

**UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
THIRD QUARTER
2019**

ADMINISTRATIVE MANAGER'S REPORT

THIRD QUARTER 2019
CONTRIBUTIONS

COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
HOTEL ASSOCIATION CONTRACTS					
BEACON HOTEL	\$2.4500	09-15-22	33	\$39,947	16,305
CAPITAL HILTON	2.4500	09-15-22	264	259,404	105,879
CAPITOL SKYLINE HOTEL	2.4500	09-15-22	47	53,219	21,722
EMBASSY SUITES WASHINGTON D.C.-CONV. CTR	2.4500	09-15-22	118	129,897	53,019
FAIRFAX AT EMBASSY ROW	2.4500	09-15-22	70	67,814	27,679
HAY-ADAMS HOTEL	2.4500	09-15-22	148	159,627	65,154
HILTON NATIONAL MALL	2.4500	09-15-22	145	147,561	60,229
HILTON WASH. EMBASSY ROW HOTEL	2.4500	09-15-22	53	63,046	25,733
HYATT REGENCY WASHINGTON ON CAPITOL HILL	2.4500	09-15-22	309	342,515	139,802
JEFFERSON HOTEL	2.4500	09-15-22	74	79,953	32,634
LIAISON CAPITOL HILL	2.4500	09-15-22	120	128,213	52,332
MANDARIN ORIENTAL	2.4500	09-15-22	211	210,575	85,949
MARRIOTT MARQUIS	2.4500	09-15-22	503	508,008	207,350
MARRIOTT WARDMAN PARK	2.4500	09-15-22	542	535,624	218,622
OMNI-SHOREHAM HOTEL	2.4500	09-15-22	385	385,228	157,236
PHOENIX PARK HOTEL	2.4500	09-15-22	29	32,965	13,455
RENAISSANCE MAYFLOWER HOTEL	2.4500	09-15-22	286	310,912	126,903
ST. REGIS WASHINGTON D.C	2.4500	09-15-22	132	146,258	59,697
THE MADISON WASH DC, A HILTON HOTEL	2.4500	09-15-22	144	136,396	55,672
WASHINGTON COURT HOTEL	2.4500	09-15-22	119	111,085	45,341
WASHINGTON HILTON HOTEL & TOWERS	2.4500	09-15-22	539	495,505	202,247
W HOTEL	2.4500	09-15-22	211	232,956	95,084
SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
HARRINGTON HOTEL	2.4500	09-15-22	35	38,298	15,632
POWERSCOURT RESTAURANT	2.4500	09-15-22	10	6,137	2,505
INDEPENDENTS					
AC HOTEL NATIONAL HARBOR	2.4500	11-01-22	33	36,826	15,031
ARAMARK @ CAPITAL ONE ARENA	2.2500	12-01-21	4	1,604	713
DOUBLETREE HOTEL CRYSTAL CITY-AIRPORT	2.4500	10-15-22	176	173,737	70,913
EATON HOTEL	2.4500	09-15-22	64	60,086	24,525
EMBASSY SUITES CRYSTAL CITY-NATL. AIRPORT	2.4500	10-15-22	70	90,113	36,781
GAYLORD NATL.RESORT AND CONFERENCE CTR	2.4500	11-01-22	1,033	976,670	398,641
HILTON CRYSTAL CITY HOTEL@ REAGAN	2.4500	11-15-22	110	122,346	49,937
HILTON MCLEAN TYSONS CORNER	2.4500	10-15-22	192	206,324	84,214
NATIONAL DEMOCRATIC CLUB	2.1000	04-30-20	16	14,553	6,930
RESTAURANT ASSOC./KENNEDY CENTER	2.4500	03-15-21	105	94,386	38,525
SHERATON PREMIERE HOTEL AT TYSONS CORNER	2.4500	11-15-22	93	104,860	42,800
UNITE HERE LOCAL 25	2.5600	09-15-22	26	32,005	12,502
UNITE HERE LOCAL 25 TEMP. EMP	2.4500	09-15-22	16	5,802	2,368
WOODNER HOTEL	2.4500	05-31-22	9	10,462	4,270
			6,474	\$6,550,917	2,674,331

AVG HR CONTRIBUTION \$2.450

AVG HRS PER MONTH
PER PARTICIPANT 137.70

THIRD QUARTER 2019 EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	\$4,227,143	\$1.581	94.26%
DEATH BENEFITS	8,000	0.003	0.18%
SUBTOTAL	\$4,235,143	\$1.584	94.44%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
ACCURINT	\$143	\$0.000	0.00%
AUDITOR	15,500	0.006	0.35%
ACTUARIAL FEE	16,591	0.006	0.37%
ADMINISTRATION	87,171	0.033	1.94%
BREDHOFF & KAISER	7,339	0.003	0.16%
FIDUCIARY LIABILITY	69,928	0.026	1.56%
IFEBP	1,065	0.000	0.02%
INSURANCE AND BOND	1,764	0.001	0.04%
INVESTMENT MGMT. FEES	34,000	0.013	0.76%
MEETING	363	0.000	0.01%
PAYROLL AUDITOR	10,673	0.004	0.24%
POSTAGE	518	0.000	0.01%
SEYFARTH SHAW/GENERAL	1,416	0.001	0.03%
SEYFARTH SHAW/INV. REVIEW	2,601	0.001	0.06%
SOCIAL SECURITY	273	0.000	0.01%
SUBTOTAL	\$249,345	\$0.094	5.56%
TOTAL EXPENSES	\$4,484,488	\$1.678	100%

RETIREES	2,560	AVERAGE MONTHLY PAYOUT	\$550.41
DEATH CLAIMS	4	AVERAGE COST/CLAIM	\$2,000.00

THIRD QUARTER 2019
QUARTERLY RECAP

	FIRST 2019	SECOND 2019	THIRD 2019	FOURTH 2019	TOTAL
CONTRIBUTIONS	\$5,854,655	\$6,853,988	\$6,550,917		\$19,259,560
MISCELLANEOUS INCOME ¹	67,705	41,834	66,264		175,803
INTEREST & DIVIDENDS	36,461	49,624	37,443		123,528
INVESTMENT INCOME	13,247,092	7,473,685	3,590,508		24,311,285

TOTAL INCOME	\$19,205,913	\$14,419,131	\$10,245,132		\$43,870,176
--------------	--------------	--------------	--------------	--	--------------

BENEFIT EXPENSES					
PENSION BENEFITS	\$3,814,748	\$4,007,956	\$4,227,143		\$12,049,847
DEATH BENEFITS	16,000	22,000	8,000		46,000
SUBTOTAL	\$3,830,748	\$4,029,956	\$4,235,143		\$12,095,847

OPERATING EXPENSES					
ADMINISTRATION	\$80,582	\$83,440	\$87,171		\$251,193
MISCELLANEOUS	110,386	88,777	162,174		361,337
SUBTOTAL	\$190,968	\$172,217	\$249,345		\$612,530

TOTAL EXPENSES	\$4,021,716	\$4,202,173	\$4,484,488		\$12,708,377
----------------	-------------	-------------	-------------	--	--------------

TOTAL INCOME	\$19,205,913	\$14,419,131	\$10,245,132		\$43,870,176
TOTAL EXPENSES	4,021,716	4,202,173	4,484,488		12,708,377
SURPLUS (DEFICIT)	\$15,184,197	\$10,216,958	\$5,760,644		\$31,161,799

TOTAL PARTICIPANTS	6,261	6,655	6,474		
--------------------	-------	-------	-------	--	--

¹MISCELLANEOUS INCOME: W HOTEL PAYROLL AUDIT \$28,564.85 AND INTEREST \$6,116.09.
OMNI SHOREHAM HOTEL INTEREST \$30,333.51. RESTAURANT ASSOC./KENNEDY CENTER
WITHDRAWAL LIABILITY ESTIMATED FEE \$1,250.00.

2018
QUARTERLY RECAP

	FIRST 2018	SECOND 2018	THIRD 2018	FOURTH 2018	TOTAL
CONTRIBUTIONS	\$5,842,190	\$6,441,446	\$6,324,516	\$6,049,932	\$24,658,084
MISCELLANEOUS INCOME ¹	8,683	10,268	59,027	1,250	79,228
INTEREST & DIVIDENDS	27,901	42,029	37,029	42,237	149,196
INVESTMENT INCOME	728,537	851,517	2,944,618	(5,438,684)	(914,012)
WITHDRAWAL LIABILITY	0	0	0	0	0

TOTAL INCOME	\$6,607,311	\$7,345,260	\$9,365,190	\$654,735	\$23,972,496
--------------	-------------	-------------	-------------	-----------	--------------

BENEFIT EXPENSES					
PENSION BENEFITS	\$3,693,741	\$3,789,135	\$3,847,775	\$3,859,007	\$15,189,658
DEATH BENEFITS	22,000	12,000	20,000	14,000	68,000
SUBTOTAL	\$3,715,741	\$3,801,135	\$3,867,775	\$3,873,007	\$15,257,658

OPERATING EXPENSES					
ADMINISTRATION	\$80,174	\$82,920	\$85,125	\$82,383	\$330,602
MISCELLANEOUS	102,193	88,859	159,391	390,405	740,848
SUBTOTAL	\$182,367	\$171,779	\$244,516	\$472,788	\$1,071,450

TOTAL EXPENSES	\$3,898,108	\$3,972,914	\$4,112,291	\$4,345,795	\$16,329,108
----------------	-------------	-------------	-------------	-------------	--------------

TOTAL INCOME	\$6,607,311	\$7,345,260	\$9,365,190	\$654,735	\$23,972,496
TOTAL EXPENSES	3,898,108	3,972,914	4,112,291	4,345,795	16,329,108
SURPLUS (DEFICIT)	\$2,709,203	\$3,372,346	\$5,252,899	(\$3,691,060)	\$7,643,388

TOTAL PARTICIPANTS	6,411	6,506	6,679	6,308	
--------------------	-------	-------	-------	-------	--

THIRD QUARTER 2019
HOURLY RECAP

	FIRST 2019	SECOND 2019	THIRD 2019	FOURTH 2019	AVG. TOTAL
CONTRIBUTIONS	\$2.373	\$2.442	\$2.450		\$2.4217
MISCELLANEOUS INCOME	0.027	0.015	0.025		0.0223
INTEREST PNC	0.015	0.018	0.014		0.0157

TOTAL INCOME	\$2.415	\$2.475	\$2.489		\$2.4597
--------------	---------	---------	---------	--	----------

BENEFIT EXPENSES					
PENSION BENEFITS	\$1.546	\$1.428	\$1.581		\$1.518
DEATH BENEFITS	0.006	0.008	0.003		0.006
SUBTOTAL	\$1.552	\$1.436	\$1.584		\$1.524

OPERATING EXPENSES					
ADMINISTRATION	\$0.033	\$0.030	\$0.033		\$0.032
MISCELLANEOUS	0.045	0.032	0.061		0.046
SUBTOTAL	\$0.078	\$0.062	\$0.094		\$0.078

TOTAL EXPENSES	\$1.630	\$1.498	\$1.678		\$1.602
----------------	---------	---------	---------	--	---------

TOTAL INCOME	\$2.415	\$2.475	\$2.489		\$2.460
TOTAL EXPENSES	1.630	1.498	1.678		1.602
SURPLUS (DEFICIT)	\$0.785	\$0.977	\$0.811		\$0.858

2019 CONTRIBUTIONS AND HOURS RECAP
--

	FIRST 2019	SECOND 2019	THIRD 2019	FOURTH 2019	AVG TOTAL
CONTRIBUTIONS	\$5,854,655	\$6,853,988	\$6,550,917		\$6,419,853
HOURS	2,466,956	2,806,240	2,674,331		2,649,176
TOTAL PARTICIPANTS	6,261	6,655	6,474		6,463

2018 CONTRIBUTIONS AND HOURS RECAP
--

	FIRST 2018	SECOND 2018	THIRD 2018	FOURTH 2018	AVG TOTAL
CONTRIBUTIONS	\$5,842,190	\$6,441,446	\$6,324,516	\$6,049,932	\$6,164,521
HOURS	2,582,788	2,750,312	2,691,833	2,575,322	2,650,064
TOTAL PARTICIPANTS	6,411	6,506	6,679	6,308	6,476

THIRD QUARTER 2019 DELINQUENT EMPLOYERS
--

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

HERE 25 PENSION FUND
Balance Sheet
September 30, 2019

ASSETS

Current Assets

UNITED BANK BENEFIT ACC	\$ 1,426,168.91
PREPAID INSURANCE	46,618.68
PREPAID EXPENSES	1,065.00
TEMPORARY ASSET	<u>6,209,166.08</u>

Total Current Assets

7,683,018.67

Other Assets

PNC GOVT MONEY MARKET FUND	8,742,102.40
STIF MSD&T 3338209	2.52
BUILDING INVESTMENT TRUST	14,203,385.24
HOUSING INVESTMENT TRUST	4,450,097.68
PIMCO FDS	3.30
MV APPR PIMCO FDS	(0.18)
SSGA S&P GLOBAL LARGE MID CAP	7,991,446.04
SSGA S&P GLOBAL LARGE CAP MV	1,383,563.75
SKY HARBOR CAP MGMT	601,124.63
SKY HARBOR CAP MGMT MV	259,066.37
SKY HARBOR CAP MGMT MONEY MKT	4,620.25
VANGUARD VICBX	7,478,118.54
VANGUARD VICBX MKT VALUE	256,203.54
REALITY ASSOC FUND	657,452.06
REALITY ASSOC FUND MV	402,961.41
RIDGEMONT EQUITY PARTNERS	1,290,089.50
RIDGEMONT EQUITY PARTNERS MV	257,152.50
DRA GROWTH AND INCOME #31	1,671,911.00
DRA GROWTH AND INCOME MV #31	146,232.00
AFL-CIO	19,126,152.08
MV APR AFL-CIO	5,472,802.29
VANGUARD S/T VTSPX	27,201,508.26
VANGUARD S/T VTSPX MKT VALUE	174,257.33
ARTISAN GLOBAL VALUE -INS	12,114,851.62
ARTISAN GLOBAL VALUE -INS MV	487,561.46
STRATEGIC INVESTORS FUND VIII,	2,111,049.00
FIRST EAGLE GLOBAL FUND CLASS	12,449,981.97
FIRST EAGLE GLOBAL CLASS 1 MV	366,349.02
FIRST EAGLE FUND CLASS 1	4,554,597.60
FIRST EAGLE FUND CLASS 1 MV	74,087.85
DRA GROWTH & INCOME IX LLC	1,698,371.00
MV DRA GROWTH & INCOME IX MV	829,785.00
ULLICO PREFERRED 8%	1,429,234.88
CORPORATE STOCK VALUATION	215,624.92
WCM Focused Global Growth	9,848,973.00
WCM MV	2,693,826.00
GQG Partner Global Equity Fund	10,651,561.00
GQG MK VALUE	2,000,000.00
TRILANTIC CAP PART.	565,046.76

SSGA US AHORT TERM #47	11,000,000.00	
SSGA US SHORT TERM MV #47	561,620.10	
SSGA MSCI EMERGING #48	6,182,346.72	
SSGA MSCI EMERGING MV #48	(503,778.66)	
SSGA REIT CMW4 50	3,055,000.00	
MV SSGA REIT CMW4 50	500,938.71	
SSGA TIPS CMTF 51	13,037,000.00	
MV SSGA TIPS CMTF	919,421.11	
SSGA AGGREGATE BOND CMX6 52	32,216,000.00	
MVSSGA AGGREGATE BOND CMX6 52	3,063,769.92	
SSGA MSCI EAFE ZV31NON 53	2,653,000.00	
MV SSGA MSCI EAFE ZV31NON 53	(27,760.81)	
PAYDEN & RYDEL EMERGING MKTS	7,500,000.00	
PAYDEN & RYDEL EMERGING MV	(27,208.90)	
IRONSIDES DIRECT INVESTMENTS	1,933,116.02	
MULTI. EMP TRUST	(0.01)	
ACCRUED INT. AND OTHER	17,048.47	
OTHER RECEIVABLE	<u>2,000,000.00</u>	
Total Other Assets		<u>247,941,666.26</u>
Total Assets		<u><u>\$ 255,624,684.93</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE	\$ 2,501.64	
DUE TO OTHERS	<u>(1,069,924.08)</u>	
Total Current Liabilities		(1,067,422.44)
Long-Term Liabilities		
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		(1,067,422.44)
Capital		
RETAINED EARNINGS	227,587,222.57	
Net Income	<u>29,104,884.80</u>	
Total Capital		<u>256,692,107.37</u>
Total Liabilities & Capital		<u><u>\$ 255,624,684.93</u></u>

HERE 25 PENSION FUND
Income Statement
For the Nine Months Ending September 30, 2019

	Current Quarter	Year to Date
Revenues		
WASHINGTON COURT	\$ 83,676.32	\$ 265,227.07
HAY - ADAMS HOTEL	176,364.80	435,474.00
MAYFLOWER	313,556.44	850,515.66
PHOENIX PARK HOTEL	31,875.55	77,740.90
HILTON WASH. EMBASSY ROW	62,257.03	161,195.43
HARRINGTON HOTEL	43,116.33	100,768.50
WASHINGTON HILTON	517,687.92	1,371,297.03
HYATT REGENCY	377,892.44	873,299.64
WOODNER HOTEL	10,103.20	25,460.46
NATIONAL DEMOCRATIC	14,107.81	40,539.37
RESTAURANT ASSOC./KENNEDY CTR	56,678.54	204,497.37
BEACON HOTEL	27,774.20	85,408.75
HOLIDAY INN ON THE HILL	129,658.38	314,662.17
ST. REGIS WASHINGTON	150,234.17	408,958.15
OMNI-SHOREHAM HOTEL	408,924.95	1,009,036.82
CAPITAL HILTON	266,788.22	696,710.43
MADISON HOTEL	136,204.70	358,977.94
CAPITOL SKYLINE HOTEL	53,702.07	108,358.86
FAIRFAX AT EMBASSY ROW	69,226.39	187,672.34
JEFFESON HOTEL	80,605.78	216,495.49
MARRIOTT WARDMAN PARK	590,912.74	1,493,354.99
UNITE HERE LOCAL 25	36,329.48	88,965.51
ARAMARK@VERIZON CENTER	1,252.27	6,997.82
POWERSCOURT RESTAURANT	6,729.27	30,341.46
SHERATON PREMIER@TYSON	104,818.16	278,703.98
MANDARIN ORIENTAL	206,455.29	548,753.49
EMBASSY SUITES CONV CTR	128,137.08	332,137.30
W HOTEL	225,426.66	438,551.47
HILTON MCLEAN @ TYSON CORNER	208,972.41	546,274.20
DOUBLETREE HOTEL	181,107.48	491,422.41
GAYLORD NATL. RESORT	994,773.72	2,608,623.34
HILTON CRYSTAL CITY @REAGAN	128,184.95	286,637.12
MARRIOTT MARQUIS	504,989.41	1,408,653.81
HILTON EMBASSY CRYSTAL CITY	90,458.07	213,271.37
HILTON NATIONAL MALL	265,328.70	295,427.44
AC HOTEL	36,583.11	91,839.94
EATON HOTEL	100,628.23	100,628.23
INTEREST & DIV.	826,964.56	1,812,991.51
CAPITAL GAIN DIST	438,381.86	573,604.60
UNREALIZED G/L ON INV	2,641,843.55	22,850,331.38
REALIZED GAIN LOSS	(279,249.10)	(512,349.00)
P/R AUDIT INCOME	28,564.85	91,398.95
WITHDRAWAL LIABILITY ESTIMATE	1,250.00	5,000.00
PAYROLL AUDIT INTEREST INCOME	36,449.60	43,681.26
Total Revenues	10,515,727.59	41,917,538.96
Gross Profit	10,515,727.59	41,917,538.96

For Management Purposes Only

	Current Quarter	Year to Date
Expenses		
PENSIONS PAID TO MEMBERS	4,230,454.94	12,087,957.48
INVESTMENT MANAGEMENT FEES	27,632.01	107,515.49
Other Investment Expense	0.00	72.94
INV. CUSTODIAL FEES	22,663.00	62,746.00
INVESTMENT CONSULTANT	24,999.99	66,666.64
ACTUARIAL FEES	16,590.50	30,278.50
ADMINISTRATOR FEES	87,171.31	245,611.12
AUDIT FEE FINANCIAL	15,500.00	18,000.00
AUDIT FEES PAYROLL	10,672.72	16,216.30
LEGAL FEE	11,355.75	71,696.50
INSURANCE AND BONDING	25,073.32	79,645.32
IFEBP	0.00	1,050.00
MEETING EXPENSE	363.48	1,041.32
BANK FEE	1,512.47	4,475.17
PRINTING, POSTAGE & OFFICE	933.65	19,681.38
Total Expenses	4,474,923.14	12,812,654.16
Net Income	\$ 6,040,804.45	\$ 29,104,884.80