

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

ADMINISTRATIVE MANAGER'S REPORT

SECOND QUARTER 2017 CONTRIBUTIONS					
COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
HOTEL ASSOCIATION CONTRACTS					
BEACON HOTEL	\$2.2500	09-15-17	35	\$37,562	16,694
CAPITAL HILTON	2.2500	09-15-17	255	254,320	113,031
CAPITOL SKYLINE HOTEL	2.2500	09-15-17	45	46,220	20,542
EMBASSY SUITES WASHINGTON D.C.-CONV. CTR	2.2500	09-15-17	121	123,293	54,797
FAIRFAX AT EMBASSY ROW	2.2500	09-15-17	70	69,588	30,928
HAY-ADAMS HOTEL	2.2500	09-15-17	151	160,731	71,436
HILTON WASH. EMBASSY ROW HOTEL	2.2500	09-15-17	71	76,739	34,106
HYATT REGENCY WASHINGTON ON CAPITOL HILL	2.2500	09-15-17	332	325,478	144,657
JEFFERSON HOTEL	2.2500	09-15-17	74	72,176	32,078
LIAISON CAPITOL HILL	2.2500	09-15-17	131	133,099	59,155
MADISON HOTEL	2.2500	09-15-17	143	138,508	61,559
MANDARIN ORIENTAL	2.2500	09-15-17	222	189,425	84,189
MARRIOTT MARQUIS	2.2500	09-15-17	532	532,307	236,581
MARRIOTT WARDMAN PARK	2.2500	09-15-17	564	571,311	253,916
OMNI-SHOREHAM HOTEL	2.2500	09-15-17	409	408,472	181,543
PHOENIX PARK HOTEL	2.2500	09-15-17	28	29,759	13,226
RENAISSANCE MAYFLOWER HOTEL	2.2500	09-15-17	297	316,787	140,794
ST. REGIS WASHINGTON D.C	2.2500	09-15-17	139	154,280	68,569
WASHINGTON COURT HOTEL	2.2500	09-15-17	121	112,975	50,211
WASHINGTON HILTON HOTEL & TOWERS	2.2500	09-15-17	647	529,173	235,188
W HOTEL	2.2500	09-15-17	206	216,441	96,196
SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
HARRINGTON HOTEL	2.2500	09-15-17	36	39,569	17,586
POWERSCOURT RESTAURANT	2.2500	09-15-17	12	7,074	3,144
INDEPENDENTS					
ARAMARK @ VERIZON CENTER	2.0000	12-02-17	6	4,100	2,050
DOUBLETREE HOTEL CRYSTAL CITY-AIRPORT ¹	2.2500	10-15-17	189	181,475	83,348
EMBASSY SUITES CRYSTAL CITY-NATL. AIRPORT ¹	2.2500	10-15-17	72	66,096	30,068
GAYLORD NATL.RESORT AND CONFERENCE CTR ²	2.2500	10-31-17	1,101	949,829	431,174
HILTON CRYSTAL CITY HOTEL@ REAGAN	2.2500	11-14-17	116	120,227	53,434
HILTON MCLEAN TYSONS CORNER ¹	2.2500	10-15-17	194	190,609	87,854
LEVY RESTAURANTS AT VERIZON CENTER	1.9500	12-02-15	27	13,365	6,854
NATIONAL DEMOCRATIC CLUB	2.1000	04-30-17	12	12,340	5,876
RESTAURANT ASSOC./KENNEDY CENTER	2.1000	07-15-16	99	83,578	39,799
SHERATON PREMIERE HOTEL AT TYSONS CORNER	2.2500	11-15-17	123	121,937	54,194
UNITE HERE LOCAL 25 ³	2.3600	09-15-17	26	29,933	12,738
UNITE HERE LOCAL 25 TEMP. EMP ⁴	2.2500	09-15-17	7	2,277	1,012
WOODNER HOTEL ⁴	2.2500	11-30-17	8	8,764	4,060
			6,621	\$6,329,817	2,832,587

¹RATE INCREASE MAY 16, 2017

²RATE INCREASE MAY 1, 2017

³INCLUDES ADJ. ON 7 PARTICIPANTS SEPT. 2016 - MAR. 2017

⁴RATE INCREASE JUNE 1, 2017

AVG HR CONTRIBUTION \$2.235

AVG HRS PER MONTH
PER PARTICIPANT 142.61

SECOND QUARTER 2017 EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	\$2,913,565	\$1.029	93.53%
DEATH BENEFITS	22,000	0.008	0.71%
SUBTOTAL	\$2,935,565	\$1.037	94.24%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
ACCURINT	\$289	\$0.000	0.01%
AUDITOR	7,000	0.002	0.22%
ACTUARIAL FEE	19,573	0.007	0.63%
ADMINISTRATION	84,029	0.030	2.70%
BREDHOFF & KAISER	11,252	0.004	0.36%
INVESTMENT MGMT. FEES	33,434	0.012	0.36%
MEETING	294	0.000	1.07%
PAYROLL AUDITOR	1,501	0.001	0.05%
POSTAGE	14,809	0.005	0.48%
PRINTING	201	0.000	0.01%
SEYFARTH SHAW	7,000	0.002	0.22%
SUBTOTAL	\$179,382	\$0.063	6.11%
TOTAL EXPENSES	\$3,114,947	\$1.100	100%

RETIREEES	2,429	AVERAGE MONTHLY PAYOUT	\$399.83
DEATH CLAIMS	11	AVERAGE COST/CLAIM	\$2,000.00

SECOND QUARTER 2017
QUARTERLY RECAP

	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	TOTAL
CONTRIBUTIONS	\$5,758,595	\$6,329,817			\$12,088,412
MISCELLANEOUS INCOME ¹	3,750	6,287			10,037
INTEREST & DIVIDENDS	7,281	13,577			20,858
INVESTMENT INCOME	6,872,197	2,221,422			9,093,619

TOTAL INCOME	\$12,641,823	\$8,571,103			\$21,212,926
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BENEFIT EXPENSES					
PENSION BENEFITS	\$2,871,095	\$2,913,565			\$5,784,660
DEATH BENEFITS	36,000	22,000			58,000
SUBTOTAL	\$2,907,095	\$2,935,565			\$5,842,660

OPERATING EXPENSES					
ADMINISTRATION	\$80,655	\$84,029			\$164,684
MISCELLANEOUS	95,720	95,353			191,073
SUBTOTAL	\$176,375	\$179,382			\$355,757

TOTAL EXPENSES	\$3,083,470	\$3,114,947			\$6,198,417
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TOTAL INCOME	\$12,641,823	\$8,571,103			\$21,212,926
TOTAL EXPENSES	3,083,470	3,114,947			6,198,417
SURPLUS (DEFICIT)	\$9,558,353	\$5,456,156			\$15,014,509

TOTAL PARTICIPANTS	6,670	6,621			
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¹ MISCELLANEOUS INCOME: RESTAURANT ASSOCIATES/KENNEDY CTR. WITHDRAWAL LIABILITY ESTIMATE FEE \$1,250.00. EMBASSY SUITES CONVENTION CENTER PAYROLL AUDIT \$305.58 AND INTEREST \$75.90. RESTAURANT ASSOCIATES/KENNEDY CTR. PAYROLL AUDIT \$3,930.03 AND INTEREST \$725.27.

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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SECOND QUARTER 2017
HOURLY RECAP

	FIRST 2017	SECOND 2017	THIRD 2017	FOURTH 2017	AVG. TOTAL
CONTRIBUTIONS	\$2.132	\$2.235			\$2.1835
MISCELLANEOUS INCOME	\$0.001	0.002			0.0015
INTEREST PNC	\$0.003	0.005			0.0040

TOTAL INCOME	\$2.136	\$2.242			\$2.1890
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BENEFIT EXPENSES					
PENSION BENEFITS	\$1.063	\$1.029			\$1.046
DEATH BENEFITS	0.013	0.008			0.011
SUBTOTAL	\$1.076	\$1.037			\$1.057

OPERATING EXPENSES					
ADMINISTRATION	\$0.030	\$0.030			\$0.030
MISCELLANEOUS	0.035	0.033			0.034
SUBTOTAL	\$0.065	\$0.063			\$0.064

TOTAL EXPENSES	\$1.141	\$1.100			\$1.121
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TOTAL INCOME	\$2.136	\$2.242			\$2.189
TOTAL EXPENSES	1.141	1.100			1.121
SURPLUS (DEFICIT)	\$0.995	\$1.142			\$1.068

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			\$12,088,412
HOURS	2,701,464	2,832,587			5,534,051
TOTAL PARTICIPANTS	6,670	6,621			13,291

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

SECOND QUARTER 2017 DELINQUENT EMPLOYERS

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

HERE 25 PENSION FUND

Balance Sheet

June 30, 2017

ASSETS

Current Assets

UNITED BANK BENEFIT ACC	\$	980,325.14
PREPAID INSURANCE		4,242.60
TEMPORARY ASSET		<u>745,587.00</u>

Total Current Assets

1,730,154.74

Other Assets

PNC GOVT MONEY MARKET FUND	9,832,317.32
STIF MSD&T 3338209	2.52
BUILDING INVESTMENT TRUST	12,685,763.84
HOUSING INVESTMENT TRUST	4,063,859.35
PIMCO FDS	2.87
MV APPR PIMCO FDS	(0.11)
VANGUARD VIPIX	7,693,579.69
MV APPR VANGUARD VIPIX	(476,059.69)
SHMDX STONE HARBOR	7,003,615.04
SHMDX STONE HARBOR MARKET VALU	(81,127.35)
SSGA S&P GLOBAL LARGE MID CAP	5,500,000.00
SSGA S&P GLOBAL LARGE CAP MV	(649,893.62)
SKY HARBOR CAP MGMT	3,505,478.00
SKY HARBOR CAP MGMT MV	(106,801.00)
SKY HARBOR CAP MGMT MONEY MKT	52.37
VANGUARD VICBX	6,926,208.12
VANGUARD VICBX MKT VALUE	(67,491.96)
LOOMIS SAYLES (LSFYX)	6,694,514.31
LOOMIS SAYLES MV (LSFYX)	(224,806.84)
VANGUARD (VGRSX)	2,465,057.88
VANGUARD MV (VGRSX)	524,540.08
REALITY ASSOC FUND	1,961,630.22
REALITY ASSOC FUND MV	180,470.00
RIDGEMONT EQUITY PARTNERS	843,217.04
RIDGEMONT EQUITY PARTNERS MV	430,623.49
VANGUARD VTMGX	12,835,808.23
VANGUARD VTMGX MV	1,115,609.82
VANGUARD BD INDEX VDBTIX	33,497,259.67
VANGUARD BD INDEX FV MV VDBTIX	(375,291.38)
DRA GROWTH AND INCOME #31	2,130,807.26
DRA GROWTH AND INCOME MV #31	239,935.74
AFL-CIO	28,680,714.75
MV APR AFL-CIO	(2,487,283.32)
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	(22,714.26)
ARTISAN GLOBAL VALUE -INS	7,227,000.00
ARTISAN GLOBAL VALUE -INS MV	663,325.42
STRATEGIC INVESTORS FUND VIII,	239,816.00

FIRST EAGLE GLOBAL FUND CLASS	7,227,000.00	
FIRST EAGLE GLOBAL CLASS 1 MV	272,232.42	
FIRST EAGLE FUND CLASS 1	4,940,000.00	
FIRST EAGLE FUND CLASS 1 MV	(187,560.03)	
ULLICO PREFERRED 8%	1,947,577.52	
CORPORATE STOCK VALUATION	(747,567.52)	
MULTI. EMP TRUST	(0.01)	
ACCRUED INT. AND OTHER	<u>69,926.90</u>	
Total Other Assets		<u>179,538,571.72</u>
Total Assets		<u>\$ 181,268,726.46</u>

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE	\$ 610.00	
DUE TO OTHERS	<u>(18,956,000.00)</u>	
Total Current Liabilities		(18,955,390.00)
Long-Term Liabilities	<u></u>	
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		(18,955,390.00)
Capital		
FUND BALANCE	187,919,679.34	
Net Income	<u>12,304,437.12</u>	
Total Capital		<u>200,224,116.46</u>
Total Liabilities & Capital		\$ 181,268,726.46

HERE 25 PENSION FUND
Income Statement
For the Six Months Ending June 30, 2017

	Current Quarter	Year to Date
Revenues		
WASHINGTON COURT	\$ 113,201.13	\$ 173,465.53
HAY - ADAMS HOTEL	153,806.33	239,020.93
MAYFLOWER	304,664.31	478,846.92
PHOENIX PARK HOTEL	31,360.01	49,675.07
HILTON WASH. EMBASSY ROW	75,211.89	118,689.01
HARRINGTON HOTEL	38,477.29	55,293.05
WASHINGTON HILTON	506,944.31	761,305.59
HYATT REGENCY	287,916.86	502,473.02
WOODNER HOTEL	8,370.61	13,699.36
NATIONAL DEMOCRATIC	12,407.76	20,091.38
RESTAURANT ASSOC./KENNEDY CTR	83,012.39	131,692.85
BEACON HOTEL	24,882.87	44,806.03
HOLIDAY INN ON THE HILL	130,321.75	196,546.17
LEVY@VERIZON CENTER	15,874.94	29,575.60
ST. REGIS WASHINGTON	145,191.15	218,193.60
OMNI-SHOREHAM HOTEL	277,992.37	467,359.81
CAPITAL HILTON	248,106.12	383,281.21
MADISON HOTEL	196,416.92	243,695.92
CAPITOL SKYLINE HOTEL	43,614.30	65,916.93
FAIRFAX AT EMBASSY ROW	67,137.87	104,319.66
JEFFESON HOTEL	70,100.97	112,922.45
MARRIOTT WARDMAN PARK	563,930.82	845,836.71
UNITE HERE LOCAL 25	32,047.26	48,547.45
ARAMARK@VERIZON CENTER	5,219.88	8,117.98
POWERSCOURT RESTAURANT	10,056.89	14,195.93
SHERATON PREMIER@TYSON	120,945.48	190,144.24
MANDARIN ORIENTAL	205,794.89	337,815.76
EMBASSY SUITES CONV CTR	119,280.47	186,954.42
W HOTEL	199,083.56	304,276.87
HILTON MCLEAN @ TYSON CORNER	184,467.40	290,678.92
DOUBLETREE HOTEL	178,563.62	339,049.77
GAYLORD NATL. RESORT	582,475.76	1,155,324.42
HILTON CRYSTAL CITY @REAGAN	120,040.82	190,108.39
MARRIOTT MARQUIS	531,314.24	819,734.12
HILTON EMBASSY CRYSTAL CITY	72,165.60	116,260.64
OTHER INCOME	0.00	54,696.00
INTEREST & DIV.	724,356.40	1,325,577.56
CAPITAL GAIN DIST	48,943.20	64,788.15
UNREALIZED G/L ON INV	199,874.24	2,305,068.27
REALIZED GAIN LOSS	1,310,768.47	5,467,986.08
P/R AUDIT INCOME	4,235.61	4,235.61
WITHDRAWAL LIABILITY ESTIMATE	1,250.00	5,000.00
PAYROLL AUDIT INTEREST INCOME	801.17	801.17
Total Revenues	8,050,627.93	18,486,068.55
Gross Profit	8,050,627.93	18,486,068.55
Expenses		

For Management Purposes Only

	Current Quarter	Year to Date
PENSIONS PAID TO MEMBERS	2,932,287.13	5,833,346.73
INVESTMENT MANAGEMENT FEES	5,934.30	20,898.30
INVESTMENT CONSULTANT	24,999.99	41,666.65
ACTUARIAL FEES	19,572.75	19,572.75
ADMINISTRATOR FEES	84,029.05	159,029.05
AUDIT FEE FINANCIAL	7,000.00	7,000.00
AUDIT FEES PAYROLL	1,500.94	8,389.20
LEGAL FEE	18,251.98	24,126.98
INSURANCE AND BONDING	0.00	47,839.65
IFEBP	0.00	995.00
MEETING EXPENSE	293.71	293.71
BANK FEE	1,505.70	2,866.53
PRINTING, POSTAGE & OFFICE	15,299.58	15,606.88
Total Expenses	3,110,675.13	6,181,631.43
Net Income	\$ 4,939,952.80	\$ 12,304,437.12