

**UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
FOURTH QUARTER
2013**

ADMINISTRATIVE MANAGER'S REPORT

**FOURTH QUARTER 2013
CONTRIBUTIONS**

COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
HOTEL ASSOCIATION CONTRACTS					
BEACON HOTEL	\$1.6500	09-15-17	31	\$27,515	16,676
CAPITAL HILTON	1.6500	09-15-17	262	185,234	112,263
CAPITOL SKYLINE HOTEL	1.6500	09-15-17	46	27,606	16,731
EMBASSY SUITES WASHINGTON D.C.-CONV. CTR	1.6500	09-15-17	126	85,536	51,840
FAIRFAX AT EMBASSY ROW	1.6500	09-15-17	108	78,779	47,745
FOUR POINTS HOTEL BY SHERATON	1.6500	09-15-17	43	29,560	17,915
HAY-ADAMS HOTEL	1.6500	09-15-17	151	116,403	70,547
HILTON WASH. EMBASSY ROW HOTEL	1.6500	09-15-17	57	40,420	24,497
HOLIDAY INN GEORGETOWN	1.6500	09-15-17	36	25,621	15,528
HYATT REGENCY WASHINGTON ON CAPITOL HILL	1.6500	09-15-17	377	281,312	170,492
JEFFERSON HOTEL	1.6500	09-15-17	72	54,793	33,208
L'ENFANT PLAZA HOTEL ¹	1.6500	09-15-17	117	81,441	49,358
LIAISON CAPITOL HILL	1.6500	09-15-17	145	111,817	67,768
MADISON HOTEL	1.6500	09-15-17	149	114,693	69,511
MANDARIN ORIENTAL	1.6500	09-15-17	223	145,017	87,889
MARRIOTT WARDMAN PARK	1.6500	09-15-17	626	450,902	273,274
OMNI-SHOREHAM HOTEL	1.6500	09-15-17	419	282,973	171,499
PHOENIX PARK HOTEL	1.6500	09-15-17	34	20,538	12,447
RENAISSANCE MAYFLOWER HOTEL	1.6500	09-15-17	282	215,082	130,353
ST. REGIS WASHINGTON D.C	1.6500	09-15-17	141	100,650	61,000
WASHINGTON COURT HOTEL	1.6500	09-15-17	131	85,449	51,787
WASHINGTON HILTON HOTEL & TOWERS	1.6500	09-15-17	634	374,568	227,011
W HOTEL	1.6500	09-15-17	216	147,096	89,149
SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
HARRINGTON HOTEL	1.6500	09-15-17	29	20,963	12,705
POWERSCOURT RESTAURANT	1.6500	09-15-17	17	5,834	3,536
INDEPENDENTS					
ARAMARK @ VERIZON CENTER	2.0000	12-02-13	6	3,910	1,955
DOUBLETREE HOTEL CRYSTAL CITY-AIRPORT	1.6500	10-15-10	207	138,080	83,685
EMBASSY SUITES CRYSTAL CITY-NATL. AIRPORT	1.6500	10-15-10	70	45,821	27,770
GAYLORD NATL.RESORT AND CONFERENCE CTR.	1.6500	10-31-13	1,056	712,402	431,759
HILTON CRYSTAL CITY HOTEL	1.6500	11-14-17	110	83,028	50,320
HILTON MCLEAN TYSONS CORNER	1.6500	10-15-10	200	137,321	83,225
LEVY RESTAURANTS AT VERIZON CENTER ²	1.6500	12-02-12	18	9,934	6,473
NATIONAL DEMOCRATIC CLUB	1.0000	02-28-10	21	9,318	9,318
RESTAURANT ASSOC./KENNEDY CENTER	1.6500	07-15-16	111	64,873	39,317
SHERATON PREMIERE HOTEL AT TYSONS CORNER	1.6500	11-15-17	139	71,683	43,444
UNITE HERE LOCAL 23	1.7600		2	1,859	1,056
UNITE HERE LOCAL 25	1.7600		17	15,013	8,530
UNITE HERE LOCAL 25 TEMP. EMP.	1.6500		3	1,889	1,145
WOODNER HOTEL	1.6500	11-30-17	8	6,986	4,234
			6,440	\$4,411,919	2,676,960

¹NO LONGER PARTICIPATING AS OF NOVEMBER 1, 2013

²RATE INCREASE DECEMBER 1,2013

AVG HR CONTRIBUTION \$1.648

AVG HRS PER MONTH
PER PARTICIPANT 138.56

FOURTH QUARTER 2013 EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	\$2,367,471	\$0.884	93.246%
DEATH BENEFITS	22,000	0.008	0.867%
SUBTOTAL	\$2,389,471	\$0.892	94.113%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
ACCURINT	\$70	\$0.000	0.003%
ACTUARIAL FEE	15,608	0.006	0.615%
ADMINISTRATION	74,256	0.028	2.925%
BANK FEE	4,475	0.002	0.176%
BREDHOFF & KAISER	7,723	0.003	0.304%
FIDELITY BOND	500	0.000	0.020%
INVESTMENT MGMT. FEES	20,715	0.008	0.816%
PAYROLL AUDITOR	8,687	0.003	0.342%
PBGC	3,166	0.001	0.125%
POSTAGE	5,578	0.002	0.220%
PRINTING	494	0.000	0.019%
SEYFARTH SHAW	8,181	0.003	0.322%
SOCIAL SECURITY	25	0.000	0.001%
SUBTOTAL	\$149,478	\$0.056	5.888%
TOTAL EXPENSES	\$2,538,949	\$0.948	100.00%

RETIREEES	1,952	AVERAGE MONTHLY PAYOUT	\$404.28
DEATH CLAIMS	22	AVERAGE COST/CLAIM	\$2,000.00

FOURTH QUARTER 2013
QUARTERLY 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
WITHDRAWAL LIABILITY	0	0	0	0	0

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.

2012
RECAP

	FIRST 2012	SECOND 2012	THIRD 2012	FOURTH 2012	TOTAL
CONTRIBUTIONS	\$3,109,303	\$3,507,865	\$3,297,762	\$3,371,048	\$13,285,978
MISCELLANEOUS INCOME ¹	63,908	10,882	25,780	67,710	168,280
INTEREST & DIVIDENDS	156	100	93	85	434
INVESTMENT INCOME	10,606,236	(5,134,207)	4,714,030	2,056,659	12,242,718

TOTAL INCOME	\$13,779,603	(\$1,615,360)	\$8,037,665	\$5,495,502	\$25,697,410
--------------	--------------	---------------	-------------	-------------	--------------

BENEFIT EXPENSES					
PENSION BENEFITS	\$1,849,903	\$1,788,800	\$1,873,015	\$1,938,028	\$7,449,746
DEATH BENEFITS	16,000	20,000	6,000	6,000	48,000
SUBTOTAL	\$1,865,903	\$1,808,800	\$1,879,015	\$1,944,028	\$7,497,746

OPERATING EXPENSES					
ADMINISTRATION	\$55,971	\$57,357	\$60,544	\$54,928	\$228,800
MISCELLANEOUS	160,391	72,433	194,161	101,807	528,792
SUBTOTAL	\$216,362	\$129,790	\$254,705	\$156,735	\$757,592

TOTAL EXPENSES	\$2,082,265	\$1,938,590	\$2,133,720	\$2,100,763	\$8,255,338
----------------	-------------	-------------	-------------	-------------	-------------

TOTAL INCOME	\$13,779,603	(\$1,615,360)	\$8,037,665	\$5,495,502	\$25,697,410
TOTAL EXPENSES	2,082,265	1,938,590	2,133,720	2,100,763	8,255,338
SURPLUS (DEFICIT)	\$11,697,338	(\$3,553,950)	\$5,903,945	\$3,394,739	\$17,442,072

TOTAL PARTICIPANTS	5,374	5,639	5,368	5,390	
--------------------	-------	-------	-------	-------	--

¹ MISCELLANEOUS INCOME: CAPITOL SKYLINE HOTEL PAYROLL AUDIT \$132.38. FOUR POINTS HOTEL BY SHERATON PAYROLL AUDIT \$4,860.38 AND INTEREST \$666.22. RENAISSANCE MAYFLOWER HOTEL PAYROLL AUDIT \$48,596.78 AND INTEREST \$9,702.22. RESTAURANT ASSOCIATES/KENNEDY CENTER WITHDRAWAL LIABILITY ESTIMATE FEE PAYMENT \$1,250.00. PBGC PREMIUM REFUND \$2,502.00.

FOURTH QUARTER 2013
HOURLY RECAP

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	AVG. TOTAL
CONTRIBUTIONS	\$1.51485	\$1.64025	\$1.64840	\$1.64811	\$1.6129
MISCELLANEOUS INCOME	0.06802	0.00103	0.00225	0.03248	0.0259
INTEREST PNC	0.00003	0.00001	0.00002	0.00003	0.0000
WITHDRAWAL LIABILITY	0.00000	0.00000	0.00000	0.00000	0.0000

TOTAL INCOME	\$1.5829	\$1.6413	\$1.6507	\$1.6806	\$1.6388
--------------	----------	----------	----------	----------	----------

BENEFIT EXPENSES					
PENSION BENEFITS	\$0.879	\$0.941	\$0.829	\$0.884	\$0.883
DEATH BENEFITS	0.009	0.002	0.000	0.008	0.005
SUBTOTAL	\$0.888	\$0.943	\$0.829	\$0.892	\$0.888

OPERATING EXPENSES					
ADMINISTRATION	\$0.026	\$0.023	\$0.026	\$0.028	\$0.026
MISCELLANEOUS	0.100	0.051	0.049	0.028	0.057
SUBTOTAL	\$0.126	\$0.074	\$0.075	\$0.056	\$0.083

TOTAL EXPENSES	\$1.014	\$1.017	\$0.904	\$0.948	\$0.971
----------------	---------	---------	---------	---------	---------

TOTAL INCOME	\$1.583	\$1.641	\$1.651	\$1.681	\$1.639
TOTAL EXPENSES	1.014	1.017	0.904	0.948	0.971
SURPLUS (DEFICIT)	\$0.569	\$0.624	\$0.747	\$0.733	\$0.668

FOURTH QUARTER 2013 DELINQUENT EMPLOYERS

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

HERE 25 PENSION FUND
Balance Sheet
December 31, 2013

ASSETS

Current Assets

UNITED BANK BENEFIT ACC	\$ 739,312.02
CASH - 20-46-002-6786563	74,285.56
PREPAID INSURANCE	<u>24,898.96</u>

Total Current Assets 838,496.54

Other Assets

LONGVIEW CORP STOCK	7,833,783.24
CORPORATE STOCKS VALUATION	18,174,087.73
PNC SHORT TERM INVEST / MM	3,469,911.55
STIF MSD&T 3338209	153,681.18
BUILDING INVESTMENT TRUST	9,098,630.76
HOUSING INVESTMENT TRUST	3,463,094.32
LONGVIEW 600 SMALL CAP	1,056,060.02
MV APPR LONGVIEW 600	2,653,466.51
MANNING & NAPIER	7,219,416.27
MV APPR MANNING & NAPIER	1,058,014.56
PIMCO FDS	9,944,843.38
MV APPR PIMCO FDS	(156,909.72)
VANGUARD VIPIX	12,649,196.74
MV APPR VANGUARD VIPIX	(1,313,801.74)
SHMDX STONE HARBOR	3,751,152.60
SHMDX STONE HARBOR MARKET VALUE	(306,688.25)
SHLMX STONE HARBOR MARKET FUND	3,828,865.15
SHLMX STONE HARBOR MARKET VALUE	(527,779.88)
DFA EMERGING EQUITY	5,876,231.09
DFA EMERGING EQUITY MV	(518,882.61)
VONTOBEL GLOBAL EMERGING MARKET	5,814,067.73
SSGA S&P GLOBAL LARGE MID CAP	5,500,000.00
SSGA S&P GLOBAL LARGE CAP MV	96,835.82
SKY HARBOR CAP MGMT	5,191,450.00
SKY HARBOR CAP MGMT MONEY MKT	1,000,105.48
VANGUARD VICBX	5,228,227.82
VANGUARD VICBX MKT VALUE	(341,521.71)
VANGUARD DEVELOPED MKTS VDMAX	4,595,778.77
VANGUARD DEVELOPED MV VDMAX	805,235.24
LOOMIS SAYLES (LSFYX)	4,750,645.68
LOOMIS SAYLES MV (LSFYX)	(8,329.61)
VANGUARD (VDIGX)	7,842,209.65
VANGUARD MV (VDIGX)	1,713,739.85
VANGUARD (VGRSX)	2,084,731.16
VANGUARD MV (VGRSX)	(71,675.23)
REALITY ASSOC FUND	1,250,000.00
LONGVIEW MID CAP .3	4,598,524.45
LONGVIEW MID CAP .3 MV	1,189,289.03
RIDGEMONT EQUITY PARTNERS	731,696.38
ULLICO PREFERRED 8%	1,947,577.52

CORPORATE STOCK VALUATION	(1,131,570.72)	
MULTI. EMP TRUST	(0.01)	
A/R EMP CONTRIB.	1,301,769.83	
ACCRUED INT. AND OTHER	<u>13,279.86</u>	
Total Other Assets		<u>141,508,439.89</u>
Total Assets		<u>\$ 142,346,936.43</u>

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE	<u>\$ 47,334.56</u>	
Total Current Liabilities		47,334.56
Total Liabilities		47,334.56
Capital		
FUND BALANCE	122,772,857.55	
Net Income	<u>19,526,744.32</u>	
Total Capital		<u>142,299,601.87</u>
Total Liabilities & Capital		\$ 142,346,936.43

HERE 25 PENSION FUND
Income Statement
For the Twelve Months Ending December 31, 2013

	Current Quarter	Year to Date
Revenues		
WASHINGTON COURT	\$ 112,987.13	\$ 341,990.91
HAY - ADAMS HOTEL	150,806.35	437,524.24
RENAISSANCE MAYFLOWER	280,332.37	885,290.25
PHOENIX PARK HOTEL	28,308.60	92,629.31
HILTON WASH. EMBASSY ROW	54,190.73	159,606.89
HARRINGTON HOTEL	28,398.99	91,161.40
L'ENFANT PLAZA HOTEL	126,540.97	456,570.88
WASHINGTON HILTON	487,533.21	1,488,908.13
HYATT REGENCY	361,374.69	1,099,430.49
WOODNER HOTEL	11,604.85	25,821.68
NATIONAL DEMOCRATIC	11,276.27	33,897.44
RESTAURANT ASSOC./KENNEDY CTR	77,562.13	236,442.83
BEACON HOTEL	35,448.09	107,951.13
HOLIDAY INN ON THE HILL	146,706.03	429,776.49
LEVY@VERIZON CENTER	11,453.41	32,315.89
HOLIDAY INN-GEORGETOWN	34,024.67	105,101.65
ST. REGIS WASHINGTON	131,106.75	408,976.14
OMNI-SHOREHAM HOTEL	358,704.36	1,084,192.98
CAPITAL HILTON	242,822.09	734,610.64
MADISON HOTEL	151,193.43	459,046.75
FOUR POINTS HOTEL BY SHERATON	50,302.05	123,728.78
CAPITOL SKYLINE HOTEL	53,299.54	114,262.96
FAIRFAX AT EMBASSY ROW	104,081.00	331,048.90
JEFFERSON HOTEL	72,028.35	211,696.52
MARRIOTT WARDMAN PARK	569,028.27	1,723,430.86
UNITE HERE LOCAL 25	22,252.48	79,320.39
ARAMARK@VERIZON CENTER	4,670.16	13,034.74
POWERSCOURT RESTAURANT	7,945.83	21,573.97
SHERATON PREMIER@TYSON	116,198.11	330,142.22
MANDARIN ORIENTAL	196,997.31	601,388.96
EMBASSY SUITES CONV CTR	162,581.85	357,039.09
W HOTEL	186,666.05	580,843.13
HILTON MCLEAN @ TYSON CORNER	178,618.90	534,838.39
DOUBLETREE HOTEL	187,951.43	603,297.64
GAYLORD NATL. RESORT	1,250,579.45	1,878,389.15
HILTON CRYSTAL CITY @REAGAN	109,968.44	163,320.33
UNITE HERE LOCAL 23	2,449.92	7,220.16
OTHER INCOME	39,457.00	39,702.66
INTEREST & DIV. INC.	1,225,788.13	2,554,181.48
UNREALIZED G/L ON INV	3,877,376.50	(2,522,601.81)
REALIZED GAIN LOSS	2,409.95	12,476,285.93
PAYROLL AUDIT INCOME	83,524.77	216,252.32
HILTON EMBASSY CRYSTAL CITY	68,149.55	194,404.51
WITHDRAWAL LIABILITY ESTIMATE	1,250.00	5,000.00
PAYROLL AUDIT INTEREST INCOME	2,181.45	22,525.50
Total Revenues	11,418,131.61	29,371,572.90
Gross Profit	11,418,131.61	29,371,572.90

For Management Purposes Only

	Current Quarter	Year to Date
Expenses		
PENSIONS PAID TO MEMBERS	2,387,002.88	9,061,216.78
INVESTMENT MANAGEMENT FEES	10,982.98	55,965.57
INV. CUSTODIAL FEES	40.54	171.98
INVESTMENT CONSULTANT	33,333.32	99,999.96
ACTUARIAL FEES	29,762.00	68,662.75
ADMINISTRATOR FEES	78,391.19	264,986.27
AUDIT FEE FINANCIAL	0.00	15,800.00
AUDIT FEES PAYROLL	8,687.41	31,872.74
LEGAL FEE	24,513.51	82,667.96
INSURANCE AND BONDING	3,291.10	138,962.91
IFEBP	0.00	507.00
MEETING EXPENSE	369.88	2,019.27
BANK FEE	1,099.57	4,029.85
PRINTING, POSTAGE & OFFICE	7,067.00	17,965.54
Total Expenses	2,584,541.38	9,844,828.58
Net Income	\$ 8,833,590.23	\$ 19,526,744.32