

**UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
FOURTH QUARTER
2016**

ADMINISTRATIVE MANAGER'S REPORT

FOURTH QUARTER 2016
CONTRIBUTIONS

COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
HOTEL ASSOCIATION CONTRACTS					
BEACON HOTEL	\$2.1000	09-15-17	34	\$35,456	16,884
CAPITAL HILTON	2.1000	09-15-17	247	239,841	114,210
CAPITOL SKYLINE HOTEL	2.1000	09-15-17	48	41,847	19,927
EMBASSY SUITES WASHINGTON D.C.-CONV. CTR	2.1000	09-15-17	119	108,486	51,660
FAIRFAX AT EMBASSY ROW	2.1000	09-15-17	74	65,045	30,974
HAY-ADAMS HOTEL	2.1000	09-15-17	152	162,089	77,185
HILTON WASH. EMBASSY ROW HOTEL	2.1000	09-15-17	68	61,618	29,342
HYATT REGENCY WASHINGTON ON CAPITOL HILL	2.1000	09-15-17	320	285,411	135,910
JEFFERSON HOTEL	2.1000	09-15-17	71	68,174	32,464
LIAISON CAPITOL HILL	2.1000	09-15-17	124	113,207	53,908
MADISON HOTEL	2.1000	09-15-17	162	145,450	69,262
MANDARIN ORIENTAL	2.1000	09-15-17	232	189,130	90,062
MARRIOTT MARQUIS	2.1000	09-15-17	546	487,918	232,342
MARRIOTT WARDMAN PARK	2.1000	09-15-17	569	516,203	245,811
OMNI-SHOREHAM HOTEL	2.1000	09-15-17	427	356,920	169,962
PHOENIX PARK HOTEL	2.1000	09-15-17	27	24,713	11,768
RENAISSANCE MAYFLOWER HOTEL	2.1000	09-15-17	294	282,891	134,710
ST. REGIS WASHINGTON D.C	2.1000	09-15-17	141	125,735	59,874
WASHINGTON COURT HOTEL	2.1000	09-15-17	127	100,336	47,779
WASHINGTON HILTON HOTEL & TOWERS	2.1000	09-15-17	640	467,225	222,488
W HOTEL	2.1000	09-15-17	201	170,276	81,084
SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
HARRINGTON HOTEL	2.1000	09-15-17	32	32,040	15,257
POWERSCOURT RESTAURANT	2.1000	09-15-17	13	6,067	2,889
INDEPENDENTS					
ARAMARK @ VERIZON CENTER	2.0000	12-02-17	5	4,510	2,255
DOUBLETREE HOTEL CRYSTAL CITY-AIRPORT	2.1000	10-15-17	185	163,817	78,008
EMBASSY SUITES CRYSTAL CITY-NATL. AIRPORT	2.1000	10-15-17	72	63,945	30,450
GAYLORD NATL.RESORT AND CONFERENCE CTR	2.1000	10-31-17	1,106	895,539	426,447
HILTON CRYSTAL CITY HOTEL@ REAGAN	2.1000	11-14-17	115	102,268	48,699
HILTON MCLEAN TYSONS CORNER	2.1000	10-15-17	200	184,178	87,704
LEVY RESTAURANTS AT VERIZON CENTER	1.9500	12-02-15	32	22,836	11,711
NATIONAL DEMOCRATIC CLUB	2.1000	04-30-17	12	10,912	5,196
RESTAURANT ASSOC./KENNEDY CENTER	2.1000	07-15-16	105	88,927	42,346
SHERATON PREMIERE HOTEL AT TYSONS CORNER	2.1000	11-15-17	120	114,700	54,619
UNITE HERE LOCAL 25	2.2100	09-15-17	23	24,197	10,949
UNITE HERE LOCAL 25 TEMP. EMP	2.1000	09-15-17	1	972	463
WOODNER HOTEL	2.1000	11-30-17	8	8,694	4,140
			6,652	\$5,771,573	2,748,739

AVG HR CONTRIBUTION \$2.100

AVG HRS PER MONTH
PER PARTICIPANT 137.74

FOURTH QUARTER 2016
EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	\$2,847,303	\$1.036	86.28%
DEATH BENEFITS	8,000	0.003	0.24%
SUBTOTAL	\$2,855,303	\$1.039	86.52%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
ACCURINT	\$45	\$0.0000	0.001%
ACTUARIAL FEE	24,824	0.0090	0.752%
ADMINISTRATION	79,346	0.0289	2.404%
AUDITOR	1,000	0.0004	0.030%
BREDHOFF & KAISER	3,400	0.0012	0.103%
FIDUCIARY LIABILITY	500	0.0002	0.015%
IFEBP	995	0.0004	0.030%
INVESTMENT MGMT. FEES	48,813	0.0178	1.479%
PBGC	276,463	0.1006	8.377%
PAYROLL AUDITOR	3,025	0.0011	0.092%
POSTAGE	2,585	0.0009	0.078%
PRINTING	256	0.0001	0.008%
SOCIAL SECURITY	136	0.0000	0.004%
SEYFARTH SHAW	3,400	0.0012	0.103%
SUBTOTAL	\$444,788	\$0.162	13.48%
TOTAL EXPENSES	\$3,300,091	\$1.201	100.00%

RETIREES	2,227	AVERAGE MONTHLY PAYOUT	\$426.18
DEATH CLAIMS	4	AVERAGE COST/CLAIM	\$2,000.00

FOURTH QUARTER 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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2015
QUARTERLY RECAP

	FIRST 2015	SECOND 2015	THIRD 2015	FOURTH 2015	TOTAL
CONTRIBUTIONS	\$4,768,676	\$5,676,661	\$5,409,984	\$5,740,996	\$21,596,317
MISCELLANEOUS INCOME ¹	59,983	3,260	1,250	6,732	71,225
INTEREST & DIVIDENDS	657	468	203	320	1,648
INVESTMENT INCOME	1,652,420	(244,549)	(8,659,111)	3,678,782	(3,572,458)

TOTAL INCOME	\$6,481,736	\$5,435,840	(\$3,247,674)	\$9,426,830	\$18,096,732
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BENEFIT EXPENSES					
PENSION BENEFITS	\$2,489,089	\$2,536,090	\$2,511,496	\$2,624,797	\$10,161,472
DEATH BENEFITS	22,000	30,000	12,000	24,000	88,000
SUBTOTAL	\$2,511,089	\$2,566,090	\$2,523,496	\$2,648,797	\$10,249,472

OPERATING EXPENSES					
ADMINISTRATION	\$78,869	\$79,363	\$81,410	\$79,348	\$318,990
MISCELLANEOUS	61,884	107,148	113,287	333,466	615,785
SUBTOTAL	\$140,753	\$186,511	\$194,697	\$412,814	\$934,775

TOTAL EXPENSES	\$2,651,842	\$2,752,601	\$2,718,193	\$3,061,611	\$11,184,247
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TOTAL INCOME	\$6,481,736	\$5,435,840	(\$3,247,674)	\$9,426,830	\$18,096,732
TOTAL EXPENSES	2,651,842	2,752,601	2,718,193	3,061,611	11,184,247
SURPLUS (DEFICIT)	\$3,829,894	\$2,683,239	(\$5,965,867)	\$6,365,219	\$6,912,485

TOTAL PARTICIPANTS	6,651	6,721	6,648	6,738	
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FOURTH QUARTER 2016
HOURLY RECAP

	FIRST 2016	SECOND 2016	THIRD 2016	FOURTH 2016	AVG. TOTAL
CONTRIBUTIONS	\$1.966	\$2.088	\$2.100	\$2.100	\$2.0635
MISCELLANEOUS INCOME	\$0.001	0.004	\$0.003	0.000	0.0020
INTEREST PNC	\$0.001	0.002	\$0.001	0.002	0.0015

TOTAL INCOME	\$1.968	\$2.094	\$2.104	\$2.102	\$2.0670
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BENEFIT EXPENSES					
PENSION BENEFITS	\$1.036	\$0.957	\$1.001	\$1.036	\$1.008
DEATH BENEFITS	0.005	0.010	0.008	0.003	0.007
SUBTOTAL	\$1.041	\$0.967	\$1.009	\$1.039	\$1.015

OPERATING EXPENSES					
ADMINISTRATION	\$0.031	\$0.027	\$0.029	\$0.029	\$0.029
MISCELLANEOUS	0.029	0.050	0.054	0.133	0.067
SUBTOTAL	\$0.060	\$0.077	\$0.083	\$0.162	\$0.096

TOTAL EXPENSES	\$1.101	\$1.044	\$1.092	\$1.201	\$1.111
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TOTAL INCOME	\$1.968	\$2.094	\$2.104	\$2.102	\$2.067
TOTAL EXPENSES	1.101	1.044	1.092	1.201	1.111
SURPLUS (DEFICIT)	\$0.867	\$1.050	\$1.012	\$0.901	\$0.956

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	\$23,021,692
HOURS	2,597,493	2,908,516	2,889,822	2,748,739	11,144,570
TOTAL PARTICIPANTS	6,524	6,698	6,582	6,652	26,456

2015 CONTRIBUTIONS AND HOURS RECAP
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	FIRST 2015	SECOND 2015	THIRD 2015	FOURTH 2015	TOTAL
CONTRIBUTIONS	\$4,768,676	\$5,676,661	\$5,409,984	\$5,740,996	\$21,596,317
HOURS	2,627,884	2,936,448	2,774,078	2,943,766	11,282,176
TOTAL PARTICIPANTS	6,651	6,721	6,648	6,738	26,758

FOURTH QUARTER 2016 DELINQUENT EMPLOYERS

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

HERE 25 PENSION FUND
Balance Sheet
December 31, 2016

ASSETS

Current Assets

UNITED BANK BENEFIT ACC	\$ 1,046,389.25
CASH - 20-46-002-6786563	34,929.73
PREPAID INSURANCE	43,597.11
PREPAID EXPENSES	995.00
INVESTMENT PENDING	<u>155,000.00</u>

Total Current Assets

1,280,911.09

Other Assets

PNC GOVT MONEY MARKET FUND	7,845,601.71
STIF MSD&T 3338209	2.52
BUILDING INVESTMENT TRUST	12,444,483.94
HOUSING INVESTMENT TRUST	3,978,758.13
PIMCO FDS	2.81
MV APPR PIMCO FDS	(0.16)
VANGUARD VIPIX	7,674,967.44
MV APPR VANGUARD VIPIX	(524,184.29)
SHMDX STONE HARBOR	4,351,732.72
SHMDX STONE HARBOR MARKET VALU	(242,215.12)
SSGA S&P GLOBAL LARGE MID CAP	5,500,000.00
SSGA S&P GLOBAL LARGE CAP MV	(910,054.58)
SKY HARBOR CAP MGMT	3,097,803.00
SKY HARBOR CAP MGMT MV	(81,980.00)
SKY HARBOR CAP MGMT MONEY MKT	52.22
VANGUARD VICBX	6,836,728.83
VANGUARD VICBX MKT VALUE	(203,344.98)
LOOMIS SAYLES (LSFYX)	6,522,282.52
LOOMIS SAYLES MV (LSFYX)	(199,918.69)
VANGUARD (VDIGX)	13,561,955.95
VANGUARD MV (VDIGX)	2,604,456.40
VANGUARD (VGRSX)	2,415,554.66
VANGUARD MV (VGRSX)	498,607.91
REALITY ASSOC FUND	2,057,821.07
REALITY ASSOC FUND MV	180,470.00
RIDGEMONT EQUITY PARTNERS	843,217.04
RIDGEMONT EQUITY PARTNERS MV	430,623.49
VANGUARD VTMGX	16,184,305.95
VANGUARD VTMGX MV	453,786.32
VANGUARD BD INDEX VDBTIX	33,086,213.15
VANGUARD BD INDEX FV MV VDBTIX	(742,221.37)
DRA GROWTH AND INCOME #31	2,021,894.26
DRA GROWTH AND INCOME MV #31	107,221.74

HERE 25 PENSION FUND
Balance Sheet
December 31, 2016

VANGUARD SM CAP	3,087,809.77	
VANGUARD SM CAP MV	193,737.73	
VANGUARD MID CAP	4,904,175.69	
VANGUARD MID CAP MV	171,009.94	
AFL-CIO	29,731,224.02	
MV APR AFL-CIO	1,983,893.61	
STATE STREET EM MARKETS	6,520,430.07	
STATE STREET EM MARKETS MV	(109,938.36)	
VANGUARD S/T VTSPX	7,156,731.23	
VANGUARD S/T VTSPX MKT VALUE	(37,155.59)	
ULLICO PREFERRED 8%	1,947,577.52	
CORPORATE STOCK VALUATION	(816,471.32)	
MULTI. EMP TRUST	(0.01)	
A/R EMP CONTRIB.	2,011,908.42	
ACCRUED INT. AND OTHER	<u>52,607.35</u>	
Total Other Assets		<u>186,592,164.66</u>
Total Assets		<u><u>\$ 187,873,075.75</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE	\$ 19,271.52	
DUE TO OTHERS	<u>(60,316.00)</u>	
Total Current Liabilities		(41,044.48)
Long-Term Liabilities	<u></u>	
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		(41,044.48)
Capital		
FUND BALANCE	166,983,968.64	
Net Income	<u>20,930,151.59</u>	
Total Capital		<u>187,914,120.23</u>
Total Liabilities & Capital		<u><u>\$ 187,873,075.75</u></u>

HERE 25 PENSION FUND
Income Statement
For the Twelve Months Ending December 31, 2016

	Current Quarter	Year to Date
Revenues		
WASHINGTON COURT	\$ 130,767.82	\$ 396,015.52
HAY - ADAMS HOTEL	205,832.85	579,870.84
RENAISSANCE MAYFLOWER	389,264.19	1,077,928.70
PHOENIX PARK HOTEL	33,369.92	92,703.38
HILTON WASH. EMBASSY ROW	107,507.44	248,585.76
HARRINGTON HOTEL	41,849.86	126,083.87
WASHINGTON HILTON	643,192.30	1,914,295.65
HYATT REGENCY	432,740.16	1,207,254.04
WOODNER HOTEL	12,027.76	32,441.57
NATIONAL DEMOCRATIC	15,356.65	44,741.79
RESTAURANT ASSOC./KENNEDY CTR	107,924.73	297,878.49
BEACON HOTEL	59,563.38	137,810.20
HOLIDAY INN ON THE HILL	161,136.39	476,426.17
LEVY@VERIZON CENTER	27,099.35	66,657.94
ST. REGIS WASHINGTON	176,992.33	513,270.16
OMNI-SHOREHAM HOTEL	477,200.18	1,402,563.80
CAPITAL HILTON	329,379.27	928,154.36
MADISON HOTEL	160,211.56	581,679.57
CAPITOL SKYLINE HOTEL	58,930.27	155,364.72
FAIRFAX AT EMBASSY ROW	92,433.99	284,152.69
JEFFESON HOTEL	93,737.85	265,193.33
MARRIOTT WARDMAN PARK	708,468.39	2,050,696.23
UNITE HERE LOCAL 25	35,434.56	101,243.65
ARAMARK@VERIZON CENTER	5,288.88	13,171.80
POWERSCOURT RESTAURANT	8,697.71	22,698.52
SHERATON PREMIER@TYSON	152,443.82	452,891.91
MANDARIN ORIENTAL	252,818.86	767,599.48
EMBASSY SUITES CONV CTR	152,919.48	451,692.32
W HOTEL	229,591.61	705,066.42
HILTON MCLEAN @ TYSON CORNER	254,515.07	731,453.35
DOUBLETREE HOTEL	192,812.19	700,197.57
GAYLORD NATL. RESORT	1,184,449.72	3,457,675.03
HILTON CRYSTAL CITY @REAGAN	137,734.28	428,145.29
MARRIOTT MARQUIS	691,395.59	2,005,109.60
HILTON EMBASSY CRYSTAL CITY	117,650.10	273,222.98
OTHER INCOME	0.00	159,648.12
INTEREST & DIV.	1,205,027.98	3,179,077.88
CAPITAL GAIN DIST	176,240.40	263,443.71
UNREALIZED G/L ON INV	(2,476,956.68)	9,787,112.58
REALIZED GAIN LOSS	(151,679.54)	(3,160,535.86)
P/R AUDIT INCOME	0.00	16,794.74
WITHDRAWAL LIABILITY ESTIMATE	0.00	3,750.00
PAYROLL AUDIT INTEREST INCOME	0.00	3,694.39
PRINCIPAL DIVIDEND RECEIVED	0.00	1,804.62
Total Revenues	6,633,370.67	33,244,726.88
Gross Profit	6,633,370.67	33,244,726.88

HERE 25 PENSION FUND
Income Statement
For the Twelve Months Ending December 31, 2016

	Current Quarter	Year to Date
Expenses		
PENSIONS PAID TO MEMBERS	2,855,143.18	11,307,418.88
INVESTMENT MANAGEMENT FEES	23,813.27	63,432.44
INVESTMENT CONSULTANT	33,333.32	99,999.96
ACTUARIAL FEES	44,158.75	69,828.75
ADMINISTRATOR FEES	83,069.52	320,283.80
AUDIT FEE FINANCIAL	1,000.00	1,000.00
AUDIT FEES PAYROLL	3,024.63	19,823.82
LEGAL FEE	10,143.49	55,061.85
INSURANCE AND BONDING	276,962.82	342,949.68
IFEBP	0.00	960.00
MEETING EXPENSE	0.00	904.91
BANK FEE	1,426.46	6,981.31
PRINTING, POSTAGE & OFFICE	4,308.31	25,929.89
Total Expenses	3,336,383.75	12,314,575.29
Net Income	\$ 3,296,986.92	\$ 20,930,151.59

