5,074,744	2,796,937

¹NAME CHANGE FROM FOUR POINTS HOTEL

⁴RATE INCREASE MAY 1, 2014 INCLUDES MAY AND JUNE INCREASE

AVG HR CONTRIBUTION \$1.814

AVG HRS PER MONTH
PER PARTICIPANT 141.45

THIRD QUARTER 2014 EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	\$2,512,653	\$0.898	93.200%
DEATH BENEFITS	26,000	0.009	0.964%
SUBTOTAL	\$2,538,653	\$0.907	94.164%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
ACCURINT	\$98	\$0.000	0.004%
ACTUARIAL FEE	12,452	0.004	0.462%
ADMINISTRATION	75,652	0.027	2.806%
AUDITOR	11,000	0.004	0.408%
BREDHOFF & KAISER	2,346	0.001	0.087%
INVESTMENT MGMT. FEES	37,406	0.013	1.387%
PAYROLL AUDITOR	4,932	0.002	0.183%
POSTAGE	129	0.000	0.005%
PRINTING	2,889	0.001	0.107%
SEYFARTH SHAW	10,432	0.004	0.387%
SUBTOTAL	\$157,336	\$0.056	5.836%
TOTAL EXPENSES	\$2,695,989	\$0.963	100.00%

RETIREEES	2,008	AVERAGE MONTHLY PAYOUT	\$417.11
-----------	-------	------------------------	----------

DEATH CLAIMS	13	AVERAGE COST/CLAIM	\$2,000.00
--------------	----	--------------------	------------

THIRD QUARTER 2014
QUARTERLY RECAP

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
CONTRIBUTIONS	\$4,114,225	\$4,879,568	\$5,074,744		\$14,068,537
MISCELLANEOUS INCOME	26,610	0	0		26,610
INTEREST & DIVIDENDS	104	131	174		409
INVESTMENT INCOME	2,705,177	5,025,550	(2,499,665)		5,231,062
WITHDRAWAL LIABILITY	0	0	0		0

TOTAL INCOME	\$6,846,116	\$9,905,249	\$2,575,253		\$19,326,618
--------------	-------------	-------------	-------------	--	--------------

BENEFIT EXPENSES					
PENSION BENEFITS	\$2,265,528	\$2,377,335	\$2,512,653		\$7,155,516
DEATH BENEFITS	12,000	18,000	26,000		56,000
SUBTOTAL	\$2,277,528	\$2,395,335	\$2,538,653		\$7,211,516

OPERATING EXPENSES					
ADMINISTRATION	\$70,135	\$70,327	\$75,652		\$216,114
MISCELLANEOUS	78,035	95,946	81,684		255,665
SUBTOTAL	\$148,170	\$166,273	\$157,336		\$471,779

TOTAL EXPENSES	\$2,425,698	\$2,561,608	\$2,695,989		\$7,683,295
----------------	-------------	-------------	-------------	--	-------------

TOTAL INCOME	\$6,846,116	\$9,905,249	\$2,575,253		\$19,326,618
TOTAL EXPENSES	2,425,698	2,561,608	2,695,989		7,683,295
SURPLUS (DEFICIT)	\$4,420,418	\$7,343,641	(\$120,736)		\$11,643,323

TOTAL PARTICIPANTS	6,202	6,405	6,591	
--------------------	-------	-------	-------	--

2013
RECAP

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
CONTRIBUTIONS	\$3,299,879	\$4,291,260	\$4,515,926	\$4,411,919	\$16,518,984
MISCELLANEOUS INCOME ¹	148,166	2,707	6,154	86,956	243,983
INTEREST & DIVIDENDS	75	36	58	69	238
INVESTMENT INCOME	4,648,342	(1,253,538)	3,391,758	5,222,782	12,009,344

TOTAL INCOME	\$8,096,462	\$3,040,465	\$7,913,896	\$9,721,726	\$28,772,549
--------------	-------------	-------------	-------------	-------------	--------------

BENEFIT EXPENSES					
PENSION BENEFITS	\$1,914,374	\$2,460,771	\$2,271,541	\$2,367,471	\$9,014,157
DEATH BENEFITS	20,000	6,000	0	22,000	48,000
SUBTOTAL	\$1,934,374	\$2,466,771	\$2,271,541	\$2,389,471	\$9,062,157

OPERATING EXPENSES					
ADMINISTRATION	\$56,465	\$60,034	\$72,561	\$74,256	\$263,316
MISCELLANEOUS	218,751	132,936	135,880	75,222	562,789
SUBTOTAL	\$275,216	\$192,970	\$208,441	\$149,478	\$826,105

TOTAL EXPENSES	\$2,209,590	\$2,659,741	\$2,479,982	\$2,538,949	\$9,888,262
----------------	-------------	-------------	-------------	-------------	-------------

TOTAL INCOME	\$8,096,462	\$3,040,465	\$7,913,896	\$9,721,726	\$28,772,549
TOTAL EXPENSES	2,209,590	2,659,741	2,479,982	2,538,949	9,888,262
SURPLUS (DEFICIT)	\$5,886,872	\$380,724	\$5,433,914	\$7,182,777	\$18,884,287

TOTAL PARTICIPANTS	5,386	6,018	6,432	6,440
--------------------	-------	-------	-------	-------

¹ MISCELLANEOUS INCOME: WASHINGTON COURT HOTEL PAYROLL AUDIT \$2,474.84 AND INTEREST \$257.53.
RESTAURANT ASSOC./KENNEDY CTR. PAYROLL AUDIT \$9,933.70 AND INTEREST \$1,923.92.
EMBASSY SUITES WASHINGTON DC-CONV. CTR. PAYROLL AUDIT \$71,116.23. L'ENFANT PLAZA HOTEL
WITHDRAWAL LIABILITY ESTIMATE FEE PAYMENT \$1,250.00.

THIRD QUARTER 2014
HOURLY RECAP

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	AVG. TOTAL
CONTRIBUTIONS	\$1.66312	\$1.76766	\$1.81439		\$1.7484
MISCELLANEOUS INCOME	0.01076	0.00000	0.00000		0.0036
INTEREST PNC	0.00004	0.00005	0.00006		0.0001

TOTAL INCOME	\$1.6739	\$1.7677	\$1.8145		\$1.7521
--------------	----------	----------	----------	--	----------

BENEFIT EXPENSES					
PENSION BENEFITS	\$0.916	\$0.861	\$0.898		\$0.892
DEATH BENEFITS	0.005	0.007	0.009		0.007
SUBTOTAL	\$0.921	\$0.868	\$0.907		\$0.899

OPERATING EXPENSES					
ADMINISTRATION	\$0.028	\$0.025	\$0.027		\$0.027
MISCELLANEOUS	0.032	0.035	0.029		0.032
SUBTOTAL	\$0.060	\$0.060	\$0.056		\$0.059

TOTAL EXPENSES	\$0.981	\$0.928	\$0.963		\$0.958
----------------	---------	---------	---------	--	---------

TOTAL INCOME	\$1.674	\$1.768	\$1.815		\$1.752
TOTAL EXPENSES	0.981	0.928	0.963		0.958
SURPLUS (DEFICIT)	\$0.693	\$0.840	\$0.852		\$0.794

THIRD QUARTER 2014 DELINQUENT EMPLOYERS
--

EMPLOYER	CONTRIBUTION MONTH	FIRST LETTER SENT	REFERRED TO COUNSEL
NONE TO REPORT			

HERE 25 PENSION FUND
Balance Sheet
September 30, 2014

ASSETS

Current Assets

UNITED BANK BENEFIT ACC	\$ 821,375.55
CASH - 20-46-002-6786563	739,748.30
TEMPORARY ASSET	<u>2,420,000.00</u>

Total Current Assets 3,981,123.85

Other Assets

LONGVIEW CORP STOCK	7,419,674.26
CORPORATE STOCKS VALUATION	19,262,855.13
PNC SHORT TERM INVEST / MM	2,996,550.99
STIF MSD&T 3338209	2.52
BUILDING INVESTMENT TRUST	9,968,792.89
HOUSING INVESTMENT TRUST	3,612,234.58
LONGVIEW 600 SMALL CAP	635,834.85
MV APPR LONGVIEW 600	1,514,052.06
MANNING & NAPIER	7,219,416.27
MV APPR MANNING & NAPIER	664,750.08
VANGUARD VIPIX	12,760,751.94
MV APPR VANGUARD VIPIX	(987,177.27)
SHMDX STONE HARBOR	3,854,738.51
SHMDX STONE HARBOR MARKET VALU	(198,864.39)
SHLMX STONE HARBOR MARKET FUND	8,335,818.52
SHLMX STONE HARBOR MARKET VALU	(768,937.10)
DFA EMERGING EQUITY	8,269,657.62
DFA EMERGING EQUITY MV	(696,979.96)
VONTOBEL GLOBAL EMERGING MARKE	5,814,067.73
SSGA S&P GLOBAL LARGE MID CAP	5,500,000.00
SSGA S&P GLOBAL LARGE CAP MV	89,046.57
SKY HARBOR CAP MGMT	2,969,087.00
SKY HARBOR CAP MGMT MONEY MKT	3,550,423.36
VANGUARD VICBX	5,338,114.67
VANGUARD VICBX MKT VALUE	(174,683.38)
LOOMIS SAYLES (LSFYX)	2,997,049.64
LOOMIS SAYLES MV (LSFYX)	(33,537.05)
VANGUARD (VDIGX)	7,954,265.80
VANGUARD MV (VDIGX)	2,176,437.44
VANGUARD (VGRSX)	2,141,599.12
VANGUARD MV (VGRSX)	152,785.14
REALITY ASSOC FUND	2,125,000.00
REALITY ASSOC FUND MV	24,554.00
LONGVIEW MID CAP .3	3,494,601.24
LONGVIEW MID CAP .3 MV	1,044,831.59
RIDGEMONT EQUITY PARTNERS	1,328,367.15
RIDGEMONT EQUITY PARTNERS MV	357,448.00
VANGUARD VTMGX	4,762,990.64
VANGUARD VTMGX MV	550,765.83
DRA GROWTH AND INCOME #31	(220,000.00)

HERE 25 PENSION FUND
Balance Sheet
September 30, 2014

ULLICO PREFERRED 8%	1,947,577.52	
CORPORATE STOCK VALUATION	(1,106,796.32)	
MULTI. EMP TRUST	(0.01)	
ACCRUED INT. AND OTHER	<u>9,195.72</u>	
Total Other Assets		<u>136,656,362.90</u>
Total Assets		<u><u>\$ 140,637,486.75</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
DUE TO OTHERS	<u>(\$ 12,036,459.43)</u>	
Total Current Liabilities		(12,036,459.43)
Long-Term Liabilities	<u></u>	
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		(12,036,459.43)
Capital		
FUND BALANCE	142,763,027.49	
Net Income	<u>9,910,918.69</u>	
Total Capital		<u>152,673,946.18</u>
Total Liabilities & Capital		\$ 140,637,486.75

HERE 25 PENSION FUND
Income Statement
For the Nine Months Ending September 30, 2014

	Current Quarter	Year to Date
Revenues		
WASHINGTON COURT	\$ 92,334.26	\$ 244,158.55
HAY - ADAMS HOTEL	117,767.45	310,796.24
RENAISSANCE MAYFLOWER	222,873.66	592,942.06
PHOENIX PARK HOTEL	15,154.11	58,072.79
HILTON WASH. EMBASSY ROW	30,994.90	101,921.24
HARRINGTON HOTEL	27,354.60	67,761.72
WASHINGTON HILTON	434,965.50	1,090,473.65
HYATT REGENCY	291,743.42	761,336.61
WOODNER HOTEL	7,339.95	18,371.86
NATIONAL DEMOCRATIC	8,362.53	20,125.86
RESTAURANT ASSOC./KENNEDY CTR	74,410.43	183,566.68
BEACON HOTEL	31,850.94	80,256.53
HOLIDAY INN ON THE HILL	125,204.99	314,985.23
LEVY@VERIZON CENTER	5,370.36	19,420.67
HOLIDAY INN-GEORGETOWN	31,622.70	78,508.61
ST. REGIS WASHINGTON	109,152.07	287,316.37
OMNI-SHOREHAM HOTEL	317,442.45	788,123.74
CAPITAL HILTON	284,073.87	528,328.30
MADISON HOTEL	153,323.51	337,483.18
FOUR POINTS HOTEL BY SHERATON	25,351.80	68,486.59
CAPITOL SKYLINE HOTEL	46,713.60	98,467.21
FAIRFAX AT EMBASSY ROW	84,922.50	219,529.91
JEFFESON HOTEL	54,031.54	144,793.47
MARRIOTT WARDMAN PARK	453,239.10	1,166,184.18
UNITE HERE LOCAL 25	19,161.44	50,579.82
ARAMARK@VERIZON CENTER	1,766.84	8,149.50
POWERSCOURT RESTAURANT	16,044.00	25,199.48
SHERATON PREMIER@TYSON	96,538.13	248,380.58
MANDARIN ORIENTAL	163,589.92	430,235.99
EMBASSY SUITES CONV CTR	67,060.35	222,330.77
W HOTEL	201,750.97	387,230.19
HILTON MCLEAN @ TYSON CORNER	151,917.89	386,097.64
DOUBLETREE HOTEL	178,451.10	439,786.36
GAYLORD NATL. RESORT	1,004,466.89	1,930,325.58
HILTON CRYSTAL CITY @REAGAN	97,184.14	243,545.10
MARRIOTT MARQUIS	216,449.46	216,449.46
TWELVE & K HOTEL	12,157.85	12,157.85
UNITE HERE LOCAL 23	1,986.40	5,159.68
INTEREST & DIV. INC.	377,797.12	1,229,453.56
UNREALIZED G/L ON INV	(5,449,373.30)	1,385,598.85
REALIZED GAIN LOSS	2,572,085.85	2,577,499.09
P/R AUDIT INCOME	0.00	5,988.11
HILTON EMBASSY CRYSTAL CITY	61,388.02	124,658.40
WITHDRAWAL LIABILITY ESTIMATE	2,500.00	5,000.00
PAYROLL AUDIT INTEREST INCOME	0.00	18,122.33
Total Revenues	2,838,523.31	17,533,359.59
Gross Profit	2,838,523.31	17,533,359.59

For Management Purposes Only

	Current Quarter	Year to Date
Expenses		
PENSIONS PAID TO MEMBERS	2,509,734.96	7,183,864.51
DEATH BENEFIT	2,000.00	2,000.00
INVESTMENT MANAGEMENT FEES	12,406.13	21,750.89
INVESTMENT CONSULTANT	24,999.99	66,666.64
ACTUARIAL FEES	12,452.00	28,686.50
ADMINISTRATOR FEES	75,651.60	211,978.50
AUDIT FEE FINANCIAL	11,000.00	13,000.00
AUDIT FEES PAYROLL	4,932.22	5,082.22
LEGAL FEE	12,777.78	42,334.08
INSURANCE AND BONDING	0.00	24,898.96
IFEBP	0.00	810.00
BANK FEE	1,108.29	3,286.53
PRINTING, POSTAGE & OFFICE	3,116.20	18,082.07
Total Expenses	2,670,179.17	7,622,440.90
Net Income	\$ 168,344.14	\$ 9,910,918.69

