UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION
OF WASHINGTON, D.C.

GROUP LEGAL SERVICES FUND
HEALTH AND WELFARE FUND
PENSION FUND

BOARD OF TRUSTEES MEETING
March 20, 2024

Agendas

UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C. GROUP LEGAL SERVICES, HEALTH AND WELFARE AND PENSION FUND

911 RIDGEBROOK ROAD
SPARKS, MARYLAND 21152-9451
TELEPHONE: (410) 683-6500
(800) 638-2972

MEETING OF THE BOARD OF TRUSTEES
OF THE
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
GROUP LEGAL SERVICES
March 20, 2024

A G E N D A

Section

I. Call to Order

II. Appointment of Paul Schwalb to Appeals Subcommittee

III. Minutes - Board Meeting, December 15, 2023 ……………………………………

IV. Invoices - March 20, 2024 ……………………………….………...……....

V. Payroll Auditor Report ……………………………...…......

VI. Regan and Associates ………………………………….…..

   i. Fourth Quarter 2023 Report

   ii. Annual Utilization 2023 Report

VII. Co-Counsel Report

VIII. Administrative Manager Report – Fourth Quarter 2023 Report ……….………..

IX. Other Fund Business

   i. Omni Shoreham Hotel – Payroll Audit- Waiver of Interest Request

   ii. Ratification of Regan Fee request

   iii. Ratification of October 1, 2023 Rate Increases

X. Next Meeting Date and Location

   i. June 7, 2024 - Offices of Local 25 – Washington, DC

   ii. September 25, 2024

   iii. January 22, 2025

XI. Adjournment

UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
GROUP LEGAL SERVICES, HEALTH AND WELFARE AND PENSION FUND

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MEETING OF THE BOARD OF TRUSTEES
OF THE
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
HEALTH AND WELFARE FUND
March 20, 2024

A G E N D A

Section

I. Call to Order

II. Appointment of Paul Schwalb to Appeals Subcommittee

III. Minutes - Board Meeting, December 15, 2023 ……………………………

IV. Invoices - March 20, 2024 …………….

V. Payroll Auditor Report ....…..………………………...

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VII. Administrative Manager Report – Fourth Quarter 2023 …………………

VIII. Other Fund Business

   i. Omni Shoreham Hotel – Payroll Audit- Waiver of Interest Request

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IX. Next Meeting Date and Location

   i. June 7, 2024 - Offices of Local 25 – Washington, DC

   ii. September 25, 2024

   iii. January 22, 2025

X. Adjournment

UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
GROUP LEGAL SERVICES, HEALTH AND WELFARE AND PENSION FUND

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MEETING OF THE BOARD OF TRUSTEES
OF THE
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
March 20, 2024

A G E N D A

Section

I. Call to Order

II. Appointment of Paul Schwalb to Appeals Subcommittee …………………..

III. Minutes - Board Meeting, December 15, 2023 ………………………....

IV. Invoices - March 20, 2024 ………………………...

V. Payroll Auditor Report ……………………......

VI. Co-Counsel Report

VII. Meketa Report

VIII. Actuary Report

IX. Administrative Manager Report – Fourth Quarter 2023 ………… …………

X. Other Fund Business

   i. Omni Shoreham Hotel – Payroll Audit – Waiver of Interest Request

   ii. Ratification of October 1, 2023 contribution rate increases

XI. Next Meeting Date and Location

   i. June 7, 2024 - Offices of Local 25 – Washington, DC

   ii. September 25, 2024

   iii. January 22, 2025

XII. Adjournment

Minutes

Group Legal Services

UNITE HERE Local 25 and Hotel Association of Washington, D.C.
Group Legal Services Fund

911 Ridgebrook Road
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DRAFT

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
GROUP LEGAL SERVICES FUND
HELD ON DECEMBER 15, 2023

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
John Boardman - Chairman	Solomon Keene
Stephanie Steer	Michael D’Angelo (via video conference)
	Satinder Palta (via video conference)

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Ben Conley - Seyfarth Shaw, LLP (via video conference)
Jackie Coyle - Novak|Francella
Barbara Maiorano - Associated Administrators, LLC
Anne-Marie Sims - Associated Administrators, LLC
Paul Schwalb - UNITE Here Local 25

I. CALL TO ORDER

Mr. Boardman noted that Ms. Linda Martin had provided him with her proxy for this meeting. A quorum being present, Chairman Boardman called the meeting to order.

II. MINUTES

Board Meeting, June 7, 2023 and September 13, 2023

The Trustees reviewed the draft minutes of the June 7, 2023 and September 13, 2023 meetings.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Board meeting held June 7, 2023 and September 13, 2023 are approved, as presented.**

III. INVOICES

Ms. Sims presented a list of invoices dated December 15, 2023. She noted that there were no additions, deletions or changes to the list.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the invoices set forth in the list dated December 15, 2023 are approved for payment.**

IV. PAYROLL AUDIT REPORT

Payroll Audit Collections Report

The Trustees welcomed Ms. Jackie Coyle of Novak|Francella to the meeting. Ms. Coyle referred to the Payroll Audit Collections Report dated December 6, 2023, included in the meeting book. Ms. Coyle reviewed the report which contains results for collection of payroll audit deficiencies after receipt of the audits from Novak|Francella and before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

Ms. Coyle reported that the audit for MGM, Marriott Marquis and Jefferson were complete with minor findings, and the audits for Conrad Hotel, Hilton National Mall, Hilton Embassy Suites, Crystal City and Hilton Washington, DC Capitol were still in progress.

Ms. Coyle stated Quantum Services (night cleaners for Hay-Adams Hotel) is on the 2023 audit schedule, however, Novak has been unable to schedule the audit due to no response from the Employer. The Trustees requested that Quantum Services be removed from the audit schedule and directed the Fund office to discontinue accepting contributions and terminate eligibility for any employee associated with Quantum Services. The Trustees directed Trustee Martin to notify the employer.

Mr. Boardman requested that the Harrington Hotel be included in the 2024 schedule as an exit audit priority due to the hotel closing.

V. CO-COUNSEL REPORT

Co-Counsel had no items on which to report.

VI. PROVIDER REPORT

A. Third Quarter 2023 Utilization Report

The Trustees reviewed Regan Associates' Third Quarter 2022 Legal Plan Utilization report which is included in the meeting book. The report showed there were 365 new matters opened during the third quarter, including 29.6% in Immigration cases and 21.1% in Family Law cases.

VII. ADMINISTRATIVE MANAGER'S REPORT

Third Quarter 2023 Administrative Manager's Report

Ms. Sims presented and reviewed the Third Quarter 2023 Administrative Manager's Report, a copy of which is included in the meeting book.

VIII. OTHER FUND BUSINESS

A. Fund Auditor Engagement Letter – 2023 Plan Year

Ms. Sims reported that copies of the proposed audit engagement letter for the 2023 Plan Year from Mr. Tyler Geiman of Novak|Francella, LLC ("Novak") had been circulated prior to the meeting. Ms. Sims noted that the proposed fee of $9,300 for the audit and for preparation of the Form 5500 for 2023 represented no increase from the prior year's fees.

Following discussion, upon Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the Fund's engagement letter with Novak|Francella, LLC for the audit and related work for the 2023 plan year, at a fee of $9,300, is approved.**

B. International Foundation of Employee Benefit Plan Membership ("IFEBP") Renewal
Ms. Sims reported the IFEBP membership renewals were completed for 2024. Ms Sims asked the Trustees if this membership should continue to be renewed annually. After discussion, the Trustees approved renewing this membership on an annual basis.

C. Report of Summary Annual Report Notices
Ms. Sims reported that the Summary Annual Report ("SAR") had been mailed to Participants. A copy of the SAR is included in the meeting book.

D. Resignation of Trustee and Chairman, John Boardman
Mr. Boardman announced that he intended to resign from the Board, as of December 31, 2023, and would submit written notification to the Board.. Mr. Paul Schwalb will be appointed as a Trustee replacing Mr. Boardman in his capacity as Trustee and Chairman. Mr. Boardman was thanked for his many years of service for the Board.

Following discussion, and on Motion made and seconded, the Trustees approved the following resolution:

RESOLVED, to appoint Paul Schwalb as Chairman of the Board, effective January 1, 2024.

IX. NEXT MEETING DATES AND LOCATION

The Trustees scheduled the following Board meetings for 2024, commencing at 10:00 a.m.
March 20, 2024
June 7, 2024
September 25, 2024
January 22, 2025

X. ADJOURNMENT

There being no further business, the meeting was adjourned.

Approved by the Board of Trustees on __________, 2024

By: ________________________
Anne-Marie Sims, Associated Administrators, LLC

AMS/bm
(Org. 12-15-2023)

Health and Welfare

UNITE HERE Local 25 and Hotel Association of Washington, D.C.
Health and Welfare Fund

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DRAFT

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
HEALTH AND WELFARE FUND
HELD ON DECEMBER 15, 2023

The following Trustees were present:

UNION TRUSTEES

John Boardman - Chairman
Stephanie Steer Jones

EMPLOYER TRUSTEES

Solomon Keene
Michael D'Angelo (via video conference)
Satinder Palta (via video conference)

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Ben Conley - Seyfarth Shaw, LLP (via video conference)
Jackie Coyle - Novak|Francella
Barbara Maiorano - Associated Administrators, LLC
Anne-Marie Sims - Associated Administrators, LLC
Paul Schwalb - UNITE Here Local 25

I. CALL TO ORDER

Mr. Boardman noted that Ms. Linda Martin had provided him with her proxy for this meeting. A quorum being present, Chairman Boardman called the meeting to order.

II. MINUTES

Board Meeting, June 7, 2023 and September 13, 2023

The Trustees reviewed the draft minutes of the June 7, 2023 and September 13, 2023 meeting.

On Motion made and seconded, the Trustees approved the following resolution:

RESOLVED that the minutes of the Board meeting held June 7, 2023 and September 13, 2023 are approved, as presented.

III. INVOICES

Ms. Sims presented a list of invoices dated December 15, 2023. She noted that there were no additions, deletions or changes to the list.

On Motion made and seconded, the Trustees approved the following resolution:

RESOLVED that the invoices set forth in the list dated December 15, 2023 are approved for payment.

IV. PAYROLL AUDIT REPORT

Payroll Audit Collections Report

The Trustees welcomed Ms. Jackie Coyle of Novak|Francella to the meeting. Ms. Coyle referred to the Payroll Audit Collections Report dated December 6, 2023, included in the meeting book. Ms. Coyle reviewed the report, which contains results for collection of payroll audit deficiencies after receipt of the audits from Novak|Francella and before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

Ms. Coyle reported that the audit for MGM, Marriott Marquis and Jefferson were complete with minor findings, and the audits for Conrad Hotel, Hilton National Mall, Hilton Embassy Suites, Crystal City and Hilton Washington, DC Capitol were still in progress.

The Trustees reviewed the proposed payroll audit schedule for 2023. Ms. Coyle reported that Avalon Caterers has notified Novak that it does not have payroll records. Ms. Steer-Jones said she will contact Avalon regarding the required information for the audit and will be in contact with Ms. Coyle.

Ms. Coyle stated Quantum Services (night cleaners for Hay-Adams Hotel) is on the 2023 audit schedule, however, Novak has been unable to schedule the audit due to no response from the Employer. Mr. Boardman noted that the Trustees had previously directed that this employer be terminated as a result of its failure to comply with the prior audit. The Trustees requested that Quantum Services be removed from the audit schedule and directed the Fund office to discontinue accepting contributions and terminate Quantum's participation immediately. Trustee Martin will be asked to notify Quantum.

Mr. Boardman requested that the Harrington Hotel be included in the 2024 schedule as an exit audit priority due to the hotel's closing.

V. <u>CO-COUNSEL REPORT</u>

Co-Counsel had no items on which to report.

VI. <u>ADMINISTRATIVE MANAGER'S REPORT</u>

<u>Third Quarter 2023 Administrative Manager's Report</u>

Ms. Sims presented and reviewed the Third Quarter 2023 Administrative Manager's Report, a copy of which is included in the meeting book.

VII. <u>OTHER FUND BUSINESS</u>

A. <u>Dentegra - Dental Service Provider – Contract Renewal</u>

Ms. Sims reported that Dentegra submitted a two-year renewal proposal for the Board's consideration that reflected no increase in the rates from $0.467 per hour worked, effective January 1, 2024.

After discussion and on Motion made and seconded, the Trustees voted approval of the following resolution:

> **RESOLVED to approve a two-year contract renewal with Dentegra, from January 1, 2024 through December 31, 2025, with a rate guarantee of $0.467 per hour worked.**

B. <u>Fund Auditor Engagement Letter – 2023 Plan Year</u>

Ms. Sims reported that copies of the proposed audit engagement letter for the 2023 Plan Year from Novak|Francella, LLC ("Novak") had been circulated prior to the meeting. A copy of the subject letter is included in the meeting book.

Ms. Sims noted that the proposed fee of $19,600 for the Plan year 2023 and related services represents no increase from the prior year.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the Fund's engagement letter with Novak|Francella, LLC for the audit and related work for the 2023 plan year, at a fee of $19,600, is approved.**

C. <u>2022 Summary Annual Report</u>

Ms. Sims reported that the Summary Annual Report ("SAR") had been mailed to participants on time. A copy of the SAR is included in the meeting book.

D. <u>International Foundation of Employee Benefit Plan Membership ("IFEBP") Renewal</u>

Ms. Sims reported the IFEBP membership renewals were completed for 2024. Ms Sims asked the Trustees if this membership should continue to be renewed annually. After discussion, the Trustees approved renewing this membership on an annual basis.

E. <u>Resignation of Trustee and Chairman, John Boardman</u>

Mr. Boardman announced that he intended to resign from the Board, as of December 31, 2023, and would submit written notification to the Board. Mr. Paul Schwalb will be appointed as a Trustee replacing Mr. Boardman in his capacity as Trustee and Chairman. Mr. Boardman was thanked for his many years of service for the Board.

Following discussion, and on Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED, to appoint Paul Schwalb as Chairman of the Board, effective January 1, 2024.**

VIII. <u>NEXT MEETING DATE AND LOCATION</u>

The Trustees scheduled the following Board meetings for 2024, commencing at 10:00 a.m.

March 20, 2024

June 7, 2024

September 25, 2024

January 22, 2025

IX. ADJOURNMENT

There being no further business, the meeting was adjourned.

Approved by the Board of Trustees on __________, 2024

By: _______________________

Anne-Marie Sims, Associated Administrators, LLC

Pension

UNITE HERE Local 25 and Hotel Association of Washington, D.C.
Pension Plan
911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

DRAFT

MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF
UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND
HELD ON DECEMBER 15, 2023

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
John Boardman - Chairman	Solomon Keene
Stephanie Steer	Michael D'Angelo (via video conference)
	Satinder Palta (via video conference)

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Ben Conley - Seyfarth Shaw, LLP (via video conference)
William Duryea - Meketa Investment Group
Brian Dana - Meketa Investment Group
Jackie Coyle - Novak|Francella
Barbara Maiorano - Associated Administrators, LLC
Anne-Marie Sims - Associated Administrators, LLC
Paul Schwalb - UNITE Here Local 25
Coralie Taylor - Cheiron
Kevin Woodrich – Cheiron (via video conference)

I. CALL TO ORDER

Mr. Boardman noted that Ms. Linda Martin had provided him with her proxy for this meeting. A quorum being present, Chairman Boardman called the meeting to order.

II. MINUTES

Board Meeting, June 7, 2023 and September 13, 2023

The Trustees reviewed the draft minutes of the June 7, 2023 and September 13, 2023 meetings.

On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the minutes of the Board meetings held June 7, 2023 and September 13, 2023 are approved, as presented.**

III. INVOICES

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On Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the invoices set forth in the list dated December 15, 2023 are approved for payment.**

IV. PAYROLL AUDIT REPORT

Payroll Audit Collections Report

The Trustees welcomed Ms. Jackie Coyle of Novak|Francella to the meeting. Ms. Coyle referred to the Payroll Audit Collections Report dated December 6, 2023, included in the meeting book. Ms. Coyle reviewed the report, which contains results for collection of payroll audit deficiencies after receipt of the audits from Novak|Francella and before referral of unpaid billed deficiencies to the Fund's Collection Counsel.

Ms. Coyle reported that the audit for MGM, Marriott Marquis and Jefferson were complete with minor findings, and the audits for Conrad Hotel, Hilton National Mall, Hilton Embassy Suites, Crystal City and Hilton Washington, DC Capitol were still in progress.

The Trustees reviewed the proposed payroll audit schedule for 2023. Mr. Boardman requested that the Harrington Hotel be included in the 2024 schedule as an exit audit priority due to the hotel's closing.

V. COUNSEL REPORT

A. Withdrawal Liability – Capitol Skyline

Ms. Mayerson reported that Capitol Skyline has been assessed for withdrawal liability in the amount of $477,318. It was noted that the Trustees decided not to conduct an exit audit given the short period of time between the last audit completed and when the hotel was shut down due to COVID-19 pandemic.

B. Withdrawal Liability – Harrington Hotel

Ms. Mayerson reported that a withdrawal liability assessment has been prepared for the Harrington Hotel. Trustee Schwalb said there are six bargained employees still working on the premises and will remain in place until at least March 2024 so no assessment needed at this time.

C. SECURE ACT 2.0: Required Minimum Distribution ("RMD")

Co-counsel reminded the Trustees that they had previously agreed to increase the age at which an individual who is no longer working in covered employment must begin to receive benefits (the "required beginning date") from age 72 to age 73 for individuals reaching age 72 on or after January 1, 2023. She reported that the Internal Revenue Service has extended the deadline to adopt a plan amendment memorializing this change through December 31, 2025.

VI. INVESTMENT CONSULTANT REPORT

Executive Summary

Mr. Dana began with a summary of the markets and economy through the 2023 year to date (YTD) period. He discussed the returns of various indexes and drivers of markets for the year including inflation and interest rates. The divergence of the returns in the growth and value indexes was then discussed, which included a discussion around the optimism around artificial intelligence. Mr. Dana noted that this theme has caused the U.S. growth indices to drastically outperform value indices in 2023. Further discussion on economic themes included increasing debt burdens of consumers along with increasing rates on consumer credit.

Mr. Dana then discussed positioning relative to what has happened throughout the year. This included a shift to an underweight position to equity in the third quarter followed by a subsequent shift back to neutral in December following comments and a shift in stance by the Federal Reserve Bank.

Current Views and Positioning

Mr. Duryea discussed the current allocation of the Fund relative to the positioning comments made by Mr. Dana. At the end of Q3, the Fund was slightly underweight to equities in the US and in emerging markets. Within the credit portion of the portfolio, emerging market debt was underweight while high yield bonds were overweight. Within private markets, private equity was overweight given strong relative performance in the last year, while real estate was underweight given challenging performance in that asset class. Following this discussion on the asset allocation relative to targets, there was a more general discussion on the Fund's overall asset allocation.

Performance Review

Mr. Duryea began with a review of the overall fund performance, stating that through the end of the third quarter the Fund was up 3.2% year-to-date net of fees. For the one-year period, the Fund was up 8.7% net of fees. Mr. Duryea also reviewed the performances of the asset class aggregates for the year-to-date period. He observed that most of the aggregates have outperformed their respective benchmarks during 2023. The global equity aggregate outperformed the MSCI ACWI by 1.8%, Investment Grade Bonds aggregate outperformed the Bloomberg

Aggregate Index by 0.4%, TIPS (Treasury Inflation Protected Securities) outperformed by 2.2%, emerging markets debt by 0.1%, and high yield bonds outperformed by 1.2%. Natural resources matched the benchmark at -2.4% for the YTD period. These assets represent over 80% of the Fund. The two aggregates that underperformed were real estate and private equity. Real estate was due to the underperformance of the AFL-CIO BIT Fund while Private Equity time weighted returns are difficult to assess in abbreviated periods given lags in performance and valuations. Over the ten-year period, private equity has returned 22.6% per year, 7.8% above its benchmark. Mr. Duryea said that estimated 2023 returns through 12/14 were approximately 9.8%.

Mr. Duryea next turned to manager performance. He pointed out the gap in returns for the Russell 1000 Growth Index Fund and the Russell 1000 Value Index Fund, which was discussed in the market commentary section. Additionally, Mr. Duryea and Mr. Dana discussed the current high yield manager Sky Harbor. Sky Harbor has been a manager in the portfolio since 2012 and has a founder's share class fee of 0.36% with Sky Harbor, which is extremely attractive for the asset class, but Meketa's conviction in the manager has declined following recent discussions between the team at Sky Harbor and Meketa's research team and Meketa is considering replacing this manager.

VII. <u>ACTUARY REPORT</u>

A. <u>2023 Actuarial Valuation Results</u>

The Trustees welcomed Mr. Kevin Woodrich and Ms. Coralie Taylor of Cheiron, Inc. to the meeting. Ms. Taylor reviewed in detail Cheiron's report titled "2023 Actuarial Valuation Results." A copy of the report is included in the meeting book. The funded status of the Plan (actuarial value basis) as of January 1, 2023 is 79.4%. The valuation results reflect a market value return on assets of 10.23%. There was a 60.1% increase in the number of actives, from 3,302 in 2022 to 5,286 in 2023 and a 140% increase in hours from the prior year. Total annual benefits are up 7.6% from the prior year.

VIII. ADMINISTRATIVE MANAGER'S REPORT

A. Third Quarter 2023 Administrative Manager's Report

Ms. Sims presented and reviewed the Third Quarter 2023 Administrative Manager's Report, which was included in the agenda materials.

B. Third Quarter 2023 Pension Benefit Applications

Ms. Sims presented and reviewed the Third Quarter 2023 Pension Benefit Application Reports, which were included in the agenda materials.

On Motion made and seconded, the Trustees voted approval of the following resolution:

RESOLVED that the Third Quarter 2023 Pension Benefit Applications are approved for payment as presented.

C. United Bank

Ms. Sims reminded the Trustees that the Fund has been utilizing United Bank for many years to issue monthly pension benefits, but utilize PNC bank for all other banking services, and suggested that the Trustees consider consolidating all of its accounts with PNC. The Trustees requested that this topic be presented to the Finance and Collections Committee for consideration.

IX. OTHER FUND BUSINESS

A. Fund Auditor Engagement Letter – 2023 Plan Year

Ms. Sims reported that copies of the proposed audit engagement letter for the 2023 Plan Year from Mr. Tyler Geiman of Novak|Francella, LLC ("Novak") had been circulated prior to the meeting. Ms. Sims noted that the proposed fee of $22,500 for the audit and for preparation of the Form 5500 for 2023 represented is a 3% increase from the prior year's fees.

Following discussion, upon Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED that the Fund's engagement letter with Novak|Francella, LLC for the audit and related work for the 2023 plan year, at a fee of $22,500, is approved.**

B. International Foundation of Employee Benefit Plan Membership ("IFEBP") Renewal

Ms. Sims reported the IFEBP membership renewals were completed for 2024. Ms Sims asked the Trustees if this membership should continue to be renewed annually. After discussion, the Trustees approved renewing this membership on an annual basis.

C. Resignation of Trustee and Chairman, John Boardman

Mr. Boardman announced that he intended to resign from the Board, as of December 31, 2023, and would submit written notification to the Board. Mr. Paul Schwalb will be appointed as a Trustee replacing Mr. Boardman in his capacity as Trustee and Chairman. Mr. Boardman was thanked for his many years of service for the Board.

Following discussion, and on Motion made and seconded, the Trustees approved the following resolution:

> **RESOLVED, to appoint Paul Schwalb as Chairman of the Board, effective January 1, 2024.**

D. Report of Summary Plan Information 104(d) Notices

Ms. Sims reported that the ERISA 104(d) notices were mailed timely to all participating employers and Local 25.

X. NEXT MEETING DATE AND LOCATION

The Trustees scheduled the following Board meetings for 2024, commencing at 10:00 a.m.

March 20, 2024

June 7, 2024

September 25, 2024

January 22, 2025

XI. ADJOURNMENT

There being no further business, the meeting was adjourned.

Approved by the Board of Trustees on __________, 2024

By: ___________________________________

Anne-Marie Sims, Associated Administrators, LLC

AMS/bm

(Org. 12-15-2023)

Invoices

Group Legal Services

UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
GROUP LEGAL SERVICES FUND

INVOICES
as of March 20, 2024

Associated Administrators, LLC		
12/08/2023	Postage to mail new hire packets, November 2023	$2.77
01/01/2024	Administrative Fees – January 2024	$6,228.00
01/22/2024	Postage to mail new hire packets, December 2023	$5.05
01/24/2024	Administrative Fees – February 2024	$6,228.00
02/09/2024	Postage to mail new hire packets, January 2024	$2.56
03/01/2024	Administrative Fees – March 2024	$6,228.00

Bredhoff & Kaiser, PLLC		
12/07/2023	General services through November 30, 2023	$580.00
01/24/2024	General services through December 31, 2023	$580.00

Seyfarth Shaw, LLP		
02/02/2024	General services through September 30, 2023	$1,305.00
02/02/2024	General services through November 30, 2023	$145.00
02/02/2024	General services through December 31, 2023	$580.00

Novak Francella		
12/27/2023	Payroll Compliance Review – Omni Shoreham Hotel and The Jefferson Hotel	$642.00
3/13/2024	Payroll Compliance Review – Conrad Hotel	$360.90

Doyle Printing		
1/31/2024	Reimbursement for Mailing and Postage of 2022 SAR – Mailing #1	$4,239.18
1/31/2024	Reimbursement for Mailing and Postage of 2022 SAR – Mailing #2	$424.54
2/20/2024	Purchase of envelopes	$35.81

Health and Welfare

UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
HEALTH AND WELFARE FUND

INVOICES
as of March 20, 2024

Associated Administrators, LLC		
12/08/2023	Postage to mail new hire packets, November 2023	$6.16
01/01/2024	Administrative Fees – January 2024	$16,390.00
01/22/2024	Postage to mail new hire packets, December 2023	$11.23
01/24/2024	Administrative Fees – February 2024	$16,390.00
02/09/2024	Postage to mail new hire packets, January 2024	$8.03
03/01/2024	Administrative Fees – March 2024	$16,390.00

Bredhoff & Kaiser, PLLC		
12/07/2023	General services through November 30, 2023	$580.00
01/24/2024	General services through December 31, 2023	$580.00

Doyle Printing		
1/31/2023	Reimbursement for Mailing and Postage of 2022 SAR – Mailing #1	$10,232.50
1/31/2023	Reimbursement for Mailing and Postage of 2022 SAR – Mailing #2	$990.59
2/20/2024	Purchase of envelopes	$89.54

Seyfarth Shaw, LLP		
02/02/2024	General services through May 31, 2023	$145.00
02/02/2024	General services through September 30, 2023	$1,595.00
02/02/2024	General services through November 30, 2023	$145.00
02/02/2024	General services through December 31, 2023	$435.00

Novak Francella		
12/27/2023	Payroll Compliance Review – Omni Shoreham Hotel and The Jefferson Hotel	$1,605.00
3/13/2024	Payroll Compliance Review – Conrad Hotel	$802.00

Pension

UNITE HERE LOCAL 25 AND
HOTEL ASSOCIATION OF WASHINGTON, D.C.
PENSION FUND

INVOICES
as of March 20, 2024

Associated Administrators, LLC		
12/08/2023	Postage to mail new hire packets, November 2023	$21.85
01/01/2024	Administrative Fees – January 2024	$32,236.00
01/22/2024	Postage to mail new hire packets, December 2023	$39.87
01/22/2024	Miscellaneous Fees	$82.90
01/24/2024	Administrative Fees – February 2024	$32,236.00
02/09/2024	Postage to mail new hire packets, January 2024	$20.16
03/01/2024	Administrative Fees – March 2024	$32,236.00

Bredhoff & Kaiser, PLLC		
12/07/2023	General services through November 30, 2023	$1,885.00
01/24/2024	General services through December 31, 2023	$3,335.00
03/05/2024	General services through January 21, 2023	$725.00

Cheiron		
01/17/2024	4th Qtr 2023 billing, Quarterly Services through December 31, 2023	$15,582.00

Doyle		
2/20/2024	Purchase of envelopes	$317.85

Meketa Investment Group		
01/03/2024	Investment consulting services for the month of December 2023	$10,833.33
01/31/2024	Investment consulting services for the month of January 2024	$10,833.33
3/5/2024	Investment consulting services for the month of February 2024	$10,833.33

Novak Francella		
12/27/2023	Payroll Compliance Review – Omni Shoreham Hotel and The Jefferson Hotel	$5,697.75
3/13/2024	Payroll Compliance Review – Conrad Hotel	$2,847.10

Seyfarth Shaw, LLP		
02/02/2024	General legal services rendered through September 30, 2023	$1,595.00
02/02/2024	General legal services rendered through October 31, 2023	$145.00
02/02/2024	General legal services rendered through November 30, 2023	$290.00
02/02/2024	General legal services rendered through December 31, 2023	$1,595.00

Payroll Audit Collections Reports

Novak Francella LLC CERTIFIED PUBLIC ACCOUNTANTS

UNITE HERE Local 25 and Hotel Associations of Washington, DC
Health and Welfare Fund, Group Legal, Pension Funds and 401k Plan

Status of Payroll Compliance Reviews **March 11, 2024**

2023						Exceptions					
Hotel (Prior Operator)	**Funds ER Participates**	**Audit Period**	**Scheduled Date**	**Preliminary Letter Sent**	**Report Delivered Date**	Dental	Optical	Legal	Pension	401K	**Report Comments**
AC National Harbor	D, O, L, P	01/01/2015-12/31/2022	1/22/2024								Still waiting for some payroll information.
Beacon Hotel	D, O, L, P, 401k	03/01/2018-03/31/2023	5/30/2023	7/17/2023	8/1/2023	$ 1,249.23	$ 295.02	$ 590.88	$ 1,587.90	$ 1,065.00	Contributions due on miscellaneous hours including OT & DT for Welfare & Legal.
Capitol Hilton	D, O, L, P, 401k	01/01/2017-12/31/2022	11/8/2023	3/7/2024	3/12/2024	$ -	$ -	$ -	$ 142.00		Clerical errors with contributions due on vacation hours
Conrad Hotel	D, O, L, P	01/01/2020-12/31/2022	12/12/2023	3/6/2024		$ 5,555.36	$ 1,121.85	$ 1,835.44	$ 1,842.28		Contributions due on Overtime and Doubletime. Employees not reported
Courtyard & Residence Inn (Downtown Con Ctr)	D, O, L, P	01/01/2015-12/31/2022	2/27/2024								
Eaton Hotel	D, O, L, P	08/01/2018-12/31/2022									Working with employer to obtain documents
Embassy Suites Chevy Chase	D, O, L, P	01/01/2019-12/31/2022									Working with employer to obtain documents
Harrington Hotel	D, O, L, P, 401k	01/01/2018-12/31/2022	4/3/2023	4/13/2023	5/3/2023	$ 10.44	$ 2.16	$ 7.13	$ -		Clerical errors
Hilton Embassy Ste Crystal City	D, O, L, P	01/01/2019-12/31/2022	2/19/2024								Report in progress
Hilton National Mall	D, O, L, P	01/01/2021-12/31/2022	12/20/2023	2/20/2024							ER is disputing preliminary findings from exit interview should have response by 3/15/24
Hilton Washington DC Capital	D, O, L, P, 401k	01/01/2021-12/31/2022	3/6/2024								
Jefferson Hotel	D, O, L, P, 401k	01/01/2018-12/31/2022	8/17/2023	11/8/2023	11/20/2023				$ 200.90		Clerical errors
MGM Resorts Int'l	D, O, L, P	01/01/2018-12/31/2022	6/20/2023	8/15/2023	8/29/2023	$ 57.61 $ (972.63)	$ 11.81 $ (199.31)	$ (427.76)	$ 197.51 $ (3,622.14)		Clerical errors (Employer also over reporting hours, needs to be confirmed by Administrator)
Monaco Hotel	D, O, L	01/01/2015-12/31/2022									Still waiting on information from employer.
Omni Shoreham Hotel	D, O, L, P, 401k	01/01/2017-04/30/2023	9/18/2023	11/8/2023	12/21/2023	$ 4,302.08	$ 881.57	$ 2,203.93	$ 33,523.54		Contributions not submitted for 8/31/2017, Employees performing covered work and clerical errors on some holiday and vacation time not reported.
Rare Restaurant	D, O, L	01/01/2019-12/31/2022	2/27/2024								
Restaurant Assoc./ Kennedy Center	D, O, L, P	01/01/2019-03/31/2023	6/27/2023		8/4/2023	$ -	$ -	$ -	$ -		No exceptions
UNITE HERE Local 25	D, O, L, P, 401K	01/01/2018-12/31/2021									

2023 Payroll Audit Collections Report

Name	Audit Period	Amount Deficiencies Welfare	Amount Deficiencies Legal	Amount Deficiencies Pension	Amount Deficiencies 401(k)	Status
Beacon Hotel	2018-2023	$1,544.25	$590.88	$3,954.23	$1,065.00	In Process
MGM Resorts Int'l	2018-2022	$ 197.20	$ 98.66	$ 351.92	$ -	**CLOSED**
Omni Shoreham Hotel	2017-2022	$ 25,967.72	$ 11,040.70	$ 174,906.98	$ -	In Process
Restaurant Associates/Kennedy Center	2019-2022	$ -	$ -	$ -	$ -	**CLOSED**
Capital Hilton Hotel	2017-2022					In Process
Harrington Hotel	2018-2022	$ 19.90	$ 9.52	$ -	$ -	**CLOSED**
AC Hotel-National Harbor	2015-2023					
Avalon Caterers	2017-2023					
Conrad Hotel	2020-2022	$ 10,761.01	$ 2,324.57	$ 2,153.26	$ -	In Process
Courtyard & Residence	2015-2022					
Eaton Hotel	2017-2022					
Chase	2019-2022					
Hilton Embassy Suites-Crystal City	2015-2022					In Process
Hilton National Mall	2021-2022					In Process
Hilton Washington DC Capital	2021-2022					In Process
Monaco Hotel	2017-2022					
Rare Restaurants	2017-2022					
Waldorf Astoria Hotel	2015-2022					
Jefferson Hotel	2021-2022	$ -	$ -	$ 478.53	$ -	**CLOSED**
UNITE HERE Local 25	2018-2021					

Name	Audit Period	Amount Deficiencies Welfare	Amount Deficiencies Legal	Amount Deficiencies Pension	Status
Charlie Palmers Steakhouse					
DoubleTree Hotel-Crystal City					
Hyatt Regency					
Omni Shoreham Hotel					
Powerscourt Restaurant					
Washington Hilton					
Yotel					
Hay Adams Hotel					
Mayflower Hotel					
National Democratic Club					
National Press Club					
Phoenix Park Hotel					
St. Regis Hotel					
Trump International	2019 - 2022	$0.00	$0.00	$0.00	**CLOSED**

Administrative Managers Reports

Group Legal Services

UNITE HERE LOCAL 25 AND

HOTEL ASSOCIATION OF WASHINGTON, D.C.

GROUP LEGAL SERVICES FUND

FOURTH QUARTER

2023

ADMINISTRATIVE MANAGER'S REPORT

FOURTH QUARTER 2023
LEGAL CONTRIBUTIONS

EMP #	COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
	HOTEL ASSOCIATION CONTRACTS					
0028	CAPITAL HILTON[1]	0.2540	09-15-24	178	$17,375	68,406
0027	CAPITOL SKYLINE HOTEL[1,2]	0.2540	09-15-24	1	39	152
25-103	CONRAD HOTEL[1]	0.2540	09-15-24	232	26,657	104,949
25-101	COURTYARD RESIDENCE INN[1]	0.2540	09-15-24	58	6,199	24,405
0252	EMBASSY SUITES HOTEL DC CONV CTR[1]	0.2540	09-15-24	103	11,811	46,499
0010H	HAY-ADAMS HOTEL[1]	0.2540	09-15-24	147	17,068	67,197
25-316	HILTON NATIONAL MALL HOTEL[1]	0.2540	09-15-24	106	11,568	45,545
25-167	HILTON WASHINGTON DC CAPITAL HILL[1]	0.2540	09-15-24	91	9,470	37,283
25-275	HOTEL WASHINGTON[1]	0.2540	09-15-24	164	17,830	70,195
0032	HYATT REGENCY[1]	0.2540	09-15-24	254	23,167	91,207
0016	JEFFERSON HOTEL[1]	0.2540	09-15-24	74	7,985	31,437
0019	MADISON HOTEL[1]	0.2540	09-15-24	102	11,374	44,778
0309	MARRIOTT MARQUIS WASHINGTON[1]	0.2540	09-15-24	427	41,430	163,110
0020H	MAYFLOWER HOTEL[1]	0.2540	09-15-24	257	29,152	114,773
25-317	MONACO HOTEL[1]	0.2540	09-15-24	40	4,485	17,657
0026	OMNI-SHOREHAM HOTEL[1]	0.2540	09-15-24	297	28,658	112,827
0153	PHOENIX PARK HOTEL[1]	0.2540	09-15-24	32	3,238	12,747
25-249	SALAMANDER[1]	0.2540	09-15-22	160	18,044	71,040
0011H	THE BEACON HOTEL[1,2]	0.2540	09-15-24	27	2,623	10,326
0024	THE ST. REGIS WASHINGTON[1]	0.2540	09-15-24	118	13,092	51,542
0005	THE VEN AT EMBASSY SUITES[1]	0.2540	09-15-24	57	7,357	28,964
0030	WASHINGTON HILTON[1]	0.2540	09-15-24	484	40,732	160,363
25-104	YOTEL WASHINGTON DC[1]	0.2540	09-15-24	98	9,644	37,969
	SIGNATORY TO HOTEL ASSOCIATION CONTRACT	0.2540				
0009	HARRINGTON HOTEL[1]	0.2540	09-15-24	28	2,427	9,555
0171	POWERSCOURT RESTAURANT[1]	0.2540	09-15-22	10	416	1,636
	INDEPENDENTS	0.2540				
25-311	AC HOTEL[1]	0.2540	11-01-22	32	3,212	12,647
0251	CHARLIE PALMER'S STEAK DC[1]	0.2540	06-01-25	31	3,347	13,177
0262	DOUBLE TREE HOTEL CRYSTAL CITY[1]	0.2540	09-15-22	162	15,345	60,415
25-314	EATON HOTEL[1]	0.2540	09-15-22	51	4,690	18,463
0277	GAYLORD NATIONAL RESORT & CO[1]	0.2540	11-01-22	972	96,381	379,452
0208	HILTON NATIONAL LANDING[1]	0.2540	11-15-22	93	9,533	37,532
0263	HILTON EMBASSY SUITES CRYSTAL CITY[1,3]	0.2540	09-15-22	35	4,200	16,536
0259	HILTON MCLEAN TYSONS CORNER[1]	0.2540	10-15-22	154	16,555	65,176
25-315	MGM RESORTS INTERNATIONAL[1]	0.2540	10-31-24	921	100,633	396,192
0047	NATIONAL PRESS CLUB[1]	0.2540	10-15-24	54	4,663	18,360
0236	QUANTUM SERVICES INC[1,2]	0.2540	12-31-23	3	234	921
25-105	RARE RESTAURANT STEAKHOUSE[1]	0.2540	06-30-24	8	957	3,766
0045	THE WOODNER HOTEL[1]	0.2540	11-30-23	7	792	3,119
0292	UNITE HERE LOCAL 23	0.2690	09-15-22	1	140	520
0060H	UNITE HERE LOCAL 25[1]	0.2540	09-15-24	48	5,636	22,189
25-313	WALDORF ASTORIA[1]	0.2540	09-15-22	232	23,034	90,685

TOTALS	6,349	$651,193	2,563,712

[1]RATE CHANGE OCTOBER
[2]INCLUDES SEPTEMBER
[3]DELINQUENT FOR DECEMBER

AVG. HR CONTRIBUTION	$0.2540
AVG. HRS PER MONTH PER PARTICIPANT	134.60

FOURTH QUARTER 2023
EXPENSES

CATEGORY	AMOUNT	AVERAGE HOURLY COST
ADMINISTRATION	$18,141	$0.007
REGAN & ASSOCIATES	496,284	$0.194
MISCELLANEOUS	5,771	$0.002
TOTAL	$520,196	$0.203

MISCELLANEOUS

CATEGORY	AMOUNT	AVERAGE HOURLY COST
BANK FEE	$300	$0.0001
BREDHOFF/LEGAL	2,919	$0.0011
IFEPB DUES	96	$0.0000
MEETING	58	$0.0000
POSTAGE	30	$0.0000
SEGAL SELECT/CYBER LIAB	815	$0.0003
SEYFARTH/LEGAL	1,553	$0.0006
TOTAL	$5,771	$0.002

FOURTH QUARTER 2023
QUARTERLY RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	TOTAL
CONTRIBUTIONS	$381,692	$382,633	$487,757	$651,193	$1,903,275
MISCELLANEOUS INCOME[1]	30	10	0	99	139
INTEREST & DIVIDENDS	2	0	0	0	2
INVESTMENT INCOME[2]	24,008	(1,531)	(13,568)	29,754	38,663
TOTAL INCOME	$405,732	$381,112	$474,189	$681,046	$1,942,079
EXPENSES					
ADMINISTRATION	$18,141	$18,141	18,141	18,141	$72,564
REGAN & ASSOCIATES	425,749	467,147	442,636	496,284	1,831,816
MISCELLANEOUS	8,589	10,640	15,843	5,771	40,843
TOTAL EXPENSES	$452,479	$495,928	$476,620	$520,196	$1,945,223
TOTAL INCOME	$405,732	$381,112	$474,189	$681,046	$1,942,079
TOTAL EXPENSES	$452,479	$495,928	$476,620	$520,196	$1,945,223
SURPLUS (DEFICIT)	($46,747)	($114,816)	($2,431)	$160,850	($3,144)
TOTAL PARTICIPANTS	6,011	6,065	6,095	6,349	6,130
UNAUDITED CASH ASSETS	$1,070,027	$595,072	$560,484	$881,400	

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2021 $1,032,470.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2021 $1,162,424.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2022 $1,188,403.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2022 $1,108,454.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2023 $559,827.38
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2023 $560,483.84

[1]MGM RESORTS INTERNATIONAL PAYROLL AUDIT $35.51 & INTEREST $63.14
[2]HARBOR FUNDS $28,618.60 AND DODGE & COX FUNDS $1,135.01

2022
QUARTERLY RECAP

	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	TOTAL
CONTRIBUTIONS	$385,586	$501,862	$515,973	$457,871	$1,861,292
MISCELLANEOUS INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	0	0	1	2	3
INVESTMENT INCOME[1]	(45,889)	(40,173)	(31,329)	15,465	(101,926)
TOTAL INCOME	$339,697	$461,689	$484,645	$473,338	$1,759,369
EXPENSES					
ADMINISTRATION	$17,613	$17,613	$17,613	$17,613	$70,452
REGAN & ASSOCIATES	364,767	423,702	471,784	465,556	1,725,809
MISCELLANEOUS	5,561	10,139	13,718	5,376	34,794
TOTAL EXPENSES	$387,941	$451,454	$503,115	$488,545	$1,831,055
TOTAL INCOME	$339,697	$461,689	$484,645	$473,338	$1,759,369
TOTAL EXPENSES	$387,941	$451,454	$503,115	$488,545	$1,831,055
SURPLUS (DEFICIT)	($48,244)	$10,235	($18,470)	($15,207)	($71,686)
TOTAL PARTICIPANTS	4,741	5,639	6,008	5,542	5,483
UNAUDITED CASH ASSETS	$1,047,077	$1,095,841	$1,108,454	$1,277,812	

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2020 $1,623,851.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2020 $1,629,866.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2021 $1,032,470.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2021 $1,162,424.

UNAUDITE CASH ASSETS AS OF SEPTEMBER 1, 2022 $1,188,403.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2022 $1,108,454.

[1]HARBOR FUNDS $7,250.39 AND DODGE & COX FUNDS $8,214.50

FOURTH QUARTER 2023
HOURLY QUARTERLY RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	AVG. TOTAL
HOURLY CONTRIBUTIONS	$0.1654	$0.1506	$0.2040	$0.2540	$0.1935
MISCELLANEOUS INCOME	0.0000	0.0000	0.0000	0.0000	0.0000
INTEREST & DIVIDENDS	0.0000	0.0000	0.0000	0.0000	0.0000
TOTAL INCOME	$0.1654	$0.1506	$0.2040	$0.2540	$0.1935
EXPENSES					
ADMINISTRATION	$0.0079	$0.0071	$0.0076	$0.0071	$0.0074
REGAN & ASSOCIATES	0.1845	0.1839	0.1851	0.1936	0.1868
MISCELLANEOUS	0.0037	0.0042	0.0066	0.0023	0.0042
TOTAL EXPENSES	$0.1961	$0.1952	$0.1993	$0.2030	$0.1984
TOTAL INCOME	$0.1654	$0.1506	$0.2040	$0.2540	$0.1935
TOTAL EXPENSES	$0.1961	$0.1952	$0.1993	$0.2030	$0.1984
SURPLUS (DEFICIT)	($0.0307)	($0.0446)	$0.0047	$0.0510	($0.0049)

FOURTH QUARTER 2023
DELINQUENT EMPLOYERS

EMPLOYER	CONTRIBUTION MONTH	FIRST LETTER SENT	REFERRED TO COUNSEL
HILTON EMBASSY SUITES CRYSTAL CITY	DECEMBER	1/3/2024	

2023

CONTRIBUTIONS AND HOURS

RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	AVG TOTAL
CONTRIBUTIONS	$381,692	$382,633	$487,757	$651,193	$475,819
HOURS	2,307,706	2,540,674	2,390,794	2,563,712	2,450,722
TOTAL PARTICIPANTS	6,011	6,065	6,095	6,349	6,130

2022

CONTRIBUTIONS AND HOURS

RECAP

	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	AVG TOTAL
CONTRIBUTIONS	$385,586	$501,862	$515,973	$457,871	$465,323
HOURS	1,488,331	2,252,010	2,330,726	2,398,529	2,117,399
TOTAL PARTICIPANTS	4,741	5,639	6,008	5,542	5,483

FOURTH QUARTER 2023
LOCAL 25 LEGAL

ACCOUNTS

	$451,978.45	ACCT.# 29846570	HARBOR FUNDS MARKET VALUE AS OF DECEMBER 31, 2023
	16,633.11	ACCT.# 300227568	DODGE & COX FUNDS MARKET VALUE AS OF DECEMBER 31, 2023
	412,788.46	ACCT.# 55-0033-3242	PNC CHECKING ACCOUNT DECEMBER 31, 2023
TOTAL	$881,400.02		

HERE 25 LEGAL FUND
Balance Sheet
December 31, 2023

ASSETS

Current Assets		
PNC CHECKING ACCOUNT	$ 412,788.46	
CONTRIBUTION RECEIVABLE	221,021.47	
HARBOR FUND	524,574.93	
HARBOR INV MARKET ALLOWANC	(72,596.48)	
DODGE & COX	18,023.32	
DODGE & COX MARKET ALLOWANCE	(1,390.21)	
PREPAID INSURANCE	7,592.69	
PREPAID EXPENSE	95.60	
Total Current Assets		1,110,109.78
Property and Equipment		
Total Property and Equipment		0.00
Other Assets		
Total Other Assets		0.00
Total Assets		$ 1,110,109.78

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE	$ 1,227.05	
Total Current Liabilities		1,227.05
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		1,227.05
Capital		
RETAINED EARNINGS	1,070,556.73	
Net Income	38,326.00	
Total Capital		1,108,882.73
Total Liabilities & Capital		$ 1,110,109.78

HERE 25 LEGAL FUND
Income Statement
For the Twelve Months Ending December 31, 2(

		Current Month
Revenues		
PAYROLL AUDIT	$	35.51
HAY ADAMS		21,909.93
RENAISSANCE MAYFLOWER HOTEL		36,788.68
WASHINGTON HILTON		54,132.02
UNITE HERE LOCAL 25		7,236.68
PHOENIX PARK		4,078.25
HILTON WASH EMBASSY ROW		9,942.51
HARRINGTON HOTEL		3,405.42
HYATT REGENCY		29,869.83
WOODNER HOTEL		4,818.20
RESTAURANT ASSOCKENNEDY CENTE		0.00
BEACON HOTEL		2,606.00
ST. REGIS WASHINGTON		16,976.63
OMNI SHOREHAM HOTEL		35,652.83
CAPITAL HILTON		22,490.41
MADISON HOTEL		16,775.48
CAPITOL SKYLINE HOTEL		62.02
NATIONAL PRESS		6,045.83
JEFFERSON HOTEL		10,309.71
POWERSCOURT		607.03
QUANT SERVICES @HAY ADAMS		545.00
MARRIOTT MARQUIS		53,472.63
DOUBLETREE		19,484.11
HILTON CRYSTAL CITY @REAGAN AI		12,761.83
EATON HOTEL		6,219.59
HILTON NATIONAL MALL		14,854.18
CONRAD HOTEL		32,328.29
YOTEL WASHINGTON DC		10,497.24
COURTYARD & RESIDENCE INN		8,252.62
WALDORF ASTORIA HOTEL		29,843.61
HILTON WASH.DC CAPITAL HI		11,674.68
RARE RESTAURANT		1,304.67
HOTEL WASHINGTON		23,105.82
MGM RESORTS INTERNATIONAL		122,701.31
UNITE HERE LOCAL 23		185.06
GAYLORD NATL. RESORT		120,268.06
INTEREST INCOME		0.00
INTEREST INCOME ON P/R AUDITS		63.14
SALAMANDER HOTELS&RESORTS		23,182.32
CHARLIE PALMER STEAK HOUSE		4,280.98
EMBASSY SUITES HOTEL		9,674.94
MONACO HOTEL		2,353.25
HARBOR FUND DIVIDENDS		7,054.00
DODGE & COX DIVIDENDS		168.29
AC HOTEL		4,947.79
HARBOR FUND UNREALIZED GAIN/LO		21,564.60
DODGE & COX UNREALIZED GAIN/LO		966.72
HILTON MCLEAN TYSON CORNER		20,480.93
HILTON EMBASSY SUITES @ CRYSTA		5,381.33
Total Revenues		851,359.96
Cost of Sales		
Total Cost of Sales		0.00
Gross Profit		851,359.96
Expenses		
LEGAL PROVIDER FEES		285,511.45
ADMINISTRATION FEES		18,141.00
PRINTING & OFFICE		34.64
INSURANCE & BONDING		0.00
CYBER LIABILITY		67.95
LEGAL FEES		5,051.69
AUDIT FEES		0.00
PAYROLL AUDIT FEES		642.00
BANK FEE		299.65
MEETING EXPENSE		57.93
IFEPB		0.00
Total Expenses		309,806.31
Net Income	$	541,553.65

Dodge & Cox®
Funds

Year End Statement
01/01/2023 through 12/31/2023

How to Reach Us

ONLINE
www.dodgeandcox.com

BY PHONE
800-621-3979
Monday through Friday,
8:00 a.m. to 7:30 p.m. Eastern Time

BY MAIL
Dodge & Cox Funds
P.O. Box 219502
Kansas City, MO 64121-9502

00200405

AB 01 006723 23844 H 37 A

HOTEL & REST EMP LCL 25 & HOTEL
ASSOC & CAFE & OTHER SUB EMP GRP
ATTN JOHN A DOUGHERTY
911 RIDGEBROOK RD
SPARKS MD 21152-9459

006723 1/3

PORTFOLIO OVERVIEW

Total Portfolio Value as of 12/31/2023 $16,633.11

Portfolio Summary

	Value this Quarter 10/01/2023 - 12/31/2023	Value this Year 01/01/2023 - 12/31/2023
Beginning Value	**$15,498.10**	**$306,352.69**
Purchases	$0.00	$0.00
Dividends Reinvested	$168.29	$3,251.35
Capital Gain Distributions Reinvested	$0.00	$0.00
Transfers In	$0.00	$0.00
Exchanges In	$0.00	$0.00
Redemptions/Fees	$0.00	-$300,000.00
Transfers Out	$0.00	$0.00
Exchanges Out	$0.00	$0.00
Change in Market Value	$966.72	$7,029.07
Ending Value	**$16,633.11**	**$16,633.11**
Distributions Paid in Cash	$0.00	$0.00

1,6

Shareholder News

2023 tax forms will be available by January 31st. You can view, print, or save copies of your tax forms and account statements by accessing your account online. You will receive a copy of applicable tax documents via mail unless you previously selected electronic document delivery. To assist you in preparing your tax returns, the 2023 Tax Guide, FAQs, and supplemental information can be accessed in the Tax Center section of our website in late-January.

Harbor®
Trusted Partnerships > Trusted Solutions

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HOTEL AND REST EMPLOYEES LOCAL 25
AND HOTEL ASSOCIATION CAFETERIA
GROUP LEGAL SERVICES FUND
911 RIDGEBROOK RD
SPARKS MD 21152-9459

Your Investment Summary

Account Number: 29876570
01/01/2023 - 12/29/2023

How to reach us:

harborcapital.com

800-422-1050
Monday through Friday, 8:00 a.m. - 6:00 p.m. Eastern time

Our Shareholder Services Representatives are ready to assist you with your financial needs Monday through Friday, between 8:00 a.m. and 6:00 p.m. Eastern Time by phone or online chat. Please continue to visit harborcapital.com for important insights and updates.

Total Account Value (as of 12/29/2023) **$451,978.45**

Account Summary	
Beginning Value (01/01/2023)	**$423,596.58**
Purchases	$0.00
Exchanges In	$0.00
Exchanges Out	$0.00
Redemptions	$0.00
+/- Change in Investment Value*	$28,381.87
Ending Value (12/29/2023)	**$451,978.45**

* Change in Investment Value represents the appreciation or depreciation of your investment as well as dividend and capital gains distributions.

Earnings	**Year-to-date**
Dividend Income	$18,729.15
Short Term Capital Gains	$0.00
Long Term Capital Gains	$0.00
Total	**$18,729.15**

Health and Welfare

UNITE HERE LOCAL 25 AND

HOTEL ASSOCIATION OF WASHINGTON, D.C.

HEALTH AND WELFARE FUND

FOURTH QUARTER

2023

ADMINISTRATIVE MANAGER'S REPORT

FOURTH QUARTER 2023
DENTAL AND OPTICAL CONTRIBUTIONS

EMP #	COMPANY	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
	HOTEL ASSOCIATION CONTRACTS					
0028	CAPITAL HILTON[1]	$0.6600	09-15-24	178	44,874	68,406
0027	CAPITOL SKYLINE HOTEL[1,2]	0.6600	09-15-24	1	100	152
25-103	CONRAD HOTEL[1]	0.6600	09-15-24	232	68,847	104,949
25-101	COURTYARD RESIDENCE INN[1]	0.6600	09-15-24	58	16,009	24,405
0252	EMBASSY SUITES HOTEL DC CONV CTR[1]	0.6600	09-15-24	103	30,504	46,499
0010H	HAY-ADAMS HOTEL[1]	0.6600	09-15-24	147	44,081	67,197
25-316	HILTON NATIONAL MALL HOTEL[1]	0.6600	09-15-24	106	29,878	45,545
25-167	HILTON WASHINGTON DC CAPITAL HILL[1]	0.6600	09-14-24	91	24,457	37,283
25-275	HOTEL WASHINGTON[1]	0.6600	09-15-24	164	46,048	70,195
0032	HYATT REGENCY[1]	0.6600	09-15-24	254	59,832	91,207
0016	JEFFERSON HOTEL[1]	0.6600	09-15-24	74	20,623	31,437
0019	MADISON HOTEL[1]	0.6600	09-15-24	102	29,374	44,778
0309	MARRIOTT MARQUIS WASHINGTON[1]	0.6600	09-15-24	427	107,000	163,110
0020H	MAYFLOWER HOTEL[1]	0.6600	09-15-24	257	75,291	114,773
25-317	MONACO HOTEL[1]	0.6600	09-15-24	40	11,583	17,657
0026	OMNI-SHOREHAM HOTEL[1]	0.6600	09-15-24	297	74,015	112,827
0153	PHOENIX PARK HOTEL[1]	0.6600	09-15-24	32	8,362	12,747
25-249	SALAMANDER[1]	0.6600	09-15-22	160	46,602	71,040
0011H	THE BEACON HOTEL[1,2]	0.6600	09-15-24	27	6,774	10,326
0024	THE ST. REGIS WASHINGTON[1]	0.6600	09-15-24	118	33,812	51,542
0005	THE VEN @ EMBASSY SUITES[1]	0.6600	09-15-24	57	19,001	28,964
0030	WASHINGTON HILTON[1]	0.6600	09-15-24	484	105,198	160,363
25-104	YOTEL WASHINGTON DC[1]	0.6600	09-15-24	98	24,908	37,969
	SIGNATORY TO HOTEL ASSOCIATION CONTRACT	0.6600				
0009	HARRINGTON HOTEL[1]	0.6600	09-15-24	28	6,268	9,555
0171	POWERSCOURT RESTAURANT[1]	0.6600	09-15-22	10	1,073	1,636
	INDEPENDENTS	0.6600				
25-311	AC HOTEL[1]	0.6600	11-01-22	32	8,296	12,647
0251	CHARLIE PALMER'S STEAK DC[1]	0.6600	06-01-25	31	8,644	13,177
0262	DOUBLE TREE HOTEL CRYSTAL CITY[1]	0.6600	09-15-22	162	39,632	60,415
25-314	EATON HOTEL[1]	0.6600	09-15-22	51	12,112	18,463
25-102	EMBASSY SUITES @ CHEVY CHASE[1,2]	0.6600	03-15-24	56	14,363	21,895
0277	GAYLORD NATIONAL RESORT & CO[1]	0.6600	11-01-22	972	248,921	379,452
0208	HILTON ARLINGTON NATIONAL LANDING[1]	0.6600	11-15-22	93	24,621	37,532
0263	HILTON EMBASSY SUITES CRYSTAL CITY[1,3]	0.6600	09-15-22	35	10,848	16,536
0259	HILTON MCLEAN TYSONS CORNER[1]	0.6600	10-15-22	154	42,755	57,241
25-315	MGM RESORTS INTERNATIONAL[1]	0.6600	10-31-24	921	259,902	396,192
0059	NATIONAL DEMOCRATIC CLUB[1,2,3]	0.0975	04-30-23	11	399	4,091
0047	NATIONAL PRESS CLUB[1]	0.6300	10-15-24	54	12,055	18,360
0236	QUANTUM SERVICES INC[1,2]	0.6600	12-31-23	3	604	921
25-105	RARE RESTAURANT STEAKHOUSE[1]	0.6600	06-30-24	8	2,470	3,766
0045	THE WOODNER HOTEL[1]	0.6600	11-30-23	7	2,046	3,119
0060H	UNITE HERE LOCAL 25[1]	0.6600	09-15-24	48	14,556	22,189
25-313	WALDORF ASTORIA[1]	0.6600	09-15-22	232	59,489	90,685
	COBRA	VARIABLE		3	1,460	N/A
	TOTALS			6,418	$1,697,687	2,581,243

[1]RATE CHANGE EFFECTIVE OCTOBER
[2]INCLUDES SEPTEMBER
[3]DELINQUENT FOR DECEMBER

AVG. HR CONTRIBUTION	$0.6577
AVG. HRS PER MONTH PER PARTICIPANT	134.06

FOURTH QUARTER 2023
DENTAL AND OPTICAL

EXPENSES

CATEGORY	AMOUNT	AVERAGE HOURLY COST
ADMINISTRATION	$47,739	$0.0185
GROUP DENTAL SERVICE	1,262,189	0.4890
GROUP VISION SERVICE	182,053	0.0705
MISCELLANEOUS	6,886	0.0027
TOTAL	$1,498,867	$0.5807

MISCELLANEOUS

CATEGORY	AMOUNT	AVERAGE HOURLY COST
BREDHOFF & KAISER	$3,347	$0.0013
CYBER LIABILITY	2,038.50	0.0008
IFEPB DUES	239.00	0.0001
MEETING	145	0.0001
POSTAGE	75	0.0000
PRINTING	213	0.0001
SEYFARTH	828	0.0003
TOTAL	$6,886	$0.0027

2023
DENTAL AND OPTICAL
RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	TOTAL
CONTRIBUTIONS	$1,248,960	$1,436,793	$1,505,265	$1,697,687	$5,888,705
MISCELLANEOUS INCOME[1]	70	20	0	197	287
INTEREST & DIVIDENDS	0	0	0	0	0
INVESTMENT INCOME[2]	26,023	(2,164)	(23,694)	53,313	53,478
TOTAL INCOME	$1,275,053	$1,434,649	$1,481,571	$1,751,197	$5,942,470
EXPENSES					
ADMINISTRATION	$47,739	$47,739	$47,739	$47,739	$190,956
GROUP DENTAL	1,070,170	1,190,519	1,127,806	1,262,189	4,650,684
GROUP VISION SERVICE	154,379	171,783	162,698	182,053	670,913
MISCELLANEOUS	15,309	21,448	28,837	6,886	72,480
TOTAL EXPENSES	$1,287,597	$1,431,489	$1,367,080	$1,498,867	$5,585,033
TOTAL INCOME	$1,275,053	$1,434,649	$1,481,571	$1,751,197	$5,942,470
TOTAL EXPENSES	1,287,597	1,431,489	1,367,080	1,498,867	5,585,033
SURPLUS(DEFICIT)	($12,544)	$3,160	$114,491	$252,330	$357,437
TOTAL PARTICIPANTS	5,995	6,131	6,141	6,418	
TOTAL "A" LIST PARTICIPANTS	0	0	0	0	

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2021 $1,733,567.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2021 $1,697,086.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2022 $1,131,783.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2022 $833,097.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2023 $1,154,036.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2023 $1,237,094.

[1]MGM RESORTS INTERNATIONAL PAYROLL AUDIT $69.42 & INTEREST $127.78
[2]HARBOR FUNDS $42,382.14 AND DODGE & COX FUNDS $10,931.32

2022
DENTAL AND OPTICAL
RECAP

	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	TOTAL
CONTRIBUTIONS	$662,719	$1,089,179	$1,140,840	$1,264,139	$4,156,877
MISCELLANEOUS INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	0	0	0	0	0
INVESTMENT INCOME[1]	(67,445)	(59,053)	(46,040)	26,533	(146,005)
TOTAL INCOME	$595,274	$1,030,126	$1,094,800	$1,290,672	$4,010,872
EXPENSES					
ADMINISTRATION	$46,350	$46,350	$46,350	$46,350	$185,400
GROUP DENTAL	616,940	1,088,321	1,211,412	1,191,028	4,107,701
GROUP VISION SERVICE	87,630	152,808	170,393	167,331	578,162
MISCELLANEOUS	4,350	20,411	23,311	12,140	60,212
TOTAL EXPENSES	$755,270	$1,307,890	$1,451,466	$1,416,849	$4,931,475

TOTAL INCOME	$595,274	$1,030,126	$1,094,800	$1,290,672	$4,010,872
TOTAL EXPENSES	755,270	1,307,890	1,451,466	1,416,849	4,931,475
SURPLUS(DEFICIT)	($159,996)	($277,764)	($356,666)	($126,177)	($920,603)
TOTAL PARTICIPANTS	4,795	5,627	6,022	5,912	
TOTAL "A" LIST PARTICIPANTS	3	3	0	0	

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2020 $2,016,613.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2020 $2,007,271.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2021 $1,733,567.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2021 $1,697,086.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2022 $1,131,783.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2022 $833,097.

[1] HARBOR FUND $10,737.32 AND DODGE & COX $15,795.75

FOURTH QUARTER 2023
DENTAL AND OPTICAL
HOURLY RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	AVERAGE TOTAL
HOURLY CONTRIBUTIONS	$0.5438	$0.5592	$0.6248	$0.6577	$0.5964
MISCELLANEOUS INCOME	0.0000	0.0000	0.0000	0.0001	0.0000
INTEREST & DIVIDENDS	0.0000	0.0000	0.0000	0.0000	0.0000
TOTAL INCOME	$0.5438	$0.5592	$0.6248	$0.6578	$0.5964
EXPENSES					
ADMINISTRATION	$0.0208	$0.0186	0.0198	$0.0185	$0.0194
GROUP DENTAL SERVICE	0.4660	0.4633	0.4682	0.4890	0.4716
GROUP VISION SERVICE	0.0672	0.0669	0.0675	0.0705	0.0680
MISCELLANEOUS	0.0067	0.0083	0.0120	0.0027	0.0074
TOTAL EXPENSES	$0.5607	$0.5571	$0.5675	$0.5807	$0.5664
TOTAL INCOME	$0.5438	$0.5592	$0.6248	$0.6578	$0.5964
TOTAL EXPENSES	0.5607	0.5571	0.5675	0.5807	0.5664
SURPLUS(DEFICIT)	($0.0169)	$0.0021	$0.0573	$0.0771	$0.0300

FOURTH QUARTER 2023
A LIST
CONTRIBUTIONS

COMPANY	RATE	CONTRIBUTIONS	FUNCTIONS
CAPITAL HILTON	$10.16	NONE REPORTED	0
CAPITOL SKYLINE HOTEL	10.16	NONE REPORTED	0
EMBASSY SUITES WASHINGTON D.C-CONV. CTR.	10.16	NONE REPORTED	0
HAY-ADAMS HOTEL	10.16	NONE REPORTED	0
HILTON WASH. EMBASSY ROW HOTEL	10.16	NONE REPORTED	0
HYATT REGENCY WASHINGTON ON CAPITOL HILL	10.16	NONE REPORTED	0
LIAISON CAPITOL HILL	10.16	NONE REPORTED	0
MADISON HOTEL	10.16	NONE REPORTED	0
MARRIOTT WARDMAN PARK	10.16	NONE REPORTED	0
MAYFLOWER HOTEL	10.16	$3,723	366
OMNI-SHOREHAM HOTEL	10.16	NONE REPORTED	0
ST. REGIS WASHINGTON, D.C	10.16	NONE REPORTED	0
W HOTEL	10.16	NONE REPORTED	0
WASHINGTON COURT HOTEL	10.16	NONE REPORTED	0
WASHINGTON HILTON HOTEL & TOWERS	10.16	NONE REPORTED	0
A LIST COBRA SELF PAY INDIVIDUAL		0	
A LIST COBRA SELF PAY EMPLOYEE & SPOUSE		0	
A LIST COBRA SELF PAY EMPLOYEE & CHILD, CHILDREN		0	
A LIST COBRA SELF PAY FAMILY		0	
TOTAL		$3,723	366

AVG. FUNCTION PER MONTH 122

FOURTH QUARTER 2023
A LIST COBRA COVERAGE

EXPENSES

CATEGORY	AMOUNT	RATE
KAISER	$0.00	$595.46/$1,607.74 Individual/Family
TOTAL	$0.00	

2023
A LIST
QUARTERLY RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	TOTAL
CONTRIBUTIONS	$2,526	$2,713	$2,355	$3,723	$11,317
MISCELLANEOUS INCOME	0	0	0	0	0
TOTAL INCOME	$2,526	$2,713	$2,355	$3,723	$11,317
EXPENSES					
PROVIDER	$0	$0	$0	$0	$0
MISCELLANEOUS	0	0	0	0	0
TOTAL EXPENSES	$0	$0	$0	$0	$0
TOTAL INCOME	$2,526	$2,713	$2,355	$3,723	$11,317
TOTAL EXPENSES	0	0	0	0	0
SURPLUS (DEFICIT)	$2,526	$2,713	$2,355	$3,723	$11,317
RESERVES	$88,725	$91,438	$93,793	$97,516	

2022
A LIST
QUARTERLY RECAP

	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	TOTAL
CONTRIBUTIONS	$11,162	$4,758	$2,768	$4,899	$23,587
MISCELLANEOUS INCOME	0	0	0	0	0
TOTAL INCOME	$11,162	$4,758	$2,768	$4,899	$23,587
EXPENSES					
PROVIDER	$13,262	$8,396	$0	$0	$21,658
MISCELLANEOUS	0	0	0	0	0
TOTAL EXPENSES	$13,262	$8,396	$0	$0	$21,658
TOTAL INCOME	$11,162	$4,758	$2,768	$4,899	$23,587
TOTAL EXPENSES	13,262	8,396	0	0	21,658
SURPLUS (DEFICIT)	($2,100)	($3,638)	$2,768	$4,899	$1,929
RESERVES	$82,170	$78,532	$81,300	$86,199	

FOURTH QUARTER 2023
A LIST
FUNCTION RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	AVG. TOTAL
CONTRIBUTIONS	$10.1446	$10.1610	$10.1509	$10.1721	$10.1572
MISCELLANEOUS INCOME	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
TOTAL INCOME	$10.1446	$10.1610	$10.1509	$10.1721	$10.1572
EXPENSES					
PROVIDER	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
MISCELLANEOUS	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
TOTAL EXPENSES	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
TOTAL INCOME	$10.1446	$10.1610	$10.1509	$10.1721	$10.1572
TOTAL EXPENSES	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000
SURPLUS (DEFICIT)	$10.1446	$10.1610	$10.1509	$10.1721	$10.1572

2023
COMBINED
QUARTERLY RECAP

INCOME	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	TOTAL
DENTAL/OPTICAL	$1,275,053	$1,434,649	$1,481,571	$1,751,197	$5,942,470
A LIST	2,526	2,713	2,355	3,723	11,317
TRAINING	0	0	0	0	0
TOTAL INCOME	$1,277,579	$1,437,362	$1,483,926	$1,754,920	$5,953,787
EXPENSES					
DENTAL/OPTICAL	$1,287,597	$1,431,489	$1,367,080	$1,498,867	$5,585,033
A LIST	0	0	0	0	0
TRAINING	0	0	0	0	0
TOTAL EXPENSES	$1,287,597	$1,431,489	$1,367,080	$1,498,867	$5,585,033
TOTAL INCOME	$1,277,579	$1,437,362	$1,483,926	$1,754,920	$5,953,787
TOTAL EXPENSES	1,287,597	1,431,489	1,367,080	1,498,867	5,585,033
SURPLUS(DEFICIT)	($10,018)	$5,873	$116,846	$256,053	$368,754
UNAUDITED CASH ASSETS	$1,104,939	$1,144,467	$1,237,095	$1,971,024	

2022
COMBINED
QUARTERLY RECAP

INCOME	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	TOTAL
DENTAL/OPTICAL	$595,274	$1,030,126	$1,094,800	$1,290,672	$4,010,872
A LIST	11,162	4,758	2,768	4,899	23,587
TRAINING	0	0	0	0	0
TOTAL INCOME	$606,436	$1,034,884	$1,097,568	$1,295,571	$4,034,459

EXPENSES					
DENTAL/OPTICAL	$755,270	$1,307,890	$1,451,466	$1,416,849	$4,931,475
A LIST	13,262	8,396	0	0	21,658
TRAINING	0	0	0	0	0
TOTAL EXPENSES	$768,532	$1,316,286	$1,451,466	$1,416,849	$4,953,133

TOTAL INCOME	$606,436	$1,034,884	$1,097,568	$1,295,571	$4,034,459
TOTAL EXPENSES	768,532	1,316,286	1,451,466	1,416,849	4,953,133
SURPLUS(DEFICIT)	($162,096)	($281,402)	($353,898)	($121,278)	($918,674)

UNAUDITED CASH ASSETS	$1,304,477	$1,155,332	$833,097	$1,672,442

2023

CONTRIBUTIONS AND HOURS

RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	AVG TOTAL
CONTRIBUTIONS	$1,251,486	$1,439,506	$1,505,497	$1,701,410	$1,474,475
HOURS	2,296,547	2,569,551	2,409,052	2,581,243	2,464,098
TOTAL PARTICIPANTS	5,995	6,131	6,141	6,418	6,171
TOTAL "A" LIST PARTICIPANTS	0	0	0	0	0

2022

CONTRIBUTIONS AND HOURS

RECAP

	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	AVG TOTAL
CONTRIBUTIONS	$667,477	$1,093,937	$1,143,608	$1,269,038	$1,043,515
HOURS	1,474,591	2,235,661	2,334,037	2,416,798	2,115,272
TOTAL PARTICIPANTS	4,795	5,627	6,022	5,912	5,589
TOTAL "A" LIST PARTICIPANTS	3	3	0	0	2

FOURTH QUARTER 2023
DELINQUENT EMPLOYERS

EMPLOYER	CONTRIBUTION MONTH	FIRST LETTER SENT	REFERRED TO COUNSEL
HILTON EMBASSY SUITES CRYSTAL CITY	DECEMBER	1/3/2024	
NATIONAL DEMOCRATIC CLUB	DECEMBER	1/3/2024	

FOURTH QUARTER 2023
LOCAL 25 HEALTH & WELFARE

ACCOUNTS

	$669,348.41	ACCT.# 29876568	HARBOR FUNDS MARKET VALUE AS OF DECEMBER 31, 2023
	160,195.20	ACCT.# 300227564	DODGE & COX FUNDS MARKET VALUE AS OF DECEMBER 31, 2023
	1,141,480.51	ACCT.# 55-00333269	PNC CHECKING ACCOUNT DECEMBER 31, 2023
TOTAL	$1,971,024.12		

UNITE HERE 25 H&W
Balance Sheet
December 31, 2023

ASSETS

Current Assets		
PNC CHECKING ACCOUNT	$ 1,141,480.51	
HARBOR FUND	785,989.62	
HARBOR INV MARKET ALLOWANCE A/	(116,641.21)	
DODGE & COX	168,625.54	
DODGE & COX MARKET ALLOWANCE	(8,430.34)	
A/R EMP.	595,626.15	
A/R EMP.HISC	764.30	
Prepaid Expenses	239.00	
Total Current Assets		2,567,653.57
Property and Equipment		
Total Property and Equipment		0.00
Other Assets		
Prepaid Insurance	13,206.22	
Total Other Assets		13,206.22
Total Assets		$ 2,580,859.79

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	$ 15,739.33	
Benefiit Obligations	950,618.51	
Total Current Liabilities		966,357.84
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		966,357.84
Capital		
RETAINED EARNINGS	805,290.46	
Net Income	809,211.49	
Total Capital		1,614,501.95
Total Liabilities & Capital		$ 2,580,859.79

UNITE HERE 25 H&W
Income Statement
For the Twelve Months Ending December 31, 2023

	Current Month	Year to Date
Revenues		
AARA COBRA 65% from Gov	$ 0.00	$ 479.48
HISC	4,972.65	11,317.23
CONTRIBUTIONS - PARTIC. (COBRA	1,460.25	3,367.39
HAY ADAMS	58,939.15	150,543.32
RENAISSANCE MAYFLOWER	98,724.20	266,294.68
WASHINGTON HILTON	146,317.26	400,059.86
UNITE HERE LOCAL 25	19,467.76	41,604.49
PHOENIX PARK	10,962.63	32,543.04
HILTON WASH. EMBASSY ROW	26,613.69	67,116.24
HARRINGTON HOTEL	9,270.55	30,259.98
HYATT REGENCY	80,401.52	228,319.62
WOODNER	2,902.57	6,757.40
NATIONAL DEMOCRATIC	738.38	1,906.05
BEACON HOTEL	9,322.92	26,674.03
ST REGIS WASHINGTON	45,733.04	117,483.10
OMNI-SHOREHAM HOTEL	95,478.80	320,601.61
CAPITAL HILTON	60,571.29	171,701.58
MADISON HOTEL	45,950.69	102,418.68
CAPITOL SKYLINE HOTEL	190.30	777.25
NATIONAL PRESS	16,308.86	40,877.04
JEFFERSON HOTEL	27,786.40	71,849.15
POWERSCOURT RESTAURANT	1,660.82	4,953.78
QUANTUM SERVICE@HAY ADAMS	875.00	3,107.00
HILTON CRYSTAL CITY @REAGAN AI	33,350.31	105,558.26
MARRIOTT MARQUIS	143,954.58	418,135.14
AC HOTEL	13,621.92	28,801.59
MGM RESORTS INTERNATIONAL	327,621.62	929,245.75
EATON HOTEL	16,806.73	53,003.95
MONACO HOTEL	16,161.42	41,691.20
HILTON NATIONAL MALL	39,960.23	107,975.43
EMBASSY SUITES@CHEVY CHASE	17,592.23	41,277.07
CONRAD HOTEL	86,249.42	217,421.47
YOTEL WASHINGTON DC	28,656.21	93,384.31
EMBASSY SUITES HOTEL	29,688.81	98,222.45
COURTYARD & RESIDENCE INN	22,311.93	62,438.24
HILTON WASH.DC CAPITAL HI	31,231.37	86,865.83
RARE RESTAURANT	3,538.72	8,937.19
HOTEL WASHINGTON	62,255.22	192,618.52
DOUBLETREE HOTEL CRYSTAL CITY	52,332.37	170,798.28
HILTON EMBASSY SUITES CRYSTAL	14,883.25	46,358.33
HILTON MCLEAN TYSONS CORNER	54,803.60	149,444.64
CHARLIE PALMER'S STEAK DC	11,510.29	29,446.97
WALDORF ASTORIA HOTEL	80,385.55	196,637.18
GAYLORD RESORT	249,206.30	893,019.01
SALAMANDER HOTELS&RESORTS	62,369.33	159,472.48
HARBOR FUND INV. DIV INCOME	10,446.47	27,736.56
DODGE & COX INV DIV INCOME	1,620.79	6,031.53
PAYROLL AUDIT	69.42	140.32
PAYROLL AUDIT INTEREST INCOME	127.78	146.32
HARBOR FUND UNREALIZED GAIN/LO	31,935.67	14,295.00
DODGE & COX UNREALIZED GAIN/LO	9,310.53	5,415.29
Total Revenues	2,216,650.80	6,285,530.31
Cost of Sales		
Total Cost of Sales	0.00	0.00
Gross Profit	2,216,650.80	6,285,530.31
Expenses		
ADMINISTRATION FEE	47,739.00	190,956.00
DENTAL FEE	726,999.70	4,882,203.50
OPTICAL FEE	104,707.06	700,611.88
INS./BONDING	169.88	14,326.38
IFEBP	0.00	229.00
CYBER LIABILITY	0.00	2,097.80
LEGAL EXPENSE	7,074.97	17,810.97
PRINTING, OFFICE EXP.	11,522.30	13,500.42
PAYROLL AUDIT	1,605.00	6,274.00
AUDIT EXPENSE	0.00	19,600.00
MEETING EXP.	144.82	449.50
BANK FEES	0.00	173.45
Changes in Benefit Obligations	0.00	(371,914.08)
Total Expenses	899,962.73	5,476,318.82
Net Income	$ 1,316,688.07	$ 809,211.49

Dodge & Cox®
Funds

Year End Statement

01/01/2023 through 12/31/2023

How to Reach Us

ONLINE
www.dodgeandcox.com

BY PHONE
800-621-3979
Monday through Friday,
8:00 a.m. to 7:30 p.m. Eastern Time

BY MAIL
Dodge & Cox Funds
P.O. Box 219502
Kansas City, MO 64121-9502

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HOTEL & RESTAURANT EMPLOYEES LOCAL
25 & EMPLOYERS HEALTH & WELFARE
911 RIDGEBROOK RD
SPARKS MD 21152-9459

006724 1/3

PORTFOLIO OVERVIEW

Total Portfolio Value as of 12/31/2023 $160,195.20

Portfolio Summary

	Value this Quarter 10/01/2023 - 12/31/2023	Value this Year 01/01/2023 - 12/31/2023
Beginning Value	**$149,263.88**	**$148,748.38**
Purchases	$0.00	$0.00
Dividends Reinvested	$1,620.79	$6,031.53
Capital Gain Distributions Reinvested	$0.00	$0.00
Transfers In	$0.00	$0.00
Exchanges In	$0.00	$0.00
Redemptions/Fees	$0.00	$0.00
Transfers Out	$0.00	$0.00
Exchanges Out	$0.00	$0.00
Change in Market Value	$9,310.53	$5,415.29
Ending Value	**$160,195.20**	**$160,195.20**
Distributions Paid in Cash	$0.00	$0.00

1,6

Shareholder News

2023 tax forms will be available by January 31st. You can view, print, or save copies of your tax forms and account statements by accessing your account online. You will receive a copy of applicable tax documents via mail unless you previously selected electronic document delivery. To assist you in preparing your tax returns, the 2023 Tax Guide, FAQs, and supplemental information can be accessed in the Tax Center section of our website in late-January.

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Your Investment Summary

Account Number: 29876568
01/01/2023 - 12/29/2023

0003283-0020317 C0107 002 ---4-- 603234 000072697 0 7 N

HOTEL & RESTAURANT EMP LOCAL 25
AND EMPLOYERS HEALTH & WELFARE FUND
JOHN DOUGHERTY
911 RIDGEBROOK RD
SPARKS MD 21152-9459

How to reach us:

harborcapital.com

800-422-1050
Monday through Friday, 8:00 a.m. - 6:00 p.m. Eastern time

Our Shareholder Services Representatives are ready to assist you with your financial needs Monday through Friday, between 8:00 a.m. and 6:00 p.m. Eastern Time by phone or online chat. Please continue to visit harborcapital.com for important insights and updates.

Total Account Value (as of 12/29/2023) **$669,348.41**

Account Summary	
Beginning Value (01/01/2023)	**$627,316.85**
Purchases	$0.00
Exchanges In	$0.00
Exchanges Out	$0.00
Redemptions	$0.00
+/- Change in Investment Value*	$42,031.56
Ending Value (12/29/2023)	**$669,348.41**

* Change in Investment Value represents the appreciation or depreciation of your investment as well as dividend and capital gains distributions.

Earnings	Year-to-date
Dividend Income	$27,736.56
Short Term Capital Gains	$0.00
Long Term Capital Gains	$0.00
Total	**$27,736.56**

Pension

UNITE HERE LOCAL 25 AND

HOTEL ASSOCIATION OF WASHINGTON, D.C.

PENSION FUND

FOURTH QUARTER

2023

ADMINISTRATIVE MANAGER'S REPORT

EMP #	FOURTH QUARTER 2023 PENSION CONTRIBUTIONS	RATE	CBA EXP DATE	PARTICIPANTS	CONTRIBUTIONS	HOURS
	HOTEL ASSOCIATION CONTRACTS					
0028	CAPITAL HILTON[1]	2.8500	09-15-24	181	$211,453	74,194
0027	CAPITOL SKYLINE HOTEL[1,2]	2.8500	09-15-24	1	1,094	384
25-103	CONRAD HOTEL[1]	2.8500	09-15-24	232	285,787	100,276
25-101	COURTYARD RESIDENCE INN[1]	2.8500	09-15-24	58	70,113	24,601
0252	EMBASSY SUITES HOTEL DC CONV CTR[1]	2.8500	09-15-24	106	138,547	48,613
0010H	HAY-ADAMS HOTEL[1]	2.8500	09-15-24	148	202,265	70,970
25-316	HILTON NATIONAL MALL HOTEL[1]	2.8500	09-15-24	107	136,107	47,757
25-167	HILTON WASHINGTON DC CAPITAL HILL[1]	2.8500	09-15-24	92	108,884	38,205
25-275	HOTEL WASHINGTON[1]	2.8500	09-15-24	166	204,647	71,806
0032	HYATT REGENCY[1]	2.8500	09-15-24	263	270,328	94,852
0016	JEFFERSON HOTEL[1]	2.8500	09-15-24	64	78,851	27,667
0019	MADISON HOTEL[1]	2.8500	09-15-24	102	128,461	45,074
0309	MARRIOTT MARQUIS WASHINGTON[1]	2.8500	09-15-24	427	478,863	168,022
0020H	MAYFLOWER HOTEL[1]	2.8500	09-15-24	257	316,336	110,995
25-317	MONACO HOTEL[1]	2.8500	09-15-24	41	53,021	18,604
0026	OMNI-SHOREHAM HOTEL[1]	2.8500	09-15-24	301	335,830	117,835
0153	PHOENIX PARK HOTEL[1]	2.8500	09-15-24	21	22,264	7,812
25-249	SALAMANDER[1]	2.8500	09-15-22	160	194,282	68,169
0011H	THE BEACON HOTEL[1,2]	2.8500	09-15-24	27	33,633	11,801
0024	THE ST. REGIS WASHINGTON[1]	2.8500	09-15-24	121	154,952	54,369
0005	THE VEN @ EMBASSY SUITES[1]	2.8500	09-15-24	57	77,090	27,049
0030	WASHINGTON HILTON[1]	2.8500	09-15-24	492	479,817	168,357
25-104	YOTEL WASHINGTON DC[1]	2.8500	09-15-24	98	85,192	29,892
	SIGNATORY TO HOTEL ASSOCIATION CONTRACT					
0009	HARRINGTON HOTEL[1]	2.8500	09-15-24	33	33,428	11,729
0171	POWERSCOURT RESTAURANT[1]	2.8500	09-15-22	8	3,540	1,242
	INDEPENDENTS					
25-311	AC HOTEL[1]	2.8500	11-01-22	32	40,336	14,153
0262	DOUBLE TREE HOTEL CRYSTAL CITY[1]	2.8500	09-15-22	163	181,126	63,553
25-314	EATON HOTEL[1]	2.8500	09-15-22	51	55,550	19,491
0277	GAYLORD NATIONAL RESORT & CO[1]	2.8500	11-01-22	987	1,064,059	373,354
0208	HILTON ARLINGTON NATIONAL LANDING[1]	2.8500	11-15-22	95	109,320	38,358
0263	HILTON EMBASSY SUITES CRYSTAL CITY[1,3]	2.8500	09-15-22	36	49,510	17,372
0259	HILTON MCLEAN TYSONS CORNER[1]	2.8500	10-15-22	154	189,197	66,385
25-315	MGM RESORTS INTERNATIONAL[1]	2.8500	10-31-24	907	1,126,349	395,210
0059	NATIONAL DEMOCRATIC CLUB[1,2,3]	2.8500	04-30-23	11	11,659	4,091
0115	RESTAURANT ASSOCIATES/KENNEDY CENTER[1]	2.8500	03-15-22	101	60,980	22,175
0045	THE WOODNER HOTEL[1]	2.8500	11-30-23	7	9,359	3,284
0060H	UNITE HERE LOCAL 25[1]	2.9600	09-15-24	48	65,246	22,328
0060H	UNITE HERE LOCAL 25 TEMP EMP	2.6500	09-15-24	0	0	0
25-313	WALDORF ASTORIA [1]	2.8500	09-15-22	233	252,849	88,719
				6,388	$7,320,325	2,568,748

[1]RATE CHANGE OCTOBER
[2]INCLUDES SEPTEMBER
[3]DELINQUENT FOR DECEMBER

AVG HR CONT	$2.85
AVG HRS PER MONTH PER PARTICIPANT	134.04

FOURTH QUARTER 2023
EXPENSES

BENEFIT EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
PENSION BENEFITS	$5,602,657	$2.18	90.45%
DEATH BENEFITS	26,178	$0.01	0.42%
SUBTOTAL	$5,628,835	$2.19	90.87%

OPERATING EXPENSES	AMOUNT	AVG. HOURLY COST	PERCENTAGE
ADMINISTRATION	$93,891	$0.04	1.516%
BANK FEES	1,774	$0.00	0.029%
BREDHOFF & KAISER	8,360	$0.00	0.135%
CHEIRON/ACTURIAL	15,795	$0.01	0.255%
IFEBP	848	$0.00	0.014%
INVESTMENT MGMT. FEES	43,952	$0.02	0.710%
MEETING	514	$0.00	0.008%
NOVAK/AUDIT	800	$0.00	0.013%
PBGC	382,550	$0.15	6.176%
POSTAGE	2,328	$0.00	0.038%
PRINTING	2,632	$0.00	0.042%
SEGAL SELECT/CYBER LIAB	7,237	$0.00	0.117%
SEYFARTH/LEGAL	4,743	$0.00	0.077%
SUBTOTAL	$565,424	$0.22	9.130%
TOTAL EXPENSES	$6,194,259	$2.41	100.00%

RETIREES	3,188	AVERAGE MONTHLY PAYOUT	$585.87
DEATH CLAIMS	5	AVERAGE COST/CLAIM	$5,235.60

2023
QUARTERLY RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	TOTAL
CONTRIBUTIONS	$6,702,358	$6,981,483	$6,974,690	$7,320,325	$27,978,856
MISCELLANEOUS INCOME[1]	546	0	0	352	898
INTEREST & DIVIDENDS	318,127	405,391	523,350	2,394,744	3,641,612
INVESTMENT INCOME	25,725,041	2,713,370	4,416,179	5,818,470	38,673,060
WITHDRAWAL LIABILITY[2]	0	0	0	1,250	1,250
TOTAL INCOME	$32,746,072	$10,100,244	$11,914,219	$15,535,141	$70,295,676
BENEFIT EXPENSES					
PENSION BENEFITS	$5,391,640	$5,602,523	$5,699,761	$5,602,657	$22,296,581
DEATH BENEFITS	30,837	68,963	104,220	26,178	230,198
SUBTOTAL	$5,422,477	$5,671,486	$5,803,981	$5,628,835	$22,526,779
OPERATING EXPENSES					
ADMINISTRATION	$93,981	$93,891	$93,891	$93,891	$375,654
MISCELLANEOUS	78,656	129,248	223,403	471,533	902,840
SUBTOTAL	$172,637	$223,139	$317,294	$565,424	$1,278,494
TOTAL EXPENSES	$5,595,114	$5,894,625	$6,121,275	$6,194,259	$23,805,273
TOTAL INCOME	$32,746,072	$10,100,244	$11,914,219	$15,535,141	$70,295,676
TOTAL EXPENSES	$5,595,114	$5,894,625	$6,121,275	$6,194,259	$23,805,273
SURPLUS (DEFICIT)	$27,150,958	$4,205,619	$5,792,944	$9,340,882	$46,490,403

TOTAL PARTICIPANTS	6,143	6,129	6,232	6,388

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2021 $1,583,335.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2021 $1,706,007.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2022 $1,653,070.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2022 $1,804,819.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2023 $1,990,653.41
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2023 $2,083,430.71

[1] MGM RESORTS INTERNATIONAL PAYROLL AUDIT $197.51 & INTEREST $154.42
[2] HYATT REGENCY $1,250.00

2022
QUARTERLY RECAP

	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	TOTAL
CONTRIBUTIONS	$4,377,482	$5,869,637	$6,633,668	$6,380,958	$23,261,745
MISCELLANEOUS INCOME	0	0	0	0	0
INTEREST & DIVIDENDS	335,207	725,704	803,184	2,508,190	4,372,285
INVESTMENT INCOME	-8,978,667	-18,724,811	-13,716,093	-6,701,231	-48,120,802
WITHDRAWAL LIABILITY	0	0	0	0	0
TOTAL INCOME	-$4,265,978	-$12,129,470	-$6,279,241	$2,187,917	-$20,486,772
BENEFIT EXPENSES					
PENSION BENEFITS	$5,141,560	$5,275,239	$5,062,333	$5,405,539	$20,884,671
DEATH BENEFITS	49,245	91,059	39,902	60,676	240,882
SUBTOTAL	$5,190,805	$5,366,298	$5,102,235	$5,466,215	$21,125,553
OPERATING EXPENSES					
ADMINISTRATION	$91,155	$91,155	$91,155	$91,155	$364,620
MISCELLANEOUS	86,096	193,144	147,175	432,094	858,509
SUBTOTAL	$177,251	$284,299	$238,330	$523,249	$1,223,129
TOTAL EXPENSES	$5,368,056	$5,650,597	$5,340,565	$5,989,464	$22,348,682
TOTAL INCOME	-$4,265,978	-$12,129,470	-$6,279,241	$2,187,917	-$20,486,772
TOTAL EXPENSES	$5,368,056	$5,650,597	$5,340,565	$5,989,464	$22,348,682
SURPLUS (DEFICIT)	-$9,634,034	-$17,780,067	-$11,619,806	-$3,801,547	-$42,835,454
TOTAL PARTICIPANTS	4,840	5,554	5,997	5,603	

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2020 $1,387,768.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2020 $1,459,279.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2021 $1,583,335.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2021 $1,706,007.

UNAUDITED CASH ASSETS AS OF SEPTEMBER 1, 2022 $1,653,070.
UNAUDITED CASH ASSETS AS OF SEPTEMBER 30, 2022 $1,804,819.

FOURTH QUARTER 2023
HOURLY RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	AVG. TOTAL
CONTRIBUTIONS	$2.751	$2.751	$2.751	$2.850	$2.7758
MISCELLANEOUS INCOME	0.000	0.000	0.000	0.000	0.0000
INTEREST	0.131	0.160	0.206	0.932	0.3573
TOTAL INCOME	$2.882	$2.911	$2.957	$3.782	$3.1331
BENEFIT EXPENSES					
PENSION BENEFITS	$2.213	$2.207	$2.248	$2.181	$2.212
DEATH BENEFITS	0.013	0.027	0.041	0.010	0.023
SUBTOTAL	$2.226	$2.234	$2.289	$2.191	$2.235
OPERATING EXPENSES					
ADMINISTRATION	$0.039	$0.037	$0.037	$0.037	$0.038
MISCELLANEOUS	0.032	0.051	0.088	0.184	0.089
SUBTOTAL	$0.071	$0.088	$0.125	$0.221	$0.127
TOTAL EXPENSES	$2.297	$2.322	$2.414	$2.412	$2.362
TOTAL INCOME	$2.882	$2.911	$2.957	$3.782	$3.133
TOTAL EXPENSES	$2.297	$2.322	$2.414	$2.412	$2.362
SURPLUS (DEFICIT)	$0.585	$0.589	$0.543	$1.370	$0.771

2023

CONTRIBUTIONS AND HOURS

RECAP

	FIRST 2023	SECOND 2023	THIRD 2023	FOURTH 2023	AVG TOTAL
CONTRIBUTIONS	$6,702,358	$6,981,483	$6,974,690	$7,320,325	$6,994,714
HOURS	2,436,701	2,538,110	2,535,583	2,568,748	2,519,786
TOTAL PARTICIPANTS	6,143	6,129	6,232	6,388	6,223

2022

CONTRIBUTIONS AND HOURS

RECAP

	FIRST 2022	SECOND 2022	THIRD 2022	FOURTH 2022	AVG TOTAL
CONTRIBUTIONS	$4,377,482	$5,869,637	$6,633,668	$6,380,958	$5,815,436
HOURS	1,638,082	2,151,095	2,426,518	2,325,103	2,135,200
TOTAL PARTICIPANTS	4,840	5,554	5,997	5,603	5,499

FOURTH QUARTER 2023
DELINQUENT EMPLOYERS

EMPLOYER	CONTRIBUTION MONTH	FIRST LETTER SENT	REFERRED TO COUNSEL
HILTON EMBASSY SUITES CRYSTAL CITY	DECEMBER	1/3/2024	
NATIONAL DEMOCRATIC CLUB	DECEMBER	1/3/2024	

HERE 25 PENSION FUND
Balance Sheet
December 31, 2023

ASSETS

Current Assets		
UNITED BANK BENEFIT ACC	$ 2,039,691.93	
CASH - 20-46-002-6786563	340,007.20	
PREPAID INSURANCE	63,067.38	
PREPAID EXPENSES	848.45	
Total Current Assets		2,443,614.96
Property and Equipment		
Total Property and Equipment		0.00
Other Assets		
PNC GOVT MONEY MARKET FUND	4,017,597.54	
STIF MSD&T 3338209	2.65	
BUILDING INVESTMENT TRUST	10,236,189.47	
HOUSING INVESTMENT TRUST	4,233,669.36	
PIMCO FDS	3.96	
MV APPR PIMCO FDS	(0.91)	
SSGA S&P GLOBAL LARGE MID CAP	7,019,574.99	
SSGA S&P GLOBAL LARGE CAP MV	2,969,738.18	
SKY HARBOR CAP MGMT	15,608,175.65	
SKY HARBOR CAP MGMT MV	1,427,502.35	
VANGUARD VICBX	8,542,303.37	
VANGUARD VICBX MKT VALUE	(625,554.40)	
REALITY ASSOC FUND MV	341.00	
RIDGEMONT EQUITY PARTNERS	470,666.00	
RIDGEMONT EQUITY PARTNERS MV	(1,657,996.00)	
DRA GROWTH AND INCOME #31	988,427.00	
DRA GROWTH AND INCOME MV #31	(615,981.00)	
AFL-CIO	17,331,823.63	
MV APR AFL-CIO	19,178,405.84	
VANGUARD S/T VTSPX	23,763,374.69	
VANGUARD S/T VTSPX MKT VALUE	(769,132.56)	
ARTISAN GLOBAL VALUE -INS	11,880,687.84	
ARTISAN GLOBAL VALUE -INS MV	3,026,332.59	
STRATEGIC INVESTORS FUND VIII,	1,766,031.66	
STRATEGIC INVEST FUND VIII, MV	5,138,149.34	
FIRST EAGLE GLOBAL FUND CLASS	18,278,500.11	
FIRST EAGLE GLOBAL CLASS 1 MV	1,432,548.16	
DRA GROWTH & INCOME IX LLC	1,421,392.64	
MV DRA GROWTH & INCOME IX MV	974,274.36	
ULLICO PREFERRED 8%	1,429,234.88	
CORPORATE STOCK VALUATION	943,991.47	
Kopernik Global All-Cap Fund	5,900,000.00	
Kopernik Global MV	(1,194,256.76)	
TRILANTIC CAP PART.	2,188,992.32	
TRILANTIC CAP PART. MV	1,303,486.20	
SSGA US SHORT TERM #47	(2,600,714.93)	
SSGA US SHORT TERM MV #47	(369,813.62)	
SSGA MSCI EMERGING #48	10,497,439.57	
SSGA MSCI EMERGING MV #48	(1,598,639.73)	
SSGA REIT CMW4 50	14,541,989.61	
MV SSGA REIT CMW4 50	3,329,755.23	
SSGA TIPS CMTP 51	7,044,851.53	
MV SSGA TIPS CMTP	915,051.53	
SSGA AGGREGRATE BOND CMX6 52	31,508,707.61	
MVSSGA AGGREGRATE BOND CMX6 52	3,538,057.28	
SSGA MSCI EAFE ZV31NON 53	13,708,046.52	
MV SSGA MSCI EAFE ZV31NON 53	5,326,180.07	
PAYDEN & RYDEL EMERGING MKTS	14,265,421.85	
PAYDEN & RYGEL EMERGING MV	(9,965,649.07)	
IRONSIDES DIRECT INVESTMENTS	1,717,071.29	
IRONSIDES DIRECT INVEST, MMV	1,551,186.26	
FLAGSHIP PIONEERING	890,000.00	
FLAFSHIP PIONEERING	46,427.00	
LIGHTSPEED VENTURE	1,185,000.00	
LIGHTSPEED VENTURE MV	558,737.00	
DRA X	2,583,038.00	
DRA X MV	564,840.00	
KPS SPECIAL SITUATIONS FUND V	674,109.60	
KPS SPC SITUATIONS FUND V MV	477,629.07	
VIP IV FEEDER LP	971,777.80	
VIP IV FEEDER LP MV	5,859.20	
SSGA RUSSELL 1000 INDEX FUND	250,690.83	
SSGA RUSSELL 1000 FUND MV	1,588,298.62	
FIRST EAGLE INST. GOLD FUND LP	5,050,000.00	
FIRST EAGLE INST. GOLD FUND MV	466,100.39	
IRONSIDES PARTNERSHIP FUND V	1,568,364.15	
IRONSIDES PART FUND V MV	559,940.35	
SSGA RUSSELL 1000 GROWTH FUND	21,399,517.21	
SSGA RUSELL 1000 GROWTH MV	16,064,510.80	
ARISTOTLE FLOATING RATE INCOME	9,288,022.23	
ARISTOTLE FLOATING RATE INC MV	67,868.29	
FIDELITY SM CAP INDEX-FAI	3,500,000.00	
FIDELITY SM CAP INDEX MV	(52,321.00)	
MULTI. EMP TRUST	(0.01)	
A/R EMP CONTRIB.	2,640,269.28	
ACCRUED INT. AND OTHER	53,022.61	
OTHER RECEIVABLE	237.00	
Total Other Assets		330,419,375.04
Total Assets		$ 332,862,990.00

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE	$ 51,662.36	
DUE TO OTHERS	3,998,622.00	
Total Current Liabilities		4,050,284.36
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		4,050,284.36
Capital		
RETAINED EARNINGS	285,136,641.83	
Net Income	43,676,063.81	
Total Capital		328,812,705.64
Total Liabilities & Capital		$ 332,862,990.00

HERE 25 PENSION FUND
Income Statement
For the Twelve Months Ending December 31, 2023

	Current Month	Year to Date
Revenues		
HAY - ADAMS HOTEL	$ 270,573.90	$ 728,859.00
MAYFLOWER	415,978.30	1,213,571.42
PHOENIX PARK HOTEL	55,380.13	150,594.29
HILTON WASH. EMBASSY ROW	105,890.61	283,528.54
HARRINGTON HOTEL	48,193.75	157,260.82
WASHINGTON HILTON	671,007.61	1,934,981.42
HYATT REGENCY	374,509.12	1,111,212.70
WOODNER HOTEL	14,177.94	37,121.88
NATIONAL DEMOCRATIC	22,019.85	65,166.36
RESTAURANT ASSOC./KENNEDY CTR	132,091.01	517,646.15
BEACON HOTEL	35,072.04	121,218.85
ST. REGIS WASHINGTON	211,185.33	585,974.45
OMNI-SHOREHAM HOTEL	440,222.00	1,327,254.59
CAPITAL HILTON	291,578.35	865,978.08
MADISON HOTEL	236,403.33	487,177.14
CAPITOL SKYLINE HOTEL	1,495.89	5,449.02
JEFFESON HOTEL	107,002.39	300,306.78
UNITE HERE LOCAL 25	86,111.55	189,311.35
POWERSCOURT RESTAURANT	8,092.64	24,079.17
EMBASSY SUITES CONV CTR	134,809.16	470,090.76
HILTON MCLEAN @ TYSON CORNER	247,752.73	734,676.94
DOUBLETREE HOTEL	243,607.00	777,141.45
GAYLORD NATL. RESORT	1,395,679.54	4,007,947.39
HILTON CRYSTAL CITY @REAGAN	149,766.75	473,512.32
MARRIOTT MARQUIS	639,758.34	1,955,177.95
HILTON EMBASSY CRYSTAL CITY	69,436.18	240,166.51
HILTON NATIONAL MALL	182,370.74	516,453.81
YOTEL WASHINGTON DC	129,081.62	445,398.26
MGM RESORTS INTERNATIONAL	1,718,929.73	3,947,188.61
HOTEL WASHINGTON	284,135.10	805,552.25
CONRAD HOTEL	364,822.07	1,009,020.82
WITHDRAWAL LIABILITY INCOME	1,250.00	2,500.00
HILTON WASH.DC CAPITAL HI	141,040.71	423,513.02
COURTYARD & RESIDENCE INN	95,881.99	295,272.62
SALAMANDER HOTELS&RESORTS	260,265.12	740,097.56
AC HOTEL	66,343.55	148,298.56
EATON HOTEL	74,476.26	218,728.21
WALDORF ASTORIA HOTEL	344,795.32	898,545.84
MONACO HOTEL	72,212.31	190,856.39
INTEREST & DIV.	1,310,624.24	2,449,962.85
CAPITAL GAIN DIST	1,084,120.23	1,191,649.23
UNREALIZED G/L ON INV	6,710,327.76	25,593,484.89
REALIZED GAIN LOSS	(891,857.60)	9,727,538.25
P/R AUDIT INCOME	197.51	658.72
PAYROLL AUDIT INTEREST INCOME	154.42	239.50
Total Revenues	18,356,966.52	67,370,364.72
Cost of Sales		
Total Cost of Sales	0.00	0.00
Gross Profit	18,356,966.52	67,370,364.72
Expenses		
PENSIONS PAID TO MEMBERS	5,615,392.88	22,421,496.12
INVESTMENT MANAGEMENT FEES	23,211.87	55,619.22
INVESTMENT CONSULTANT	43,333.32	159,999.96
ACTUARIAL FEES	31,376.50	92,458.00
ADMINISTRATOR FEES	93,891.00	375,564.00
AUDIT FEE FINANCIAL	0.00	19,000.00
AUDIT FEES PAYROLL	5,697.75	22,272.70
LEGAL FEE	20,063.19	45,708.19
INSURANCE AND BONDING	382,550.00	465,436.29
IFEBP	0.00	812.95
MEETING EXPENSE	514.13	1,595.75
BANK FEE	1,773.93	6,864.03
PRINTING, POSTAGE & OFFICE	5,789.78	26,870.64
CYBER LIABILITY	603.06	603.06
Total Expenses	6,224,197.41	23,694,300.91
Net Income	$ 12,132,769.11	$ 43,676,063.81

UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C. PENSION FUND

FOURTH QUARTER 2023 PENSION APPLICATIONS

RETIRE DATE	PENSIONER	BIRTH DATE	AGE	SEX	LENGTH OF SERVICE	HOTEL	TYPE/ OPTION	MONTHLY AMOUNT
2/1/2023	AMBERBIR, ALMAZ	1/20/1958	66	F	20.500	OMNI SHOREHAM HOTEL	NORMAL WITH RETROACTIVE STILL WORKING/50% JOINT AND SURVIVOR	$772.32
11/1/2023	ARIAS, SANDRA	10/12/1961	62	F	28.000	RESTAURANT ASSOCIATION	EARLY DEFERRED VESTED/50% JOINT AND SURVIVOR	$878.29
6/1/2023	BANDIN, MARIA	5/5/1961	62	F	8.500	HILTON WASHINGTON DC	EARLY REDUCED/ LIFE ANNUITY	$285.77
6/1/2020	BARRIOS, ENRIQUE	5/30/1953	70	M	4.500	HILTON NATIONAL	NORMAL/ 10 YEAR CERTAIN	$211.73
10/1/2023	BELL-SAMPSON, ANNIE	7/6/1952	71	F	-	BENEFICIARY	BENEFICIARY-EARLY VESTED PRE-RETIREMENT/ LIFE ANNUITY	$218.77
11/1/2023	CHEVEZ, MARIA	10/13/1958	65	F	31.000	WASHINGTON HILTON	NORMAL/LIFE ANNUITY	$1,271.00
9/1/2023	COKER, JOYCE	8/25/1958	65	F	20.000	OMNI SHOREHAM HOTEL	DEFERRED VESTED/LIFE ANNUITY	$820.00
10/1/2023	DANKWA, EMMANUEL	10/20/1960	63	M	30.000	MAYFLOWER HOTEL	EARLY DEFERRED VESTED/50% JOINT AND SURVIVOR	$730.01
12/1/2023	DAS, ANDREW	11/26/1958	65	M	11.500	WASHINGTON HILTON	NORMAL/100% JOINT AND SURVIVOR	$373.43
8/1/2023	DE LA ROSA ESCALANTE, ALTAGRACI	6/13/1961	62	F	29.750	CAPITAL HILTON	EARLY DEFERRED VESTED/ 100% JOINT & SURVIVOR	$939.50
4/1/2023	DEMEKE, MASRESHA	1/2/1950	74	F	6.000	MAYFLOWER HOTEL	DEFERRED VESTED/LIFE ANNUITY	$235.09
12/1/2023	DESALENGE, WOLANSA	11/11/1961	62	F	29.500	HYATT REGENCY	EARLY DEFERRED VESTED/100% JOINT AND SURVIVOR	$871.27
9/1/2023	DUONG, MAI	8/18/1958	65	F	10.000	YOTEL WASHINGTON	NORMAL AGE 65 STILL WORKING/ 50% JOINT & SURVIVOR	$383.35
8/1/2023	EAMKACHORN, WANCHART	6/24/1956	67	M	4.000	GAYLORD NATIONAL RESORT	NORMAL W/ACTUARIAL ADJUSTMENT/50% JOINT AND SURVIVOR	$162.59
11/1/2023	FLEMING-PARSONS, PEARL	10/24/1958	65	F	24.500	HILTON WASHINGTON DC	NORMAL AGE 65 STILL WORKING/10 YEAR CERTAIN	$945.62
7/1/2020	GEBRIYE, BERHANE	8/17/1954	69	M	5.500	SALAMANDER HOTELS	NORMAL AGE 65 STILL WORKING/50% JOINT AND SURVIVOR	$131.30
10/1/2023	GLASCO, GREGORY	9/18/1958	65	M	7.500	GAYLORD NATIONAL RESORT	DEFERRED VESTED/50% JOINT AND SURVIVOR	$272.45
12/1/2023	GLORIA CARELOCK	11/10/1958	65	F	38.375	MAYFLOWER HOTEL	NORMAL AGE 65 STILL WORKING/ LIFE ANNUITY	$1,573.38
8/1/2020	GUTIERREZ, JUANA	1/10/1954	70	F	12.000	HYATT REGENCY	NORMAL WITH RETROACTIVE STILL WORKING/ 10 YEAR CERTAIN	$423.75
8/1/2023	GUZMAN, JAIME	4/16/1959	64	M	5.000	MADISON HOTEL	EARLY DEFERRED VESTED/100% JOINT AND SURVIVOR	$69.56
10/1/2023	JACKSON, PAMELA	9/5/1958	65	F	19.000	WASHINGTON HILTON	NORMAL AGE 65 STILL WORKING/LIFE ANNUITY	$779.00
9/1/2023	JAHANGIR, CHONG	8/25/1958	65	F	11.500	DOUBLETREE HOTEL	NORMAL/ 100% JOINT AND SURVIVOR	$416.27
11/1/2023	JONES, GARY	10/24/1958	65	M	16.250	OMNI SHOREHAM HOTEL	DEFERRED VESTED/75% JOINT AND SURVIVOR	$190.64
12/1/2023	KUNNATH, ASOKAN	11/27/1958	65	M	39.125	WASHINGTON HILTON	NORMAL AGE 65 STILL WORKING/100% JOINT AND SURVIVOR	$1,318.59
8/1/2023	LEGESSE, TENAGNEWORK	7/28/1958	65	F	24.500	WASHINGTON HILTON	NORMAL AGE 65 STILL WORKING/LIFE ANNUITY	$1,004.50
2/1/2023	LUNGREN, ROBERT	1/21/1958	66	M	26.000	HARRINGTON HOTEL	NORMAL WITH RETROACTIVE STILL WORKING/75% JOINT AND SURVIVOR	$896.88
6/1/2023	MACHADO DE FUENTES, MARIA	4/25/1957	66	F	16.500	SHERATON PREMIERE	DEFERRED VESTED WITH ACTURIAL ADJUSTMENT/LIFE ANNUITY	$748.48
12/1/2023	MAMO, NEGEST	11/19/157	66	F	10.000	GAYLORD NATIONAL RESORT	NORMAL AGE 65 STILL WORKING	$347.97
12/1/2023	MCDOWELL, BEVERLY	11/5/1958	65	F	20.625	CAPITAL HILTON	DEFERRED VESTED/LIFE ANNUITY	$845.63
11/1/2023	MEDINA, FRANCISCO	6/5/1961	62	M	33.125	YOTEL WASHINGTON	EARLY REDUCED/ LIFE ANNUITY	$1,140.83
9/1/2023	MESFIN, GHENET	1/1/1958	66	F	9.125	WASHINGTON COURT	DEFERRED VESTED/100% JOINT AND SURVIVOR	$113.22
5/1/2023	MILES, JUANITA	10/10/1960	63	F	17.000	MARRIOTT WARDMAN	EARLY DEFERRED VESTED/LIFE ANNUITY	$592.45
9/1/2020	MONTERO, LUIS	8/25/1952	71	M	12.000	HILTON MCLEAN	NORMAL WITH RETROACTIVE STILL WORKING	$409.04
7/1/2020	MORENO, MAYRA	11/15/1954	69	F	5.000	WASHINGTON HILTON	NORMAL WITH RETROACTIVE PAYMENT/ 10 YEAR CERTAIN	$85.88
6/1/2023	NELSON, JESULA	10/10/1960	63	F	17.000	YOTEL WASHINGTON	EARLY DEFERRED VESTED/LIFE ANNUITY	$571.54
9/1/2023	NESSIBU, SERKALEM	8/17/1958	65	F	32.000	UNITE HERE LOCAL	DEFERRED VESTED/ 50% JOINT AND SURVIVOR	$1,275.26
10/1/2023	NGUYEN, NGA	3/2/1956	67	F	21.500	JEFFERSON HOTEL	NORMAL AGE 65 STILL WORKING/LIFE ANNUITY	$962.16
12/1/2023	PERALTA, SALVACION	2/22/1959	65	F	-	BENEFICIARY	BENEFICIARY JOINT AND SURVIVOR/LIFE ANNUITY	$386.54
9/1/2023	PERERA, GAMINI	8/27/1958	65	M	27.500	THE ST. REGIS WASHINGTON DC	NORMAL AGE 65 STILL WORKING/LIFE ANNUITY	$1,127.50
10/1/2023	RAMIREZ, ERLINDA	9/24/1958	65	F	14.000	DOUBLETREE HOTEL	NORMAL AGE 65 STILL WORKING/ LIFE ANNUITY	$574.00
4/1/2022	RAMIREZ, FRANCISCO	3/9/1957	66	M	8.000	MAYFLOWER HOTEL	NORMAL WITH RETROACTIVE STILL WORKING	$170.00
6/1/2023	RANDOLPH, DARLENE	5/4/1958	65	F	10.500	MARRIOTT MARQUIS	DEFERRED VESTED/LIFE ANNUITY	$430.50
11/1/2023	RIVERA NIETO, REINA	7/8/1961	62	F	9.500	HILTON EMBASSY SUITES	EARLY REDUCED/LIFE ANNUITY	$325.23
8/1/2023	RUANO SANCHEZ, VICTOR	3/6/1960	63	M	-	BENEFICIARY	BENEFICIARY -EARLY VESTED PRE RETIREMENT/LIFE ANNUITY	$273.69
10/1/2023	SAEHAAN, SUKANYA	9/26/1958	65	F	13.500	HAY-ADAMS HOTEL	NORMAL AGE 65 STILL WORKING/50% JOINT AND SURVIVOR	$528.59
9/1/2023	SAHLEMARIAM, EMEBET	8/27/1958	65	F	28.500	CAPITAL HILTON	NORMAL AGE 65 STILL WORKING / 50% JOINT AND SURVIVOR	$1,061.00
12/1/2023	SANTIAGO, MARIA	9/10/1960	63	F	13.000	HILTON EMBASSY SUITES	EARLY REDUCED/LIFE ANNUITY	$422.39
6/1/2022	SEWALL, GREGORY	5/1/1957	66	M	11.000	HILTON NATIONAL	NORMAL WITH RETROACTIVE STILL WORKING/LIFE ANNUITY	$410.00
4/1/2014	SHANK, CAROLYN	10/29/1942	81	F	13.250	MARRIOTT WARDMAN	DEFERRED VESTED/LIFE ANNUITY	$276.56
1/1/2023	STUBBS, ANTHONY	12/21/1957	66	M	13.500	HYATT REGENCY	DEFERRED VESTED WITH RETRO/LIFE ANNUITY	$135.00
12/1/2023	TANG, TONY	11/24/1958	65	M	39.625	WASHINGTON HILTON	NORMAL AGE 65 STILL WORKING/100% JOINT AND SURVIVOR	$1,371.19
9/1/2021	TAVARA CANALES, CESAR	8/28/1956	67	M	3.000	OMNI SHOREHAM HOTEL	NORMAL WITH RETROACTIVESTILL WORKING/100% JOINT AND SURVIVOR	$103.81
9/1/2023	THOMPSON, KAREN	9/16/1960	63	F	11.000	HAY-ADAMS HOTEL	EARLY DEFERRED VESTED/LIFE ANNUITY	$163.62
12/1/2023	TORRES, MIRIAM	11/12/1958	65	F	32.375	WASHINGTON HILTON	NORMAL AGE 65 STILL WORKING/10 YEAR CERTAIN	$1,275.61
6/1/2022	TRAN, TAI	5/16/1957	66	M	17.000	SALAMANDER HOTELS	NORMAL WITH RETROACTIVE PAYMENT/100% JOINT AND SURVIVOR	$610.08
2/1/2023	TURCIOS, BENITA	1/5/1958	66	F	12.000	HILTON MCLEAN	NORMAL WITH RETROACTIVE STILL WORKING/50% JOINT AND SURVIVOR	$421.69
8/1/2023	VARGAS DE NARVAEZ, CRISTINA	7/24/1972	51	F	-	BENEFICIARY	BENEFICIARY JOINT AND SURVIVOR/LIFE ANNUITY	$267.00

10/1/2023	ZAMBRANO, LITHA	9/22/1958	65	F	22.500	MARRIOTT WARDMAN	DEFERRED VESTED/LIFE ANNUITY	$922.50
9/1/2023	ZANE, AMINA	8/7/1958	65	F	25.125	MARRIOTT WARDMAN	DEFERRED VESTED/50% JOINT AND SURVIVOR	$959.05
								$35,483.07

UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C. PENSION FUND

FOURTH QUARTER 2023 CHANGES

PENSIONER	DATE	REASON	OLD	NEW
RAMIREZ, MARIA	11/1/2023	ADDITIONAL CREDIT/MERGED DUPLICATE FILES	481.24	500.49
TOTAL			$481.24	$500.49
			GRAND TOTAL	**$19.25**

UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION
OF WASHINGTON, D.C. PENSION FUND

FOURTH QUARTER 2023 DECEASED/DELETES

DECEASED			
PENSIONER	**REASON**	**DATE**	**AMOUNT**
ASSAF, PETER	DECEASED	DOD PENDING	($106.66)
BATTLE, LENA	DECEASED	8/12/2023	($167.01)
BRIENZA, BETTIE	DECEASED	8/30/2023	($171.51)
BUCK, BEATRICE	DECEASED	9/23/2023	($82.40)
BULLOCK, JOANNE	DECEASED	11/4/2023	($1,152.30)
CEVALLOS, CARLOS	DECEASED	8/31/2023	($239.69)
DIAZ AGUILAR, MARTA	DECEASED	9/21/2023	($516.12)
DUMORNE, ETIENNE	DECEASED	8/8/2023	($434.68)
FLORES, JOSEFINA	DECEASED	10/15/2023	($315.96)
HARRIS, KATHLEEN	DECEASED	11/6/2023	($529.30)
MARCIA, ELISEO	DECEASED	11/1/2023	($895.40)
MARTINEZ, REYNA	DECEASED	10/24/2023	($683.07)
MERCEDES JOSE	DECEASED	8/17/2023	($1,497.32)
MOUKALLED, FATME	DECEASED	11/1/2023	($88.87)
MUSGROVE, FREDDIE	DECEASED	8/14/2023	($186.25)
NGUYEN, TUAN	DECEASED	9/5/2023	($477.10)
PERALTA, ALFREDO	DECEASED	9/25/2023	($889.04)
PINTO, WALDO	DECEASED	10/18/2023	($378.57)
REDDY, BLONDELL	DECEASED	9/6/2023	($513.69)
VELASQUEZ, ENRIQUE	DECEASED	9/2/2023	($1,141.69)
VILLA, JUSTUS	DECEASED	9/14/2023	($796.92)
WALLACE, ALONZO	DECEASED	8/25/2023	($1,715.02)
WONG, NGAN	DECEASED	8/8/2023	($352.41)
			($13,330.98)

UNITE HERE LOCAL 25 AND HOTEL ASSOCIATION OF WASHINGTON, D.C. PENSION FUND

FORTH QUARTER 2024
PENSION ROLL

		PENSIONERS	MONTHLY PAYOUT
PENSION ROLL AS OF:	9/30/2023	3,146	$1,794,304.79
DEATHS REPORTED IN THE:	4th Quarter	-23	($13,330.98)
DELETES IN THE:	4th Quarter	-8	($3,509.40)
PENSION CHANGES IN THE:	4th Quarter		$19.25
PENSIONS TO BE APPROVED:	4th Quarter	59	$35,483.07
REINSTATEMENTS	4th Quarter	1	$97.75
PENSION ROLL AS OF:	12/31/2023	3,175	$1,813,064.48

Group Legal Services

THE LAW OFFICES OF
Regan Associates,
CHARTERED

January 05, 2024

SENT VIA EMAIL TO: Anne-MarieS@Associated-Admin.com

Ms. Anne-Marie Sims
ASSOCIATED ADMINISTRATORS, LLC.
911 Ridgebrook Road
Sparks, Maryland 21152

**RE: UNITE HERE Local 25 Legal Plan Utilization Report
Fourth Quarter 2023**

Dear Ms. Sims,

Enclosed is a copy of the utilization report for October, November and December 2023.

Please distribute copies of the report to the Trustees of the UNITE HERE Local 25 and Hotel Association of Washington, D.C. and Subscribing Employers Group Legal Services Fund. During this period, 248 households opened 272 new matters.

If you have any questions, please do not hesitate to contact me.

Sincerely,

REGAN ASSOCIATES, CHARTERED

PAUL K. REGAN
Attorney at Law

Enclosure

Reply to:

Old City Hall
45 School Street
Third Floor
Boston, Massachusetts 02108
tel (617) 367.1100, fax (617) 367.4940

The Carpenters Building
1003 K Street, NW
Third Floor
Washington, D.C. 20001
tel (202) 393.6000, fax (202) 393.4706

Regan Associates, Chartered

UNITE HERE Local 25 and Hotel Association of Washington, D.C.
Group Legal Services Fund

PERCENT OF TOTAL PLAN CASES

October 01, 2023 - December 31, 2023

TYPE OF CASE	TOTAL PLAN CASES	PERCENT OF TOTAL
Immigration	66	24.3 %
Family Law	48	17.6 %
Consumer	44	16.2 %
Wills	25	9.2 %
Criminal	18	6.6 %
Landlord/Tenant	15	5.5 %
Negligence	14	5.1 %
Traffic	12	4.4 %
General Consultation	10	3.7 %
Real Estate	7	2.6 %
Administrative Law	6	2.2 %
Probate	4	1.5 %
Bankruptcy	3	1.1 %
Total	272	100%

Regan Associates, Chartered

UNITE HERE Local 25 and Hotel Association of
Washington, D.C.
Group Legal Services Fund

ATTORNEY HOURS BY AREA OF LAW

October 01, 2023 - December 31, 2023

TYPE OF CASE	TOTAL HOURS	PERCENT OF TOTAL
Family Law	1314.67	37.19 %
Immigration	678.00	19.18 %
Consumer	451.24	12.76 %
Criminal	308.69	8.73 %
Wills	228.34	6.46 %
Bankruptcy	153.61	4.35 %
Landlord/Tenant	136.69	3.87 %
Traffic	78.96	2.23 %
Real Estate	73.85	2.09 %
Negligence	45.65	1.29 %
Probate	37.33	1.06 %
General Consultation	17.46	0.49 %
Administrative Law	10.47	0.30 %
Total	3,534.96	100%

Regan Associates, Chartered

UNITE HERE Local 25 and Hotel Association of
Washington, D.C.
Group Legal Services Fund

LEGAL ASSISTANT HOURS BY AREA OF LAW

October 01, 2023 - December 31, 2023

TYPE OF CASE	TOTAL HOURS	PERCENT OF TOTAL
Immigration	19.19	23.9 %
Family Law	16.16	20.2 %
Consumer	12.34	15.4 %
Wills	6.25	7.8 %
Criminal	4.81	6.0 %
Landlord/Tenant	4.79	6.0 %
Traffic	4.02	5.0 %
Negligence	3.75	4.7 %
General Consultation	2.5	3.1 %
Real Estate	2.0	2.5 %
Bankruptcy	1.8	2.2 %
Administrative Law	1.5	1.9 %
Probate	1.0	1.2 %
Juvenile	0.04	0.0 %
Total	80.15	100%

UNITE HERE Local 25 and
Hotel Association of Washington, D.C.
Group Legal Services Fund

January 1, 2023– December 31, 2023

THE LAW OFFICES OF
Regan Associates,
CHARTERED

February 05, 2024

Trustees
UNITE HERE Local 25 and Hotel Association of Washington
D.C. Group Legal Services Fund
911 Ridgebrook Road
Sparks, Maryland 21152

Greetings:

Attached is the 2023 Annual Utilization Report for UNITE HERE Local 25 and Hotel Association of Washington, D.C. Group Legal Services Fund, hereinafter the "Plan" During this Plan year, 973 households opened 1228 new matters.

This report summarizes the legal services furnished to Plan participants and provides a statistical breakdown of:

- *The total number of Plan cases by area of law and as a percentage of the total Plan cases.*
- *The total number of attorney hours devoted to Plan cases on an annual basis.*
- *The total number of legal assistant hours devoted to Plan cases on an annual basis.*
- *Annual comparative data.*

In the 2023 Plan year, our firm opened 1228 cases with the number of eligible participants for the same period averaging 5196. This reflects member utilization of 23%. During this same period, our firm provided 13,062.48[1] attorney hours and Fund contributions totaled $1,793,227.57. By dividing the total number of attorney hours into the total Plan year contributions, we have calculated that the effective hourly rate for services received by the Plan participants was $137.28

If the Plan or its participants were to pay the market rate for legal services received in the Plan year, and using the market rate in the Washington, D.C. Metropolitan area of $450.00[2] per hour for attorney time, the cost would have been $5,878,116.00 instead of $1,793,227.57. This difference represents ***a savings to the Plan and its participants of $4,084,888.43***

[1] Legal assistant hours are valued at 50 percent of attorney hours.
[2] The $450.00 rate represents the average blended attorney rate for District of Columbia, Maryland and Virginia according to the United States Consumer Law Survey Report 2015-2016 Attorney Fee Survey Report (pages 52, 82, 150), Ronald L. Burdge, Esq.

Reply to:

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Washington, D.C. 20001
tel (202) 393.6000, *fax* (202) 393.4706

Employees with a legal plan lose less time from work and are better able to concentrate on their jobs because their legal plan lawyer is giving them legal advice, defending their rights, and providing reasonable solutions to their problems. Equally important, the Plan lawyer is taking care of time-consuming telephone calls, correspondence and negotiating sessions, and eliminating the clients' unnecessary presence at court appearances. This results in the employees losing less time from work and allows them to function more effectively when at work on company time.

We look forward to continue to provide high quality and cost effective legal services to the Plan, its participants, and their families.

Respectfully Submitted,

REGAN ASSOCIATES, CHARTERED

PAUL K. REGAN
Attorney at Law

Regan Associates, Chartered

UNITE HERE Local 25 and Hotel Association of
Washington, D.C.
Group Legal Services Fund

PERCENT OF TOTAL PLAN CASES

January 01, 2023 - December 31, 2023

TYPE OF CASE	TOTAL PLAN CASES	PERCENT OF TOTAL
Immigration	343	27.9 %
Family Law	249	20.3 %
Consumer	175	14.3 %
Wills	92	7.5 %
Criminal	67	5.5 %
Negligence	64	5.2 %
Landlord/Tenant	61	5.0 %
Administrative Law	36	2.9 %
General Consultation	35	2.9 %
Real Estate	33	2.7 %
Traffic	28	2.3 %
Bankruptcy	28	2.3 %
Probate	17	1.4 %
Total	1228	100%

Regan Associates, Chartered

UNITE HERE Local 25 and Hotel Association of
Washington, D.C.
Group Legal Services Fund

ATTORNEY HOURS BY AREA OF LAW

January 01, 2023 - December 31, 2023

TYPE OF CASE	TOTAL HOURS	PERCENT OF TOTAL
Family Law	5121.16	39.65 %
Immigration	2381.39	18.44 %
Consumer	1311.89	10.16 %
Criminal	1297.12	10.04 %
Landlord/Tenant	692.69	5.36 %
Bankruptcy	622.23	4.82 %
Wills	584.53	4.53 %
Traffic	262.44	2.03 %
Real Estate	233.36	1.81 %
Negligence	166.91	1.29 %
Probate	130.09	1.01 %
Administrative Law	72.55	0.56 %
General Consultation	39.79	0.31 %
Total	12,916.17	100%

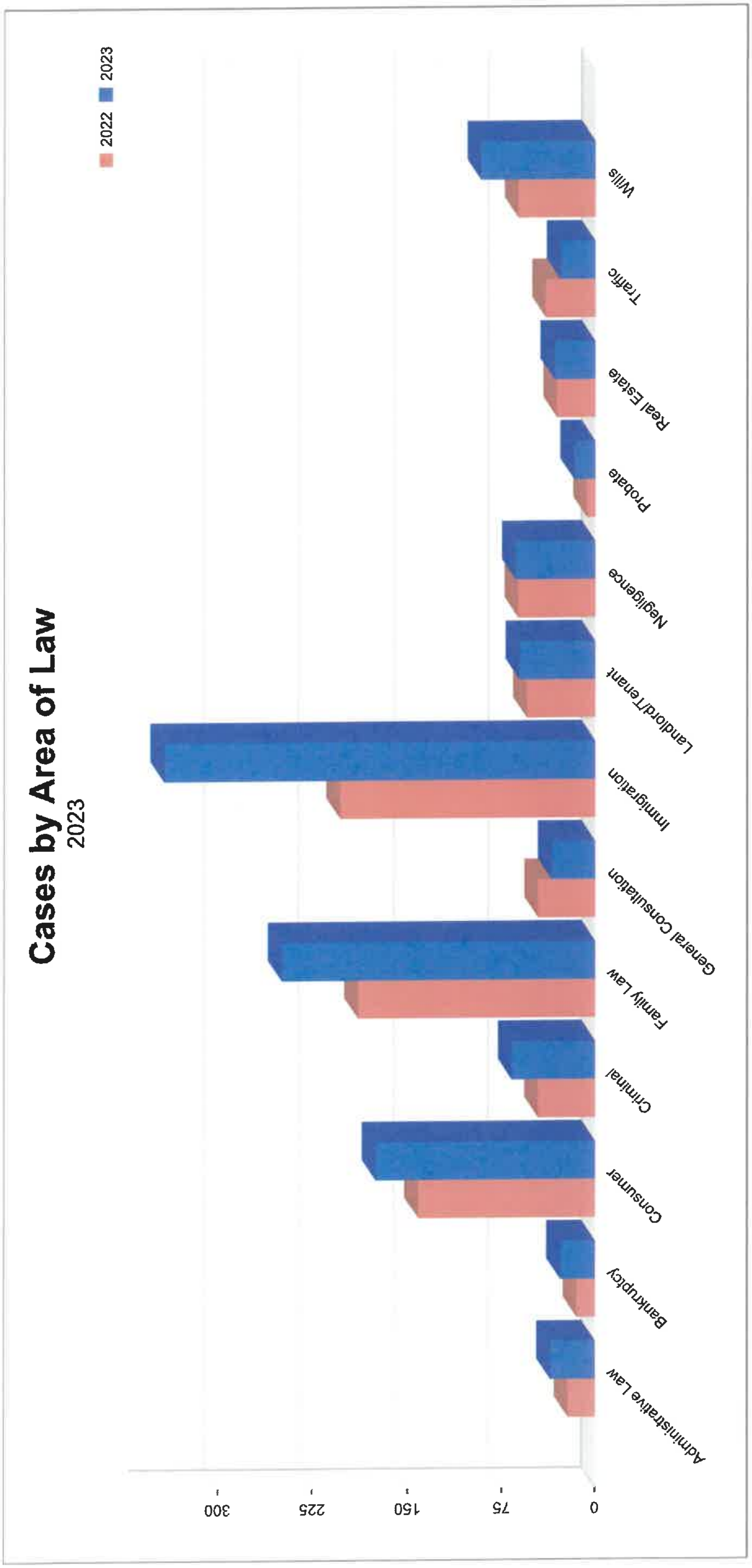
Regan Associates, Chartered

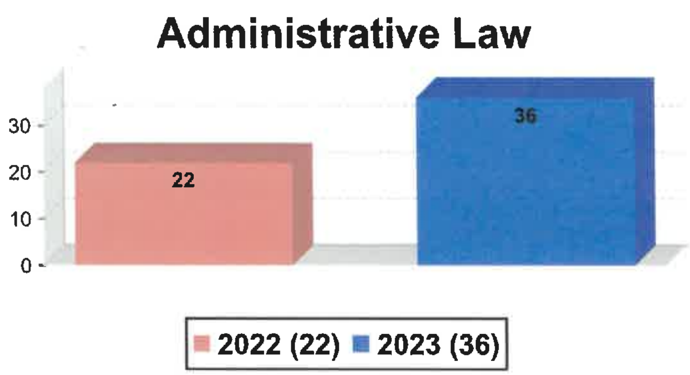
UNITE HERE Local 25 and Hotel Association of
Washington, D.C.
Group Legal Services Fund

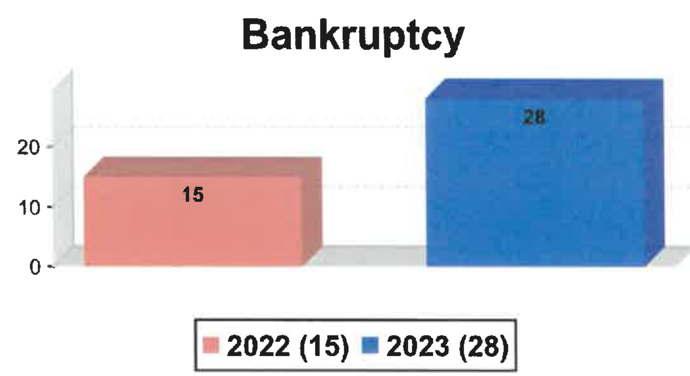
LEGAL ASSISTANT HOURS BY AREA OF LAW

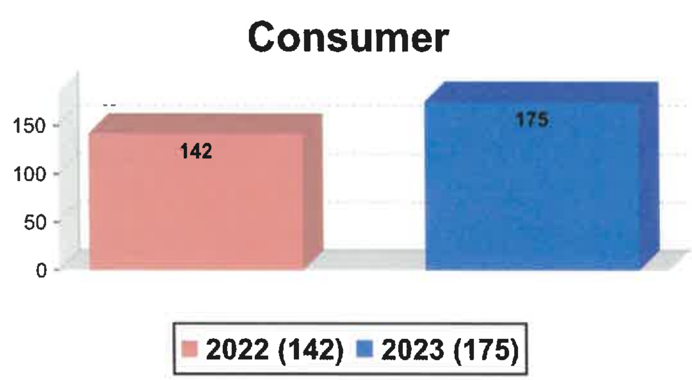
January 01, 2023 - December 31, 2023

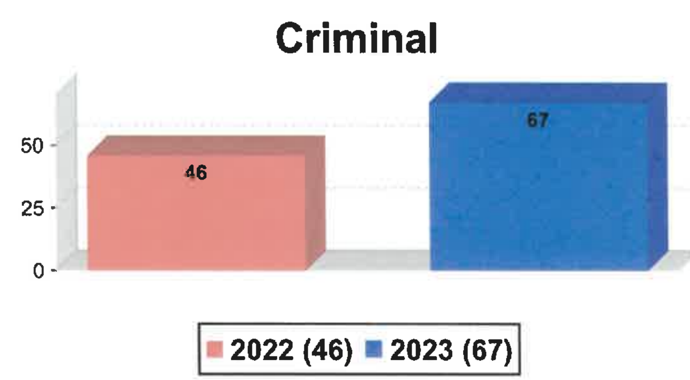
TYPE OF CASE	TOTAL HOURS	PERCENT OF TOTAL
Immigration	82.85	28.3 %
Family Law	62.54	21.4 %
Consumer	42.77	14.6 %
Wills	20.55	7.0 %
Criminal	15.11	5.2 %
Landlord/Tenant	14.42	4.9 %
Negligence	13.02	4.4 %
Administrative Law	8.0	2.7 %
Real Estate	7.6	2.6 %
General Consultation	7.52	2.6 %
Traffic	7.3	2.5 %
Bankruptcy	7.25	2.5 %
Probate	3.65	1.2 %
Juvenile	0.04	0.0 %
Total	292.62	100%


Cases by Area of Law
2023
2022
2023
Wills
Traffic
Real Estate
Probate
Negligence
Landlord/Tenant
Immigration
General Consultation
Family Law
Criminal
Consumer
Bankruptcy
Administrative Law
0
75
150
225
300

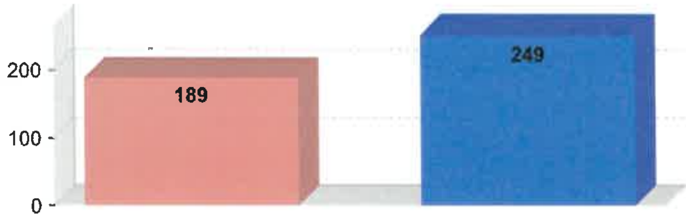

Administrative Law
30
20
10
0
22
36
2022 (22) 2023 (36)


Bankruptcy
20
10
0
15
28
2022 (15) 2023 (28)


Consumer
150
100
50
0
142
175
2022 (142) 2023 (175)

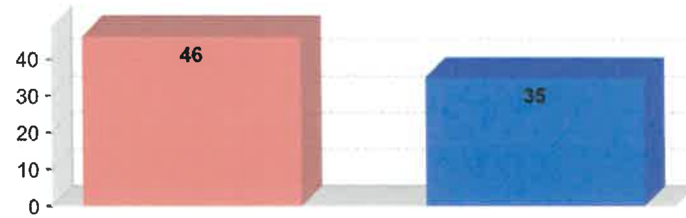

Criminal
50
25
0
46
67
2022 (46) 2023 (67)

Family Law



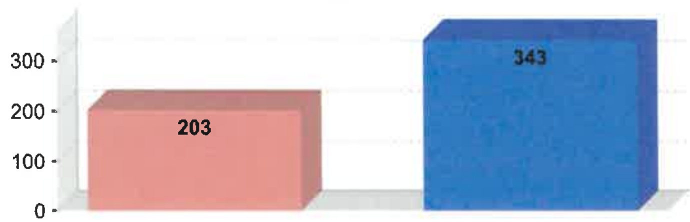
2022 (189) 2023 (249)

General Consultation



2022 (46) 2023 (35)

Immigration

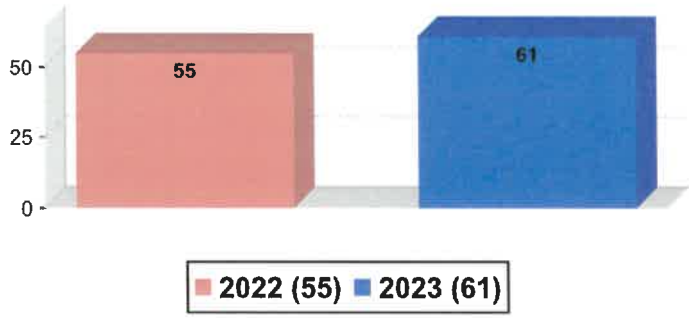


2022 (203) 2023 (343)

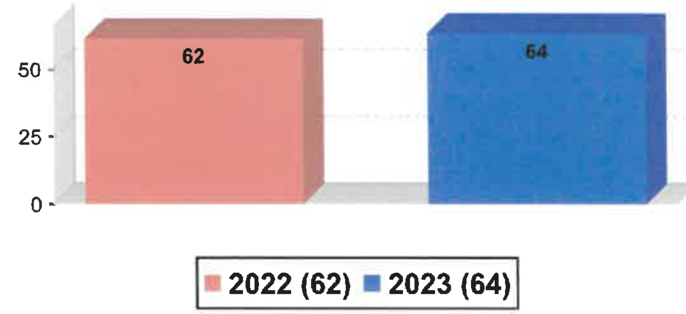
Juvenile

2022 (0) 2023 (0)

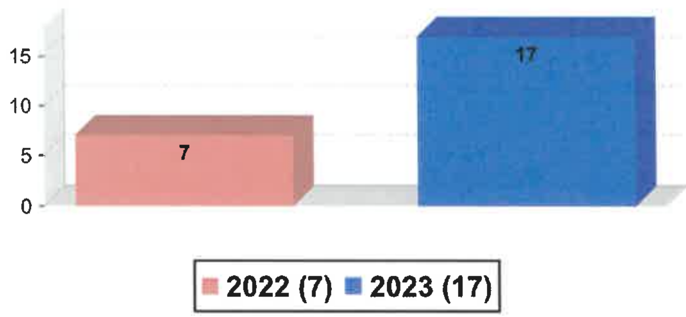
Landlord/Tenant



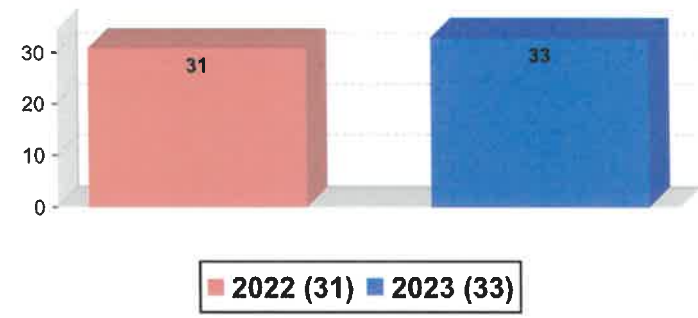
Negligence



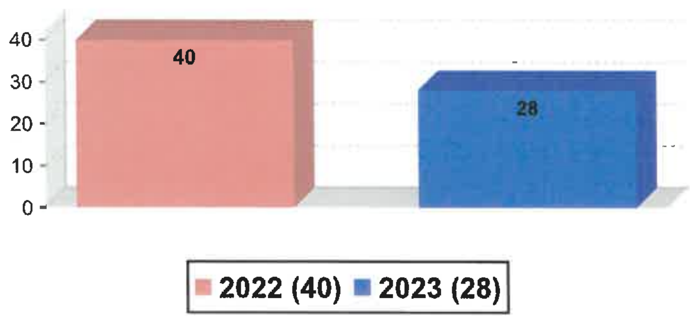
Probate



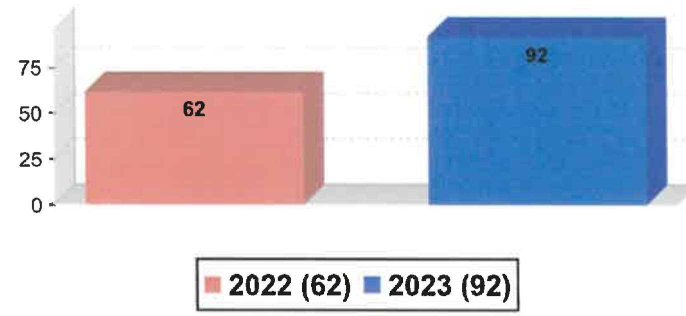
Real Estate

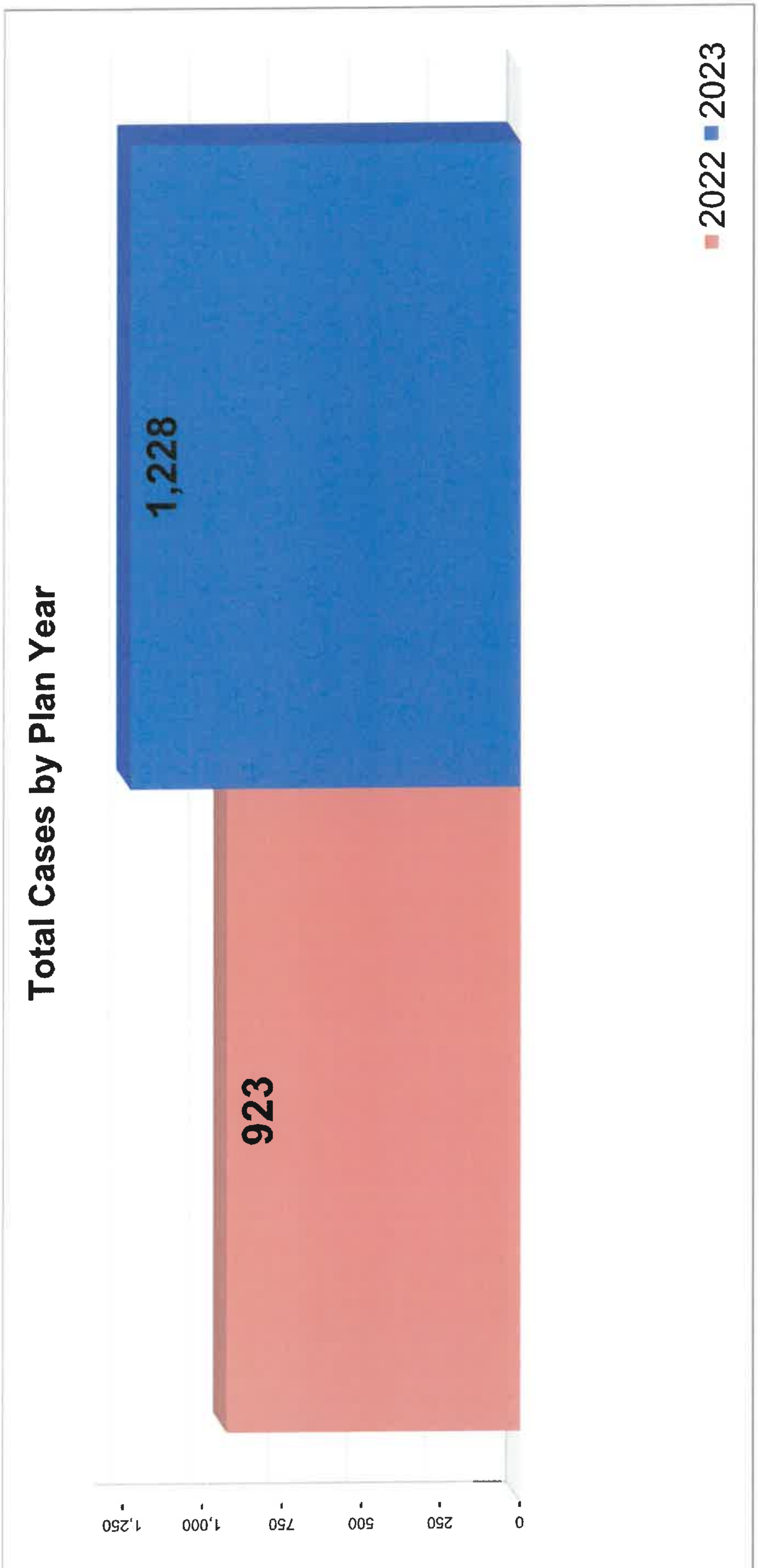


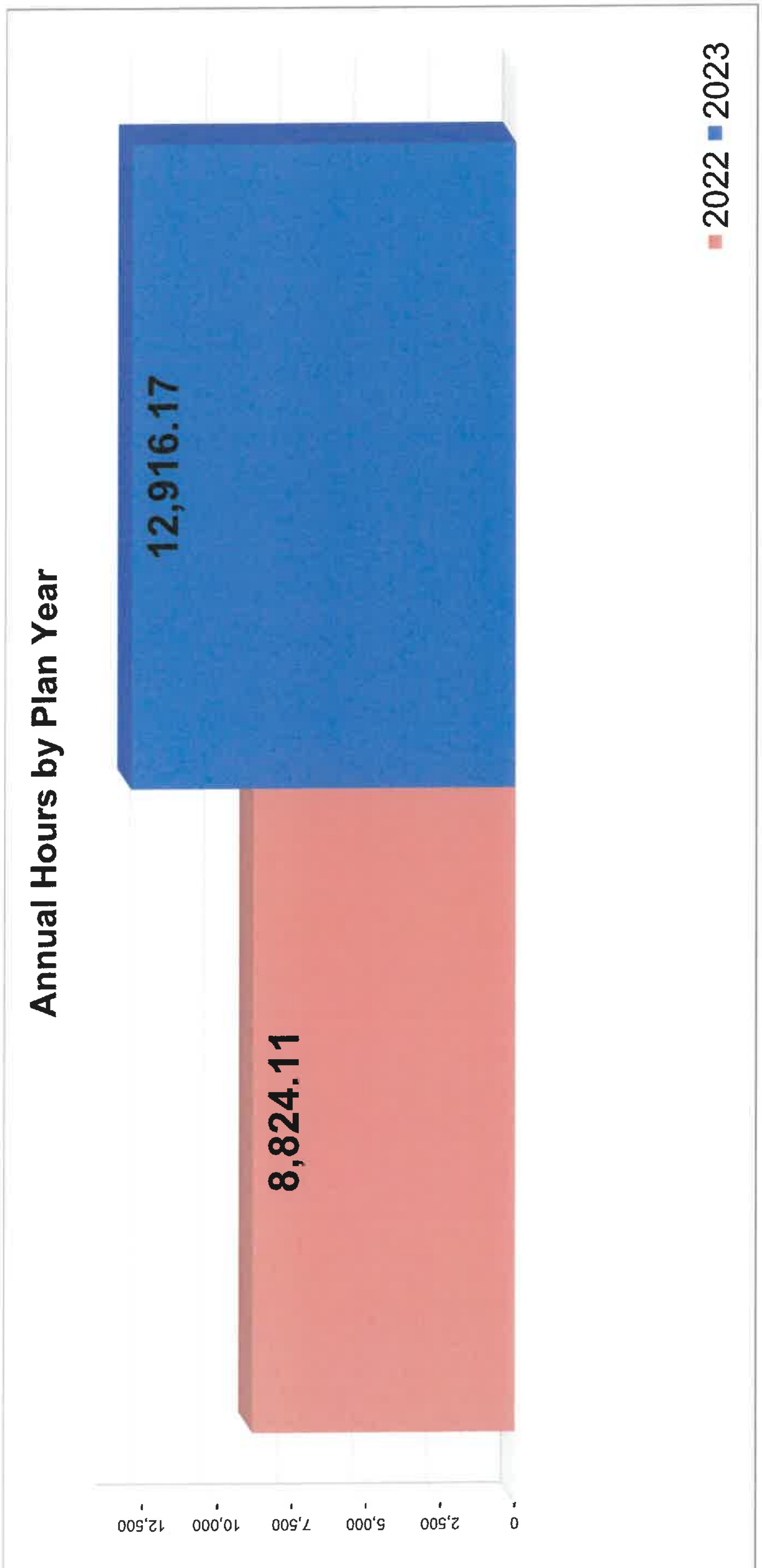
Traffic



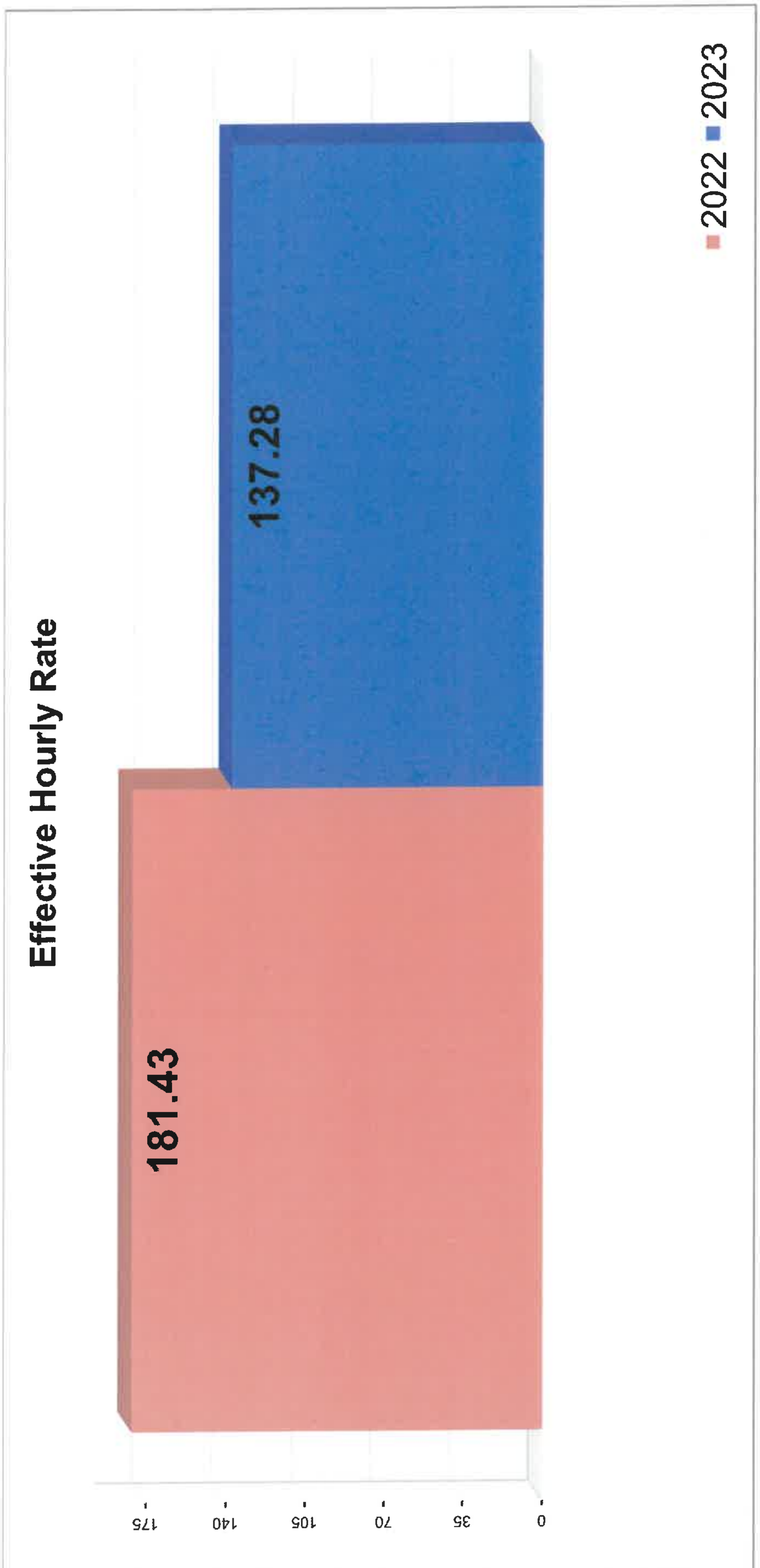
Wills




Total Cases by Plan Year
923
1,228
0
250
500
750
1,000
1,250
2022
2023



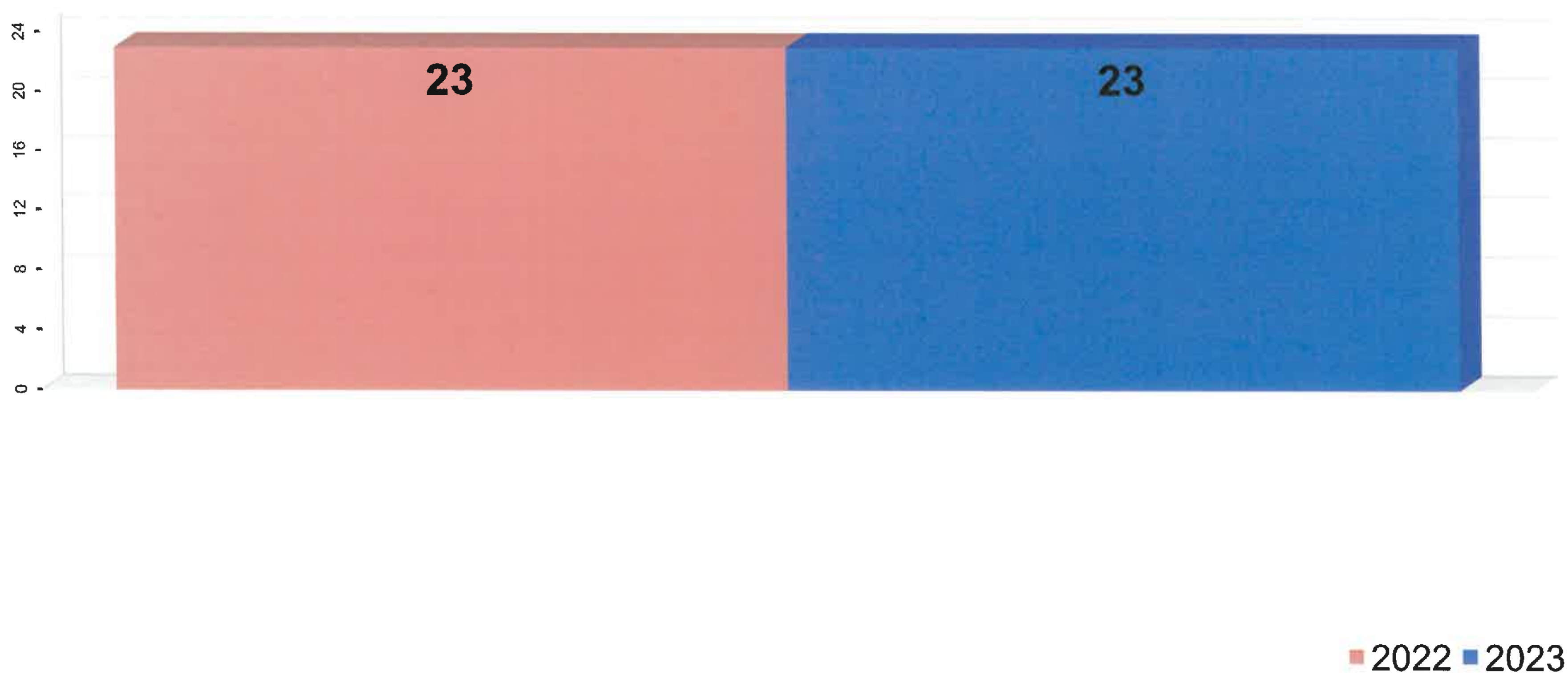
Annual Hours by Plan Year
12,916.17
8,824.11
0
2,500
5,000
7,500
10,000
12,500
2022
2023

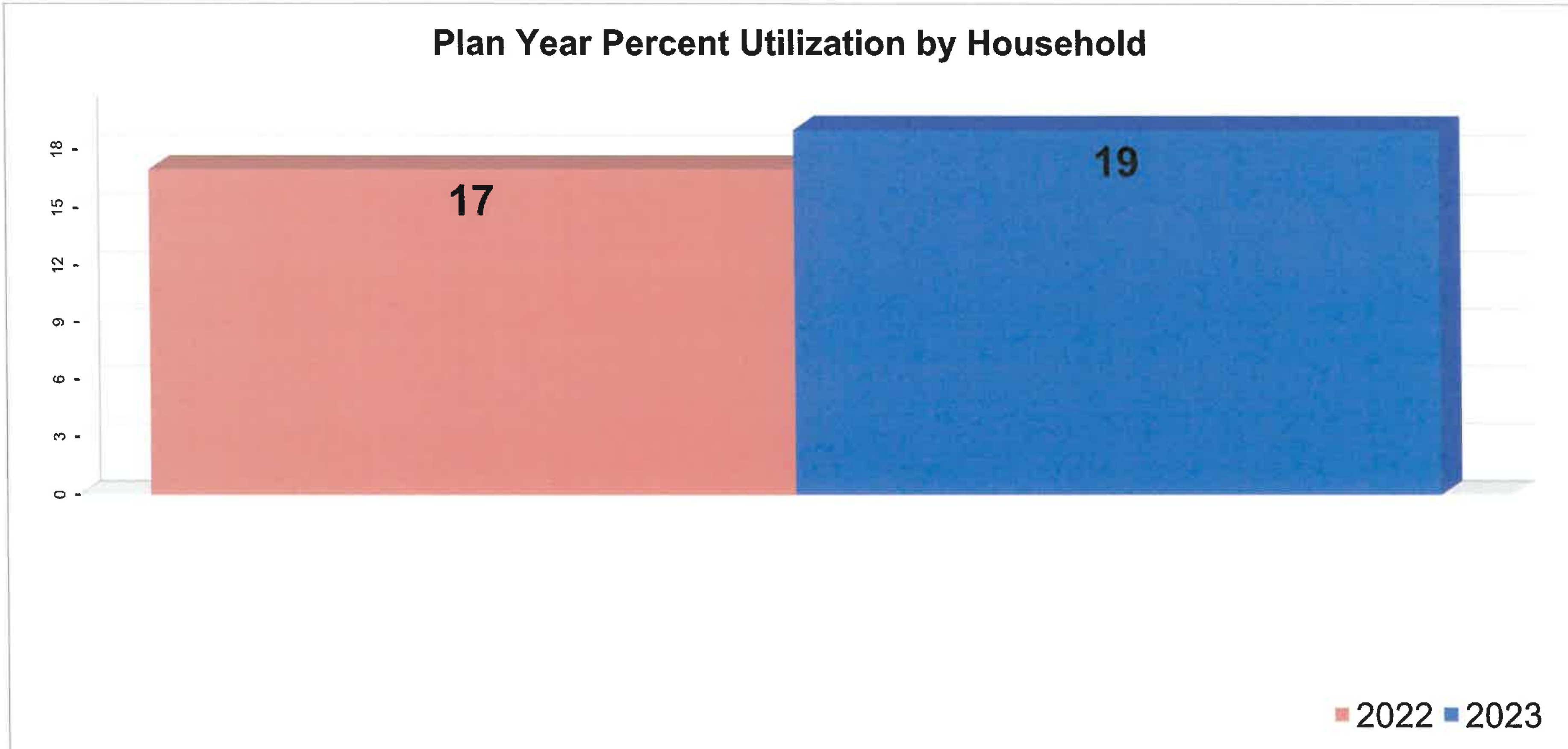


Effective Hourly Rate
181.43
137.28
0
35
70
105
140
175
2022
2023

Eligible Participants by Plan Year

Plan Year Percent Utilization by Cases





Plan Year Percent Utilization by Household
18
15
12
9
6
3
0
17
19
2022
2023

Time Keeping Policies and Purposes

Attorneys and other staff working at our firm record their time. This is done for multiple purposes: to ensure that clients obtain quality service, to enable firm management to track productivity and work effort, to facilitate pricing and contract proposals, and to provide data so that we can furnish the funds who hire us with reports such as these.

We record attorney time for any task at a minimum of .25 hours. For tasks that exceed .25 hours any time under eight minutes past the quarter hour mark is rounded down, and any time over eight minutes past the quarter hour mark is rounded up to the next .25 interval. Except as otherwise agreed, we do not use time records for billing funds or clients.

Firm management reviews attorney work product, investigates questions about service from the clients or their representatives, prepares trustee reports, and attends trustee meetings and other events at the request of the trustees, the union or the employer. Such management time may be recorded to the individual matter to which it pertains or may be allocated to the fund account and distributed on a pro rata basis by subject matter. For simplicity of reporting, all time is reported as attorney time. Legal assistant time is reduced by 50% and then recorded as attorney time.

We periodically review and revise our time keeping and recording practices and make adjustments as necessary to achieve consistency with the standards and practices reflected above. We are available to answer any questions that you may have regarding the above.

THE LAW OFFICES OF
Regan Associates,
CHARTERED

September 19th, 2023

UNITE HERE LOCAL 25
901 K Street NW, Suite 200
Washington, DC 20001

RE: Local 25 Group Legal Plan

Dear Local 25,

Our law firm provides high-quality, complaint-free, and cost-effective legal services to participating members of the Hotel & Restaurant Employees Local 25 Group Legal Services Plan. Our price to provide this service has remained at $0.1850 cents per hour worked, per member, per month since January 2017. Over the past six and a half years, our firm has been paid an effective hourly rate of $144.00 for attorney time. The projected hourly rate for the rest of 2023 is projected at $160.00 per hour, well below the average attorney-billing rate of $447.00 per hour in the District of Columbia area[1].

To maintain the high-quality legal services expected by the participants and the Fund, we are requesting the following increase:

DATE	INCREASE	PRIOR RATE	NEW RATE	% INCREASE
01/01/2024 - 12/31/2026	$0.04 cents*	.1850 cents	$0.2250	22%
01/01/2027 - 12/31/2027	$0.0075 cents*	.2250 cents	$0.2325	3%
01/01/2028 - 12/31/2028	$0.0075 cents*	.2325 cents	$0.24	3%

* Per hour, per member, per month

The rate of $0.2250 would remain fixed through December 31, 2026. This amount represents a 22% increase, which is below the inflation rate over the last six and a half years of 25.8%[2]. The increases in the subsequent two years represent a modest 3% increase per year.

We believe these increases are prudent, reasonable, and necessary to maintain the level of services your legal plan participants expect.

Sincerely,

REGAN ASSOCIATES, CHARTERED

KEVIN P. REGAN
Attorney at Law

[1] The $447.00 rate represents the average blended attorney rate for the DMV according to the U.S. Consumer Law Attorney Fee Survey Report 2017-2018 (updated July 2022), (Pages 70, 100, 174), Ronald L. Burdge, Esq.
[2] CPI Calculator – data.bls.gov (as of July 2023).

Reply to:

1101 Connecticut Ave., NW
Suite 801
Washington, D.C. 20036
Tel (202) 393-6000, Fax (202) 393-4706

Pension

UNITE HERE Local 25 and Hotel Assoc. of Washington DC Pension Fund

Classic Values, Innovative Advice

Actuarial Consultant's Presentation

March 20, 2024

Kevin Woodrich, FSA, EA, MAAA

2024 PPA Certification

- Certification is due by April 1, 2024
- Plan likely to remain in the Safe status for 2024
  - Based on the following estimated financial information from Novak
    - 12/31/2023 Estimated Market Value = $319.5 million
    - 2023 Contributions = $25.8 million
    - 2023 Benefit Payments = $22.4 million
    - 2023 Administrative Expenses = $1.1 million
  - Projection can only reflect known bargained contribution rate increases
  - Final certification is based on financial information from auditor including cash flows
- Industry activity (a Trustee Assumption)

BEFORE 2024 Estimated Financial

CHEIRON

MFD	None
Insolvent PYB	None
Emergence	N/A
Fully Funded	2033

1934

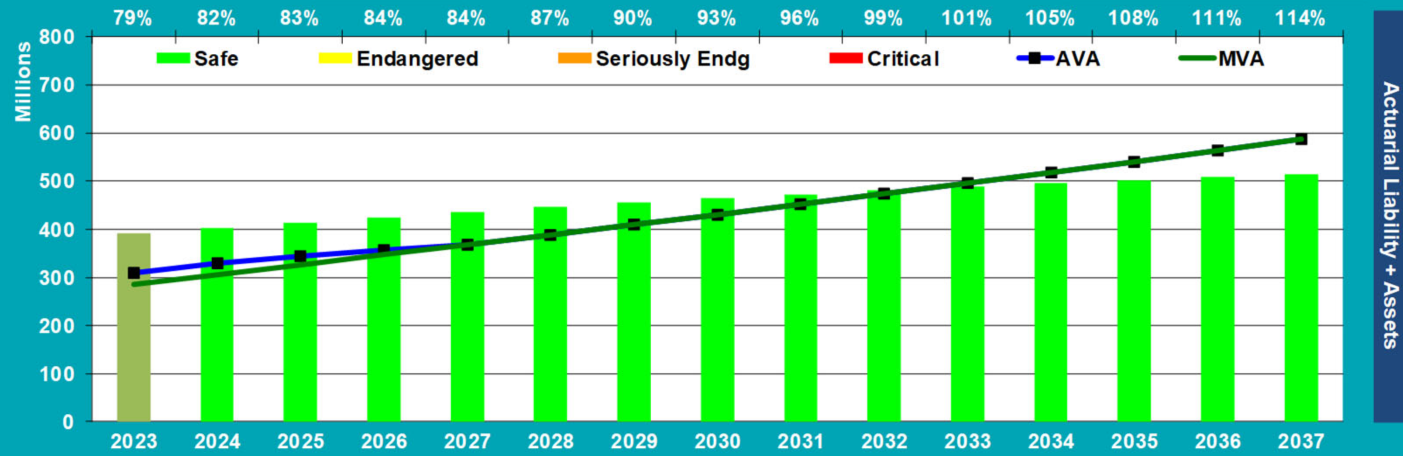
Discount Rate	6.75%
2023 Return	#N/A
Est. December 31, 2023 MVA	$ 305.3 million

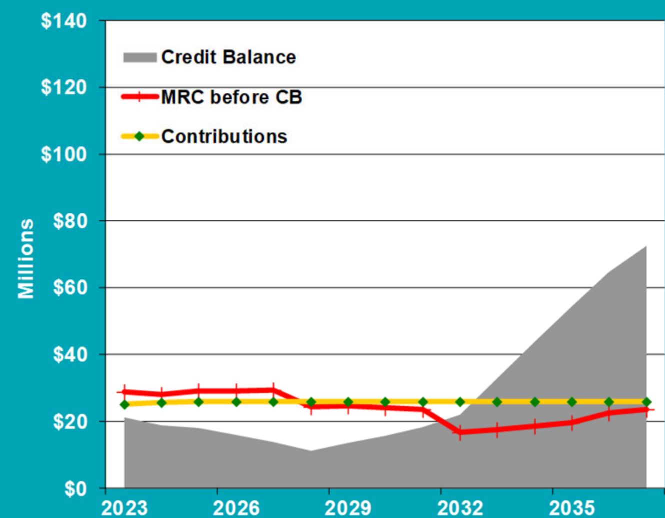
	Jan 1, 2023	Jan 1, 2024
Estimated Funded Status (AVA Basis)	79.4%	81.7%
Estimated Funded Status (MVA Basis)	73.0%	75.8%

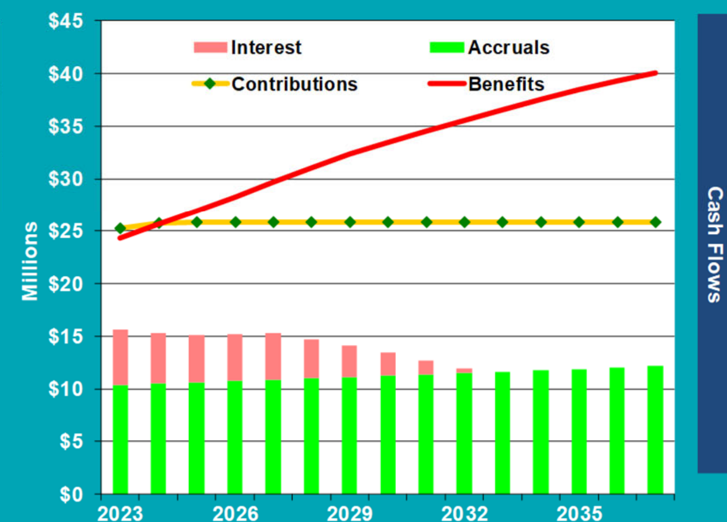
PYB	Return	Contrib Rate*	Ben	Hours Growth
2023	6.75%	$2.78	0.0%	0.0%
2024	6.75%	$2.85	0.0%	0.0%
2025	6.75%	$2.85	0.0%	0.0%
2026	6.75%	$2.85	0.0%	0.0%
2027	6.75%	$2.85	0.0%	0.0%
2028	6.75%	$2.85	0.0%	0.0%
2029	6.75%	$2.85	0.0%	0.0%
2030	6.75%	$2.85	0.0%	0.0%
2031	6.75%	$2.85	0.0%	0.0%
2032	6.75%	$2.85	0.0%	0.0%
2033	6.75%	$2.85	0.0%	0.0%
2034	6.75%	$2.85	0.0%	0.0%
2035	6.75%	$2.85	0.0%	0.0%
2036	6.75%	$2.85	0.0%	0.0%
2037	6.75%	$2.85	0.0%	0.0%
2038	6.75%	$2.85	0.0%	0.0%
2039	6.75%	$2.85	0.0%	0.0%
2040	6.75%	$2.85	0.0%	0.0%
2041	6.75%	$2.85	0.0%	0.0%
2042	6.75%	$2.85	0.0%	0.0%
2043	6.75%	$2.85	0.0%	0.0%
2044	6.75%	$2.85	0.0%	0.0%
2045	6.75%	$2.85	0.0%	0.0%
2046	6.75%	$2.85	0.0%	0.0%
2047	6.75%	$2.85	0.0%	0.0%

Return

6.75% 20-Year Geometric Average







* Effective March 15,

AFTER 2024 Estimated Financial

MFD	None
Insolvent PYB	None
Emergence	N/A
Fully Funded	2031

1934

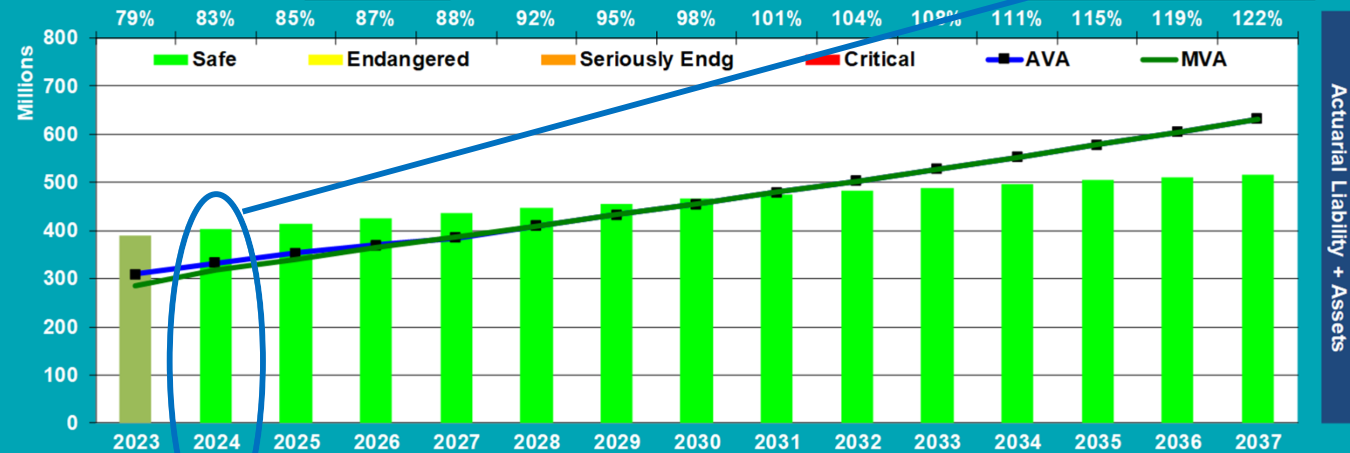
Discount Rate	6.75%
2023 Return	11.19%
Est. December 31, 2023 MVA	$ 319.5 million

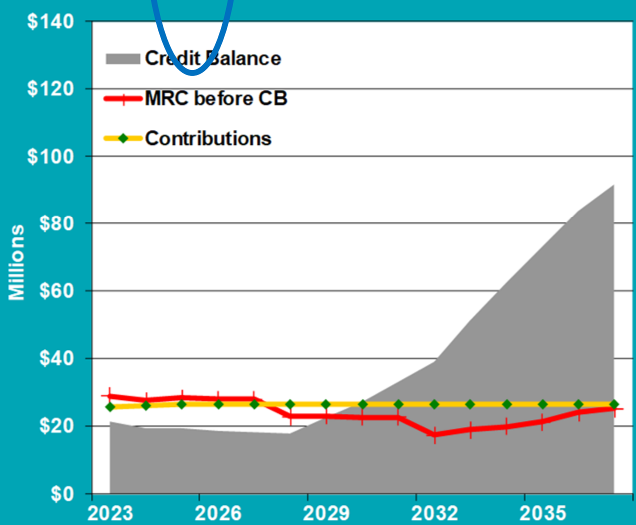
	Jan 1, 2023	Jan 1, 2024
Estimated Funded Status (AVA Basis)	79.4%	82.5%
Estimated Funded Status (MVA Basis)	73.0%	79.1%

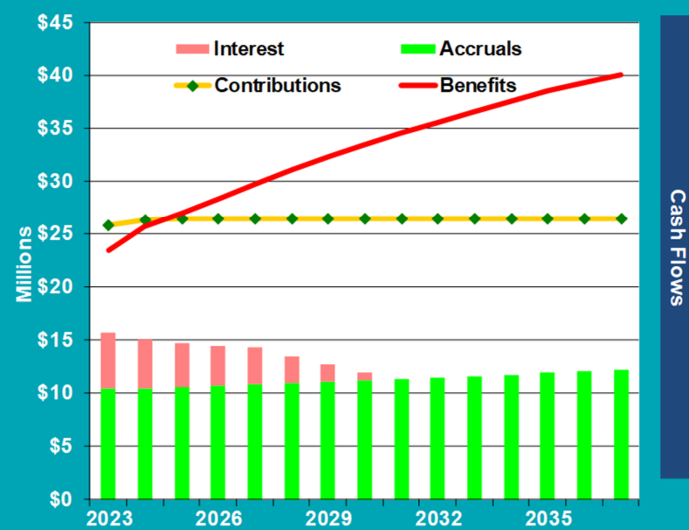
PYB	Return	Contrib Rate*	Ben	Hours Growth
2023	6.75%	$2.78	0.0%	0.0%
2024	6.75%	$2.85	0.0%	0.0%
2025	6.75%	$2.85	0.0%	0.0%
2026	6.75%	$2.85	0.0%	0.0%
2027	6.75%	$2.85	0.0%	0.0%
2028	6.75%	$2.85	0.0%	0.0%
2029	6.75%	$2.85	0.0%	0.0%
2030	6.75%	$2.85	0.0%	0.0%
2031	6.75%	$2.85	0.0%	0.0%
2032	6.75%	$2.85	0.0%	0.0%
2033	6.75%	$2.85	0.0%	0.0%
2034	6.75%	$2.85	0.0%	0.0%
2035	6.75%	$2.85	0.0%	0.0%
2036	6.75%	$2.85	0.0%	0.0%
2037	6.75%	$2.85	0.0%	0.0%
2038	6.75%	$2.85	0.0%	0.0%
2039	6.75%	$2.85	0.0%	0.0%
2040	6.75%	$2.85	0.0%	0.0%
2041	6.75%	$2.85	0.0%	0.0%
2042	6.75%	$2.85	0.0%	0.0%
2043	6.75%	$2.85	0.0%	0.0%
2044	6.75%	$2.85	0.0%	0.0%
2045	6.75%	$2.85	0.0%	0.0%
2046	6.75%	$2.85	0.0%	0.0%
2047	6.75%	$2.85	0.0%	0.0%

Return

6.75% 20-Year Geometric Average







* Effective March 15,

Required Disclosures

In preparing this presentation, we relied on information (some oral and some written) supplied by the Fund Office and auditor. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23. This analysis was based on the current assumptions and methods, estimated financial data as of December 31, 2023, and the data provided to perform the January 1, 2023 valuation. For complete details on the assumptions and methods, refer to the final January 1, 2023 valuation report. Actual results can be expected to differ to the extent that future experience differs from the actuarial assumptions used.

This presentation and its contents were prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as a credentialed actuary, I meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. I am not an attorney, and our firm does not provide any legal services or advice.

This presentation was prepared solely for the UNITE HERE Local 25 and Hotel Association of Washington DC Pension Fund for the purposes described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any such other users.

Kevin J. Woodrich, FSA, EA, MAAA
Principal Consulting Actuary

Classic Values, Innovative Advice

UNITE Hotel and Restaurant Employees Local 25 and Hotel Association of Washington, DC Pension Plan

Actuarial Valuation Report as of January 1, 2023

Produced by Cheiron
January 2024

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January 24, 2024

Trustees of the
UNITE Hotel and Restaurant Employees Local 25 and
Hotel Association of Washington, DC Pension Plan
c/o Anne-Marie Sims
Associated Administrators
911 Ridgebrook Road
Sparks, Maryland 21152

Dear Trustees:

At your request, we have performed the January 1, 2023, actuarial valuation of the UNITE Hotel and Restaurant Employees Local 25 and Hotel Association of Washington, DC Pension Plan. This report contains information on the Plan's assets and liabilities and also discloses contribution levels, including the minimum required amount as mandated by Federal law.

Your attention is called to the introductory section in which we refer to the general approach employed in the preparation of this report. We also comment on the sources and reliability of both the data and the actuarial assumptions on which our findings are based. These comments are the basis for our certification that this report is complete to the best of our knowledge and belief. The results of this report are only applicable to the 2023 plan year and rely on future plan experience conforming to the underlying assumptions. Future valuation reports may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

The purpose of this report is to present the annual actuarial valuation of the UNITE Hotel and Restaurant Employees Local 25 and Hotel Association of Washington, DC Pension Plan. This report is for the use of the Board and its auditors in preparing financial reports in accordance with applicable law and accounting requirements. Any other such user of this report is not an intended user and is considered a third party.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

Please let us know if you have any questions.

Sincerely,
Cheiron

Kevin J. Woodrich, FSA, EA, MAAA
Principal Consulting Actuary

Coralie Taylor, FSA, EA, MAAA, FCA
Consulting Actuary

cc: Matt Wells, FSA, EA, MAAA, Cheiron

FOREWORD

Cheiron has performed the actuarial valuation of the UNITE Hotel and Restaurant Employees Local 25 and Hotel Association of Washington, DC Pension Plan as of January 1, 2023. The purpose of this report is to:

1) **Measure and disclose**, as of the valuation date, the financial condition of the Plan;
2) **Provide specific information** and documentation required by the Federal Government and the auditors of the Plan;
3) **Review past and expected trends** in the financial conditions of the Plan; and
4) **compare** assets with the value of vested benefits to determine allocable plan withdrawal liability, if any.

An actuarial valuation analyzes Plan assets and establishes liabilities on a consistent basis and traces the progress from one year to the next. It includes measurement of the Plan's investment performance as well as an analysis of actuarial liability gains and losses. This valuation report is organized as follows:

Section I presents a summary of the valuation and compares this year's results to last year's results.

Section II presents risk factors to consider that may significantly affect the Plan's future financial condition.

Section III contains exhibits relating to the valuation of assets.

Section IV shows the various measures of liabilities.

Section V shows the development of the minimum and maximum contributions.

Section VI shows the development of the Plan's unfunded vested benefits for withdrawal liability purposes.

Section VII provides information required by the Plan's auditor.

The appendices to this report contain a summary of the Plan's membership at the valuation date, a summary of the major provisions of the Plan, and the actuarial methods and assumptions used in the valuation.

In preparing our report, we relied without audit, on information (some oral and some written) supplied by Associated Administrators, LLC and Novak Francella, LLC. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standards of Practice No. 23 Data Quality.

The actuarial assumptions reflect our understanding of the likely future experience of the Plan and the assumptions analyzed individually represent our best estimate for the future experience.

SUMMARY

Table I-1 sets out the principal results of this year's valuation and compares them to last year's results.

Table I-1
Hotel and Restaurant Employees Local 25 and Hotel Association of Washington, DC Pension Plan
Summary of Principal Results

	1/1/2022	1/1/2023	Change
Participant Counts			
Actives	3,302	5,286	60.1%
Terminated Vesteds[1]	3,704	2,647	(28.5%)
In Pay Status	2,893	3,031	4.8%
Total	9,899	10,964	10.8%
Financial Information			
(1) Market Value of Assets (MVA)	$ 315,285,591	$ 285,137,442	(9.6%)
(2) Actuarial Value of Assets (AVA)	292,269,625	310,087,102	6.1%
(3) Actuarial Liability	$ 371,457,213	$ 390,769,219	5.2%
(4) Unfunded Actuarial Liability / (Surplus) on AVA Basis [(3) - (2)]	79,187,588	80,682,117	1.9%
(5) Funding Ratio on AVA Basis [(2) ÷ (3)]	78.7%	79.4%	
(6) Unfunded Actuarial Liability / (Surplus) on MVA Basis [(3) - (1)]	56,171,622	105,631,777	88.1%
(7) Funding Ratio on MVA Basis [(1) ÷ (3)]	84.9%	73.0%	N/A
(8) Present Value of Vested Benefits for Withdrawal Liability Purposes	$ 364,793,571	$ 382,056,066	4.7%
(9) Vested Benefit Unfunded (Surplus) [(8) - (1)]	49,507,980	96,918,624	95.8%
(10) Vested Benefit Funding Ratio on MVA Basis [(1) ÷ (8)]	86.4%	74.6%	N/A
Contributions and Cash Flows			
ERISA Credit Balance (Beginning of Year)	$ 20,062,153	$ 21,318,420	6.3%
Employer Contributions[2]	24,119,698	*24,981,800*	3.6%
Minimum to Preserve Credit Balance	22,644,007	27,521,954	21.5%
Prior Year Benefit Payments	(19,563,440)	(20,975,837)	7.2%
Prior Year Expenses	(902,065)	(941,387)	4.4%

[1] For 2022 and 2023, includes 35 and 37 terminated vesteds at least 85 years old whose liabilities are $0 since assumed probablilty of receipt is 0%.

[2] 2023 contributions are estimated and assumed to be made uniformly throughout the year.

SECTION I – SUMMARY

General Comments

The following are general observations on the prior year's experience and trends based on the January 1, 2023 valuation.

- The Market Value of Assets returned -10.23% compared to the prior year's assumed 6.75% return (a difference of 16.98%). In dollars, the total actuarial investment gain (the difference between actual and expected returns on a market value basis) was $53.4 million.

- For various purposes, including the determination of its annual Minimum Required Contribution, the Plan uses an Actuarial Value of Assets which smooths annual actuarial investment gains or losses over a period of five years. This means the $53.4 million loss described above will be phased in at a rate of $10.7 million per year over the next five years. The smoothed Actuarial Value of Assets is $310.1 million (109% of the market value of $285.1 million). The $25.0 million difference between Actuarial Value and Market Value of Assets represents a net deferred investment loss that will be recognized in the future.

- The return on the Actuarial Value of Assets was 5.32%, resulting in a recognized actuarial investment loss of $3.8 million on this asset basis.

- The Plan experienced a liability loss of $1.4 million (0.38% of Actuarial Liability) during 2022. This was primarily due to new entrants entering the plan and employees returning to work during 2022.

- An experience study was performed concurrently with this valuation to compare actual experience over the last five years aligned with current assumptions. As a result, several assumptions were updated to better reflect anticipated experience in the future. These assumption changes resulted in an $8.4 million increase to the Actuarial Liability.

- The Plan's funding ratio (Actuarial Value of Assets as a percentage of Actuarial Liability) increased from 78.7% as of January 1, 2022 to 79.4% as of January 1, 2023. The funding ratio based on the Market Value of Assets decreased from 84.9% to 73.0%.

- The Unfunded Vested Benefits used in assessing Withdrawal Liability increased from $49.5 million as of December 31, 2021 to $96.9 million as of December 31, 2022.

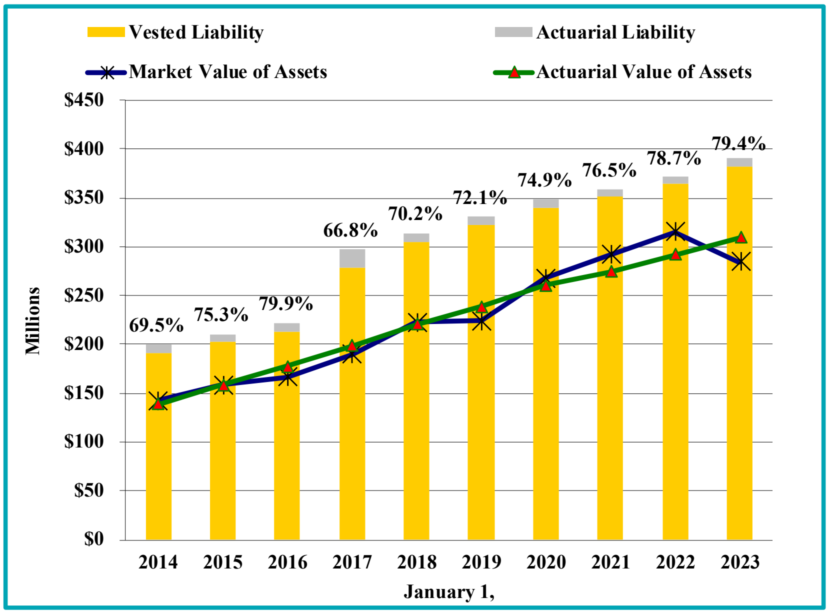
- On March 31, 2023, the Plan's sixteenth actuarial certification under the Pension Protection Act was filed. Due to the Special Rule of Section 432(b)(5) of the Code and Section 305(b)(5) of ERISA, the Plan was certified to be NOT in endangered, seriously endangered, critical, or critical and declining status based on preliminary financial information provided as of January 1, 2023 and using the liabilities disclosed in the January 1, 2022 actuarial valuation projected forward to January 1, 2023.

The remainder of this section reviews Plan experience over the last 10 years.

SECTION I – SUMMARY

Historical Summary

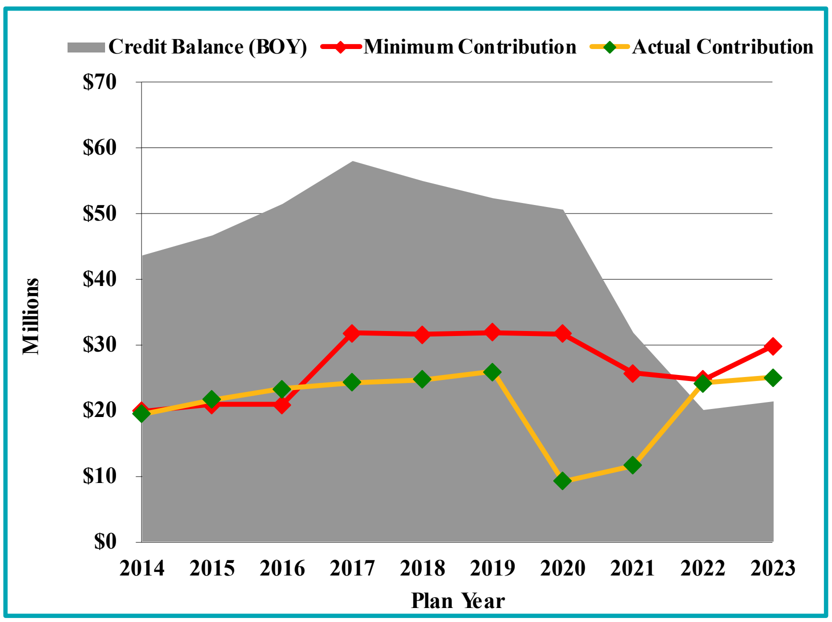
The chart below shows the Plan's funding ratio (Actuarial Value of Assets as a percent of Actuarial Liability over the last 10 years. The large increase in liabilities from 2016 to 2017 was due to benefit improvements that were effective January 1, 2017, as well as assumption changes, including a decrease in the discount rate from 7.0% to 6.75%.



SECTION I – SUMMARY

The chart below shows the contributions paid to the Plan (green line) and the minimum contribution (red line) required under ERISA to maintain the Credit Balance (gray area). The sharp increases in the minimum contribution line for 2017 was attributable to the benefit change and lowering the discount rate at those times. The sharp decline in contributions for 2020 reflects the decrease in hours worked by participants, mostly due to reduced hotel operations caused by the COVID-19 pandemic. The expected contributions in 2023 reflect the increase in the bargained hourly contribution rate from $2.75 to $2.85 effective in March 2023.

Since the minimum contribution was more than the actual contributions for 2017 through 2022 and anticipated 2023 contributions, a portion of the Credit Balance must be used to cover this difference. Projections of the Credit Balance show that the Plan could be at risk of a minimum funding deficiency in the future if recovery is not as expected. As advised by the Trustees, the expected contributions for 2023 in the graph below assume that hours in 2023 are the same as those in 2022.



SECTION II – IDENTIFICATION AND ASSESSMENT OF RISK

The current and projected results in this report are based on a set of assumptions about the future economic and demographic experience. In our opinion, these assumptions are our reasonable best estimate of future experience. It is important to realize that future experience may deviate significantly from the assumptions. These annual differences between actual experience and the expected experience based on these assumptions produce an actuarial gain or loss each year. Over time, the trend and magnitude of these actuarial gains or losses may warrant a change of a particular assumption. Annual differences between the actual experience and the assumptions or changes in expectations can generate significant volatility in future results. In this section, we identify the main drivers to the potential volatility of future results and illustrate the sensitivities of certain results to these drivers.

Identification of Risks

The primary drivers in the potential volatility of future results are:

- Investment returns;
- Contributory hours; and,
- Participant longevity and rates of retirement.

The current assumption for **investment returns** is 6.75% per year. This is a long-term expectation. This means that in any given year, investment returns will be greater than or less than the assumption. However, the geometric mean of the actual investment returns over time should be close to the assumption. Higher returns in a year will accelerate the funding of future benefit payments, while lower returns can create a demand for increased contributions or benefit changes to account for the loss of expected investment income.

The potential volatility of future investment returns is highly influenced by the economic conditions and the Trust's asset allocation. While portfolios with higher expected rates of return lead to lower liabilities and contribution requirements, they also come with higher amounts of volatility. If the assumption of future investment returns changes, the measurement of liability can be significantly affected. Even a 25-basis point change to the assumed annual rate of investment return can change the measurement of liabilities by almost 3%.

Contributions are generated from **contributory hours** and are used to pay for the cost of the benefit accruals earned during the year and current administrative expenses, as well as to improve the funding levels of the Trust. While the cost of benefit accruals will naturally fluctuate with the amount of covered hours worked by participants, the rate at which the Trust's funding status will improve can significantly change with the amount of contributory hours in future years. An increase in hours will accelerate the funding, while a decrease in hours may reduce or entirely stop the improvement to funding.

Participant longevity, or how long participants live, will determine how many monthly pension payments are needed to be paid out by the Trust. If participants live longer on average than expected, more assets will be needed to pay for benefits. If lifetimes are shorter than expected, less will be paid, and more money will become available to pay for other participants' benefits.

SECTION II – IDENTIFICATION AND ASSESSMENT OF RISK

While there are many other drivers in the volatility of future results, they are considered to not be as important to the ones listed above.

Plan Maturity

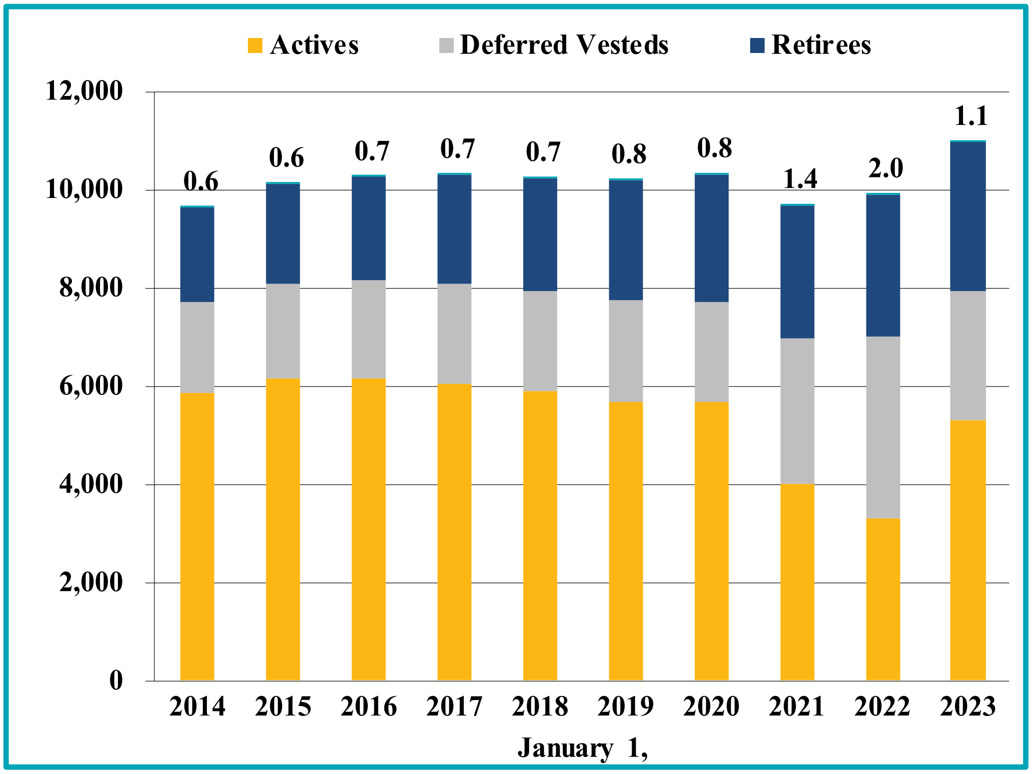
As plans mature, the level of volatility will increase. The cause of this dynamic is that more mature plans typically have higher asset and liability values relative to the amount of contributory hours for the Trust, so unexpected events (investment or demographic) will have larger effects on the sustainability of the Trust. Two key measures of maturity highlight this relationship: the support ratio and net cash flow. Higher and increasing values of these metrics indicate more risk and are a characteristic of maturing plans.

Support Ratio

The following chart shows the participants of the Plan in successive valuations. The numbers above the bars indicate the ratio of retired participants and vested terminated participants to active participants. When a plan has a factor of more than one, it has more than one inactive participant for every active.

As with many plans, the number of retirees and deferred vested members has been growing over the last 10 years. The decrease in actives from 2020 to 2022 is largely attributed to the COVID-19 global pandemic and the resulting reduction in hotel operations. Similarly, the increase in actives between 2022 and 2023 is attributed to the continued recovery from the pandemic and more employees actively working. The support ratio of 1.1 is well below the majority of multi-employer pension plans.

SECTION II – IDENTIFICATION AND ASSESSMENT OF RISK



As the support ratio increases, the amount of assets in the Trust per each active or contributory hour increases, and the Trust matures. If a future market correction occurs, the problem is usually solved by either contribution increases and/or benefit cuts. Since these two solutions can typically only be done for actives, each active participant's share of the problem will increase as the Trust matures.

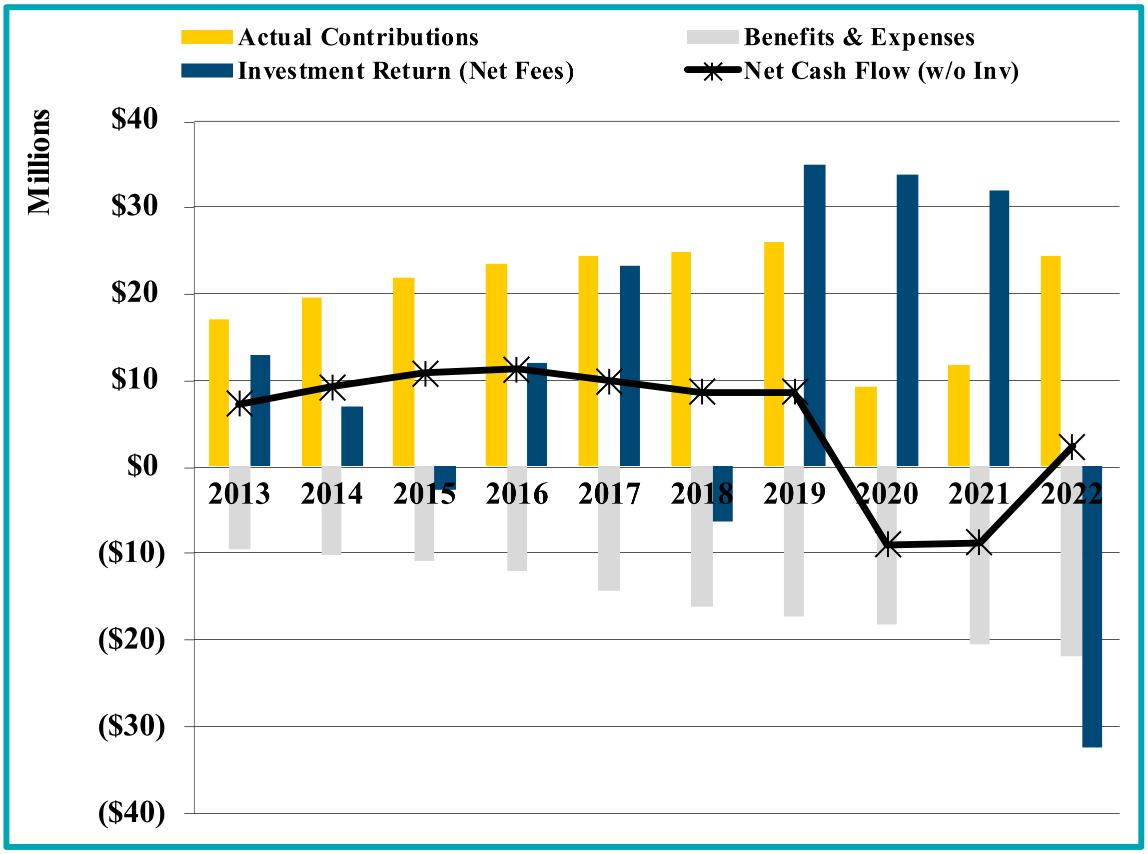
More assets do mean a better-funded pension plan, but it also means an increasing amount of investment risk. If contributory hours do not grow at the same pace that investment risk does, then each active participant's share of investment risk goes up.

This dynamic is taking place in this Trust, as it does in all pension plans. Consequently, the Board should consider possible ways to manage the amount of investment risk per active participant as opportunities present themselves.

SECTION II – IDENTIFICATION AND ASSESSMENT OF RISK

Net Cash Flow

The chart below shows the Trust's net cash flow without investment return over the past 10 years.



For the period 2013 to 2019 shown above, the Trust has had a positive net cash flow which is consistent with the pattern of the support ratios shown before. This is unusual among most Plans, as it is common for a maturing pension fund to have a negative net cash flow. Having a positive net cash flow means that the Plan is not relying on investment earnings to pay for benefits and expenses because they can currently be covered by contributions. However, in 2020, this positive cash flow turned negative, which is primarily the result of the pandemic impacting the hotel industry. In 2022, the cash flow returned positive due to the industry's continued recovery from the pandemic. Based on Trustees' expectations, the cash flow position is expected to decrease back toward zero in the near future before being negative again as the Plan continues to mature. A negative net cash flow is common for a maturing pension fund. Having a negative net cash flow indicates that the Plan is relying on investment earnings to pay for benefits and expenses because they are not currently being covered by contributions.

SECTION II – IDENTIFICATION AND ASSESSMENT OF RISK

Assessment of Risks

To demonstrate the sensitivity of the Plan to the risk factors previously identified, we now focus on the effects of several alternative events focusing on their effect on the funded ratio. To measure the effects of these events, the projected year of the Trust reaching a PPA funded ratio of 100% is listed in the table below. A PPA funded ratio of 100% means having $1 of assets for each $1 of liability. The Plan is currently 79.4% funded as of January 1, 2023 and is projected to reach 100% in 2033. As shown below, the projected year in which the Trust reaches 100% funded can dramatically change if expectations are not met.

The events shown below are not intended to represent expected scenarios but are used to demonstrate the effects of volatility caused by future possible events.

Table II-1
Risk Assessment

Investment Return Volatility		**Contributory Hours Volatility**	
Year of 100% PPA funded ratio assuming stable active population:	Year	Year of 100% PPA funded ratio assuming 6.75% returns:	Year
20.25% return for 2023	2029	10% growth in 2023	2032
13.5% return for 2023	2031	Stable Active Population	2033
Baseline, all years at 6.75%	2033	10% decline in 2023	2035
0.0% return for 2023	2036		
-6.75% return for 2023	2039		
Statutory Thresholds[1]			
Lowest 2023 return and PPA status is still Green for 2024:	Return -6.9%	Lowest Annual Return during 2023-31 to still be Green by 2032:	Return 4.2%

[1] Assumes hours for each year are at the same level as 2023.

Demographic experience (longevity, retirement, career length, etc.) can also have a noticeable impact in the measurement of liabilities from year to year. For this Trust, demographic experience has produced less than a 1% change in liabilities for each of the last eight years. This means that the volatility from the demographic experience seems to be significantly smaller than from investment returns for this Trust. In comparison, investment returns routinely create positive and negative deviations in the expected asset values of 5% or greater.

A more detailed assessment is always valuable to enhance the understanding of the risks identified above. While more detail would provide some additional value, we do not believe it is necessary to perform an in-depth analysis every year. We recommend the Trustees review the analysis provided above annually and consider a more detailed analysis periodically and when there is a substantial change in the financial position and/or maturity of the Trust.

SECTION III – ASSETS

Assets at Market Value

Market values represent "snap-shot" or "cash-out" values which provide the principal basis for measuring financial performance from one year to the next.

Table III-1
Statement of Assets at Market Value, December 31,

		2021		2022
Invested Assets				
Common Stock - ULLICO	$	2,373,226	$	2,373,226
Commingled Fund		0		0
Housing Investment Trust		4,656,643		4,025,681
Common Collective Trusts		167,347,212		156,810,962
Registered Investment Companies		70,309,521		74,477,777
Limited Partnerships		57,515,478		39,522,862
Short-Term Investments		9,522,639		2,909,205
Total Investments:	$	311,724,719	$	280,119,713
Other Assets				
Cash or Cash Equivalents	$	1,695,242	$	1,855,864
Accrued Interest and Dividends Receivable		18,403		53,023
Employer Contributions Receivable		1,856,434		3,104,231
Withdrawal Liability		0		0
Prepaid Expenses		56,753		58,173
Other Receivables		1,116		5
Accounts Payable		(67,076)		(53,567)
Total Non-Invested Assets:	$	3,560,872	$	5,017,729
Market Value of Assets from Auditor	**$**	**315,285,591**	**$**	**285,137,442**
Expected Withdrawal Liability		0		0
Market Value of Assets for Funding	**$**	**315,285,591**	**$**	**285,137,442**

SECTION III – ASSETS

Changes in Market Value

The components of asset change are:

- Contributions
- Benefit payments
- Expenses
- Investment income (realized and unrealized)

The specific changes during 2022 are presented in Table III-2 below:

Table III-2
Changes in Market Values

Value of Assets January 1, 2022	$ 315,285,591
Employer Contributions	$ 24,119,698
Withdrawal Liability Payments	0
Investment Return (Gross)	(31,842,555)
Benefit Payments	(20,975,837)
Administrative Expenses	(941,387)
Investment Expenses	(508,068)
Value of Assets January 1, 2023	$ 285,137,442

SECTION III – ASSETS

Assets at Actuarial Value

Because of volatility in investment returns, the Plan uses a smoothed Actuarial Value of Assets for determining its minimum required contribution. The Actuarial Value of Assets is calculated by excluding a portion of the prior four years actuarial investment experience, using a sliding scale.

To determine each year's actuarial investment experience the expected return on market assets is determined using the Plan's cash flows and the actuarial rate of interest and is compared to the actual Market Value of Assets. The Actuarial Value of Assets is constrained so that it cannot exceed 120% of the Market Value of Assets and cannot be less than 80% of the Market Value of Assets.

The tables below show the development of the Actuarial Value of Assets.

Table III-3
Market Value Gain/(Loss)

Value of Assets January 1, 2022	$ 315,285,591
Employer Contributions and Withdrawal Liability Payments	24,119,698
Benefit Payments	(20,975,837)
Expected Administrative Expenses	(963,980)
Expected Return at 6.75%	21,041,106
Expected Value at January 1, 2023	$ 338,506,578
Actual Value at January 1, 2023	285,137,442
2022 Investment Gain/(Loss)	$ (53,369,136)

SECTION III – ASSETS

Table III-4
Development of Excluded Gain/(Loss)

	Total Gain/(Loss)	Excluded Portion
Exclude 80% of 2022 Gain/(Loss)	$ (53,369,136)	$ (42,695,309)
Exclude 60% of 2021 Gain/(Loss)	12,620,640	7,572,384
Exclude 40% of 2020 Gain/(Loss)	15,734,119	6,293,648
Exclude 20% of 2019 Gain/(Loss)	19,398,084	3,879,617
Total Excluded Gain/(Loss) for AVA Calculation		$ (24,949,660)

Table III-5
Actuarial Value of Assets

Market Value of Assets at January 1, 2023	$ 285,137,442
Total Gain/(Loss) excluded	(24,949,660)
Preliminary Actuarial Value of Assets January 1, 2023	$ 310,087,102
120% of MV, upper limit for actuarial value	342,164,930
80% of MV, lower limit for actuarial value	228,109,954
Actuarial Value of Assets January 1, 2023	$ 310,087,102

Actuarial Losses from Investment Performance

Table III-6 calculates the investment related actuarial gain/loss and the return for the Plan year on both a market value and actuarial value basis. The market value return is an appropriate measure for comparing the actual asset performance of -10.23% to the long-term 6.75% assumption.

The actuarial gain/loss on the actuarial value basis is one component of the Plan's experience gain/loss to be recognized in minimum funding and incorporates a significant level of smoothing. The return on this basis was 5.32% which is less than the 6.75% assumption and caused an actuarial investment loss for minimum funding purposes.

Table III-6
Asset Gain/(Loss)

Item	Market Value	Actuarial Value
January 1, 2022 Value	$ 315,285,591	$ 292,269,625
Employer Contributions and Withdrawal Liability Payments	24,119,698	24,119,698
Benefit Payments	(20,975,837)	(20,975,837)
Expected Administrative Expenses	(963,980)	(963,980)
Expected Investment Earnings (6.75%)	21,041,106	19,487,529
Expected Value as of December 31, 2022	$ 338,506,578	$ 313,937,035
January 1, 2023 Value	$ 285,137,442	$ 310,087,102
Investment Gain/(Loss)	(53,369,136)	(3,849,933)
Return	(10.23%)	5.32%

SECTION IV – LIABILITIES

In this section, we present detailed information on Plan liabilities including:

- Disclosure of Plan liabilities at January 1, 2022 and January 1, 2023; and
- Statement of changes in these liabilities during the year.

Liabilities for withdrawal liability purposes are addressed in Section VI.

Disclosure

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the purpose for which it is being used.

- **Present Value of Future Benefits:** Used for analyzing the financial outlook of the Plan, this represents the amount of money needed today to fully pay off all the future benefits of the Plan, assuming no new participants and current participants continuing to accrue benefits until retirement.

- **Actuarial Liability:** Used in determining minimum funding standards requirements, maximum tax-deductible contributions, and long-term funding targets. These amounts are determined using the Unit Credit Cost Method**.**

- **Accrued Liability:** Used for communicating the current levels of liabilities. This liability represents the total amount of money needed to fully pay off all future obligations of the Plan using funding assumptions and assuming no further accrual of benefits. These amounts are also determined using the Unit Credit Cost Method, so they are the same as the Actuarial Liability.

  These liabilities are required for determining the funded status under PPA. The law requires these liabilities to be compared to the Actuarial Value of Assets to measure funded status. They can be used to establish comparative benchmarks with other plans.

  The Accrued Liabilities must also be included in the Plan's financial statement for accounting disclosure purposes (FASB ASC Topic No. 960). For that purpose, a provision for future administrative expenses is added and that sum is referred to as the Present Value of Accumulated Benefits.

- **Withdrawal Liability:** When an employer withdraws from the Plan, the amount of Withdrawal Liability is based on the Plan's Unfunded Vested Benefits as of the last day of the prior plan year. Vested Benefits are non-forfeitable benefits that a participant would be entitled to if they were to terminate coverage as of the end of the prior plan year. Non-forfeitable benefits do not include death or disability benefits unless they are related to the form of payment.

SECTION IV – LIABILITIES

- **Current Liability:** This liability is defined by the Internal Revenue Code. It is used to determine maximum allowable tax-deductible contributions.

None of the liabilities presented in this report is appropriate for settlement purposes.

Table IV-1 below discloses each of these liabilities for the current valuation and the prior one. With respect to each disclosure, a subtraction of the appropriate value of the Plan assets yields, for each respective type, a net surplus, or an unfunded liability.

SECTION IV – LIABILITIES

Table IV-1
Liabilities/Net Surplus (Unfunded)

	1/1/2022	1/1/2023
PRESENT VALUE OF FUTURE BENEFITS		
Active Participants	$ 140,721,254	$ 214,560,045
Retiree and Inactive Benefits	276,115,843	255,759,306
Total Present Value of Future Benefits	**$ 416,837,097**	**$ 470,319,351**
Market Value of Assets	315,285,591	285,137,442
Net Surplus (Unfunded)	**$ (101,551,506)**	**$ (185,181,909)**
ACTUARIAL LIABILITY		
Actuarial Liability	**$ 371,457,213**	**$ 390,769,219**
Actuarial Value of Assets	292,269,625	310,087,102
Net Surplus (Unfunded)	**$ (79,187,588)**	**$ (80,682,117)**
Funded Ratio	*78.7%*	*79.4%*
ASC 960 ACCRUED LIABILITY		
Accrued Liability	**$ 383,459,040**	**$ 402,992,619**
Market Value of Assets	315,285,591	285,137,442
Net Surplus (Unfunded)	**$ (68,173,449)**	**$ (117,855,177)**
Funded Ratio	*82.2%*	*70.8%*
WITHDRAWAL LIABILITY		
Vested Liability for Withdrawal Liability	**$ 364,793,571**	**$ 382,056,066**
Market Value of Assets	315,285,591	285,137,442
Net Surplus (Unfunded)	**$ (49,507,980)**	**$ (96,918,624)**
Funded Ratio	*86.4%*	*74.6%*
CURRENT LIABILITY (RPA 1994)		
Current Liability (2.22% / 2.55%)	**$ 702,482,481**	**$ 680,991,407**
Actuarial Value of Assets	292,269,625	310,087,102
Net Surplus (Unfunded)	**$ (410,212,856)**	**$ (370,904,305)**
Funded Ratio	*41.6%*	*45.5%*

SECTION IV – LIABILITIES

Allocation of Liabilities by Type

The Plan's participants may qualify for a benefit on death, termination, and disability as well as on retirement. The value of the liabilities arising from each of these sources is shown in the table below:

Table IV-2
Allocation of Liabilities by Type

Benefit Type	Retirement	Termination	Death	Disability	Total
Normal Cost	$ 7,377,857	$ 1,490,403	$ 93,456	$ 115,007	$ 9,076,723
Actuarial Liability					
Actives	$ 116,922,570	$ 15,205,838	$ 1,328,676	$ 1,552,829	$ 135,009,913
Terminated Vesteds	0	68,797,198	0	0	68,797,198
Retirees and Beneficiaries	173,966,786	0	6,262,950	6,732,372	186,962,108
Total	$ 290,889,356	$ 84,003,036	$ 7,591,626	$ 8,285,201	$ 390,769,219
Current Liability Normal Cost	$ 16,303,026	$ 4,843,830	$ 208,006	$ 307,095	$ 21,661,957
Current Liability					
Actives	$ 231,291,174	$ 42,455,983	$ 2,570,740	$ 3,610,153	$ 279,928,050
Terminated Vesteds	0	133,232,725	0	0	133,232,725
Retirees and Beneficiaries	247,737,653	0	8,913,166	11,179,813	267,830,632
Total	$ 479,028,827	$ 175,688,708	$ 11,483,906	$ 14,789,966	$ 680,991,407
Vested Current Liability					
Actives	$ 74,615,607	$ 187,686,096	$ 2,456,944	$ 3,241,738	$ 268,000,385
Terminated Vesteds	0	133,232,725	0	0	133,232,725
Retirees and Beneficiaries	247,737,653	0	8,913,166	11,179,813	267,830,632
Total	$ 322,353,260	$ 320,918,821	$ 11,370,110	$ 14,421,551	$ 669,063,742

SECTION IV – LIABILITIES

Changes in Liabilities

Each of the liabilities shown in the prior table is subject to change at successive valuations as the experience of the Plan varies from that assumed in the valuation. The liabilities may change for any of several reasons, including:

- New hires since the last valuation
- Benefits accrued since the last valuation
- Plan amendments
- Interest on liabilities
- Benefits paid to retirees
- Participants leaving employment at rates different from expected
- Changes in actuarial assumptions
- Changes in actuarial methods
- Corrections to participant data records

Table IV-3
Actuarial Liability (Gain)/Loss

	Actuarial/Accrued Liability
Liabilities 1/1/2022	$ 371,457,213
Liabilities 1/1/2023	390,769,219
Liability Increase (Decrease)	19,312,006
Change due to:	
Plan Amendment	$ 0
Assumption Change	8,358,411
Accrual of Benefits (with Expected Expenses)	6,719,274
Benefit Payments and Expected Expenses	(21,939,817)
Increase for Interest	24,753,911
Other Sources	0
Actuarial (Gain)/Loss	1,420,227
Total	**$ 19,312,006**

SECTION V – CONTRIBUTIONS

In this section, we present detailed information on Plan contributions from two perspectives:

- Actuarial contributions and
- Government Limitations which could affect the above.

Actuarial Contributions

For this Plan, the funding method used to determine the actuarial contribution is the Unit Credit Cost method. It is made up of two parts. The first part is the Unit Credit Normal Cost. This is the value of the benefits and expenses expected to be accrued over the coming year. It also includes estimated administrative expenses.

The second part is an amortization payment to pay off the Unfunded Actuarial Liability. The Unfunded Actuarial Liability is the difference between the Actuarial Liability of the Plan at the valuation date and the assets the Plan should hold as determined by the actuarial cost method.

The amortization payment is determined using the amortization schedule required by the IRS to determine the Minimum Required Contribution. Because of this, the actuarial contribution and the Minimum Required Contribution are the same.

Government Limits

ERISA and the IRS tax code place various limits on the contributions made to qualified pension plans. The limits impact the minimum that must be paid, the maximum that can be deducted and the timing of contributions.

To ensure that minimum required contributions are met, pension plans are required to retain an Enrolled Actuary to complete Schedule MB to Form 5500 on an annual basis. Because the bargained contributions have exceeded the minimum required contribution in years past, the Plan has built up a Credit Balance. The Credit Balance can be used in the future to make up any difference between the Minimum Required Contribution and the employer's contribution.

SECTION V – CONTRIBUTIONS

The Minimum Required Contribution for 2023, which is an amount that will preserve the Credit Balance, is shown in Table V-1 compared to various Government Limits and the expected employer contribution. The estimated employer contribution for 2023 is based on an hourly rate of $2.75 prior to March 15, 2023, and $2.85 thereafter.

Table V-1
Contribution for 2023

Actuarial Contribution		
Normal Cost	$	9,076,723
Expenses		973,620
Amortization Payment		17,935,274
Interest to End of Year		1,889,029
Total	$	29,874,646
Government Limits		
Maximum Deductible Contribution	$	669,882,042
Minimum Required Contribution (before Credit Balance)		29,874,646
Credit Balance with Interest to End of Year		22,757,413
Minimum Required Contribution (after Credit Balance)		7,117,233
Estimated Employer Contributions[1]	$	24,981,800
Count of Active Participants		5,286

[1] Based on Trustees' expectation that 2023 hours will be approximately the same as 2022.

SECTION V – CONTRIBUTIONS

The following tables show the IRS Funding Standard Account, as well as the development of the minimum and maximum contributions for 2023 and other supporting information.

Table V-2
Funding Standard Account for 2022 and 2023 Plan Years

	2022	2023
1. Charges For Plan Year		
a. Normal Cost plus Expenses	$ 6,719,274	$ 10,050,343
b. Amortization Charges	18,985,942	20,365,616
c. Interest on a. and b. to Year End	1,735,102	2,053,077
d. Total Charges	$ 27,440,318	$ 32,469,036
2. Credits For Plan Year		
a. Prior Year Credit Balance	$ 20,062,153	$ 21,318,420
b. Employer Contributions (actual 2022, projected 2023)	24,119,698	*24,981,800*
c. Amortization Credits	2,520,243	2,430,342
d. Interest on a., b., and c. to Year End	2,056,644	2,368,354
e. Full Funding Limit Credit	0	0
f. Total Credits	$ 48,758,738	$ 51,098,916
3. Credit Balance at End of Year [2. – 1.]	$ 21,318,420	$ 18,629,880

SECTION V – CONTRIBUTIONS

Table V-3
Calculation of the Maximum Deductible Contribution
For the Plan Year Starting January 1, 2023

1. "Fresh Start" Method		
a. Normal Cost plus Expenses	$	10,050,343
b. Net Charge to Amortize Unfunded Actuarial Liability over 10 years		10,636,935
c. Interest on a. and b.		1,396,391
d. Total	$	22,083,669
e. Minimum Required Contribution as of Year End		7,117,233
f. Greater of d. and e.	$	22,083,669
g. Full Funding Limitation as of Year End		321,370,621
h. Maximum Deductible Contribution, lesser of f. and g.	$	22,083,669
2. 140% of Current Liability Calculation		
a. RPA 1994 Current Liability at Start of Year	$	680,991,407
b. Present Value of Benefits Estimated to Accrue during Year		21,661,957
c. Expected RPA Benefit Payments		23,251,722
d. Net Interest on a., b. and c. at Current Liability Interest Rate (2.55%)		17,621,201
e. Expected Current Liability at End of Year, [a. + b. – c. + d.]		697,022,843
f. 140% of e.		975,831,980
g. Actuarial Value of Assets		310,087,102
h. Expected Funding Benefit Payments		23,244,212
i. Expected Expenses		973,620
j. Net Interest on g., h. and i. at Valuation Interest Rate		20,080,668
k. Estimated Value of Assets, [g. – h. – i. + j.]		305,949,938
l. Unfunded Current Liability at Year End, [f. - k.]	$	669,882,042
3. Maximum Deductible Contribution at Year End, greater of 1. and 2.	$	669,882,042

SECTION V – CONTRIBUTIONS

Table V-4
Development of Actuarial Gain/(Loss)
For the Year Ended December 31, 2022

1. Unfunded Actuarial Liability at Start of Year	$	79,187,588
2. Normal Cost plus Expenses at Start of Year		6,719,274
3. Interest on 1. and 2. to End of Year		5,798,714
4. Employer Contributions and Withdrawal Liability Payments for Year		24,119,698
5. Interest on 4. to End of Year		532,332
6. Increase in Unfunded Actuarial Liability Due to Changes in Assumptions		8,358,411
7. Increase in Unfunded Actuarial Liability Due to Changes in Plan Design		0
8. Expected Unfunded Actuarial Liability at End of Year [1. + 2. + 3. – 4. – 5. + 6. + 7.]	$	75,411,957
9. Actual Unfunded Actuarial Liability at End of Year, not less than zero	$	80,682,117
10. Actuarial Gain / (Loss)		
a. Investment Gain / (Loss)	$	(3,849,933)
b. Actuarial Liability Gain / (Loss)		(1,420,227)
c. Total Actuarial Gain / (Loss) [8. – 9.]	$	(5,270,160)
11. Amortization Factor for Actuarial Gain / (Loss)		9.8781
12. Amortization Credit / (Charge) for Actuarial Gain / (Loss)	$	(533,519)

SECTION V – CONTRIBUTIONS

Table V-5
Schedule of Amortizations Required for Minimum Required Contribution
As of January 1, 2023

Type of Base	Date Established	Initial Amount	Initial Amortization Years	1/1/2023 Outstanding Balance	Remaining Amortization Years	Beginning of Year Amortization Amount
Charges						
1. Benefit Increase	1/1/1995	$ 1,898,679	30	$ 281,314	2	$ 145,249
2. Benefit Increase	1/1/1996	5,891,493	30	1,265,077	3	449,517
3. Method Change	1/1/1998	1,000,489	30	334,689	5	75,955
4. Plan Amendment	1/1/1999	60,042	30	23,322	6	4,548
5. Assumption Change	1/1/2000	480,026	30	210,499	7	36,271
6. Plan Amendment	1/1/2000	7,522,673	30	3,298,812	7	568,413
7. Assumption Change	1/1/2001	3,607,767	30	1,750,677	8	271,989
8. Plan Amendment	1/1/2007	14,443,486	30	10,195,884	14	1,075,813
9. Actuarial Loss	1/1/2009	13,230,399	15	1,357,834	1	1,357,834
10. Actuarial Loss	1/1/2011	5,767,374	15	1,656,968	3	588,767
11. Assumption Change	1/1/2012	4,617,778	15	1,709,854	4	470,212
12. Actuarial Loss	1/1/2012	5,071,774	15	1,877,957	4	516,440
13. Actuarial Loss	1/1/2013	4,921,317	15	2,202,691	5	499,883
14. Assumption Change	1/1/2013	8,383,621	15	3,752,359	5	851,567
15. Plan Amendment	1/1/2013	33,690,641	15	15,079,329	5	3,422,130
16. Actuarial Loss	1/1/2015	1,243,894	15	732,003	7	126,130
17. Actuarial Loss	1/1/2016	3,875,186	15	2,527,106	8	392,616
18. Plan Amendment	1/1/2017	53,358,602	15	37,971,739	9	5,401,705
19. Assumption Change	1/1/2017	9,989,145	15	7,108,605	9	1,011,241
20. Actuarial Loss	1/1/2017	4,199,364	15	2,988,404	9	425,118
21. Actuarial Loss	1/1/2018	1,774,692	15	1,362,731	10	179,659
22. Actuarial Loss	1/1/2019	6,357,168	15	5,216,370	11	643,562
23. Actuarial Loss	1/1/2020	4,655,774	15	4,050,051	12	471,323
24. Assumption Change	1/1/2023	8,358,411	15	8,358,411	15	846,155
25. Actuarial Loss	1/1/2023	5,270,160	15	5,270,160	15	533,519
TOTAL CHARGES				**$ 120,582,846**		**$ 20,365,616**

SECTION V – CONTRIBUTIONS

Table V-6
Schedule Of Amortizations Required for Minimum Required Contribution
As of January 1, 2023

Type of Base	Date Established	Initial Amount	Initial Amortization Years	1/1/2023 Outstanding Balance	Remaining Amortization Years	Beginning of Year Amortization Amount
Credits						
1. Funding Method Change	1/1/1998	$ 392,131	30	$ 131,175	5	$ 29,769
2. Mortality Change	1/1/2003	521,650	30	297,022	10	39,159
3. Actuarial Gain	1/1/2010	3,581,997	15	710,078	2	366,630
4. Actuarial Gain	1/1/2014	1,039,960	15	541,194	6	105,541
5. Assumption Change	1/1/2015	1,420,441	15	835,898	7	144,032
6. Actuarial Gain	1/1/2021	10,924,266	15	10,008,017	13	1,105,907
7. Actuarial Gain	1/1/2022	6,315,112	15	6,058,925	14	639,304
TOTAL CREDITS				**$ 18,582,309**		**$ 2,430,342**
NET CHARGE				**$ 102,000,537**		**$ 17,935,274**
Less Credit Balance				21,318,420		
Unfunded Actuarial Liability				$ 80,682,117		
Actuarial Accrued Liability				$ 390,769,219		
Actuarial Value of Assets				310,087,102		
Unfunded Actuarial Liability				$ 80,682,117		

SECTION V – CONTRIBUTIONS

Table V-7
Development of Full Funding Limitation
For the Year Starting January 1, 2023

	Minimum	Maximum
1. Unit Credit Actuarial Liability Calculation		
a. Actuarial Liability	$ 390,769,219	$ 390,769,219
b. Normal Cost plus Expenses	10,050,343	10,050,343
c. Lesser of Market Value and Actuarial Value of Assets	285,137,442	285,137,442
d. Credit Balance at Start of Year	21,318,420	N/A
e. Actuarial Liability Full Funding Limit [a. + b. - c. + d.] x 1.0675	$ 146,248,076	$ 123,490,663
2. Full Funding Limit Override (RPA '94)		
a. RPA 1994 Current Liability at Start of Year	$ 680,991,407	$ 680,991,407
b. Present Value of Benefits Estimated to Accrue during Year	21,661,957	21,661,957
c. Expected RPA Benefit Payments	23,251,722	23,251,722
d. Net Interest on a., b. and c. at Current Liability Interest Rate	17,621,201	17,621,201
e. Expected Current Liability at End of Year, [a. + b. – c. + d.]	697,022,843	697,022,843
f. 90% of e.	627,320,559	627,320,559
g. Actuarial Value of Assets at Start of Year	310,087,102	310,087,102
h. Expected Funding Benefit Payments	23,244,212	23,244,212
i. Expected Expenses	973,620	973,620
j. Net Interest on g., h. and i. at Valuation Interest Rate	20,080,668	20,080,668
k. Estimated Value of Assets, [g. - h. - i. + j.]	305,949,938	305,949,938
l. RPA 1994 Full Funding Limit Override	$ 321,370,621	$ 321,370,621
3. Full Funding Limitation at End of Year, greater of 1. and 2.	$ 321,370,621	$ 321,370,621
4. Full Funding Limitation at Start of Year	$ 301,049,762	$ 301,049,762

SECTION VI – UNFUNDED VESTED BENEFITS (UVB) FOR WITHDRAWAL LIABLITY PURPOSES

The amount of Withdrawal Liability is based on the Plan's Unfunded Vested Benefits (UVB) at the time of withdrawal. The Unfunded Vested Benefits are equal to the value of Vested Benefits less the Market Value of Assets. Vested Benefits are those that the participant is entitled to if they were to terminate coverage under the Plan as of the measurement date.

The Unfunded Vested Benefits are determined using the actuarial methods and assumptions shown in Appendix C. This amount is reduced by any outstanding claims for withdrawal liability payments expected to be collected from employers who have previously withdrawn. For this valuation, the auditor reported that there are no future withdrawal liability payments anticipated to be collected from previously withdrawn employers in the future.

The method used to allocate UVB to a withdrawing employer is referred to as the Rolling Five Method.

Table VI-1 summarizes the calculation of the Unfunded Vested Benefits. It also provides a history of employer contributions for the previous five years which are used in allocating the Unfunded Vested Benefits to an employer. These contribution amounts reflect the contributions actually made during the calendar years. The contribution amounts shown have been reduced by any contributions made by employers who previously withdrew.

Table VI-1
Items Required to Calculate an Employer's Withdrawal Liability

a. Present Value of Vested Benefits at December 31, 2022	$ 382,056,066
b. Market Value of Assets	285,137,442
c. Unfunded Vested Benefits [a - b]	$ 96,918,624
d. Due from Withdrawn Employers	0
e. Net Unfunded Vested Benefits to Allocate [c - d]	$ 96,918,624
f. Total Employer Contributions for previous five Plan Years	
Calendar Year 2022	$ 24,119,698
Calendar Year 2021	10,932,269
Calendar Year 2020	7,930,263
Calendar Year 2019	25,912,308
Calendar Year 2018	24,647,944

SECTION VII – FASB ASC TOPIC NO. 960 DISCLOSURES

Table VII-1
Present Value of Accumulated Benefits as of January 1, 2023
In Accordance with FASB ASC Topic No. 960

		Amounts	Counts
1. Actuarial Present Value of Benefits			
For Retirees and Beneficiaries	$	186,962,108	3,031
Terminated Vesteds		68,797,198	2,647
Active Participants		130,336,356	3,225
Vested Benefits	$	386,095,662	8,903
2. Non-vested Benefits		4,673,557	2,061
3. Present Value of Expected Administrative Expenses[1]		12,223,400	
4. Accumulated Benefits [(1) + (2) + (3)]	$	402,992,619	10,964
5. Market Value of Assets	$	285,137,442	
6. Funded Ratios			
Vested Benefits		74%	
Accumulated Benefits		71%	

Table VII-2
Reconciliation of Present Value of Accumulated Benefits

1. Actuarial Present Value at Start of Prior Year	$	371,457,213
2. Increase (decrease) over Prior Year due to:		
Benefit Accruals (with Expenses)		6,719,274
Benefit Payments and Expected Expenses		(21,939,817)
Increase for Interest		24,753,911
Experience (Gains)/Losses		1,420,227
Changes in assumptions		8,358,411
Plan Amendments		0
3. Actuarial Present Value at End of Prior Year (w/o Administrative Expenses)	$	390,769,219
4. Present Value of Expected Administrative Expenses1		12,223,400
5. Actuarial Present Value at End of Prior Year	$	402,992,619

1 The expected administrative expenses associated with the Accumulated Benefits is estimated to be

$92.06 per participant for the current plan year and increasing 1% per year for inflation.

APPENDIX A – MEMBERSHIP INFORMATION

The data for this valuation was provided electronically by Associated Administrators, LLC (AA). Cheiron did not perform a formal audit on this data. However, we did perform checks of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23 *Data Quality*. The data was collected as of January 1, 2023. Below is a list of assumptions Cheiron made in using the data this year.

Date of Hire for Active Employees

Rather than use the date of hire provided in the raw data (which sometimes reflects a re-hire date for those who change employers), we developed an "effective" date of hire for each active record based on their reported years of service.

The following is a list of data charts contained in this section:

- Age/Service Distribution for Active Participants
- Counts and Average Benefit Amount by Age for Retirees, Beneficiaries, and Disabled Participants
- Counts and Average Benefit Amount by Age for Terminated Vested Participants

APPENDIX A – MEMBERSHIP INFORMATION

Data Reconciliation
From January 1, 2022 to January 1, 2023

			Active	Terminated Vesteds	Disabled	Retiree	Survivors	Totals
1.	January 1, 2022 valuation		**3,302**	**3,704**	**94**	**2,582**	**217**	**9,899**
2.	Additions							
	a.	New entrants/Show-Ups	1,331	1		2	22	1,356
3.	Reductions							
	a.	Terminated - not vested	(157)					(157)
	b.	Deaths	(5)	(15)	(6)	(99)	(11)	(136)
	c.	Total	(162)	(15)	(6)	(99)	(11)	(293)
4.	Changes in status							
	a.	Terminated - vested	(101)	101				
	b.	Returned to work	977	(977)				
	c.	Retired	(60)	(165)		225		
	d.	Disabled	(1)	(4)	5			
	e.	Data corrections		2				2
	f.	Total	815	(1,043)	5	225		2
5.	January 1, 2023 valuation		**5,286**	**2,647**	**93**	**2,710**	**228**	**10,964**

Distribution of Active Members
By Age And Service as of January 1, 2023

	Completed Years of Credited Service										
AGE	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Up	Total
Under 25	75	56	0	0	0	0	0	0	0	0	131
25-29	74	202	30	0	0	0	0	0	0	0	306
30-34	69	273	107	9	0	0	0	0	0	0	458
35-39	66	220	165	50	16	0	0	0	0	0	517
40-44	47	222	191	89	63	10	0	0	0	0	622
45-49	42	199	205	130	62	27	6	0	0	0	671
50-54	31	175	215	138	121	62	40	9	0	0	791
55-59	21	127	194	148	101	75	48	50	7	0	771
60-64	16	99	165	143	81	65	75	78	41	13	776
65-69	2	33	44	34	25	13	18	16	10	4	199
70 & Up	1	11	12	7	6	2	0	2	1	2	44
Total	444	1,617	1,328	748	475	254	187	155	59	19	5,286

Average Age = **48.2**   Average Service = **9.1**

APPENDIX A – MEMBERSHIP INFORMATION

Age Distribution of Inactive Participants
Pensioners and Beneficiaries Receiving Benefits as of January 1, 2023

	Disability Retirements		Normal, Early Deferred Vested Retirements		Surviving Spouses and Beneficiaries Receiving Benefits		Total	
Age	Number	Monthly Benefit	Number	Monthly Benefit	Number	Monthly Benefit	Number	Monthly Benefit
Under 55	0	$ 0	0	$ 0	16	$ 6,849	16	$ 6,849
55-59	7	4,943	0	0	14	3,706	21	8,649
60-64	23	16,299	76	51,785	11	3,305	110	71,389
65-69	27	18,441	762	549,879	35	11,111	824	579,431
70-74	25	12,854	751	455,461	43	13,297	819	481,612
75-79	11	5,101	519	254,455	39	10,886	569	270,442
80 & Over	0	0	602	258,836	70	13,232	672	272,068
Total	93	$ 57,638	2,710	$ 1,570,416	228	$ 62,386	**3,031**	**$ 1,690,440**

Participants Entitled to Future Benefits
as of January 1, 2023

	Terminated Vesteds	
Age	**Number**	**Monthly Benefit Payable at Normal Retirement Date[1]**
Under 45	498	$ 133,623
45-49	280	88,387
50-54	390	122,055
55-59	541	191,386
60-64	566	230,308
65 & Over	372	126,981
Total	**2,647**	**$ 892,740**

[1] Adjusted to reflect assumed probability of receipt.

APPENDIX B – SUMMARY OF MAJOR PLAN PROVISIONS

1. Eligibility

All employees covered by a collective bargaining agreement between an employer and the Union and engaged in employment requiring pension fund contributions.

2. Normal Retirement Date

Beginning on January 1, 1976, the normal retirement date is the date when the participant is age 65 or older and has five or more years credited vesting service.

3. Contributions

The entire Plan cost is paid for by the participating employers. Effective March 15, 2023, the contribution rate for most employers increased from $2.75 to $2.85 per hour worked by covered employees.

4. Hour of Service

An hour of service is credited to a participant for an hour or its equivalent for which he is entitled to wages (within certain limits). Such hours of service are credited to the plan year in which they are earned (except when a period of not more than 31 days overlaps two plan years, the employer may uniformly credit the hours to one of the plan years).

5. Credited Benefit Service

Credited benefit service is the sum of past credited service and future credited benefit service.

- Past Credit Service
  A participant may receive past credited service if payments to the Pension Fund were made on his behalf for 500 or more hours from October 1, 1960 to December 31, 1961. The years of past credited service is found by subtracting from 1961 the earlier of the date the employee:
  - Joined the union, or
  - Began employment with a participating employer up to a maximum of 20 years.

- Future Credit Benefit Service
  - A participant may receive future credited benefit service for employment after September 30, 1960.

APPENDIX B – SUMMARY OF MAJOR PLAN PROVISIONS

Beginning in 1993, future credited benefit service is earned in each calendar year a participant works 400 or more hours as shown below:

Reported Hours Worked During Calendar Year	Years of Future Credited Benefit Service
1,000 or more	1
400 to 999	½
0 to 400	0

6. Credited Vesting Service

The sum of past credit service (see past credited benefit service above) and future credited vesting service. A participant may receive future credited vesting service for employment after September 30, 1960. For 1976 and thereafter, a year of future credited vesting service is earned in each calendar year in which a participant earns 750 or more hours of service.

7. Normal Retirement Benefit

Effective January 1, 2017, the monthly normal retirement benefit is $41.00 multiplied by the participant's credited benefit service.

8. Early Retirement

At the employee's option, after he has both attained age 62 and has at least five years of credited vesting service, his accrued normal retirement pension is reduced by one-half of one percent for each month by which his retirement precedes his 65th birthday.

9. Disability Retirement

A participant who becomes totally and permanently disabled is eligible for a disability retirement benefit with payments beginning immediately if he satisfies the following conditions:

- He has five years of future credited benefit service (if his disability was incurred on the property of any employer and is classified as occupational, then five years total credited benefit service).
- He was employed by an Association member in the two calendar quarters immediately preceding his disability.

10. Deferred Vested Pension Benefit

A participant who incurs a break in service may be eligible for a deferred vested benefit with benefits deferred to his normal retirement date when he has five or more years credited vesting service.

APPENDIX B – SUMMARY OF MAJOR PLAN PROVISIONS

11. Pre–Retirement Death Benefit

A death benefit will be paid to the designated beneficiary of a participant who dies after age 62 with five years credited vesting service as follows:

- If the participant was not married for a period of one year or longer immediately preceding his death, the amount paid will be the greater of:
  - The sum of 36 monthly payments of the retirement benefit the employee would have received had he retired on the day preceding his death, or
  - $2,000.

- If the participant was married for one year or longer immediately preceding his death, his spouse will receive a monthly pension equal to the pension that the participant would have received if the participant had retired on the day preceding his death and elected the joint and 50% survivor option (see Pension Benefit Forms). In no event will the total death benefit paid be less than the amount paid as stated above.

- If the participant was not eligible for early or normal retirement (but was married for one year or longer) immediately preceding his death, his spouse will receive the monthly deferred vested benefit the participant would have received. The benefit is reduced for early retirement to the earliest retirement age and for a joint and 50% survivor option.

12. Normal Form of Pension

Pension benefits are payable for the participant's life (or until recovery if recovery occurs before age 65 in the case of disability retirement) and cease at death.

13. Changes to Plan Provisions Since Last Valuation

None

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

A. Actuarial Assumptions

1. Rates of Investment Return

Funding, disclosure and withdrawal purposes:
6.75% compounded annually
Current Liability under RPA 1994:
2.55% compounded annually
All investment returns are net of investment expenses.

2. Rates of Mortality

(a) Funding and Withdrawal:

Healthy Lives - 90% and 100% of the Pri-2012 Benefit-Weighted Blue Collar Healthy Employees and Retirees Mortality Table for males and females, respectively, generationally projected forward using Scale MP-2021

Disabled Lives - 100% of the Pri-2012 Benefit-Weighted Sex-Distinct Disabled Retiree Mortality Table generationally projected forward using Scale MP-2021

(b) RPA '94 Current Liability:

The separate 2023 Static Mortality Tables for annuitants and non-annuitants as prescribed under IRS Regulation §1.431(c)(6)-1.

3. Rates of Retirement

Rates of retirement for active participants are assumed to be in accordance with annual rates as shown below for illustrative ages.

Age	Rate of Retirement
62	0.050
63	0.050
64	0.150
65	0.450
66	0.400
67	0.350
68	0.275
69	0.200
70	0.350
71	0.350
72	1.000

Terminated Vested participants are assumed to retire at age 65, or immediately if older.

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

4. Rates of Turnover

Rates of termination of employment for reasons other than death, disability, or retirement are assumed to be in accordance with annual rates as shown below for illustrative ages.

Years of Service	Withdrawal Rate
0	.275
1	.200
2	.150
3	.100
4	.090
5	.070
6	.050
7	.045
8	.040
9-10	.035
11-17	.030
18+	.020

5. Disability

Rates of disability are assumed to be in accordance with annual rates as shown below for illustrative ages.

Age	Disability Rate
20	.000100
25	.000100
30	.000100
35	.000133
40	.000200
45	.000300
50	.000500
55	.000933
60	.001600
61	.001800
62	.001967
63	.002133
64	.002300
65	.000000

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

6. Pre-Retirement Spouse's Benefit

It was assumed that 80 percent of the male employees and 80 percent of the female employees would be married at the time of death and, assuming service and age requirements were met, would, therefore, be eligible for the pre-retirement spouse's benefit. It was assumed that surviving spouses would begin to receive benefits when first eligible.

7. Hours Worked

It was assumed each employee will work the same amount of hours each year into the future that the employee worked during the calendar year preceding the valuation date.

8. Terminated Vested Participants

Terminated Vested participants are assumed to have the following probabilities of receipt of their benefits.

Attained Age	Probability of Receipt
Under 75	100%
75 – 79	75%
80 – 84	50%
85 and older	0%

9. Administrative Expenses

$973,620 payable at the beginning of the year, increasing 1% per year thereafter.

For determining the present value of accumulated benefits under FASB ASC 960, the expense assumption is assumed to be $92.06 per participant for the current plan year and increasing 1% per year for inflation.

10. Rationale for Economic and Demographic Assumptions

Assumptions are based on the latest experience study review performed concurrently with this valuation and covering the period January 1, 2017 through December 31, 2021. The results of that study are incorporated here by reference.

The Plan's investment manager was projecting an annual return of 8.1% at the time of the experience study with an underlying inflation assumption of 2.6%. Given that investment-related fees had averaged 25 basis points, the 6.75% assumption is reasonable.

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

11. Changes in Assumptions Since Last Valuation

Mortality for Healthy lives was updated from 102% and 107% of the RP-2014 Healthy Annuitant Mortality Table for males and females, respectively, adjusted to 2006 with Blue Collar Adjustments, projected using the MP-2016 generational mortality improvements to 2017 and then 0.75% per year (ages<86) thereafter.

Mortality for Disabled lives was updated from 100% of the RP-2014 Disabled Retiree Mortality Table adjusted to 2006 with Blue Collar Adjustments, projected using the MP-2016 generational mortality improvements to 2017 and then 0.75% per year (ages<86) ultimate scale thereafter.

Rates of Retirement were updated to reflect recent experience.

Rates of Termination were updated to reflect recent experience.

As required, the current liability interest rate and mortality tables were updated. The interest rate went from 2.22% to 2.55% (per IRS Notice 2011-7), and the mortality table was updated to the 2023 Static Mortality Tables for annuitants and non-annuitants (per IRS Regulation §1.431(c)(6)-1).

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

B. Actuarial Methods

1. Asset Valuation Method

The valuation assets are determined as the market value less (1) 80% of the investment actuarial gain/(loss) during the preceding year, less (2) 60% of the investment gain/(loss) during the second preceding year, less (3) 40% of the investment gain/(loss) during the third preceding year, less (4) 20% of the investment gain/(loss) for the fourth preceding year. For the purpose of this calculation, the actuarial gain/(loss) is defined as the difference between the actual and the expected return (based on the valuation interest rate) on the Market Value of Assets during the year.

The actuarial value is taken to be the adjusted market value as described above, but subject to a 20 percent corridor limit around the actual market value; that is, the actuarial value is never greater than 120 percent of market value, nor less than 80 percent of market value.

2. Funding Method: Unit Credit Cost Method

The cost method for the valuation of liabilities used for this valuation is the Unit Credit Cost method. This is one of a family of valuation methods known as an accrued benefits method. The chief characteristic of an accrued benefits method is that the funding pattern follows the pattern of benefit accrual. Under the Unit Credit Cost method, the normal cost is determined as that portion of each Participant's benefit attributable to service expected to be earned in the upcoming plan year. The actuarial liability, which is determined for each Participant as of each valuation date, represents the actuarial present value of the Participant's current accrued benefit as of the valuation date.

One of the significant effects of this funding method is that, depending on the demographics of the population, the Unit Credit Cost method tends to produce lower costs in the early years. There is a possibility that as the population ages, the annual cost could increase over time.

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

3. Disclosures Regarding Models Used

ProVal

Cheiron utilizes ProVal, an actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate the liabilities, normal costs, and projected benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal and have a basic understanding of it and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this actuarial valuation.

Projection Model

Projections in this report were developed using P-scan, our proprietary tool for the intended purpose of developing projections. These projections also assume the continuation of the plan provisions and actuarial assumptions in effect as of January 1, 2022. The projections assume that all future assumptions are met. We are not aware of any material inconsistencies, unreasonable output resulting from the aggregation of assumptions, material limitations, or known weaknesses that would affect the projections shown in this certification.

4. Changes in Method Since Last Valuation

None

UNITE HERE Local 25 and Hotel Association of Washington, D.C. Pension Fund

Investment Review

March 20, 2024

Fund Evaluation Report

Agenda

1. Economic and Market Update Data as of January 31, 2024
2. Executive Summary
3. Pension Fund Update as of December 31, 2023
4. Current Issues
    - Functional Framework Discussion
    - Asset Allocation, Risk and Liquidity Analysis
    - AFL-CIO Building Investment Trust Update
5. Appendices
    - Meketa Investment Group Corporate Update
    - Disclaimer, Glossary, and Notes

Economic and Market Update

Data as of January 31, 2024

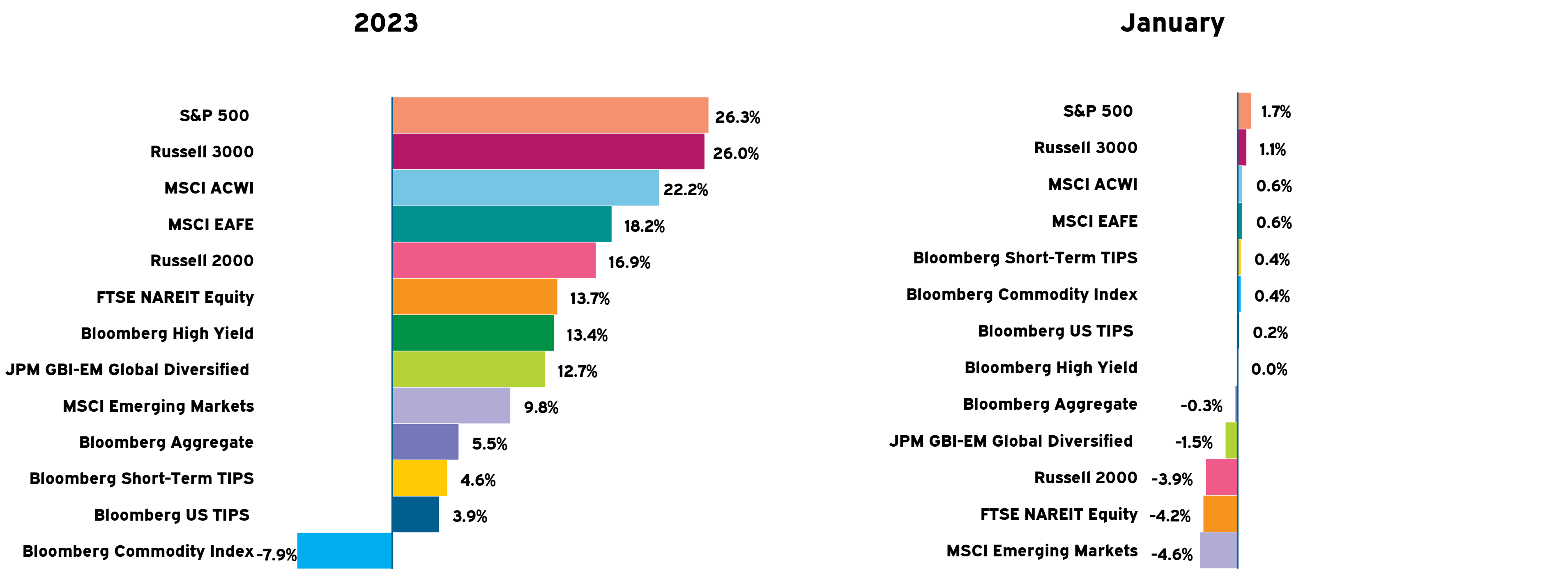
Commentary

→ Markets were mixed in January after posting strong returns in 2023.

- Major central banks have largely paused interest rate hikes with expectations for many to cut rates this year. During the month there were signs though that many central banks, including the US, might not cut rates as soon as expected given strong economic data.
- In general inflation pressures have receded in most countries, but some uncertainty remains. Headline inflation fell in January in the US, but core inflation remained unchanged and elevated. China moved further into deflationary territory (-0.8%) in January.
- US equity markets (Russell 3000 index) rose 1.1% in January after a very strong 2023 (26.0%). There were mixed results across sectors, but technology continued to do well.
- Non-US developed equity markets gained 0.6% in January but 2.6% in local terms as the US dollar reversed course and strengthened during the month. The appreciation of the dollar was largely driven by strong economic data and related expectations that the Fed may delay policy rate cuts this year.
- Emerging market equity returns were also negatively influenced by the strong US dollar, but the biggest headwind in January was China (-10.6%). Emerging market equities had the weakest results for the month, down 4.6%.
- Bonds experienced selling pressure over the month, but ultimately finished the month nearly unchanged. The broad US bond market (Bloomberg Aggregate) declined (0.3%) in January.

→ Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the many looming elections, and the wars in Ukraine and Israel, will be key.

Index Returns[1]



→ After a strong market performance in 2023, the start of 2024 saw US large cap growth stocks continue their rally causing the S&P 500 to lead the way. Emerging market equity was the worst performer, dragged down by the continued sell-off of Chinese stocks.

→ Better than expected economic news in the US weighed on bond markets for the month with the broad US bond market (Bloomberg Aggregate) down slightly.

[1] Source: Bloomberg. Data is as of January 31, 2024.

Domestic Equity Returns[1]

Domestic Equity	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	1.7	11.7	20.8	11.0	14.3	12.6
Russell 3000	1.1	12.1	19.1	9.1	13.5	12.0
Russell 1000	1.4	12.0	20.2	9.8	14.0	12.3
Russell 1000 Growth	2.5	14.2	35.0	10.0	18.0	15.5
Russell 1000 Value	0.1	9.5	6.1	9.2	9.3	8.8
Russell MidCap	-1.4	12.8	6.7	5.5	10.1	9.5
Russell MidCap Growth	-0.5	14.5	15.1	1.2	11.2	10.7
Russell MidCap Value	-1.8	12.1	2.4	7.8	8.6	8.2
Russell 2000	-3.9	14.0	2.4	-0.8	6.8	7.0
Russell 2000 Growth	-3.2	12.7	4.5	-6.0	6.2	7.0
Russell 2000 Value	-4.5	15.3	-0.1	4.5	6.7	6.7

US Equities: The Russell 3000 increased 1.1% in January with a one-year return of 19.1%.

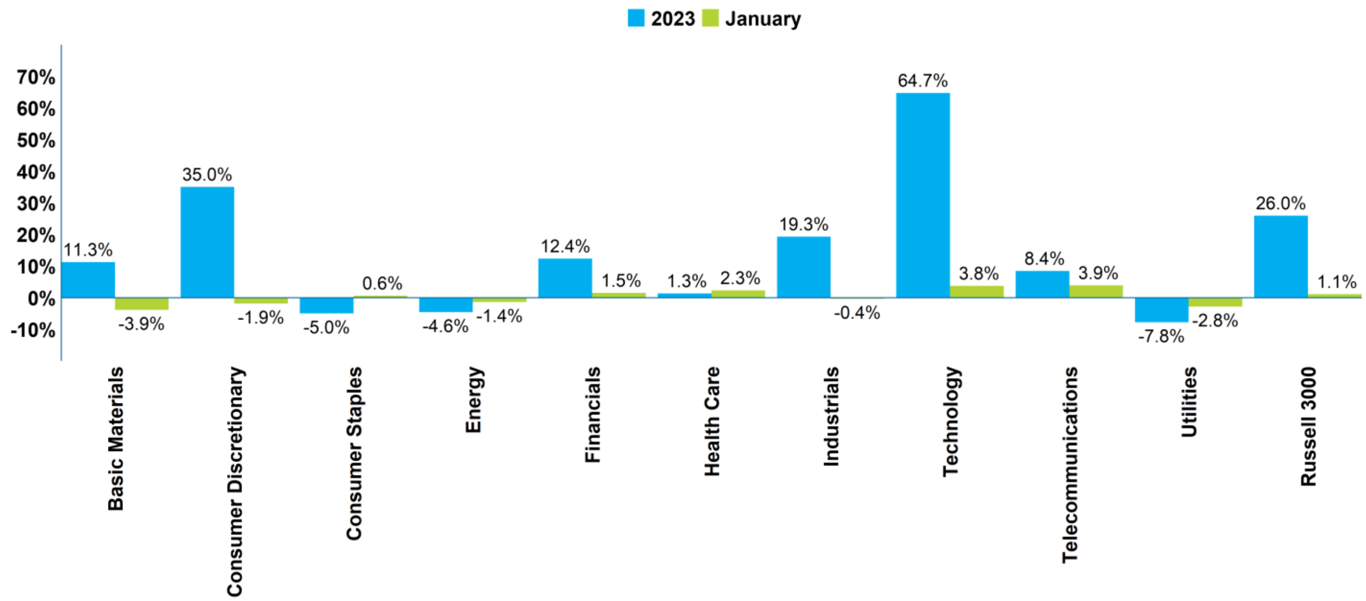
→ US equities built on their large gains from last year in January. Strong corporate earnings, economic data suggesting a soft landing might be achievable, and hopes for significant interest rate cuts (for most of the month) all drove results.

→ Large cap stocks accounted for all the US equity market gains in January. NVIDIA, Microsoft, and Meta Platforms made up nearly 90% of the increase in the Russell 1000 index. Growth stocks outperformed value stocks across the market cap spectrum.

→ While US equities advanced as a group, small and mid-cap stocks both declined in January. Banks contributed to this dynamic after a surprise loss at New York Community Bancorp rekindled fears regarding the banking system.

[1] Source: Bloomberg. Data is as of January 31, 2024.

Russell 3000 Sector Returns[1]



→ In January, telecommunications (3.9%), technology stocks (3.8%), and health care (2.3%) outperformed other sectors. Traditionally defensive sector utilities (-2.8%) trailed along with basic materials (-3.9%) and energy stocks (-1.4%).

→ In 2023, technology (64.7%) and consumer discretionary (35.0%) sectors had the best results, helped respectively by artificial intelligence optimism and a healthy US consumer.

[1] Source: Bloomberg. Data is as of January 31, 2024.

Foreign Equity Returns[1]

Foreign Equity	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-1.0	9.8	5.9	1.1	5.3	4.2
MSCI EAFE	0.6	10.4	10.0	4.6	6.9	4.8
MSCI EAFE (Local Currency)	2.6	5.0	12.1	9.7	8.9	7.2
MSCI EAFE Small Cap	-1.6	11.1	3.6	-1.1	4.6	4.8
MSCI Emerging Markets	-4.6	7.9	-2.9	-7.5	1.0	2.9
MSCI Emerging Markets (Local Currency)	-3.5	5.6	-0.5	-4.9	3.2	5.3
MSCI China	-10.6	-4.2	-29.0	-23.2	-6.9	0.4

Foreign Equity: Developed international equities (MSCI EAFE) gained 0.6% in January and had a one-year return of 10.0%. Emerging market equities (MSCI EM) fell -4.6% in January, and -2.9% for the trailing year.

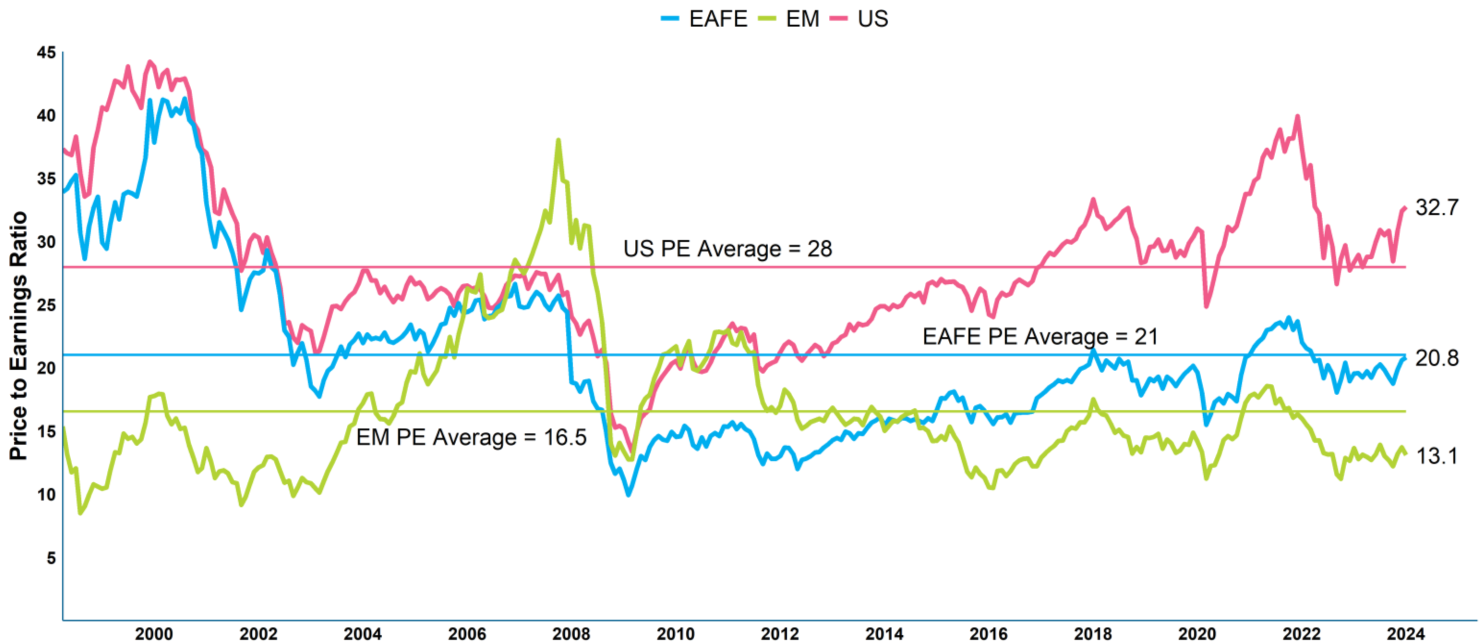
→ International developed equities saw slight gains for the month, while emerging market equities saw large losses for the same period; both were hampered by the US dollar reversing its sell-off from the end of last year. Outside of emerging markets, growth outperformed value for the month.

→ Eurozone equities performed well, benefiting from ECB policy expectations, developments in the tech sector, and promising manufacturing data. U.K. equities stalled, as an unexpected increase in inflation pushed out the expected timing of rate cuts. Japan continues to see the highest returns globally over optimism on structural changes, January being no exception.

→ EM equities continue to be bogged down by China (-10.6%) despite news of further stimulus by the PBOC.

[1] Source: Bloomberg. Data is as of January 31, 2024.

Equity Cyclically Adjusted P/E Ratios[1]



→ In January, the US equity price-to-earnings ratio increased further above its 21st century average.

→ International market valuations were mixed in January and remain below the US. In the case of developed markets, valuations increased slightly to just below their long-term average, while emerging market valuations declined, remaining well below their average.

[1] US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly "as reported" earnings over the previous ten years. Data is as of January 2023. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

Fixed Income Returns[1]

Fixed Income	January (%)	Q4 2023 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.2	6.8	2.7	-2.8	1.1	1.9	4.9	6.0
Bloomberg Aggregate	-0.3	6.8	2.1	-3.2	0.8	1.6	4.6	6.2
Bloomberg US TIPS	0.2	4.7	2.2	-1.0	2.9	2.2	4.2	6.9
Bloomberg Short-term TIPS	0.4	2.6	4.3	2.3	3.3	2.0	4.4	2.6
Bloomberg High Yield	0.0	7.2	9.3	1.9	4.4	4.5	7.8	3.7
JPM GBI-EM Global Diversified (USD)	-1.5	8.1	6.4	-3.3	-0.2	0.4	6.3	5.0

Fixed Income: The Bloomberg Universal index fell -0.2% in January but gained 2.7% on a one-year basis.

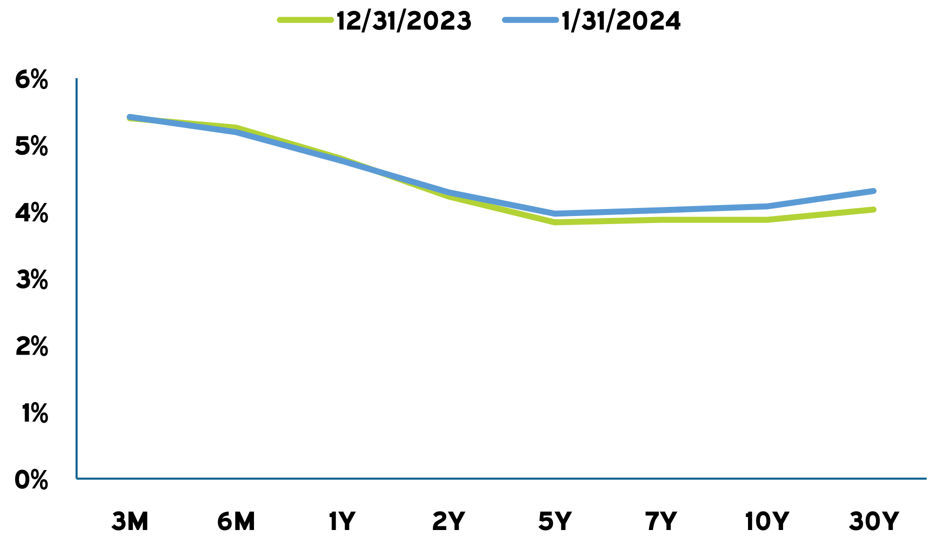
→ Strong economic data in January and comments toward the end of the month by Federal Reserve Chair Jerome Powell hinting that rate cuts were not imminent drove rates up over the month, weighing on bonds.

→ The broad US bond market (Bloomberg Aggregate) declined 0.3% for the month. The broader TIPS index rose 0.2%, while the less interest-rate-sensitive short-term TIPS index rose 0.4%.

→ High yield bonds ended the month unchanged, while emerging market debt declined by 1.5%. Both asset classes produced double-digit gains last year.

[1] Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of January 31, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.

US Yield Curve[1]



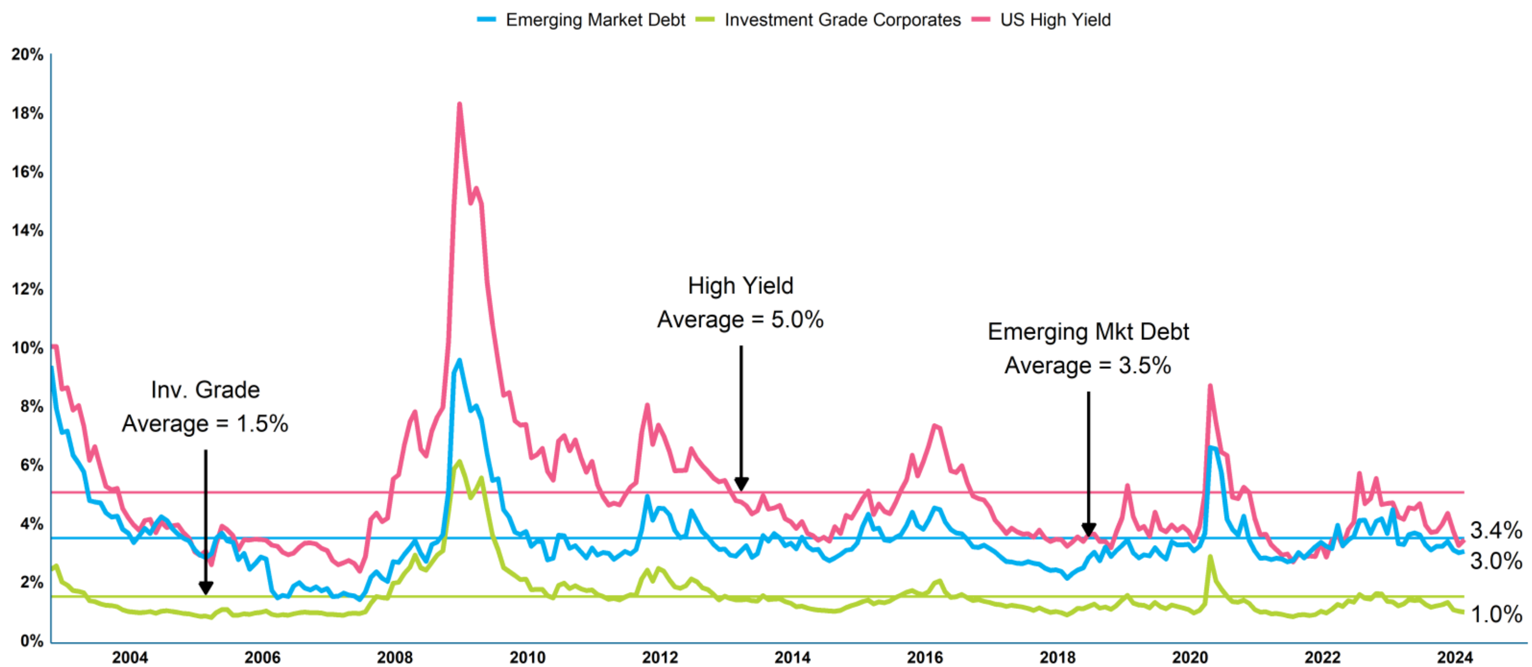
→ Both short-term and longer-term maturities ended the month largely unchanged, however, yields were volatile over the month on surprisingly strong economic data and shifts in monetary policy expectations.

→ For the month, two-year Treasury yields ended at 4.2% (around 1% below the peak from October) while 10-year Treasury yields ended at 3.9%.

→ The yield curve remained inverted at month-end despite a recent flattening trend. The yield spread between the two-year and ten-year Treasury was -0.3% at the end of January.

[1] Source: Bloomberg. Data is as of January 31, 2024.

Credit Spreads vs. US Treasury Bonds[1]



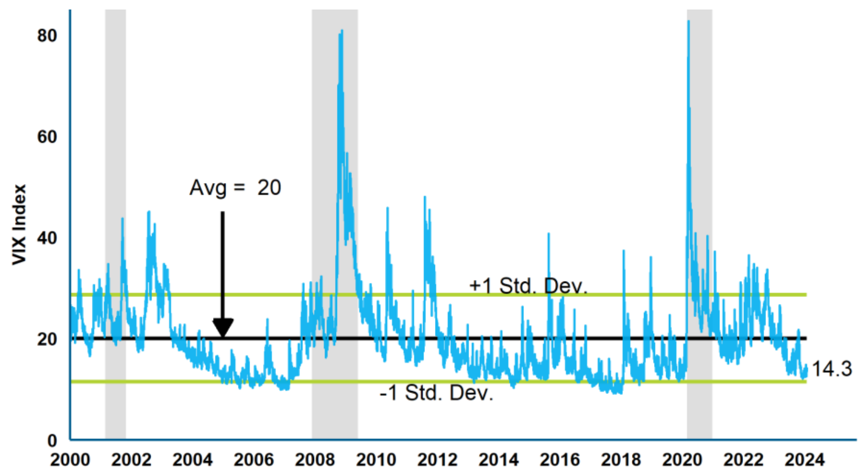
→ Credit spreads widened slightly for high yield in January (3.2% to 3.4%) while spreads for investment grade corporate and emerging market bonds remained the same.

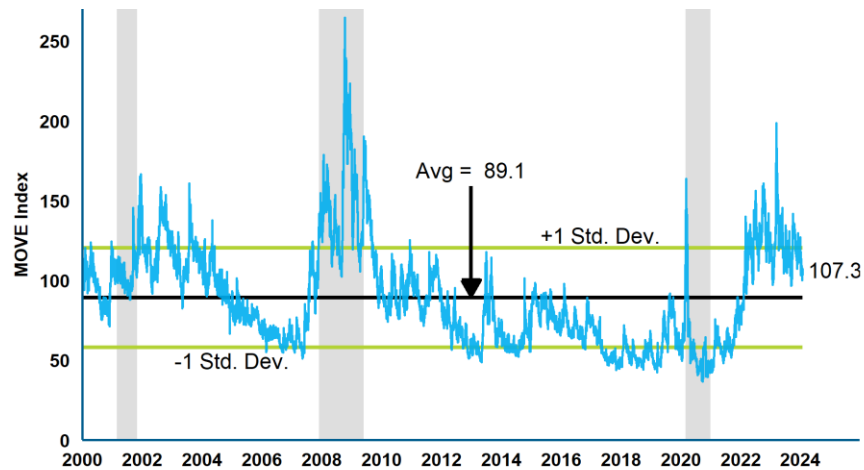
→ Expectations of peaking policy rates and the corresponding increase in risk appetite has recently benefited credit, with spreads (the added yield above a comparable maturity Treasury) narrowing.

→ All spreads remain below their respective long run averages, particularly within high yield.

[1] Sources: Bloomberg. Data is as of January 31, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Equity and Fixed Income Volatility[1]



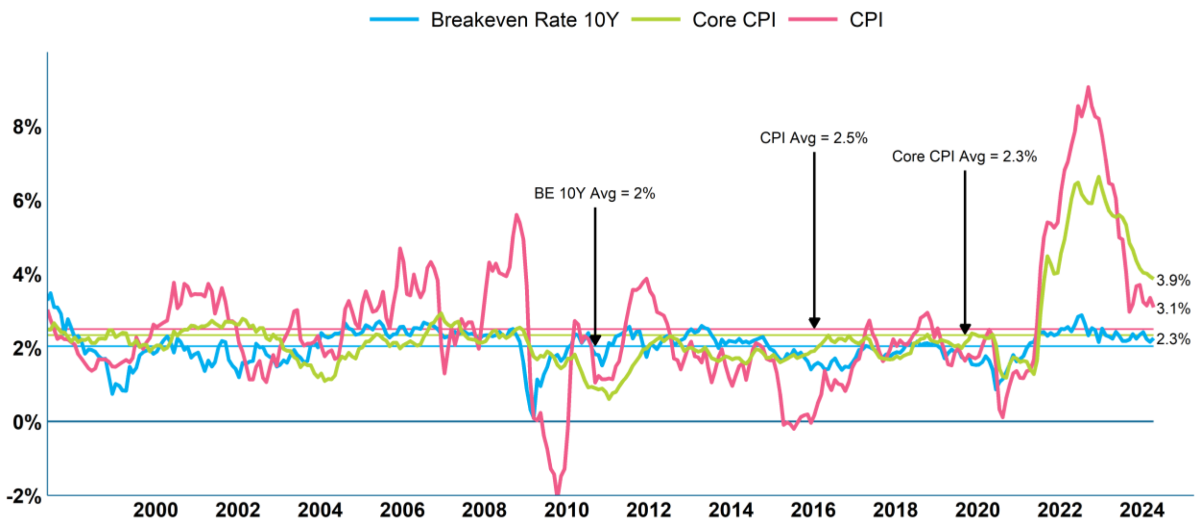


→ Volatility in equities (VIX) remains close to one standard deviation below the long-term average as the focus shifted late last year to peaking policy rates and the potential for a soft landing.

→ Volatility in the bond market (MOVE) came down over the month (114.6 to 107.3) but remains elevated and well above its long-run average (89.1). The bond market remained on edge for most of 2023, driven largely by uncertainty about the ultimate path of monetary policy, as well as continued (and surprising) strength in economic data.

[1] Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of January 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and January 2024.

US Ten-Year Breakeven Inflation and CPI[1]



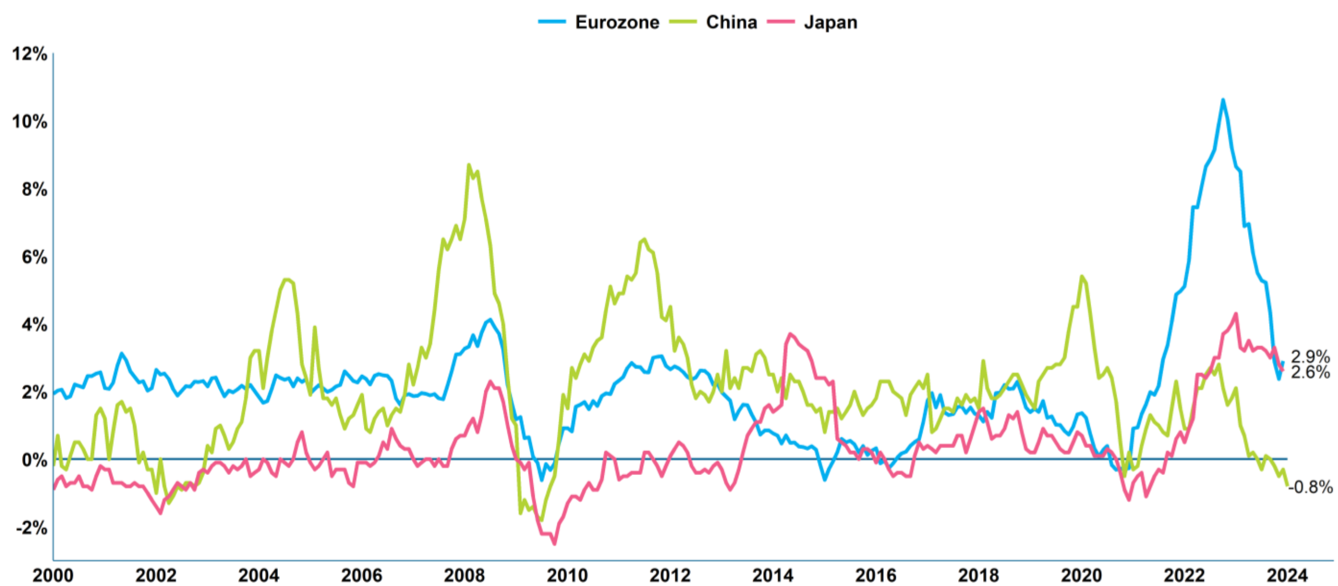
→ Year-over-year headline inflation declined in January (3.4% to 3.1%) but not by as much as expected (expectations were for a 2.9% reading). Month-over-month inflation came in at 0.3%, the same as last month and slightly above expectations of 0.2%. Shelter continues to keep inflation elevated, increasing 6.0% from a year prior. Food rose 2.6% over the same period, while downward pressure on energy prices continued, falling 4.6%.

→ Core inflation - excluding food and energy – remained unchanged at 3.9% year-over-year (expectations were for a decline to 3.7%), with shelter costs again driving the total core index increase.

→ Inflation expectations (breakevens) have remained relatively stable despite the recent significant volatility in inflation.

[1] Source: FRED. Data is as January 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

Global Inflation (CPI Trailing Twelve Months)[1]



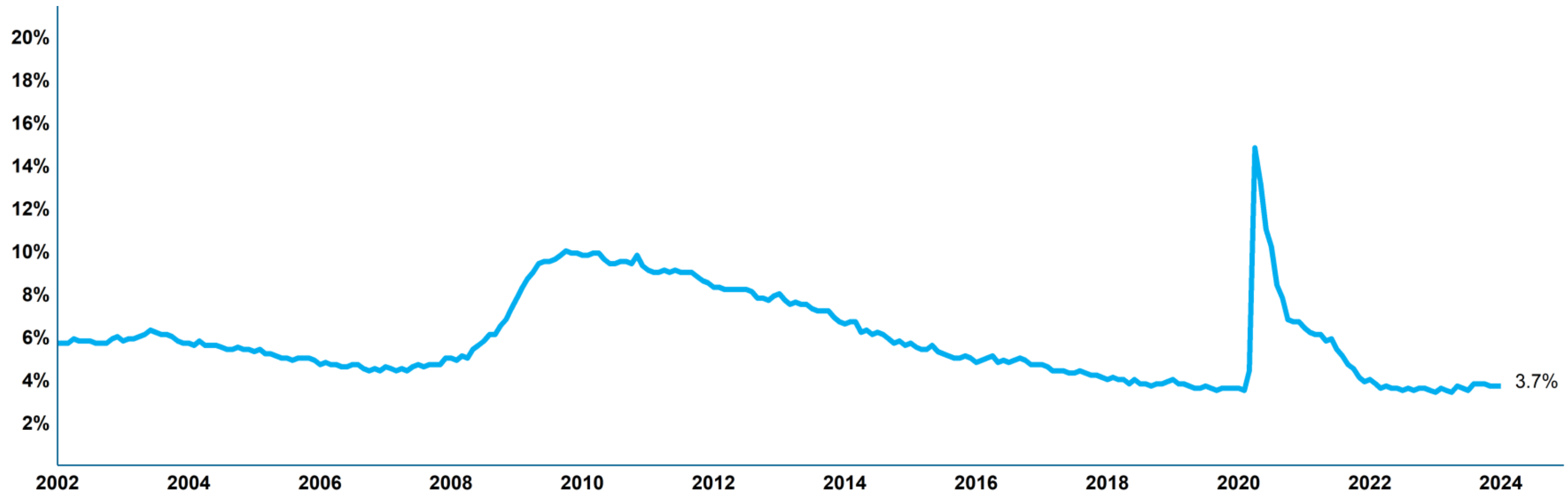
→ Outside the US, inflation is also falling across major economies with China slipping further into deflation.

→ In the eurozone, inflation experienced a dramatic decline last year. In January inflation rose slightly (2.8% to 2.9%) remaining below the 3.1% year-over-year level in the US.

→ Inflation in Japan has slowly declined from the early 2023 peak, but it remains near levels not seen in almost a decade, largely driven by higher food prices.

[1] Source: FRED for United States CPI and Eurozone CPI. Source: Bloomberg for Japan CPI, China CPI, and Eurozone CPI. Data is as January 31, 2024, except Japan which is as of December 31, 2023.

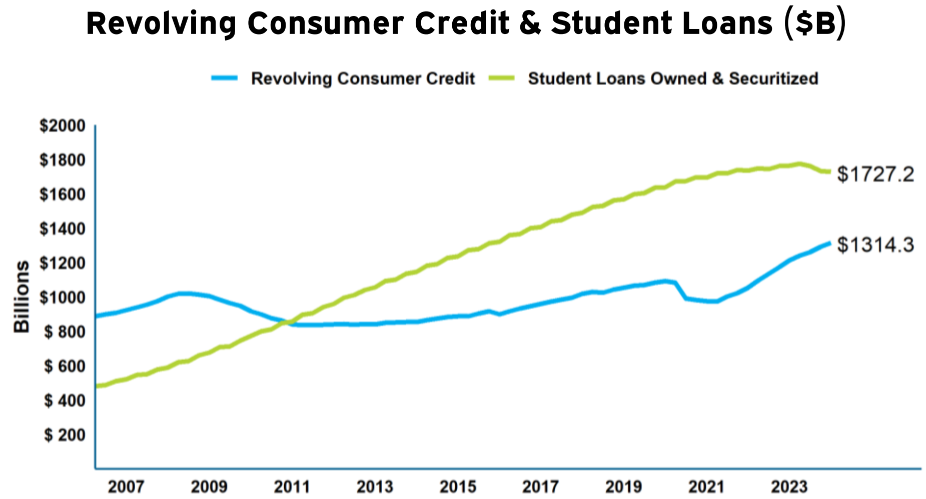
US Unemployment[1]

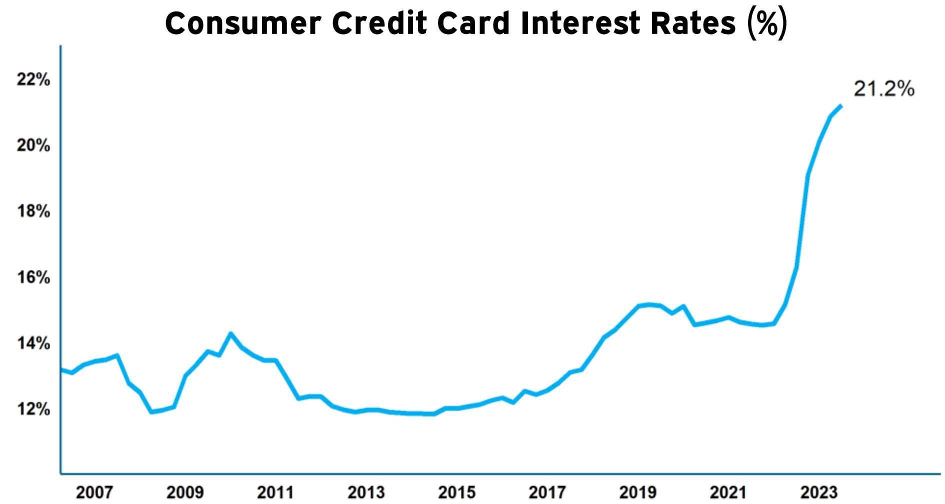


- → Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued.
- → In January, the number of jobs added in the US were stronger than expected (353,000 versus 185,000) with the unemployment rate remaining at 3.7%. Payrolls from November and December of last year were also revised upward. Business and professional, health care, and retail sales jobs rose the most in January.
- → The labor force participation remained relatively stable at 62.5%, well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%).
- → The pace of hourly wage growth has declined from its peak of close to 6.0% but is above the 3.1% level of inflation. Wage growth rose at 4.5% year-on-year in January, an increase from the 4.1% level in December and above expectations of 4.1%.

[1] Source: FRED. Data is as January 31, 2024.

US Consumer Under Stress?[1]





→ Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been a key driver of economic growth.

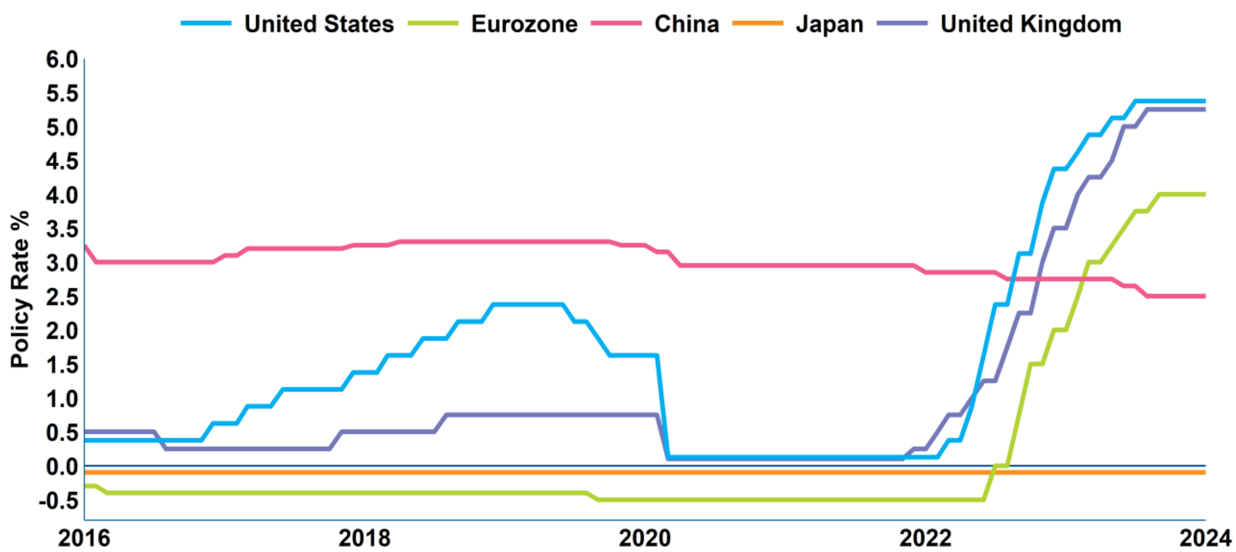
→ Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s). Recently we have also seen payment delinquencies on credit cards start to increase.

→ The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs.

→ As we look ahead, the strength of the US consumer will remain key as this sector makes up most of the domestic economy (GDP).

[1] Source: FRED. Data is as of December 31, 2023. Consumer Credit Card Rate data is as of September 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

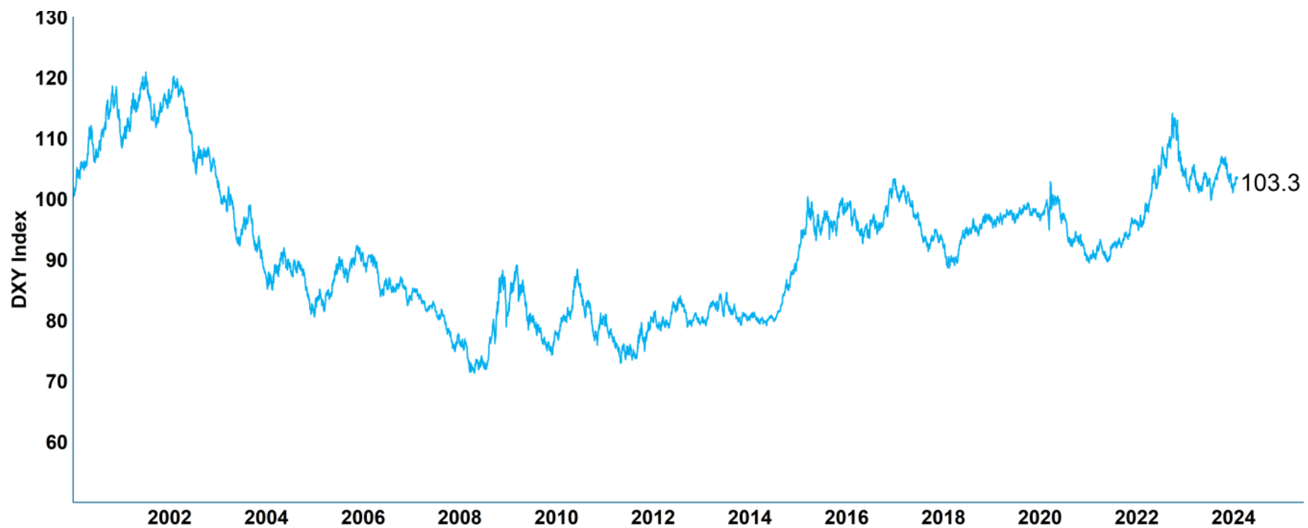
Policy Rates[1]



- → The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are now pricing in around four rate cuts this year down from close to seven late last year as economic data has come in above expectations. There remains a gap between the amount of rate cuts the Fed is predicting compared to the market's expectations, but it has significantly narrowed.
- → The European and UK central banks also recently paused their rate increases on slowing inflation with cuts likely to follow there too. In Japan, the BoJ has further relaxed its yield curve control on the 10-year bond, and expectations for further policy normalization are rising.
- → The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.

[1] Source: Bloomberg. Data is as of January 2024.

US Dollar vs. Broad Currencies[1]



→ Overall, the dollar finished last year only slightly below where it started but it was a volatile year for the US currency as expectations related to monetary policy evolved.

→ Strong economic data in the US may delay policy rate cuts this year which could contribute to upward pressure on the dollar as other countries pivot to rate cuts.

[1] Source: Bloomberg. Data as of January 31, 2024.

Summary

Key Trends:

→ The impact of inflation still above policy targets will remain important, with bond market volatility likely to stay high.

→ Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession. In the case of the US the resolution of the disparity between market expectations for the path of interest rates versus the Fed's dot plot will be key.

→ Global growth is expected to slow this year, with some economies forecasted to tip into recession. However, optimism has been building that certain economies could experience soft landings. Inflation, monetary policy, and geopolitical issues will remain key in 2024.

→ US consumers could feel pressure as certain components of inflation (e.g., shelter), remain high, borrowing costs are elevated, and the job market may weaken.

→ A focus for US equities going forward, will be whether earnings can remain resilient if growth continues to slow. Also, the future paths of the large technology companies that have driven market gains will be important.

→ Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and on-going weakness in the real estate sector which could spill over into key trading partners' economies. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.

Executive Summary

Executive Summary

→ The Pension Fund's assets rose significantly in the quarter (7.1%), ending the month of December valued at $316.8 million. The Fund has gained $34.5 million from the start of the year.

→ Cash flows into the fund have continued to grow, with a net cash inflow of $4.5 million over the trailing twelve months.

→ All asset classes were within the IPS' ranges at quarter end.

→ In the fourth quarter, the Fund gained 7.1% net of fees, underperforming the Policy Benchmark by 0.4% and outperforming the Target Policy Benchmark and Actual Allocation Benchmark by 0.7% and 0.8%, respectively.

→ Over the trailing year, the Pension Fund underperformed the Policy benchmark by 1.2% and beat the Target Policy Benchmark and Actual Allocation Benchmark by 0.7% and 0.8%, respectively.

→ The Fund continues to show less volatility on both an absolute basis and a relative basis. Within its peer group, the Fund ranks in the lowest quartile in annualized standard deviation.

→ The Equity portfolio (10.7%) underperformed the MSCI ACWI (11.0%) in the quarter, as the Fund's small cap and value biases underperformed the growthier large cap stocks.

→ Interest rates fell sharply in the fourth quarter which caused both investment grade bonds and TIPS to have strong performance in November and December. Credit assets also produced gains as appetite for risk continued to increase in that sector.

→ Private equity investments continue to perform well, with the aggregate since inception IRR of 22.6% through the latest valuation date of 9/30/2023.

Pension Fund Update
As of December 31, 2023

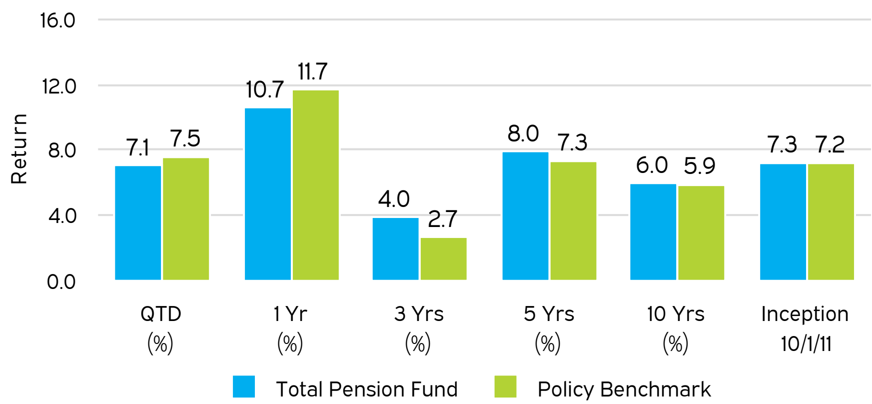
UNITE HERE Local 25 & Hotel Assoc of Washington, DC Pension Fund

Total Pension Fund | As of December 31, 2023

Portfolio Objective

The Pension Fund was established to provide income to retirees. The Pension Fund's assets are structured to provide growth from capital gains and income, while maintaining sufficient liquidity and stability to meet beneficiary payments. The assets of the Pension Fund will be invested with a long-term horizon consistent with the participant demographics and the goals of the Pension Fund.

Gross Return Summary

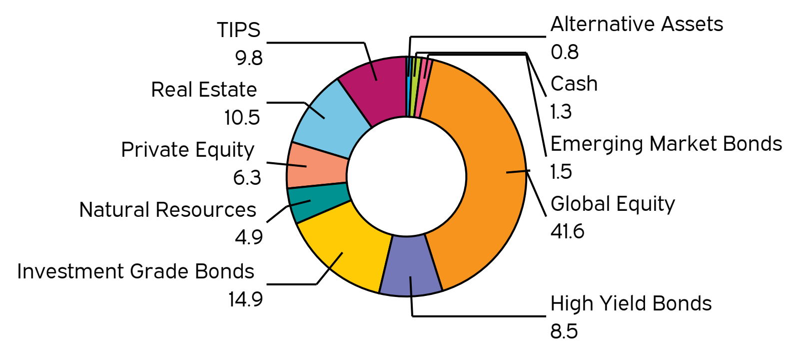


	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Pension Fund	7.1	10.7	4.0	8.0	6.0	7.3	10/01/2011
Policy Benchmark	7.5	11.7	2.7	7.3	5.9	7.2	
Target Policy Benchmark	6.4	9.8	3.7	7.8	6.4	7.6	
Actual Allocation Benchmark	6.3	9.7	2.9	6.8	5.5	6.9	

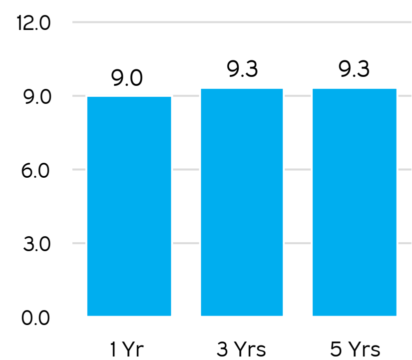
Summary of Cash Flows

	Quarter-To-Date	One Year
Total Pension Fund		
Beginning Market Value	294,846,274	282,335,056
Net Cash Flows	1,026,165	4,505,964
Net Investment Change	20,942,103	29,973,522
Ending Market Value	316,814,542	316,814,542

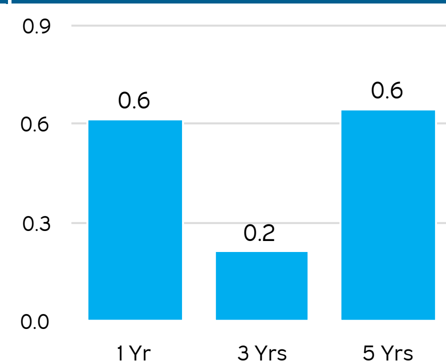
Current Allocation



Annualized Standard Deviation



Sharpe Ratio



Allocation vs. Targets and Policy

	Current Balance ($)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
US Equity	$84,202,082	26.6	25.0	1.6	15.0 - 35.0	Yes
Developed Market Equity	$32,020,510	10.1	10.0	0.1	5.0 - 20.0	Yes
Emerging Market Equity	$15,549,054	4.9	7.0	-2.1	0.0 - 20.0	Yes
Investment Grade Bonds	$47,195,166	14.9	14.0	0.9	8.0 - 25.0	Yes
TIPS	$30,953,356	9.8	10.0	-0.2	0.0 - 20.0	Yes
Emerging Market Bonds	$4,750,016	1.5	7.0	-5.5	0.0 - 15.0	Yes
High Yield Bonds	$27,069,380	8.5	5.0	3.5	0.0 - 15.0	Yes
Private Equity	$19,828,275	6.3	5.0	1.3	0.0 - 10.0	Yes
Real Estate	$33,422,633	10.5	12.0	-1.5	0.0 - 15.0	Yes
Natural Resources	$15,389,946	4.9	5.0	-0.1	0.0 - 10.0	Yes
Alternative Assets	$2,427,117	0.8	0.0	0.8	0.0 - 5.0	Yes
Cash	$4,037,008	1.3	0.0	1.3	0.0 - 5.0	Yes
Total	**$316,814,542**	**100.0**	**100.0**			

Equity regional allocations based on December 31, 2023 manager holdings.

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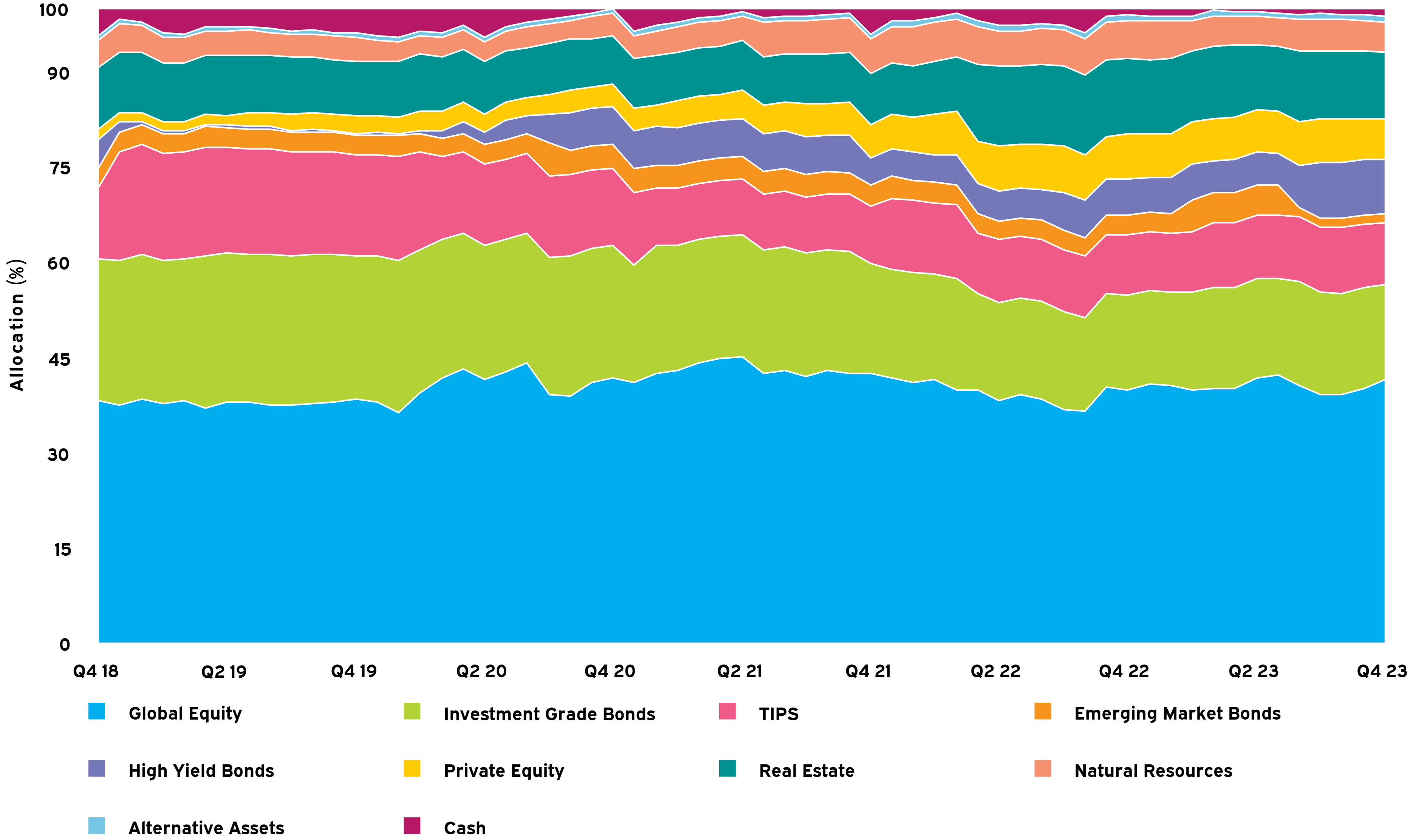
UNITE HERE Local 25 & Hotel Assoc of Washington, DC Pension Fund

Total Pension Fund | 5 Years Ending December 31, 2023

Asset Allocation History



Asset Class Performance Summary

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Pension Fund	316,814,542	100.0	7.1	10.7	4.0	8.0	6.0	7.3	Oct-11
Total Pension Fund (Net)	316,814,542	100.0	7.1	10.5	3.7	7.7	5.8	7.0	Oct-11
Policy Benchmark			*7.5*	*11.7*	*2.7*	*7.3*	*5.9*	*7.2*	
Target Policy Benchmark			*6.4*	*9.8*	*3.7*	*7.8*	*6.4*	*7.6*	
Actual Allocation Benchmark			*6.3*	*9.7*	*2.9*	*6.8*	*5.5*	*6.9*	
Global Equity	131,741,647	41.6	10.8	24.0	6.7	13.1	9.1	11.5	Oct-11
Global Equity (Net)	131,741,647	41.6	10.7	23.8	6.4	12.7	8.8	11.2	Oct-11
MSCI AC World Index (Net)			*11.0*	*22.2*	*5.7*	*11.7*	*7.9*	*10.2*	
Investment Grade Bond Assets	47,195,166	14.9	7.0	6.2	-3.0	1.4	2.0	2.4	Oct-11
Investment Grade Bond Assets (Net)	47,195,166	14.9	7.0	6.1	-3.1	1.3	1.9	2.3	Oct-11
Blmbg. U.S. Aggregate Index			*6.8*	*5.5*	*-3.3*	*1.1*	*1.8*	*1.7*	
TIPS Assets	30,953,356	9.8	3.1	4.5	1.4	3.5	2.6	2.0	Dec-11
TIPS Assets (Net)	30,953,356	9.8	3.1	4.4	1.4	3.4	2.6	1.9	Dec-11
Blmbg. U.S. TIPS			*4.7*	*3.9*	*-1.0*	*3.2*	*2.4*	*1.8*	
Emerging Market Debt Assets	4,750,016	1.5	9.6	12.2	-2.6	3.0	2.3	1.7	Mar-12
Emerging Market Debt Assets (Net)	4,750,016	1.5	9.4	11.5	-3.1	2.6	1.7	1.2	Mar-12
JPM EMBI Global Diversified			*9.2*	*11.1*	*-3.6*	*1.7*	*3.2*	*3.3*	
High Yield Bonds Assets	27,069,380	8.5	5.2	12.8	3.3	4.9	4.5	5.0	Sep-12
High Yield Bonds Assets (Net)	27,069,380	8.5	5.0	12.5	2.9	4.6	4.0	4.5	Sep-12
Blmbg. U.S. Corp: High Yield Index			*7.2*	*13.4*	*2.0*	*5.4*	*4.6*	*5.1*	
Real Estate Assets (Net)	33,422,633	10.5	5.5	-10.3	1.5	2.1	5.8	6.2	Oct-11
NCREIF ODCE Equal Weighted (Net)			*-5.4*	*-13.3*	*4.3*	*3.8*	*6.7*	*7.5*	
Dow Jones U.S. Select REIT TR USD			*16.3*	*14.0*	*7.2*	*6.1*	*7.0*	*8.4*	

See appendix for Policy Benchmark descriptions.

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UNITE HERE Local 25 & Hotel Assoc of Washington, DC Pension Fund

Total Pension Fund | As of December 31, 2023

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Natural Resources Assets	15,389,946	4.9	4.5	2.0	12.1	10.8	4.6	4.3	Sep-12
Natural Resources Assets (Net)	15,389,946	4.9	4.4	1.9	12.0	10.7	4.4	4.2	Sep-12
S&P Global LargeMidcap Resources & Commodities Index			*0.8*	*-1.6*	*12.5*	*10.9*	*4.4*	*4.1*	
Private Equity Assets	19,828,275	6.3	1.2	0.4	18.8	19.1	21.4	22.6	May-13
Private Equity Assets (Net)	19,828,275	6.3	1.2	0.4	18.8	19.1	21.4	22.6	May-13
Preqin Private Equity 1Q Lagged			*0.2*	*7.1*	*16.9*	*15.5*	*14.8*	*15.0*	
Private Placement Assets	2,427,117	0.8							
Cash	4,037,008	1.3							

Trailing Net Performance

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Pension Fund	**316,814,542**	**100.0**	**7.1**	**10.5**	**3.7**	**7.7**	**5.8**	**7.0**	**Oct-11**
Policy Benchmark			*7.5*	*11.7*	*2.7*	*7.3*	*5.9*	*7.2*	
Target Policy Benchmark			*6.4*	*9.8*	*3.7*	*7.8*	*6.4*	*7.6*	
Actual Allocation Benchmark			*6.3*	*9.7*	*2.9*	*6.8*	*5.5*	*6.9*	
Global Equity	**131,741,647**	**41.6**	**10.7**	**23.8**	**6.4**	**12.7**	**8.8**	**11.2**	**Oct-11**
MSCI AC World Index (Net)			*11.0*	*22.2*	*5.7*	*11.7*	*7.9*	*10.2*	
ASB Equity Index	36,510,229	11.5	11.7	26.3	10.0	15.6	--	12.2	Aug-15
S&P 500 Index			*11.7*	*26.3*	*10.0*	*15.7*	*12.0*	*12.3*	
SSgA Russell 1000 Value Index	1,838,807	0.6	9.5	11.5	--	--	--	9.5	Feb-21
Russell 1000 Value Index			*9.5*	*11.5*	*8.9*	*10.9*	*8.4*	*9.5*	
SSgA Russell 1000 Growth	22,588,384	7.1	14.2	42.7	--	--	--	22.9	Sep-22
Russell 1000 Growth Index			*14.2*	*42.7*	*8.9*	*19.5*	*14.9*	*22.9*	
Fidelity Small Cap Index Fund	3,447,679	1.1							
Russell 2000 Index			*14.0*	*16.9*	*2.2*	*10.0*	*7.2*	*2.0*	
Artisan Global Value	14,907,020	4.7	12.3	26.8	8.3	11.0	--	8.5	Feb-17
MSCI AC World Index (Net)			*11.0*	*22.2*	*5.7*	*11.7*	*7.9*	*9.7*	
First Eagle Global Value	19,711,048	6.2	7.5	13.2	6.1	9.4	--	7.0	Feb-17
MSCI AC World Index (Net)			*11.0*	*22.2*	*5.7*	*11.7*	*7.9*	*9.7*	
Kopernik Global All-Cap Fund	4,909,023	1.5	5.9	15.2	7.2	13.8	--	8.1	Feb-17
MSCI AC World Index (Net)			*11.0*	*22.2*	*5.7*	*11.7*	*7.9*	*9.7*	

Fidelity Small Cap Index Fund was funded in December. Performance will be shown after first full month.

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
SSgA MSCI EAFE Index	16,284,537	5.1	10.4	18.6	4.3	8.5	--	5.4	Oct-18
MSCI EAFE (Net)			*10.4*	*18.2*	*4.0*	*8.2*	*4.3*	*5.0*	
SSgA Emerging Markets	11,544,919	3.6	7.8	9.6	-5.2	3.6	--	5.0	Apr-16
MSCI Emerging Markets (Net)			*7.9*	*9.8*	*-5.1*	*3.7*	*2.7*	*5.2*	
Investment Grade Bond Assets	**47,195,166**	**14.9**	**7.0**	**6.1**	**-3.1**	**1.3**	**1.9**	**2.3**	**Oct-11**
Blmbg. U.S. Aggregate Index			*6.8*	*5.5*	*-3.3*	*1.1*	*1.8*	*1.7*	
Vanguard Intermediate-Term Corporate Bond Index	7,916,749	2.5	8.3	8.9	-2.7	2.9	3.2	2.7	Dec-12
Blmbg. U.S. Credit Corp 5-10 Year Index			*8.4*	*8.8*	*-2.6*	*3.0*	*3.2*	*2.7*	
AFL-CIO Housing Investment Trust	4,233,669	1.3	6.8	5.2	-3.5	0.6	1.5	1.5	Oct-11
Blmbg. U.S. Aggregate Index			*6.8*	*5.5*	*-3.3*	*1.1*	*1.8*	*1.7*	
Blmbg. U.S. Mortgage TR			*7.5*	*5.0*	*-2.9*	*0.3*	*1.4*	*1.3*	
SSgA U.S. Aggregate Bond Index	35,044,747	11.1	6.7	5.6	-3.3	1.1	--	1.4	Oct-18
Blmbg. U.S. Aggregate Index			*6.8*	*5.5*	*-3.3*	*1.1*	*1.8*	*1.4*	
TIPS Assets	**30,953,356**	**9.8**	**3.1**	**4.4**	**1.4**	**3.4**	**2.6**	**1.9**	**Dec-11**
Blmbg. U.S. TIPS			*4.7*	*3.9*	*-1.0*	*3.2*	*2.4*	*1.8*	
Vanguard Short-Term TIPS	22,994,242	7.3	2.5	4.6	2.3	3.3	--	2.6	Dec-16
BBg U.S. TIPS 0-5 Years			*2.6*	*4.6*	*2.3*	*3.4*	*--*	*--*	
SSgA TIPS Index	7,959,114	2.5	4.5	3.9	-1.1	3.1	--	2.9	Oct-18
Blmbg. U.S. TIPS			*4.7*	*3.9*	*-1.0*	*3.2*	*2.4*	*2.9*	

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UNITE HERE Local 25 & Hotel Assoc of Washington, DC Pension Fund

Total Pension Fund | As of December 31, 2023

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Emerging Market Debt Assets	**4,750,016**	**1.5**	**9.4**	**11.5**	**-3.1**	**2.6**	**1.7**	**1.2**	**Mar-12**
JPM EMBI Global Diversified			*9.2*	*11.1*	*-3.6*	*1.7*	*3.2*	*3.3*	
Payden Emerging Markets Bond Fund	4,750,016	1.5	9.4	11.5	-3.1	--	--	1.0	May-19
JPM EMBI Global Diversified			*9.2*	*11.1*	*-3.6*	*1.7*	*3.2*	*0.3*	
High Yield Bonds Assets	**27,069,380**	**8.5**	**5.0**	**12.5**	**2.9**	**4.6**	**4.0**	**4.5**	**Sep-12**
Blmbg. U.S. Corp: High Yield Index			*7.2*	*13.4*	*2.0*	*5.4*	*4.6*	*5.1*	
SKY Harbor Broad High Yield Market	17,634,954	5.6	6.1	11.8	1.0	4.5	3.9	4.6	Sep-12
Blmbg. U.S. Corp: High Yield Index			*7.2*	*13.4*	*2.0*	*5.4*	*4.6*	*5.1*	
Aristotle Floating Rate Income Fund	9,434,426	3.0	3.1	13.9	5.7	--	--	7.4	May-20
Credit Suisse Leveraged Loan Index			*2.9*	*13.0*	*5.6*	*5.6*	*4.4*	*8.3*	
Real Estate Assets	**33,422,633**	**10.5**	**5.5**	**-10.3**	**1.5**	**2.1**	**5.8**	**6.2**	**Oct-11**
NCREIF ODCE Equal Weighted (Net)			*-5.4*	*-13.3*	*4.3*	*3.8*	*6.7*	*7.5*	
Dow Jones U.S. Select REIT TR USD			*16.3*	*14.0*	*7.2*	*6.1*	*7.0*	*8.4*	
SSgA U.S. REIT Index	17,872,431	5.6	16.3	13.8	7.1	6.0	--	4.4	Oct-18
Dow Jones U.S. Select REIT TR USD			*16.3*	*14.0*	*7.2*	*6.1*	*7.0*	*4.4*	
AFL-CIO Building Investment Trust	10,236,189	3.2	-5.5	-34.0	-10.4	-6.0	1.2	2.9	Oct-11
NCREIF ODCE Equal Weighted (Net)			*-5.4*	*-13.3*	*4.3*	*3.8*	*6.7*	*7.5*	
NCREIF Property Index			*-3.0*	*-7.9*	*4.6*	*4.3*	*6.8*	*7.5*	
DRA Growth & Income Fund VIII	540,065	0.2							
DRA Growth & Income Fund IX	1,783,813	0.6							

Private Real Estate Assets reflect the most recent NAV (9/30/2023) adjusted for subsequent cash flows.

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
DRA Growth & Income Fund X LLC	2,990,135	0.9							
Natural Resources Assets	**15,389,946**	**4.9**	**4.4**	**1.9**	**12.0**	**10.7**	**4.4**	**4.2**	**Sep-12**
S&P Global LargeMidcap Resources & Commodities Ind			*0.8*	*-1.6*	*12.5*	*10.9*	*4.4*	*4.1*	
SSgA S&P Global Large MidCap Natural Resources Index	9,979,970	3.2	0.7	-1.4	12.8	11.2	4.7	4.4	Sep-12
S&P Global LargeMidcap Resources & Commodities Ind			*0.8*	*-1.6*	*12.5*	*10.9*	*4.4*	*4.1*	
First Eagle Institutional Gold, LP	5,409,975	1.7	11.9	9.3	--	--	--	3.0	Jul-21
60% Gold (Spot)/ 40% FTSE Gold Mines			*15.3*	*12.2*	*--*	*--*	*--*	*2.4*	
Private Equity Assets	**19,828,275**	**6.3**	**1.2**	**0.4**	**18.8**	**19.1**	**21.4**	**22.6**	**May-13**
Preqin Private Equity 1Q Lagged			*0.2*	*7.1*	*16.9*	*15.5*	*14.8*	*15.0*	
Ridgemont Equity Partners I	183,728	0.1							
SVB Strategic Investors Fund VIII	6,410,703	2.0							
Trilantic Capital Partners VI (North America), L.P.	2,773,744	0.9							
Flagship Pioneering Special Opportunities Fund II, L.P.	908,376	0.3							
Ironsides Direct Investment Fund V, L.P.	3,481,015	1.1							
Ironsides Partnership Fund V, L.P.	2,327,578	0.7							
Lightspeed Venture Partners Select IV	1,750,544	0.6							
KPS Special Situations Fund V	1,053,980	0.3							
Vitruvian Investment Partnership IV	938,606	0.3							

Private Equity Assets reflect the most recent NAV (9/30/2023) adjusted for subsequent cash flows.

MEKETA

UNITE HERE Local 25 & Hotel Assoc of Washington, DC Pension Fund

Total Pension Fund | As of December 31, 2023

	Market Value ($)	% of Portfolio	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Placement Assets	**2,427,117**	**0.8**							
ULLICO Class A	2,427,117	0.8							
Cash	**4,037,008**	**1.3**							
Cash	4,037,008	1.3							

Calendar Year Net Returns

	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Total Pension Fund	**10.5**	**-10.0**	**12.1**	**12.4**	**15.6**	**-2.6**	**11.5**	**7.7**	**-1.4**	**5.2**	**10.2**	**11.8**
Policy Benchmark	*11.7*	*-13.3*	*11.6*	*11.9*	*17.7*	*-4.0*	*14.4*	*6.1*	*0.9*	*5.7*	*12.6*	*11.9*
Target Policy Benchmark	*9.8*	*-10.4*	*13.4*	*11.9*	*16.9*	*-3.0*	*14.8*	*9.3*	*-1.1*	*5.7*	*10.7*	*13.0*
Actual Allocation Benchmark	*10.3*	*-9.5*	*11.9*	*12.0*	*15.3*	*-4.6*	*14.3*	*8.5*	*-0.2*	*6.0*	*12.1*	*12.5*
Global Equity	**23.8**	**-16.9**	**17.0**	**19.2**	**26.8**	**-7.5**	**21.1**	**9.2**	**-1.2**	**5.5**	**23.2**	**17.2**
MSCI AC World Index (Net)	*22.2*	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
ASB Equity Index	26.3	-18.1	28.6	18.4	31.4	-4.4	21.8	11.9	--	--	--	--
S&P 500 Index	*26.3*	*-18.1*	*28.7*	*18.4*	*31.5*	*-4.4*	*21.8*	*12.0*	*1.4*	*13.7*	*32.4*	*16.0*
SSgA Russell 1000 Value Index	11.5	-7.6	--	--	--	--	--	--	--	--	--	--
Russell 1000 Value Index	*11.5*	*-7.5*	*25.2*	*2.8*	*26.5*	*-8.3*	*13.7*	*17.3*	*-3.8*	*13.5*	*32.5*	*17.5*
SSgA Russell 1000 Growth	42.7	--	--	--	--	--	--	--	--	--	--	--
Russell 1000 Growth Index	*42.7*	*-29.1*	*27.6*	*38.5*	*36.4*	*-1.5*	*30.2*	*7.1*	*5.7*	*13.1*	*33.5*	*15.3*
Fidelity Small Cap Index Fund	--	--	--	--	--	--	--	--	--	--	--	--
Russell 2000 Index	*16.9*	*-20.4*	*14.8*	*20.0*	*25.5*	*-11.0*	*14.6*	*21.3*	*-4.4*	*4.9*	*38.8*	*16.3*
Artisan Global Value	26.8	-13.4	15.7	6.7	24.1	-12.8	--	--	--	--	--	--
MSCI AC World Index (Net)	*22.2*	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
First Eagle Global Value	13.2	-6.2	12.6	8.7	20.6	-8.2	--	--	--	--	--	--
MSCI AC World Index (Net)	*22.2*	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
Kopernik Global All-Cap Fund	15.2	-9.5	18.2	35.4	14.4	-11.1	--	--	--	--	--	--
MSCI AC World Index (Net)	*22.2*	*-18.4*	*18.5*	*16.3*	*26.6*	*-9.4*	*24.0*	*7.9*	*-2.4*	*4.2*	*22.8*	*16.1*
SSgA MSCI EAFE Index	18.6	-14.2	11.6	8.2	22.4	--	--	--	--	--	--	--
MSCI EAFE (Net)	*18.2*	*-14.5*	*11.3*	*7.8*	*22.0*	*-13.8*	*25.0*	*1.0*	*-0.8*	*-4.9*	*22.8*	*17.3*
SSgA Emerging Markets	9.6	-20.1	-2.6	18.2	18.3	-14.6	37.2	--	--	--	--	--
MSCI Emerging Markets (Net)	*9.8*	*-20.1*	*-2.5*	*18.3*	*18.4*	*-14.6*	*37.3*	*11.2*	*-14.9*	*-2.2*	*-2.6*	*18.2*

	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Investment Grade Bond Assets	**6.1**	**-12.9**	**-1.5**	**7.6**	**9.0**	**-0.4**	**3.8**	**3.1**	**0.6**	**5.9**	**-2.0**	**8.8**
Blmbg. U.S. Aggregate Index	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
Vanguard Intermediate-Term Corporate Bond Index	8.9	-14.1	-1.5	9.6	14.0	-1.7	5.5	5.3	0.9	7.5	-1.8	--
Blmbg. U.S. Credit Corp 5-10 Year Index	*8.8*	*-13.9*	*-1.5*	*9.7*	*14.3*	*-1.7*	*5.6*	*5.6*	*0.9*	*7.3*	*-1.6*	*11.6*
AFL-CIO Housing Investment Trust	5.2	-13.5	-1.0	6.2	7.8	0.2	3.2	1.9	1.1	6.1	-2.4	4.3
Blmbg. U.S. Aggregate Index	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
SSgA U.S. Aggregate Bond Index	5.6	-13.1	-1.5	7.6	8.7	--	--	--	--	--	--	--
Blmbg. U.S. Aggregate Index	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*	*0.5*	*6.0*	*-2.0*	*4.2*
TIPS Assets	**4.4**	**-5.5**	**5.6**	**7.2**	**6.0**	**-0.3**	**1.9**	**4.7**	**-1.7**	**4.1**	**-8.8**	**6.9**
Blmbg. U.S. TIPS	*3.9*	*-11.8*	*6.0*	*11.0*	*8.4*	*-1.3*	*3.0*	*4.7*	*-1.4*	*3.6*	*-8.6*	*7.0*
Vanguard Short-Term TIPS	4.6	-2.8	5.3	5.0	4.8	0.6	0.8	--	--	--	--	--
BBg U.S. TIPS 0-5 Years	*4.6*	*-2.7*	*5.3*	*5.1*	*4.8*	*0.6*	*--*	*--*	*--*	*--*	*--*	*--*
SSgA TIPS Index	3.9	-12.0	5.9	11.0	8.4	--	--	--	--	--	--	--
Blmbg. U.S. TIPS	*3.9*	*-11.8*	*6.0*	*11.0*	*8.4*	*-1.3*	*3.0*	*4.7*	*-1.4*	*3.6*	*-8.6*	*7.0*
Emerging Market Debt Assets	**11.5**	**-17.1**	**-1.7**	**6.7**	**17.3**	**-8.5**	**11.6**	**14.0**	**-7.0**	**-3.7**	**-10.7**	**--**
JPM EMBI Global Diversified	*11.1*	*-17.8*	*-1.8*	*5.3*	*15.0*	*-4.3*	*10.3*	*10.2*	*1.2*	*7.4*	*-5.2*	*17.4*
Payden Emerging Markets Bond Fund	11.5	-17.1	-1.7	6.7	--	--	--	--	--	--	--	--
JPM EMBI Global Diversified	*11.1*	*-17.8*	*-1.8*	*5.3*	*15.0*	*-4.3*	*10.3*	*10.2*	*1.2*	*7.4*	*-5.2*	*17.4*
High Yield Bonds Assets	**12.5**	**-8.4**	**5.8**	**1.2**	**13.3**	**-0.7**	**5.9**	**12.8**	**-2.1**	**1.8**	**7.3**	**--**
Blmbg. U.S. Corp: High Yield Index	*13.4*	*-11.2*	*5.3*	*7.1*	*14.3*	*-2.1*	*7.5*	*17.1*	*-4.5*	*2.5*	*7.4*	*15.8*
SKY Harbor Broad High Yield Market	11.8	-13.4	6.4	7.0	13.4	-2.7	7.6	15.4	-3.7	1.1	9.3	--
Blmbg. U.S. Corp: High Yield Index	*13.4*	*-11.2*	*5.3*	*7.1*	*14.3*	*-2.1*	*7.5*	*17.1*	*-4.5*	*2.5*	*7.4*	*15.8*
Pacific Funds Floating Rate Income Fund	13.9	-0.8	4.6	--	--	--	--	--	--	--	--	--
Credit Suisse Leveraged Loan Index	*13.0*	*-1.1*	*5.4*	*2.8*	*8.2*	*1.1*	*4.2*	*9.9*	*-0.4*	*2.1*	*6.2*	*9.4*
Real Estate Assets	**-10.3**	**-4.2**	**21.7**	**-1.4**	**7.8**	**7.0**	**5.7**	**8.0**	**12.2**	**14.9**	**7.0**	**7.9**
NCREIF ODCE Equal Weighted (Net)	*-13.3*	*7.6*	*21.9*	*0.8*	*5.2*	*7.3*	*6.9*	*8.3*	*14.2*	*11.4*	*12.4*	*9.9*
Dow Jones U.S. Select REIT TR USD	*14.0*	*-26.0*	*45.9*	*-11.2*	*23.1*	*-4.2*	*3.8*	*6.6*	*4.5*	*31.9*	*1.3*	*17.1*

	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
SSgA U.S. REIT Index	13.8	-26.0	45.8	-11.2	22.9	--	--	--	--	--	--	--
Dow Jones U.S. Select REIT TR USD	*14.0*	*-26.0*	*45.9*	*-11.2*	*23.1*	*-4.2*	*3.8*	*6.6*	*4.5*	*31.9*	*1.3*	*17.1*
AFL-CIO Building Investment Trust	-34.0	-3.4	12.7	-0.8	3.1	7.1	4.5	6.8	14.3	12.0	9.7	10.8
NCREIF ODCE Equal Weighted (Net)	*-13.3*	*7.6*	*21.9*	*0.8*	*5.2*	*7.3*	*6.9*	*8.3*	*14.2*	*11.4*	*12.4*	*9.9*
NCREIF Property Index	*-7.9*	*5.5*	*17.7*	*1.6*	*6.4*	*6.7*	*7.0*	*8.0*	*13.3*	*11.8*	*11.0*	*10.5*
DRA Growth & Income Fund VIII												
DRA Growth & Income Fund IX												
DRA Growth & Income Fund X LLC												
Natural Resources Assets	**1.9**	**11.1**	**24.0**	**2.2**	**16.0**	**-9.2**	**18.7**	**30.7**	**-27.3**	**-9.7**	**-2.6**	**--**
S&P Global LargeMidcap Resources & Commodities Index	*-1.6*	*14.7*	*26.3*	*1.5*	*15.9*	*-9.4*	*18.1*	*30.8*	*-27.5*	*-9.9*	*-2.9*	*7.0*
SSgA S&P Global Large MidCap Natural Resources Index	-1.4	15.1	26.5	2.2	16.0	-9.2	18.7	30.7	-27.3	-9.7	-2.6	--
S&P Global LargeMidcap Resources & Commodities Index	*-1.6*	*14.7*	*26.3*	*1.5*	*15.9*	*-9.4*	*18.1*	*30.8*	*-27.5*	*-9.9*	*-2.9*	*7.0*
First Eagle Institutional Gold, LP	9.3	-0.5	--	--	--	--	--	--	--	--	--	--
60% Gold (Spot)/ 40% FTSE Gold Mines	*12.2*	*-6.0*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*	*--*
Private Equity Assets	**0.4**	**15.0**	**45.2**	**19.9**	**19.1**	**30.7**	**9.1**	**29.9**	**16.1**	**35.1**	**--**	**--**
Preqin Private Equity 1Q Lagged	*7.1*	*2.9*	*44.7*	*17.0*	*10.2*	*15.7*	*18.0*	*10.2*	*10.9*	*16.4*	*15.1*	*12.4*
Ridgemont Equity Partners I												
SVB Strategic Investors Fund VIII												
Trilantic Capital Partners VI (North America), L.P.												
Flagship Pioneering Special Opportunities Fund II, L.P.												
Ironsides Direct Investment Fund V, L.P.												
Ironsides Partnership Fund V, L.P.												
Lightspeed Venture Partners Select IV												
KPS Special Situations Fund V												

	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)
Vitruvian Investment Partnership IV												
Private Placement Assets												
ULLICO Class A												
Cash												
Cash												

Risk Return Statistics

	3 Yrs (%)	5 Yrs (%)
	Total Pension Fund	Total Pension Fund
RETURN SUMMARY STATISTICS		
Maximum Return	5.2	6.0
Minimum Return	-5.9	-6.3
Return	3.7	7.7
Excess Return	2.0	6.0
Excess Performance	1.1	0.4
RISK SUMMARY STATISTICS		
Beta	0.9	0.9
Up Capture	93.6	90.2
Down Capture	85.4	82.1
RISK/RETURN SUMMARY STATISTICS		
Standard Deviation	9.3	9.3
Sortino Ratio	0.3	1.0
Alpha	1.3	1.3
Sharpe Ratio	0.2	0.6
Excess Risk	9.3	9.4
Tracking Error	1.9	2.1
Information Ratio	0.5	0.1
CORRELATION STATISTICS		
R-Squared	1.0	1.0
Actual Correlation	1.0	1.0

Statistics Summary
3 Years Ending December 31, 2023

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
Total Pension Fund	3.7	9.3	0.5	0.9	0.2	1.9
Policy Benchmark	2.7	10.4	-	1.0	0.1	0.0
Global Equity	6.4	15.5	0.2	0.9	0.3	2.1
MSCI AC World Index (Net)	5.7	16.3	-	1.0	0.3	0.0
ASB Equity Index	10.0	17.3	-1.2	1.0	0.5	0.0
S&P 500 Index	10.0	17.3	-	1.0	0.5	0.0
SSgA Russell 1000 Value Index	-	-	-	-	-	-
Russell 1000 Value Index	8.9	16.5	-	1.0	0.5	0.0
SSgA Russell 1000 Growth	-	-	-	-	-	-
Russell 1000 Growth Index	8.9	20.5	-	1.0	0.4	0.0
Fidelity Small Cap Index Fund	-	-	-	-	-	-
Russell 2000 Index	2.2	21.1	-	1.0	0.1	0.0
Artisan Global Value	8.3	16.7	0.4	0.9	0.4	7.0
MSCI AC World Index (Net)	5.7	16.3	-	1.0	0.3	0.0
First Eagle Global Value	6.1	13.4	0.0	0.8	0.4	6.2
MSCI AC World Index (Net)	5.7	16.3	-	1.0	0.3	0.0
Kopernik Global All-Cap Fund	7.2	15.3	0.1	0.7	0.4	11.7
MSCI AC World Index (Net)	5.7	16.3	-	1.0	0.3	0.0
SSgA MSCI EAFE Index	4.3	16.6	1.8	1.0	0.2	0.2
MSCI EAFE (Net)	4.0	16.6	-	1.0	0.2	0.0

	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
SSgA Emerging Markets	-5.2	17.8	0.0	1.0	-0.3	1.9
MSCI Emerging Markets (Net)	-5.1	17.1	-	1.0	-0.3	0.0
Investment Grade Bond Assets	-3.1	7.3	0.7	1.0	-0.7	0.3
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0
Vanguard Intermediate-Term Corporate Bond Index	-2.7	8.7	-0.1	1.0	-0.5	0.3
Blmbg. U.S. Credit Corp 5-10 Year Index	-2.6	8.7	-	1.0	-0.5	0.0
AFL-CIO Housing Investment Trust	-3.5	6.8	-0.2	0.9	-0.8	1.0
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0
SSgA U.S. Aggregate Bond Index	-3.3	7.1	0.0	1.0	-0.7	0.2
Blmbg. U.S. Aggregate Index	-3.3	7.1	-	1.0	-0.7	0.0
TIPS Assets	1.4	4.2	0.7	0.6	-0.2	3.1
Blmbg. U.S. TIPS	-1.0	7.1	-	1.0	-0.4	0.0
Vanguard Short-Term TIPS	2.3	3.1	-0.1	1.0	0.1	0.1
BBg U.S. TIPS 0-5 Years	2.3	3.2	-	1.0	0.1	0.0
SSgA TIPS Index	-1.1	7.1	-0.4	1.0	-0.4	0.2
Blmbg. U.S. TIPS	-1.0	7.1	-	1.0	-0.4	0.0
Emerging Market Debt Assets	-3.1	11.6	0.3	1.1	-0.4	2.0
JPM EMBI Global Diversified	-3.6	10.7	-	1.0	-0.5	0.0
Payden Emerging Markets Bond Fund	-3.1	11.6	0.3	1.1	-0.4	2.0
JPM EMBI Global Diversified	-3.6	10.7	-	1.0	-0.5	0.0
High Yield Bonds Assets	2.9	5.7	0.2	0.7	0.2	3.4
Blmbg. U.S. Corp: High Yield Index	2.0	8.2	-	1.0	0.0	0.0

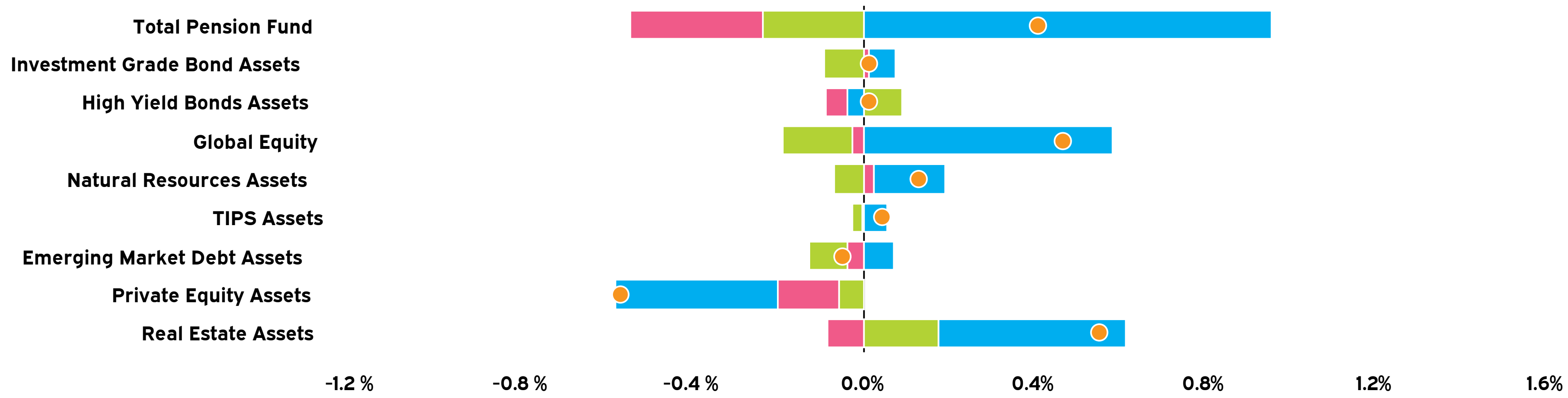
	Return	Standard Deviation	Information Ratio	Beta	Sharpe Ratio	Tracking Error
SKY Harbor Broad High Yield Market	1.0	7.4	-0.5	0.9	-0.1	2.1
Blmbg. U.S. Corp: High Yield Index	2.0	8.2	-	1.0	0.0	0.0
Aristotle Floating Rate Income Fund	5.7	3.9	0.1	1.0	0.9	0.8
Credit Suisse Leveraged Loan Index	5.6	3.7	-	1.0	1.0	0.0
Real Estate Assets	1.5	10.9	-0.3	0.6	0.0	9.7
NCREIF ODCE Equal Weighted (Net)	4.3	9.6	-	1.0	0.3	0.0
SSgA U.S. REIT Index	7.1	21.4	-1.1	1.0	0.3	0.1
Dow Jones U.S. Select RESI	7.2	21.5	-	1.0	0.3	0.0
AFL-CIO Building Investment Trust	-10.4	15.6	-1.2	1.0	-0.7	12.2
NCREIF ODCE Equal Weighted (Net)	4.3	9.6	-	1.0	0.3	0.0
Natural Resources Assets	12.0	17.1	-0.2	0.8	0.6	5.4
S&P Global LargeMidcap Resources & Commodities Ind	12.5	19.7	-	1.0	0.6	0.0
SSgA S&P Global Large MidCap Natural Resources Index	12.8	19.6	0.4	1.0	0.6	0.5
S&P Global LargeMidcap Resources & Commodities Ind	12.5	19.7	-	1.0	0.6	0.0
First Eagle Institutional Gold, LP	-	-	-	-	-	-
60% Gold (Spot)/ 40% FTSE Gold Mines	-	-	-	-	-	-

MEKETA

UNITE HERE Local 25 & Hotel Assoc of Washington, DC Pension Fund

Total Pension Fund | 1 Year Ending December 31, 2023

Attribution Summary Chart



Attribution Summary

	Policy Weight (%)	Wtd. Actual Return (%)	Wtd. Index Return (%)	Excess Return (%)	Selection Effect (%)	Allocation Effect (%)	Interaction Effect (%)	Total Effect (%)
Investment Grade Bond Assets	14.0	6.2	5.5	0.6	0.1	-0.1	0.0	0.0
High Yield Bonds Assets	5.0	12.8	13.4	-0.6	0.0	0.1	-0.1	0.0
Global Equity	42.0	24.0	22.2	1.8	0.6	-0.2	0.0	0.5
Natural Resources Assets	5.0	2.0	-1.6	3.6	0.2	-0.1	0.0	0.1
TIPS Assets	10.0	4.5	3.9	0.6	0.1	0.0	0.0	0.0
Emerging Market Debt Assets	7.0	12.2	11.1	1.1	0.1	-0.1	0.0	-0.1
Private Equity Assets	5.0	0.4	7.1	-6.7	-0.4	-0.1	-0.1	-0.6
Real Estate Assets	12.0	-10.1	-13.3	3.2	0.4	0.2	-0.1	0.6
Total Pension Fund	**100.0**	**10.7**	**10.3**	**0.4**	**1.0**	**-0.2**	**-0.3**	**0.4**

Gross of fees.
Differences in attribution returns and returns in the performance summary may occur as a result of the different calculation methodologies that are applied by PARis.

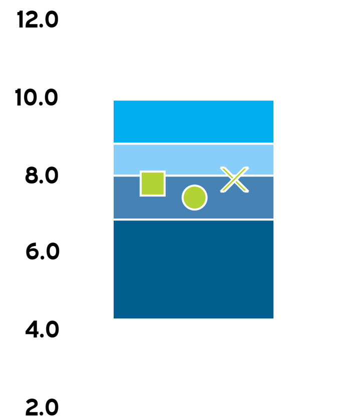
Cash Flow Summary
Quarter to Date

	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
ASB Equity Index	34,659,903	-2,000,000	3,850,327	36,510,229
SSgA Russell 1000 Value Index	1,679,298	-	159,509	1,838,807
SSgA Russell 1000 Growth	18,810,879	1,000,000	2,777,505	22,588,384
Fidelity Small Cap Index Fund	-	3,500,000	-52,321	3,447,679
Artisan Global Value	15,723,509	-2,500,000	1,683,512	14,907,020
First Eagle Global Value	15,382,994	3,000,000	1,328,054	19,711,048
Kopernik Global All-Cap Fund	4,636,599	-	272,424	4,909,023
SSgA MSCI EAFE Index	17,236,122	-2,500,000	1,548,415	16,284,537
SSgA Emerging Markets	7,766,277	3,000,000	778,642	11,544,919
Vanguard Intermediate-Term Corporate Bond Index	7,307,873	-	608,876	7,916,749
AFL-CIO Housing Investment Trust	3,963,435	-	270,235	4,233,669
SSgA U.S. Aggregate Bond Index	36,126,691	-3,500,000	2,418,056	35,044,747
Vanguard Short-Term TIPS	22,422,646	-	571,596	22,994,242
SSgA TIPS Index	7,613,230	-	345,884	7,959,114
Payden Emerging Markets Bond Fund	4,341,303	-	408,712	4,750,016
SKY Harbor Broad High Yield Market	16,626,057	-	1,008,897	17,634,954
Aristotle Floating Rate Income Fund	9,146,375	-	288,051	9,434,426
SSgA U.S. REIT Index	15,362,089	-	2,510,341	17,872,431
AFL-CIO Building Investment Trust	10,835,579	-	-599,389	10,236,189
DRA Growth & Income Fund VIII	627,829	-	-87,764	540,065
DRA Growth & Income Fund IX	1,964,727	-74,479	-106,435	1,783,813
DRA Growth & Income Fund X LLC	2,967,891	-810	23,054	2,990,135
SSgA S&P Global Large MidCap Natural Resources Index	9,903,657	-	76,314	9,979,970
First Eagle Institutional Gold, LP	4,832,554	-	577,421	5,409,975

Total Pension Fund | Quarter To Date Ending December 31, 2023

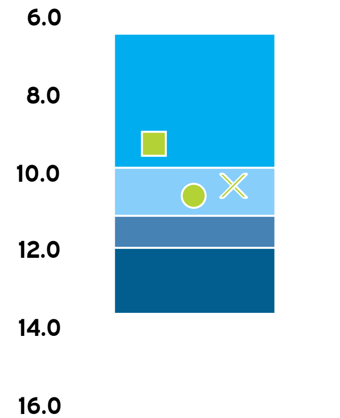
	Beginning Market Value	Net Cash Flows	Net Investment Change	Ending Market Value
Ridgemont Equity Partners I	190,759	-	-7,031	183,728
SVB Strategic Investors Fund VIII	6,379,969	-109,832	140,566	6,410,703
Trilantic Capital Partners VI (North America), L.P.	3,223,424	-409,322	-40,358	2,773,744
Flagship Pioneering Special Opportunities Fund II, L.P.	994,724	-	-86,348	908,376
Ironsides Direct Investment Fund V, L.P.	3,315,225	-	165,791	3,481,015
Ironsides Partnership Fund V, L.P.	2,188,365	51,967	87,246	2,327,578
Lightspeed Venture Partners Select IV	1,807,855	30,000	-87,311	1,750,544
KPS Special Situations Fund V	1,051,078	-7,771	10,673	1,053,980
Vitruvian Investment Partnership IV	888,873	-	49,733	938,606
ULLICO Class A	2,427,117	-	-	2,427,117
Cash	2,441,368	1,546,412	49,227	4,037,008
Total	**294,846,273**	**1,026,165**	**20,942,104**	**316,814,542**

Annualized Return (%) Trailing 5 Years



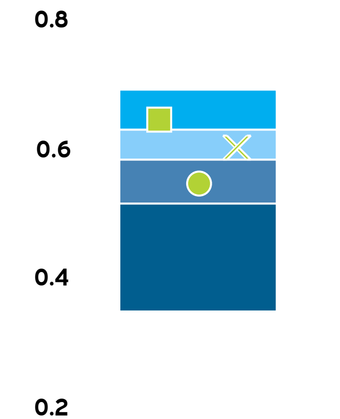
Total Pension Fund	7.7	(58)
Policy Benchmark	7.3	(67)
Target Policy Benchmark	7.8	(52)
5th Percentile	9.9	
1st Quartile	8.7	
Median	8.0	
3rd Quartile	6.8	
95th Percentile	4.2	
Population	237	

Annualized St. Dev. Trailing 5 Years



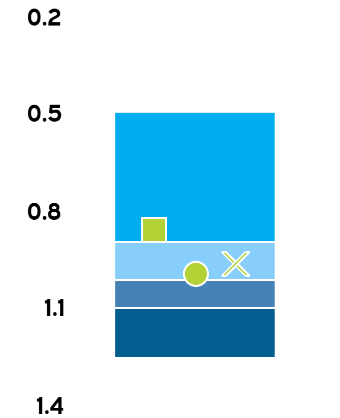
Total Pension Fund	9.3	(17)
Policy Benchmark	10.7	(37)
Target Policy Benchmark	10.4	(30)
5th Percentile	6.5	
1st Quartile	9.9	
Median	11.2	
3rd Quartile	12.0	
95th Percentile	13.7	
Population	237	

Sharpe Ratio Trailing 5 Years



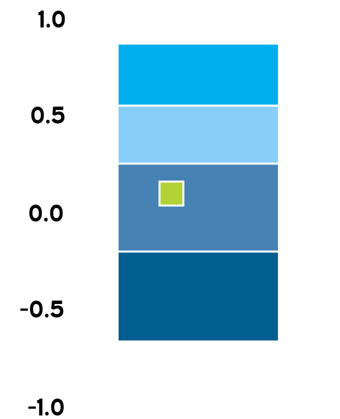
Total Pension Fund	0.6	(19)
Policy Benchmark	0.5	(66)
Target Policy Benchmark	0.6	(40)
5th Percentile	0.7	
1st Quartile	0.6	
Median	0.6	
3rd Quartile	0.5	
95th Percentile	0.3	
Population	237	

Beta Trailing 5 Years



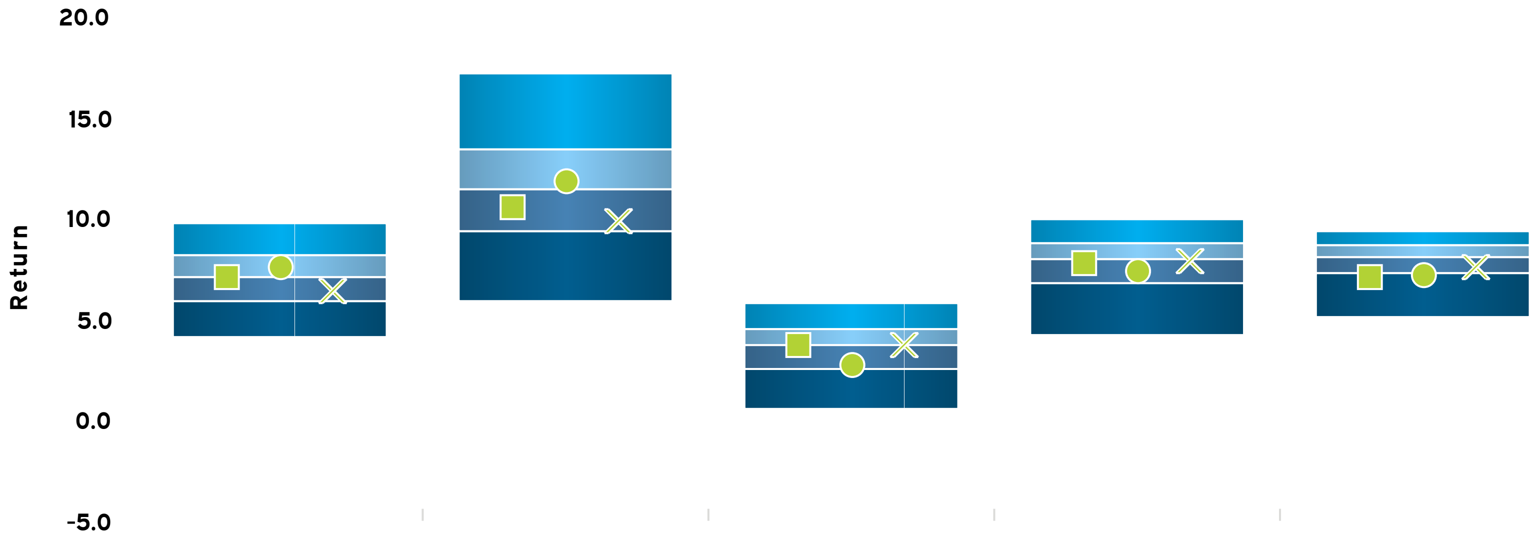
Total Pension Fund	0.9	(20)
Policy Benchmark	1.0	(46)
Target Policy Benchmark	1.0	(36)
5th Percentile	0.5	
1st Quartile	0.9	
Median	1.0	
3rd Quartile	1.1	
95th Percentile	1.3	
Population	237	

Information Ratio Trailing 5 Years



Total Pension Fund	0.1	(62)
Policy Benchmark	-	
5th Percentile	0.9	
1st Quartile	0.5	
Median	0.3	
3rd Quartile	-0.2	
95th Percentile	-0.7	
Population	237	

InvMetrics Taft-Hartley DB < $500mm



	Quarter	1 Year	3 Years	5 Years	Since Inception
Total Pension Fund	7.1 (49)	10.5 (60)	3.7 (48)	7.7 (58)	7.0 (80)
Policy Benchmark	7.5 (38)	11.7 (47)	2.7 (74)	7.3 (67)	7.2 (76)
Target Policy Benchmark	6.4 (68)	9.8 (71)	3.7 (49)	7.8 (52)	7.6 (69)
5th Percentile	9.7	17.2	5.7	9.9	9.3
1st Quartile	8.1	13.4	4.5	8.7	8.7
Median	7.0	11.4	3.6	8.0	8.0
3rd Quartile	5.9	9.3	2.5	6.8	7.3
95th Percentile	4.1	5.9	0.6	4.2	5.1
Population	312	273	241	237	189

Parentheses contain percentile rankings.
Calculation based on monthly periodicity.

Annual Investment Expense Analysis

	Fee Schedule	Market Value	Estimated Annual Fee (%)	Estimated Annual Fee $
ASB Equity Index	0.02 % of Assets	36,510,229	0.02	5,477
SSgA Russell 1000 Value Index	0.02 % of Assets	1,838,807	0.02	368
SSgA Russell 1000 Growth	0.02 % of Assets	22,588,384	0.02	4,518
Fidelity Small Cap Index Fund	0.03 % of Assets	3,447,679	0.03	862
Artisan Global Value	1.06 % of Assets	14,907,020	1.06	158,014
First Eagle Global Value	0.78 % of Assets	19,711,048	0.78	153,746
Kopernik Global All-Cap Fund	0.90 % of Assets	4,909,023	0.90	44,181
SSgA MSCI EAFE Index	0.04 % of Assets	16,284,537	0.04	6,514
SSgA Emerging Markets	0.08 % of Assets	11,544,919	0.08	9,236
Vanguard Intermediate-Term Corporate Bond Index	0.05 % of Assets	7,916,749	0.05	3,958
AFL-CIO Housing Investment Trust	0.35 % of Assets	4,233,669	0.35	14,818
SSgA U.S. Aggregate Bond Index	0.03 % of Assets	35,044,747	0.03	8,761
Vanguard Short-Term TIPS	0.04 % of Assets	22,994,242	0.04	9,198
SSgA TIPS Index	0.04 % of Assets	7,959,114	0.04	3,184
Payden Emerging Markets Bond Fund	0.53 % of Assets	4,750,016	0.53	25,175
SKY Harbor Broad High Yield Market	0.36 % of First $50 M 0.00 % Thereafter	17,634,954	0.36	63,486
Aristotle Floating Rate Income Fund	0.72 % of Assets	9,434,426	0.72	67,928
SSgA U.S. REIT Index	0.06 % of Assets	17,872,431	0.06	10,723
AFL-CIO Building Investment Trust	0.90 % of Assets	10,236,189	0.90	92,126
DRA Growth & Income Fund VIII	0.90 % of Assets	540,065	0.90	4,861
DRA Growth & Income Fund IX	0.90 % of Assets	1,783,813	0.90	16,054
DRA Growth & Income Fund X LLC	0.90 % of Assets	2,990,135	0.90	26,911
SSgA S&P Global Large MidCap Natural Resources Index	0.10 % of Assets	9,979,970	0.10	9,980
First Eagle Institutional Gold, LP	0.45 % of Assets	5,409,975	0.45	24,345

Total Pension Fund | As of December 31, 2023

	Fee Schedule	Market Value	Estimated Annual Fee (%)	Estimated Annual Fee $
Ridgemont Equity Partners I	2.00 % of Assets	183,728	2.00	3,675
SVB Strategic Investors Fund VIII	0.95 % of Assets	6,410,703	0.95	60,902
Trilantic Capital Partners VI (North America), L.P.	Performance Based 1.75 and 20.00	2,773,744	1.75	48,541
Flagship Pioneering Special Opportunities Fund II, L.P.	1.00 % of Assets	908,376	1.00	9,084
Ironsides Direct Investment Fund V, L.P.	0.25% of Committed Capital	3,481,015	-	-
Ironsides Partnership Fund V, L.P.	0.25% of Committed Capital	2,327,578	-	-
Lightspeed Venture Partners Select IV	2.00% of Committed Capital	1,750,544	-	-
KPS Special Situations Fund V	1.25% of Committed Capital	1,053,980	-	-
Vitruvian Investment Partnership IV	1.93 % of Assets	938,606	1.93	18,068
ULLICO Class A	0.00 % of Assets	2,427,117	0.00	-
Cash	0.00 % of Assets	4,037,008	0.00	-
Total Pension Fund		**316,814,542**	**0.29**	**904,692**

Benchmark History

From Date	To Date	Benchmark
Policy Benchmark		
09/30/2011	Present	36.0% Blmbg. U.S. Universal Index, 52.0% MSCI AC World Index (Net), 12.0% NCREIF ODCE Equal Weighted (Net)
Target Policy Benchmark		
06/30/2011	Present	25.0% Russell 3000 Index, 14.0% Blmbg. U.S. Aggregate Index, 5.0% Blmbg. U.S. Corp: High Yield Index, 10.0% MSCI EAFE (Net), 3.5% JPM GBI-EM Global Diversified, 12.0% NCREIF ODCE Equal Weighted (Net), 5.0% S&P Global LargeMidcap Resources & Commodities Ind, 7.0% MSCI Emerging Markets (Net), 10.0% Blmbg. U.S. TIPS, 3.5% JPM EMBI Global Diversified, 5.0% Preqin Private Equity 1Q Lagged

Actual Allocation Benchmark reflects the asset classes set forth in the Fund's investment policy statement, weighted for the Fund's actual investments and performance of the indexes referenced above.

Current Issues

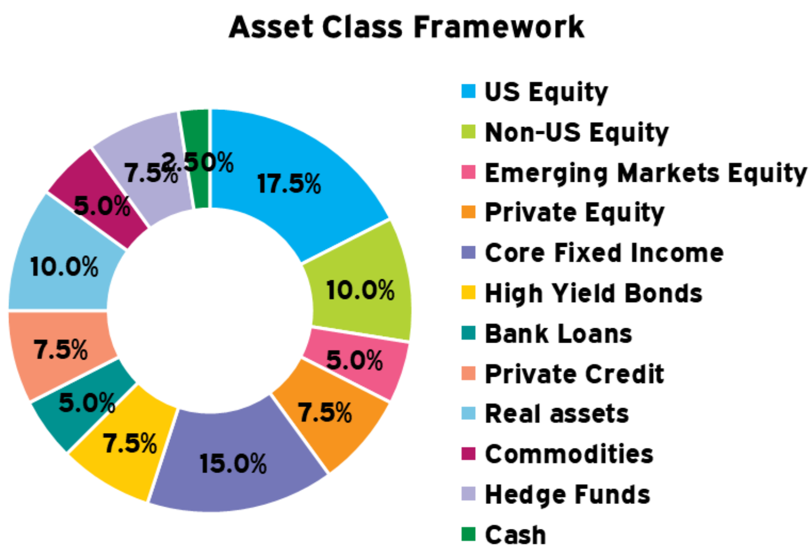
Functional Framework Discussion

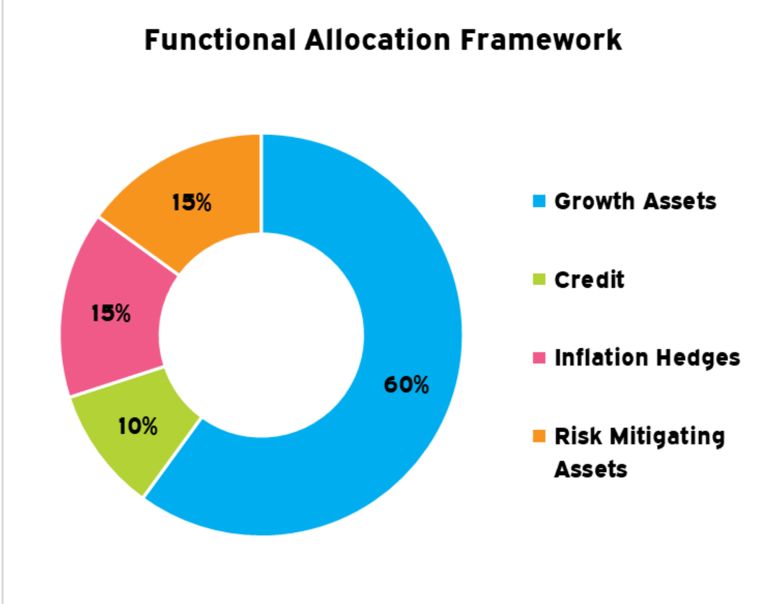
Introduction to the Functional Framework

→ In a functional allocation framework, assets are aligned based on their functional role within a portfolio.

→ Functional frameworks represent a departure from the classic asset class allocation paradigm.

Allocation Framework Examples





Framework Comparison

Asset Class Framework	Functional Framework
→ Organizes Investments based on type of investment.	→ Organizes investments by primary risk drivers and/or function/role
→ Fundamental drivers of results not necessarily prioritized	→ Improves transparency into the portfolio's true risk posture
→ Often leads to "diversification in name only"	→ Incorporates portfolio flexibility to address continually changing product offerings
→ Portfolios often contain "alternatives" allocations that are catch all buckets	→ Shifts the oversight prism to "bad times"
→ Works well during "normal times"	→ Requires new strategies to be truly additive in an economic and intuitive sense
→ Historically applicable when investments were primarily public equities and investment grade bonds	→ Improves full-cycle and intra-Asset/Liability portfolio risk positioning

Key Takeaways

→ The utilization of a functional allocation framework seeks to improve portfolio transparency and oversight, particularly for key decision makers such as boards or investment committees.

→ A functional allocation framework helps to separate and define the fiduciary and oversight roles of boards and staff.

- Provides clear and intuitive insight into fundamental risks and functions of each portfolio component.
- May improve implementation flexibility.
- Easy integration of non-traditional asset classes and investment strategies.
- Highly customizable with no consensus on what the framework should look like.
- Many institutional investors utilize a hybrid functional/asset class framework.

→ The adoption of a functional allocation framework is not a source of alpha or outperformance.

→ The methodology for designing an aggregate portfolio does not materially change whether one utilizes a functional framework or an asset class framework.

Categorizing Investments

→ Categorial delineations are inherent to the ordering of the human mind in order to provide a balance between high-level comprehension and granular details.

→ Humans divide the world into classes to decrease the amount of information they must retain without materially impacting the level of understanding.

→ As it relates to research on this topic, one of the most widely accepted theories is that of natural categories that was proposed by Dr. Eleanor Rosch in the 1970s.[2]

- Dr. Rosch argued that humans utilize a natural conceptual hierarchy that consists of three levels: superordinate, basic, and subordinate.

→ As it relates to functional versus asset allocation frameworks, one can think of asset classes as the "basic" level and functional classes as the "superordinate" level.

- Still, many investors segment the superordinate level into two components (e.g., strategic level and sub-class level).

Functional Classes =	Superordinate	Ex. Animal
Asset Classes =	Basic	Ex. Dog
Strategic Level and Sub-Class Level =	Subordinate	Ex. German Shepherd, Dalmatian, etc.

Putting It All Together

→ A more descriptive name for the "functional allocation framework" is the "functional, risk-based allocation framework."

- Overarching strategic classes commonly used in functional frameworks tend to have key risks (factors) that drive most of the return variability within the classes.
- Assets within a "growth class" are explicitly exposed to economic growth risk, which means they are susceptible to changes in global economic growth and/or corporate profitability.
  - Growth risk is pervasive across asset classes and/or strategies that target meaningful levels of return (i.e., near, at, or above that of public equities).
- Whereas a "diversification class" is driven by a variety of other risks, such as duration risk, volatility risk, and time series momentum.
  - This concept shares some overlap with traditional risk parity and factor investing strategies.

→ The core philosophy behind a functional framework rests on investor awareness of the driving factors within each class and its role in the portfolio.

- Functional frameworks encourage investors to be cognizant of tail events.

Drawbacks/Challenges

→ There are two significant challenges to the functional framework.

→ The first challenge pertains to the high degree of abstraction.

- While the framework tilts the portfolio review lens towards the major risks and functions within a portfolio, this comes at the cost of decreased detail and granularity.
- There will certainly be times where key decision makers want to examine specific asset level exposures, and this may require peering through multiple layers.
- Relatedly, functional frameworks make comparing allocations across peer groups challenging.

→ The second challenge relates to the actual design/construction of the classes.

- In a perfect world, asset classes would be "pure" in the sense that they are largely driven by a single factor.
- While there are certain asset classes where this is more or less true (e.g., US Treasury bonds,), this tends to be more of exception than the rule.
- Real assets and TIPS, for example, have a variety of driving forces and economic sensitivities.
  - This is an example of the imprecise nature of functional frameworks.

Summary

→ Meketa believes a functional framework allows for better risk management by our client's boards and our investment team.

→ The functional framework provides clients and the Meketa investment team with a method of evaluating risk and risk posture as we aggregate specific asset classes that tend to produce similar returns (or at least similar directional tendencies) under specific economic scenarios.

→ The proposed manager lineup provides our clients with perspective on the tools (e.g. managers) used to populate the functional framework and how we look to combine those tools for the benefit of our clients and meet our goals for long-term risk and return. A more detailed overview of each asset manager can be found in the appendix.

→ Please note all managers and products are subject to change and modification based on both Asset Allocation and client feedback.

Functional Asset Allocation Framework

→ The below table highlights Meketa's functional framework to provide additional context to our approach.

Functional Category	Generally Included Asset Classes	Risk Profile	Summary of Functional Category
Growth Assets	Public Equity (including all sub-categories), Private Equity, Risk Seeking Hedge Funds	High	Category will do best when the economy is doing well. These assets are seeking to capture future cash flows available through potential future earnings of a company.
Credit Assets	High Yield, Bank Loans, Emerging Market Debt, Private Credit	High	Category tends to generate a higher income stream based on obligation to pay by an issuing entity (e.g. corporate, sovereign, quasi-sovereign).
Inflation Hedging Assets	TIPS, Global Linkers, Real Estate (Public and Private), Infrastructure, Natural Resources (public and private), Commodities, MLPs.	Variable depending on the included asset classes	The intention is to provide diversification across both equity orientated assets and fixed income-oriented assets. Generally, these assets should perform best during periods of uncertain or persistent inflation.
Risk Mitigating Assets	Investment Grade Bonds, Long USTs, Long STRIPS, Risk Mitigating Hedge Funds, Cash	Low to Moderate	These assets seek to provide benefits in periods of equity market stress (Risk Mitigating Hedge Funds) alongside income generating assets with defensive tendencies.

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Asset Allocation Review and Risk Analysis

Introduction & Executive Summary

Introduction

→ The Board is expected to do an annual review of asset allocation. On a regular basis a larger scale review is done to help provide additional context or possible consideration of changes for the Fund.

→ The last formal asset allocation review with the Trustees was conducted in 2021, after the actuarial assumed rate of return was lowered to 6.8%.

- We presented an update in 2023 that showed the year over year change in expected return and risk with the current asset allocation.

→ This document is comprehensive and provides more than the Trustees may need or require. Our goal is to provide a perspective of the tradeoffs available to the Trustees as they select an asset allocation.

→ There is no right or wrong asset allocation for the Fund.

Executive Summary

→ This document presents the current asset allocation policy and alternative asset allocation options for the Fund.

→ We focused on options that reduced private markets and restarted private markets investing.

- The Fund placed a prohibition on Private Market commitments in 2020. Currently the Investment Policy Statement dictates no further commitments can be made.

→ We present three alternative policy portfolios for the Trustees to consider along side the current approach. We do consider several modifications as important.

- Move away from targets to individual equity geographies
- Remove Emerging Market Debt

→ We provide various approaches to assessing risk in order to provide a "mosaic" of the risks faced by the Fund, and to highlight the tradeoffs inherent to different policy portfolios.

2024 Capital Markets Expectations

Summary of Capital Markets Expectations

→ We update our capital markets expectations each year in January.

- Changes are driven by many factors, including interest rates, credit spreads, cap rates, and equity prices.

→ 2023 was a volatile year for most investors, but ultimately most asset classes experienced positive returns, including double-digit gains for many risky assets.

→ With the notable exception of China's markets, global bond and equity markets rallied at the end of the year, posting strong gains as inflation pressures eased and central banks appeared to be turning away from tightening policies.

- Despite short-term interest rates climbing, the yield on most Treasury bonds finished the year near where they started it.
- Credit spreads tightened, especially for lower quality credit such as high yield. The result is lower expected returns for many credit-oriented assets.
- Most equity markets rallied in 2023, generally at a much faster pace than the gain in earnings. Hence many equity markets were trading at higher valuations at year-end, thus reducing their forward-looking returns.

→ Our 10-year CMEs continue to be lower than our 20-year CMEs for the vast majority of asset classes, partly due to a higher assumed "risk-free" rate in the future.

→ The net result is a meaningful decrease in return assumptions for most assets over the 10-year horizon, with much more mixed and modest changes at the 20-year horizon.

Setting Capital Market Expectations

→ Capital markets expectations (CMEs) are the inputs needed to determine the long-term risk and returns expectations for a portfolio.

- They serve as the starting point for determining asset allocation.

→ Consultants (including Meketa) generally set them once a year.

- Our results are published in January and based on data as of December 31 for public markets and September 30 for private markets.
- Changes are driven by many factors, including interest rates, credit spreads, cap rates, and equity prices.

→ Setting CMEs involves crafting long-term forecasts for:

- Returns
- Standard Deviation
- Correlations (i.e., covariance)

→ We created inputs for 109 "asset classes" for our 2024 Capital Markets Expectations.

→ Our process relies on both quantitative and qualitative methodologies.

Building 10-year Forecasts

→ Our first step is to develop 10-year forecasts based on fundamental models.

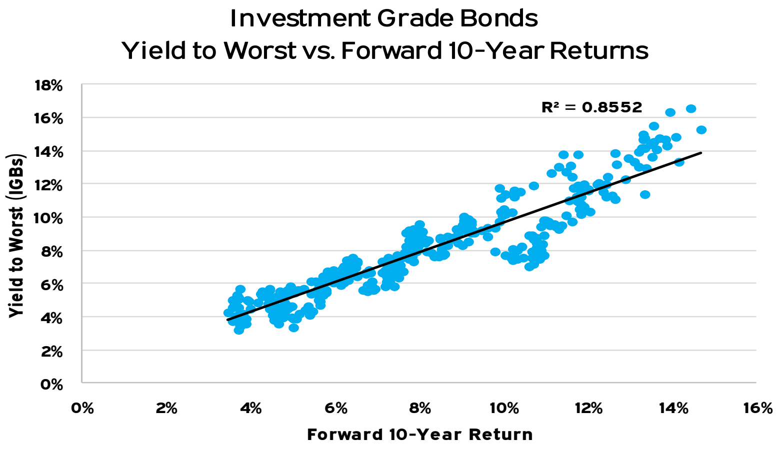
- Each model is based on the most important factors that drive returns for that asset class:

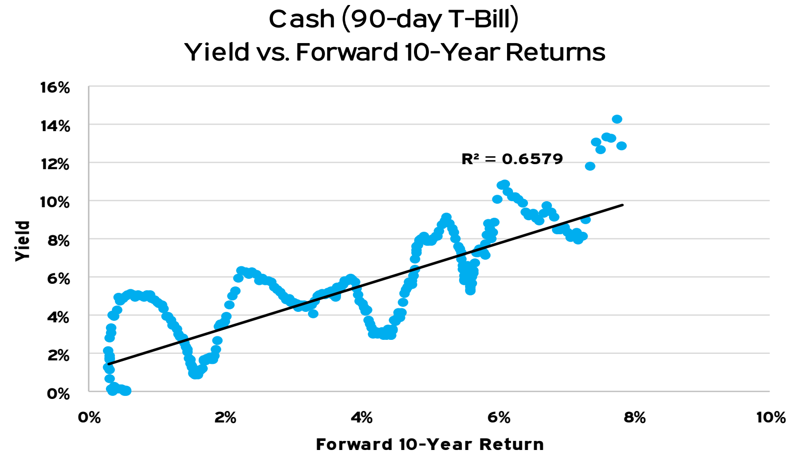
Asset Class Category	Major Factors
Equities	Dividend Yield, GDP Growth, Valuation
Bonds	Yield to Worst, Default Rate, Recovery Rate
Commodities	Collateral Yield, Roll Yield, Inflation
Infrastructure	Public IS Valuation, Income, Growth, Leverage
Natural Resources	Price per Acre, Income, Public Market Valuation
Real Estate	Cap Rate, Yield, Growth, Leverage
Private Equity	EBITDA Multiple, Leverage, Public VC Valuation
Hedge Funds and Other	Leverage, Alternative Betas

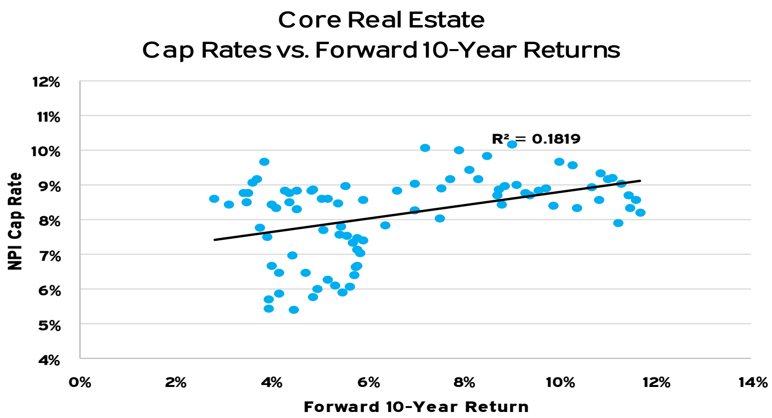
→ The common components are income, growth, and valuation.

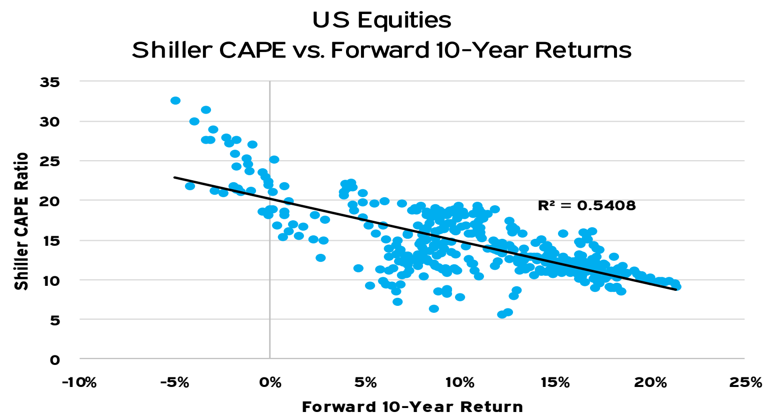
- Leverage and currency impact are also key factors for many strategies.

Some factors are naturally more predictive than others[1]









[1] Sources: Bloomberg, FRED, NCREIF, S&P, Robert Shiller (Yale University), and Meketa Investment Group. As of December 31, 2019.

10-year Model Example

→ Bonds

- The short version for investment grade bond models is:

$$E(R) = \text{Current YTW (yield to worst)}$$

- Our models assume that there is a reversion to the mean for spreads (though not yields).
- For TIPS, we add the real yield of the TIPS index to the breakeven inflation rate.
- As with equities, we make currency adjustments when necessary for foreign bonds.
- For bonds with credit risk, Meketa Investment Group estimates default rates and loss rates in order to project an expected return:

$$E(R) = YTW - (\text{Annual Default Rate} \times \text{Loss Rate})$$

→ Equities

- We use a fundamental model for equities that combines income and capital appreciation.

$$E(R) = \text{Dividend Yield} + \text{Expected Earnings Growth} + \text{Multiple Effect} + \text{Currency Effect}$$

- Meketa evaluates historical data to develop expectations for dividend yield, earnings growth, the multiple effect, and currency effect.
  - Earnings growth is a function of Real GDP growth, inflation, and exposure to foreign revenue sources.
  - We assume that long-term earnings growth is linked to regional economic growth.
  - However, many factors can cause differences between economic growth and EPS growth.
- Our models assume that there is a reversion toward mean pricing over this time frame.

Moving from 10-Year to 20-Year Forecasts

→ Our next step is to combine our 10-year forecasts with projections for years 11-20 for each asset class.

→ We use a risk premia approach to forecast 10-year returns in ten years (i.e., years 11-20).

- We start with an assumption (market informed, such as the 10-year forward rate) for what the risk-free rate will be in ten years.
- We then add a risk premia for each asset class.
- We use historical risk premia as a guide, but many asset classes will differ from this, especially if they have a shorter history.
- We seek consistency with finance theory (i.e., riskier assets will have a higher risk premia assumption).

→ Essentially, we assume mean-reversion over the first ten years (where appropriate), and consistency with CAPM thereafter.

→ The final step is to make any qualitative adjustments.

- The Investment Policy Committee reviews the output and may make adjustments.

The Other Inputs: Standard Deviation and Correlation

→ Standard deviation:

- We review the trailing twenty-year standard deviation, as well as skewness.
- Historical standard deviation serves as the base for our assumptions.
- If there is a negative skew, we increased the volatility assumption based on the size of the historical skewness.

Asset Class	Historical Standard Deviation (%)	Skewness	Assumption[1] (%)
Bank Loans	6.5	-2.9	10.0
FI / L-S Credit	5.8	-2.7	9.0

- We also adjust for private market asset classes with "smoothed" return streams.

→ Correlation:

- We use trailing twenty-year correlations as our guide.
- Again, we make adjustments for "smoothed" return streams.

→ Most of our adjustments are conservative in nature (i.e., they increase the standard deviation and correlation).

[1] Note that we round our standard deviation assumptions to whole numbers.

Similar or Lower Yields[1]

→ Short-term interest rates are higher than one year ago, while the 10-year Treasury yield ended the year where it started it.

→ Similar levels of interest rates combined with tighter credit spreads to result in slightly lower yields for most sectors of the global bond market.

Index	Yield to Worst 12/31/23 (%)	Yield to Worst 12/31/22 (%)
Fed Funds Rate	5.25-5.50	4.25-4.50
10-year Treasury	3.88	3.88
Bloomberg Aggregate	4.53	4.68
Bloomberg Corporate	5.06	5.42
Bloomberg Securitized	4.72	4.75
Bloomberg Global Aggregate	3.51	3.73
Bloomberg EM Local Currency Government	4.08	4.42
Bloomberg EM Hard Currency Aggregate	6.77	7.26
Bloomberg US Corporate High Yield	7.59	8.96

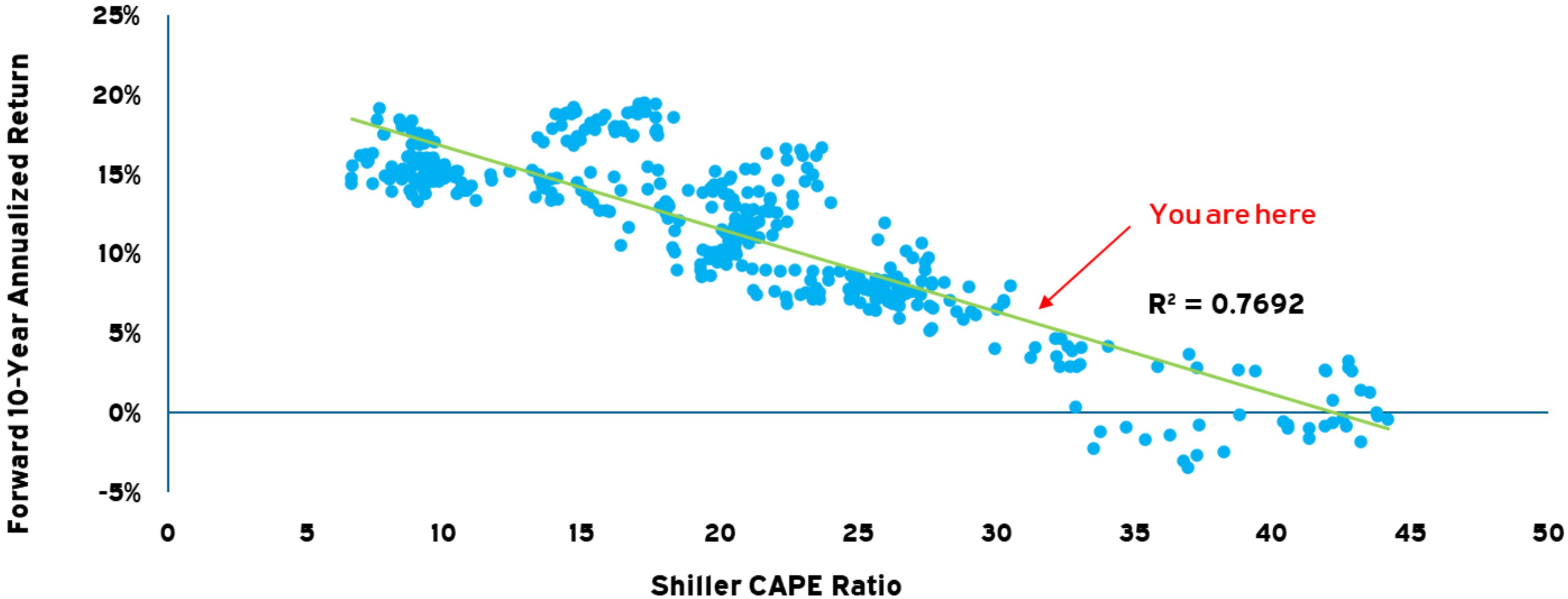
[1] Source: Bloomberg. Data is as of December 31, 2023 and December 31, 2022.

Impact of Equity Prices on Returns

→ Relative prices have been indicative of future equity returns.

→ Higher prices have led to lower future returns, and vice versa.

US Equities: Shiller CAPE vs. Forward 10-Year Returns[1]

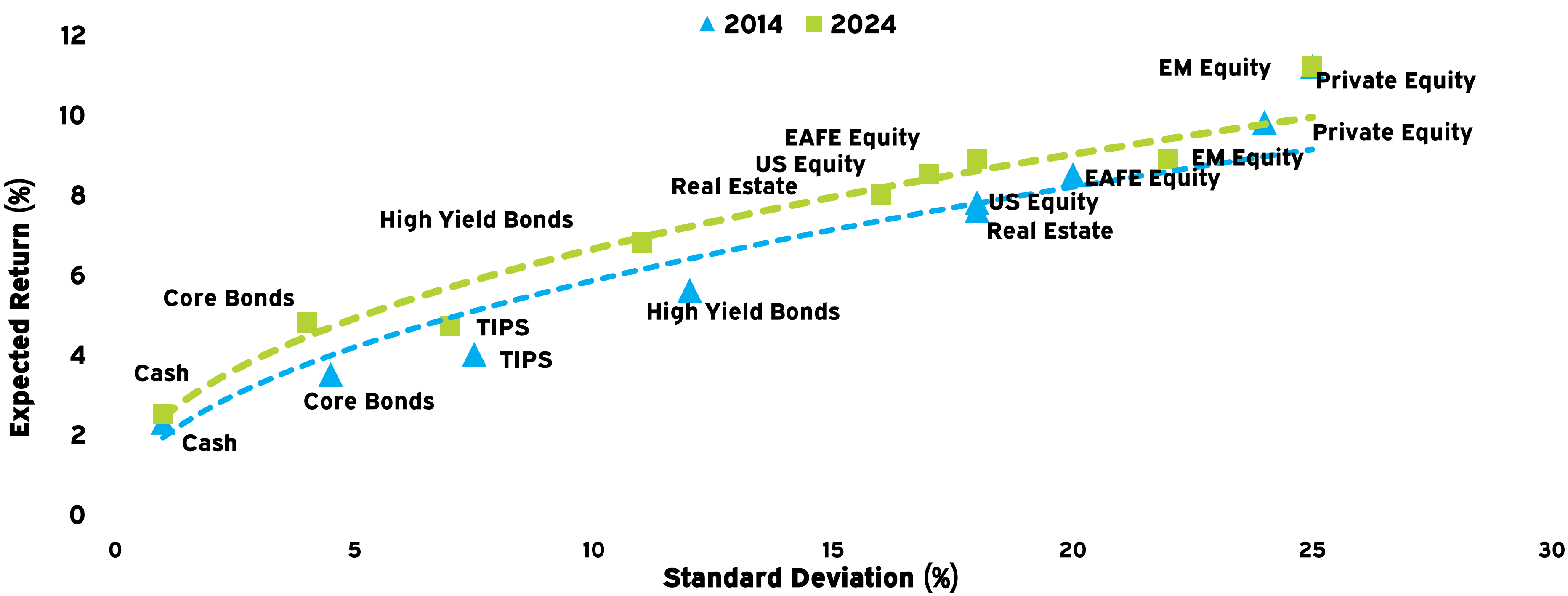


[1] Source: Robert Shiller, Yale University, and Meketa Investment Group. Data is based on monthly returns and Cyclically Adjusted P/E ratio on S&P 500 Index for the period from January 1980 through December 2023.

The Big Picture: Higher Return for the ~Same Risk[1]

→ The relationship between long-term return expectations and the level of risk accepted is not static.

→ The higher interest rates of the last two years mean that many investors should be able to take on less risk than they have over the past decade if they want to achieve their target returns.



[1] Expected return and standard deviation are based upon Meketa Investment Group's 2014 and 2024 20-year capital market expectations.

Asset Allocation Overview

Asset Allocation

What is Asset Allocation?

→ Asset allocation refers to the distribution of assets across a number of asset classes that exhibit different correlations with each other. Each asset class exhibits a unique combination of risk and reward. The expected and realized long-term returns vary by asset class, as does the interim volatility of those returns. Some asset classes, like equities, exhibit high degrees of volatility, but also offer high returns over time. Other asset classes, like cash, experience very little volatility, but offer limited return potential.

Why is Asset Allocation important?

→ The distribution of assets across various asset classes exerts a major influence on the return behavior of the aggregate pool over short and long time periods.

How does Asset Allocation affect aggregate performance?

→ In addition to exhibiting unique characteristics, each asset class interacts differently with other asset classes. Because of low correlations, the likelihood that any two asset classes will move together in the same direction is limited, with the movement of one asset class often offsetting another's. Combining asset classes allows investors to control more fully the aggregate risk and return of their portfolios, and to benefit from the reduction in volatility that stems from diversification.

Developing Investment Objectives

What is the Fund's long-term return objective?

→ Meet or exceed Policy Benchmark.

→ Meet or exceed actuarial assumed rate of return of 6.75%.

→ Achieve and maintain a fully funded pension plan.

What are the Fund's risk objectives?

→ Minimize volatility in asset values and contribution levels from year to year.

→ Limit the risk and/or extent of short-term losses.

→ Minimize the risk of permanent capital impairment.

Developing Investment Constraints

What is the overall time horizon for the Fund?

→ On-going concern, with long-term time horizon for majority of assets.

What are the liquidity needs of the Fund?

→ Net cash inflows of approximately $4.0 million in 2023.

→ Outstanding unfunded commitments to private markets commitments of $2.9 million.

What are the legal and regulatory constraints under which the Fund operates?

→ ERISA

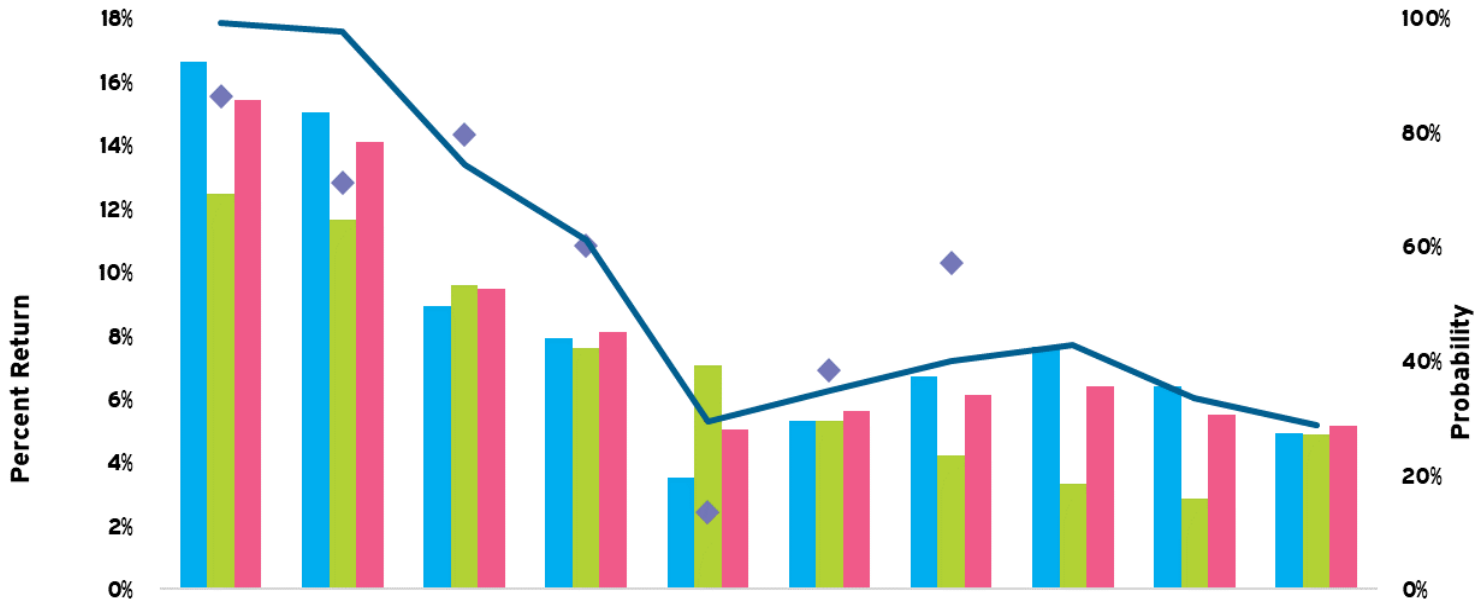
→ DOL regulations

Are there any other considerations that must be evaluated?

→ Hours/contributions are expected to increase/decrease in the near/long term.

→ Ratio of active to retired participants in the Plan.

Secular Changes in Investment Returns[1]

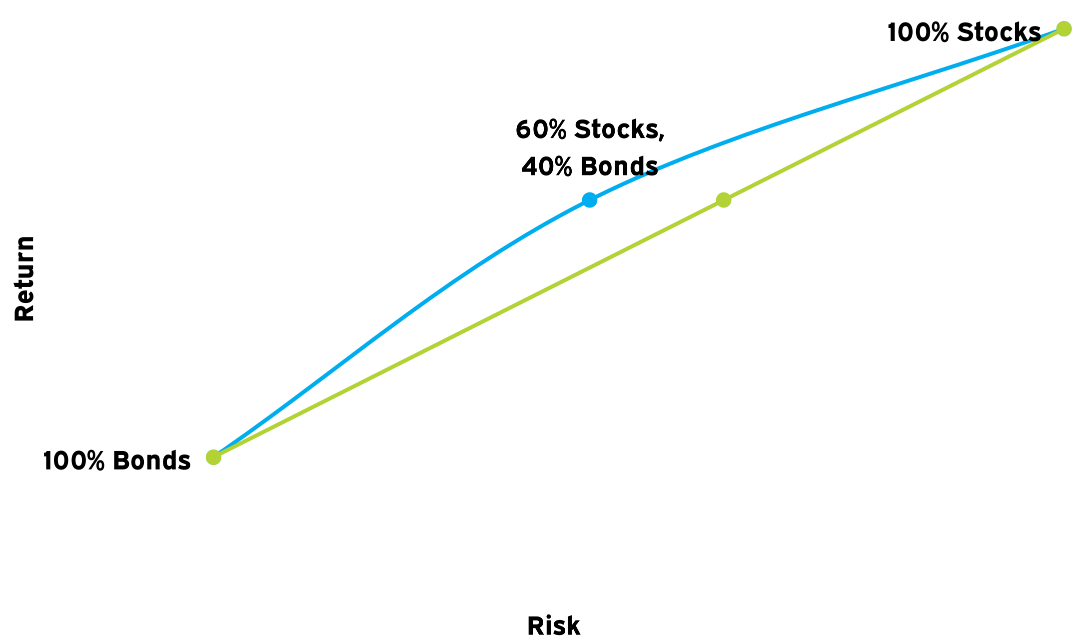


	1980	1985	1990	1995	2000	2005	2010	2015	2020	2024
Equity Expected Return	16.6%	15.0%	8.9%	7.9%	3.5%	5.3%	6.7%	7.6%	6.4%	4.9%
Bond Expected Return	12.4%	11.6%	9.6%	7.6%	7.0%	5.3%	4.2%	3.3%	2.9%	4.9%
65/35 Eq/Bond Exp. Ret.	15.4%	14.1%	9.4%	8.1%	5.0%	5.6%	6.1%	6.4%	5.5%	5.1%
Actual 10-year Return	15.5%	12.8%	14.3%	10.8%	2.4%	6.9%	10.3%			
Probability of Earning 7.0%	99%	98%	74%	61%	29%	35%	40%	43%	33%	29%

→ The chart above illustrates that a portfolio comprising of 65% domestic stocks and 35% investment grade bonds has produced diminishing expected returns as well as actual returns over the past 30 years.

[1] Expected return assumptions for 1) Bonds equals the yield of the ten-year Treasury plus 100 basis points, and 2) Equities equals the dividend yield plus the earnings yield of the S&P 500 index (using the inflation-adjusted trailing 10-year earnings). Note that these short-hand models do not reflect Meketa's capital markets expectations. Probability calculation is for the subsequent ten years.

The Efficient Frontier



→ Combining uncorrelated assets produces an "efficient frontier." Different combinations of assets (e.g., 60% stocks and 40% bonds) will lie along this efficient frontier.

→ By combining assets that are not highly correlated with each other, the Fund can produce a higher return for a given level of risk than it could by investing in perfectly correlated assets.

- Alternatively, it can experience lower risk for a given level of return.

Proposed Policy Options

Asset Allocation Policy Options[1]

	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
Growth Assets	47	49	52	44
US Equity	25	0	0	0
Developed Market Equity (non-US)	10	0	0	0
Emerging Market Equity	7	0	0	0
Global Equity	0	42	43	44
Private Equity	5	7	9	0
Credit Assets	12	12	8	16
High Yield Bonds and Bank Loans	5	12	8	16
Emerging Market Bonds (major)	7	0	0	0
Inflation Hedges	27	22	20	19
TIPS	10	0	0	0
Short-term TIPS	0	5	2	8
Real Estate	12	10	8	0
REITs	0	0	0	5
Natural Resources	5	2	3	0
Natural Resources (Public)	0	0	0	3
Gold Mining	0	1	1	1
Gold (Metal)	0	1	1	2
Infrastructure (Private)	0	3	5	0
Risk Mitigating Assets	14	17	20	21
Investment Grade Bonds	14	15	16	18
Long-term Government Bonds	0	2	4	3
Expected Return (20 years)	8.04	8.06	8.29	7.45
Standard Deviation	11.8	11.8	12.3	10.8
Probability of Achieving 6.75% over 20 Years	68.6	68.9	71.1	61.0

[1] Expected return and standard deviation are based upon Meketa Investment Group's Annual Capital Markets Expectations. Throughout this document, returns for periods longer than one year are annualized.

Diversification & Risk Analysis

Diversification

→ The primary motive for diversifying a portfolio is to reduce risk.

→ Diversification is the sole "free lunch" available to investors. That is, it represents the only way to reduce risk without reducing expected returns.

→ Therefore, investments should be allocated across multiple classes of assets, based in part on the expected correlation of their returns.

→ Within each asset type, investments should be distributed across strategies and risk factors to further reduce volatility.

Types of Risk Analysis Addressed

→ Risk budgeting[1]

- Attributes overall portfolio risks to specific asset classes
- Highlights the source and scale of portfolio-level risk

→ MPT-based risk analytics

- Includes worst-case return expectations and Value at Risk (VaR)[2]
- Relies on assumptions underlying Modern Portfolio Theory (MPT)

→ Convexity

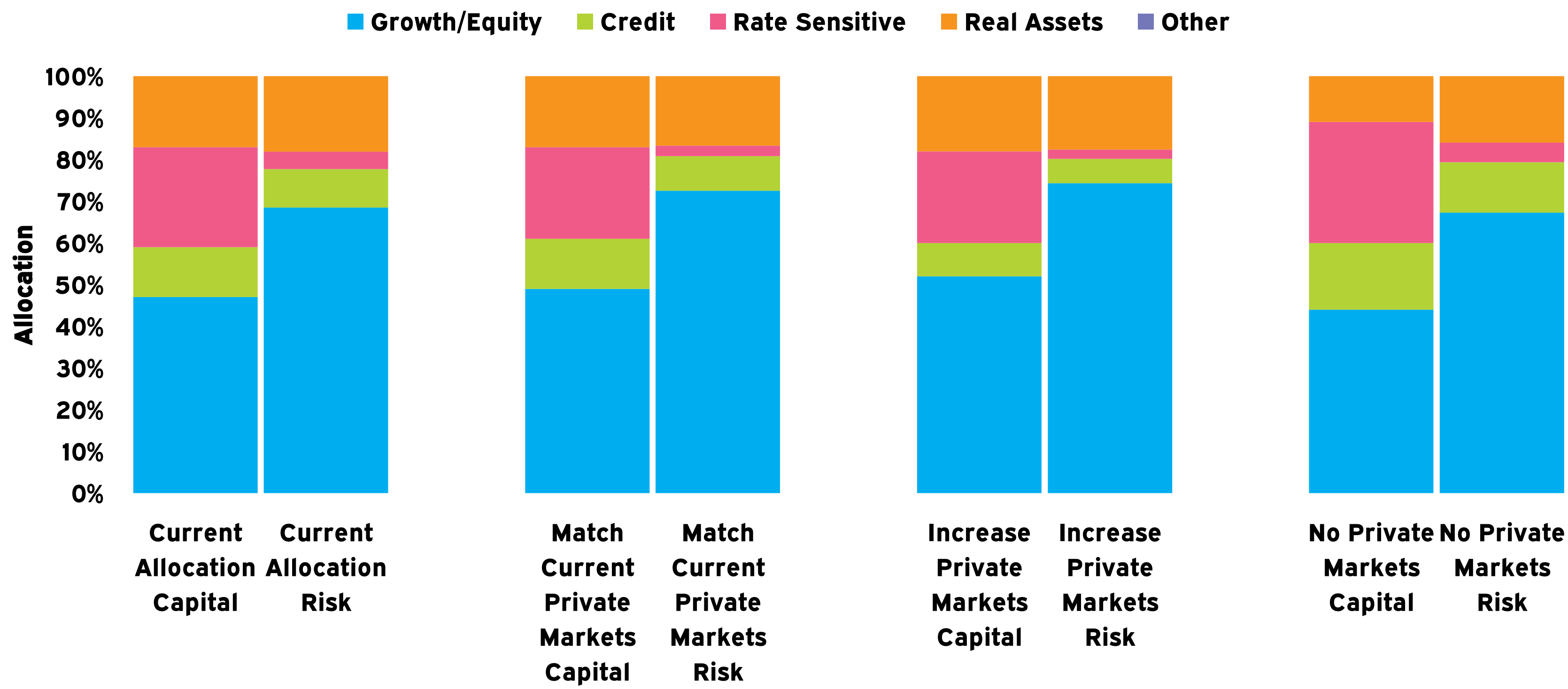
- Examines a portfolio's sensitivity to upside and downside market movements

→ Scenario analysis

- Stress tests policy portfolios using actual historical examples
- Stress tests policy portfolios under specific hypothetical scenarios

[1] Risk budgeting seeks to decompose the aggregate risk of a portfolio into different sources (in this case, by asset class), with risk defined as standard deviation.
[2] VaR is a risk measure that estimates the maximum loss on a portfolio over a given time horizon and a given confidence level (usually 95% or 99%).

Risk Budgeting Analysis
(Capital Allocation vs. Risk Allocation)



→ Assets with low relative volatility, such as rate sensitive fixed income, contribute less to risk than their asset weighting implies.

MPT-Based Risk Analysis

Scenario	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
Worst Case Returns (1)				
One Year (annualized)	-16.1	-16.0	-16.7	-14.9
Three Years (annualized)	-6.6	-6.5	-7.0	-6.1
Five Years (annualized)	-3.5	-3.4	-3.7	-3.2
Ten Years (annualized)	-0.3	-0.2	-0.4	-0.2
Twenty Years (annualized)	2.1	2.1	2.1	2.0
Probability of Experiencing Negative Returns				
One Year	23.8	23.7	24.1	23.7
Three Years	10.9	10.8	11.2	10.8
Five Years	5.6	5.5	5.8	5.5
Ten Years	1.2	1.2	1.3	1.2
Twenty Years	0.1	0.1	0.1	0.1

[1] "Worst Case Returns" refers to the 99.7th percentile return.

Conditional Value at Risk[1]

Scenario	Current Allocation	Match Current Private Markets	Increase Private Markets	No Private Markets
CVaR (%):				
1 month	-8.4	-8.3	-8.7	-7.7
3 months	-13.6	-13.5	-14.2	-12.5
6 months	-17.9	-17.8	-18.8	-16.5
CVaR ($ mm):				
1 month	-26	-26	-28	-24
3 months	-43	-43	-45	-39
6 months	-56	-56	-59	-52

→ According to the CVaR model, the Fund could lose up to $24 to $28 million in a single month under the current and proposed policies.

Historical Negative Scenario Analysis[1]
(*Cumulative* Return)

Scenario	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
Post-COVID Rate Hikes(Jan 2022-Oct 2023)	-9.9	-7.6	-8.8	-11.0
COVID-19 Market Shock (Feb 2020-Mar 2020)	-18.5	-18.4	-17.9	-21.6
Taper Tantrum (May - Aug 2013)	-1.8	-0.7	-0.8	-2.6
Global Financial Crisis (Oct 2007 - Mar 2009)	-24.1	-25.4	-24.9	-26.5
Popping of the TMT Bubble (Apr 2000 - Sep 2002)	-9.5	-11.2	-12.7	-9.6
LTCM (Jul - Aug 1998)	-9.4	-6.5	-6.8	-7.7
Asian Financial Crisis (Aug 97 - Jan 98)	0.9	2.2	2.5	0.6
Rate spike (1994 Calendar Year)	-0.2	3.1	2.5	1.9
Early 1990s Recession (Jun - Oct 1990)	-6.1	-5.1	-5.0	-6.0
Crash of 1987 (Sep - Nov 1987)	-11.1	-8.6	-8.8	-10.3
Strong dollar (Jan 1981 - Sep 1982)	5.0	2.5	2.5	1.5
Volcker Recession (Jan - Mar 1980)	-4.4	-4.3	-4.7	-5.6
Stagflation (Jan 1973 - Sep 1974)	-19.5	-17.1	-17.6	-16.3

[1] See the Appendix for our scenario inputs. In periods where the ideal benchmark was not yet available we used the next closest benchmark(s) as a proxy.

Historical Positive Scenario Analysis[1]
(*Cumulative* Return)

Scenario	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
Covid Recovery (Apr 2020-Dec 2021)	48.0	48.1	50.2	45.5
Global Financial Crisis Recovery (Mar 2009 - Nov 2009)	35.3	34.7	35.0	42.0
Best of Great Moderation (Apr 2003 - Feb 2004)	28.3	26.5	27.4	28.8
Peak of the TMT Bubble (Oct 1998 - Mar 2000)	36.3	32.9	35.2	26.7
Plummeting Dollar (Jan 1986 - Aug 1987)	51.5	52.0	53.7	57.5
Volcker Recovery (Aug 1982 - Apr 1983)	32.0	29.6	30.9	33.7
Bretton Wood Recovery (Oct 1974 - Jun 1975)	27.6	24.6	25.5	26.9

[1] See the Appendix for our scenario inputs. In periods where the ideal benchmark was not yet available we used the next closest benchmark(s) as a proxy.

Stress Testing: Impact of Negative Market Movements (Expected Return under Negative Conditions)[1]

Scenario	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
10-year Treasury Bond rates rise 100 bps	3.5	3.3	3.4	2.9
10-year Treasury Bond rates rise 200 bps	-2.3	-2.2	-2.7	-3.2
10-year Treasury Bond rates rise 300 bps	-2.7	-3.2	-3.7	-4.1
Baa Spreads widen by 50 bps, High Yield by 200 bps	0.7	0.5	0.7	0.3
Baa Spreads widen by 300 bps, High Yield by 1000 bps	-21.3	-20.5	-20.3	-21.3
Trade Weighted Dollar gains 10%	-3.6	-4.3	-4.5	-5.1
Trade Weighted Dollar gains 20%	-1.1	-1.8	-2.1	-1.9
U.S. Equities decline 10%	-4.9	-4.8	-5.1	-4.9
U.S. Equities decline 25%	-15.8	-15.2	-15.4	-15.1
U.S. Equities decline 40%	-25.4	-24.2	-24.4	-25.0

[1] Assumes that assets not directly exposed to the factor are affected nonetheless. See the Appendix for further details.

Stress Testing: Impact of Positive Market Movements
(Expected Return under Positive Conditions)[1]

Scenario	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
10-year Treasury Bond rates drop 100 bps	2.4	1.8	2.1	2.0
10-year Treasury Bond rates drop 200 bps	11.2	10.1	10.7	11.5
10-year Treasury Bond rates drop 300 bps	14.2	13.0	14.0	15.0
Baa Spreads narrow by 30bps, High Yield by 100 bps	6.8	6.3	6.5	6.0
Baa Spreads narrow by 100bps, High Yield by 300 bps	13.9	13.0	13.0	15.5
Trade Weighted Dollar drops 10%	7.6	7.3	7.6	7.8
Trade Weighted Dollar drops 20%	21.0	20.3	21.8	21.2
U.S. Equities rise 10%	6.1	5.7	6.0	5.5
U.S. Equities rise 30%	15.4	13.8	14.5	14.5

[1] Assumes that assets not directly exposed to the factor are affected nonetheless. See the Appendix for further details.

Inflation Stress Testing: Negative Scenarios (Expected Return under Negative Inflationary Conditions)[1]

Scenario	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
Inflation slightly higher than expected	-0.4	-0.3	-0.3	-0.3
Inflation meaningfully higher than expected	-5.6	-5.1	-5.3	-6.0
Low Growth and Low Inflation	-8.1	-7.5	-7.6	-8.9
Low Growth and High Inflation	-12.2	-11.4	-11.8	-13.5
Brief, moderate inflation spike	-3.3	-3.0	-3.4	-3.3
Extended, moderate inflation spike	-5.9	-5.3	-5.7	-5.9
Brief, extreme inflation spike	-7.5	-6.7	-7.1	-7.5
Extended, extreme inflation spike	-9.7	-8.5	-9.0	-9.5

[1] See the Appendix for further details.

Inflation Stress Testing: Positive Scenarios
(Expected Return under Positive Inflationary Conditions)[1]

Scenario	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
High Growth and Low Inflation	10.4	9.5	9.6	10.4
High Growth and Moderate Inflation	7.8	7.1	7.0	7.4
High Growth and High Inflation	5.0	4.5	4.2	4.4

[1] See the Appendix for further details.

Liquidity Analysis

Liquidity Stress Test Introduction

→ The Fund must maintain adequate liquidity to satisfy benefit payments and to avoid having to sell assets at distressed prices if possible.

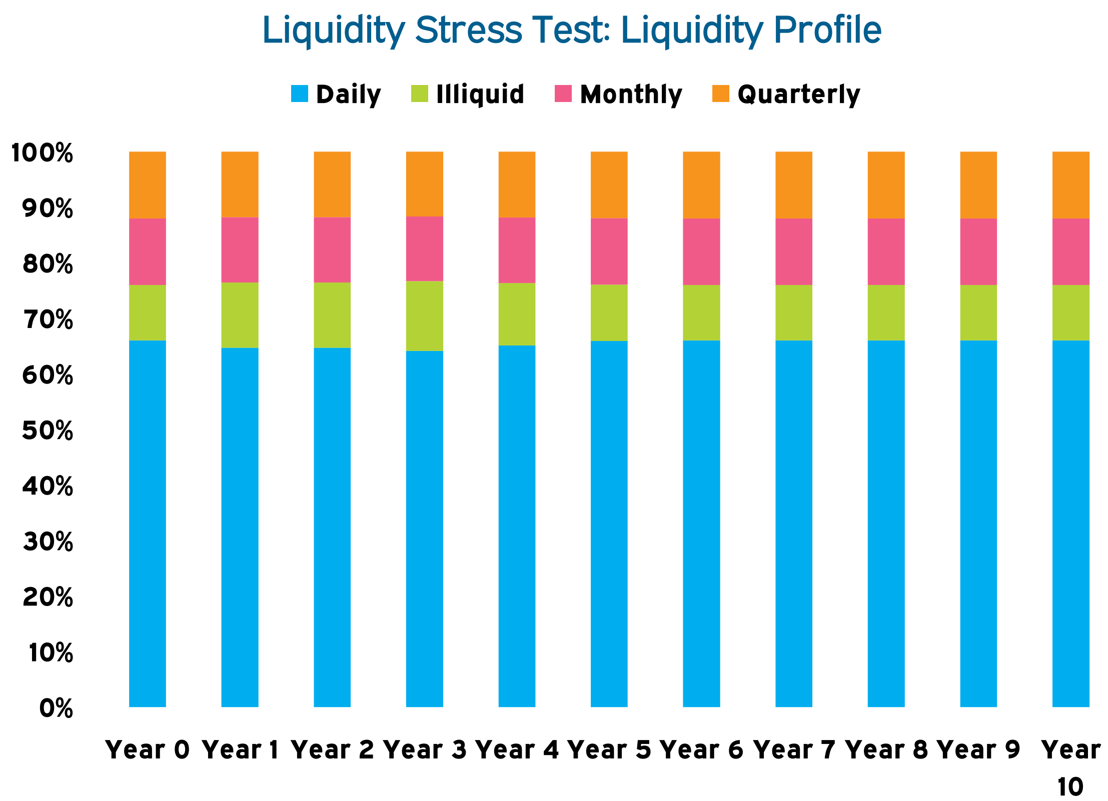
→ We conducted an extreme stress test to analyze the Fund's liquidity. Specifically, we evaluated whether the Fund could:

- Continue to meet its benefit obligations and expenses (including any obligations to fund commitments to private market managers),
- While staying within its target allocation ranges,
- And at what cost (i.e., to what extent would it be forced to sell stressed or distressed assets)?

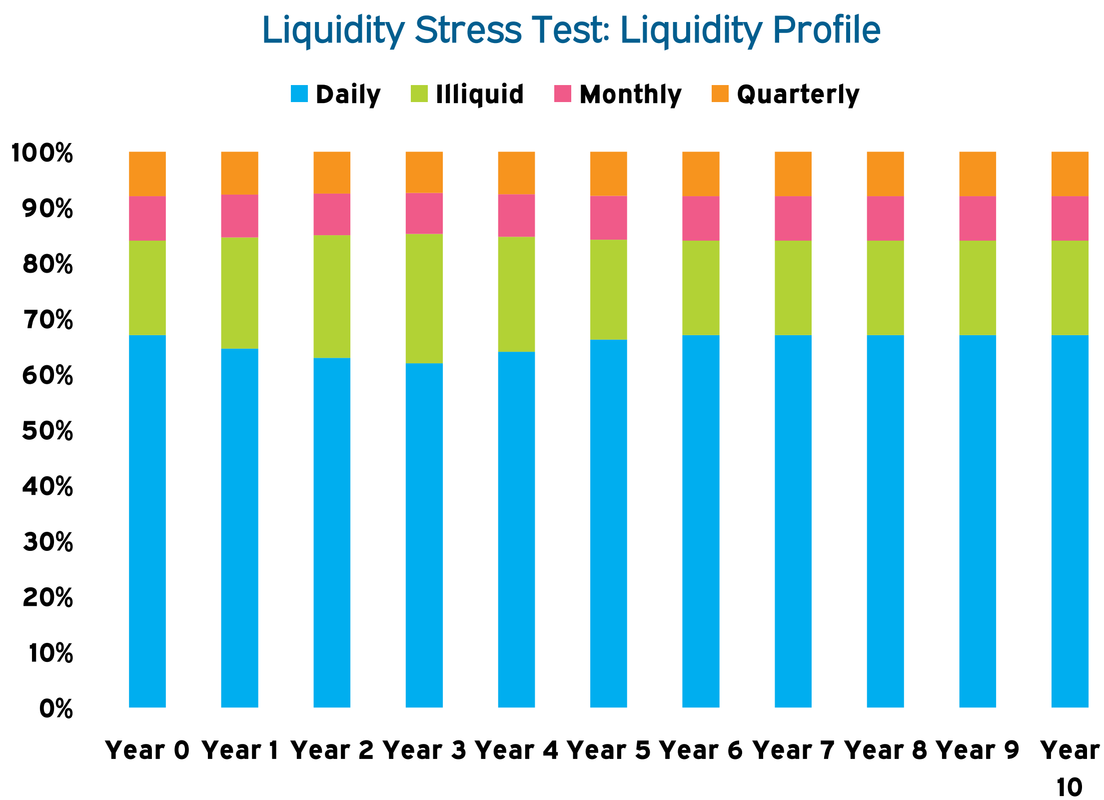
→ The scenario is designed to be extreme.

- In years 1 – 3, we use the returns produced by each asset class in 4Q07, 2008, and 1Q09, respectively. In years 4 – 5, we assume the expected returns for each asset class (i.e., no rebound).
- We assume net inflows of ~$4 million per year.
- We assume closed-end funds offer no liquidity in years 1 – 4, and very limited liquidity in year 5.
- We assume the Fund would rebalance toward its policy targets each year.

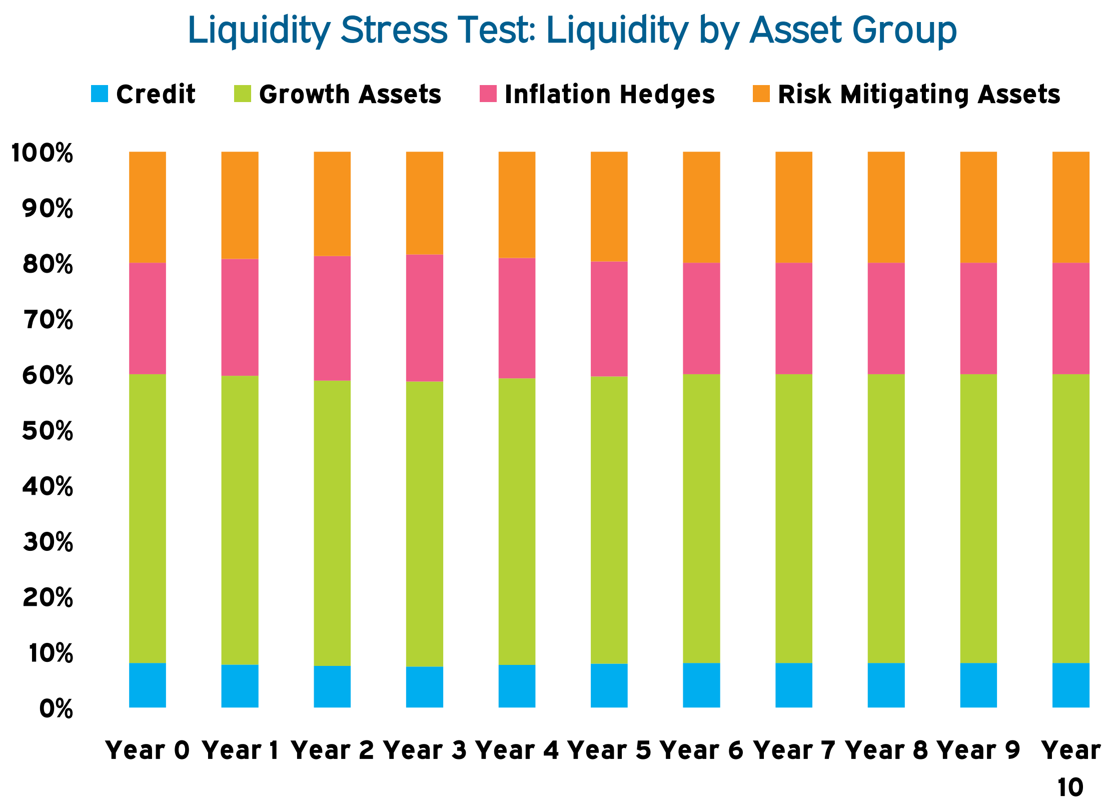
We show the results for "Increase Private Markets" as this policy has a higher percentage of assets that are illiquid. We consider this the most extreme case to test the liquidity of the fund.



→ At the trough, the policy portfolio would have 60% of its assets in daily liquid vehicles.



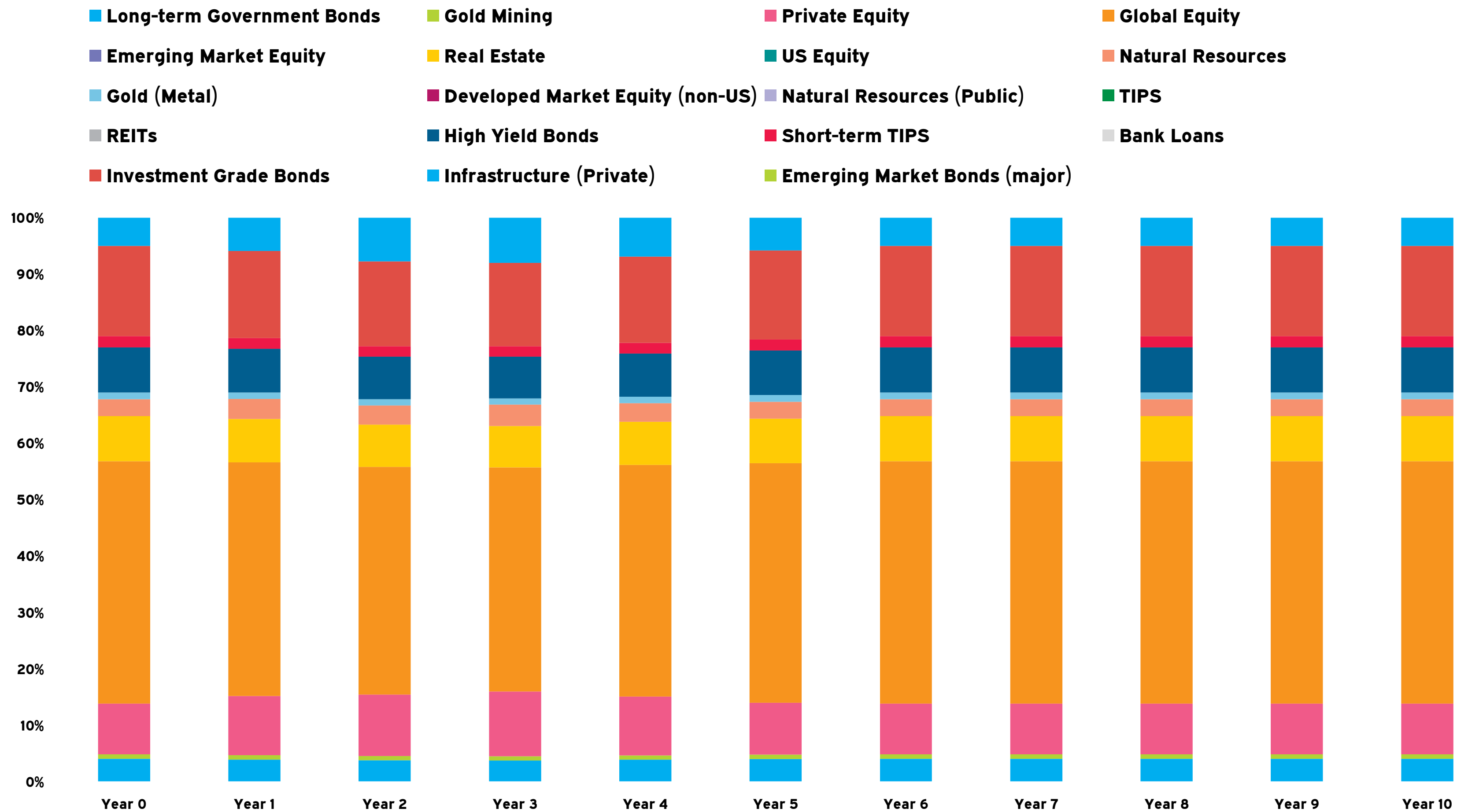
→ At the trough, the policy portfolio would have more than 60% of its assets in daily liquid vehicles.



→ A stressful market environment would alter the asset allocation.

→ However, rebalancing of the liquid assets would bring most asset classes back to their targets.

Liquidity Stress Test: Impact on Asset Allocation



Liquidity Stress Test: Summary

Metric	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Starting Market Value	315.00	315.00	321.77	249.18	238.79	261.99	286.85	313.84	342.88	374.18	407.97
Portfolio Return		0.82%	-23.66%	-5.74%	7.98%	7.92%	7.84%	7.82%	7.82%	7.82%	7.82%
Total Net Flows (External and Private Markets)		-3.91	-1.86	0.99	5.01	6.52	8.73	9.35	9.61	7.16	7.82
Flows As Percentage of Market Value		-1.24%	-0.58%	0.40%	2.10%	2.49%	3.04%	2.98%	2.80%	1.91%	1.92%
Net Flows (External)		4.00	4.00	4.00	4.00	4.00	4.40	4.40	4.40	4.40	4.40
Net Flows (Private Markets)		-7.91	-5.86	-3.01	1.01	2.52	4.33	4.95	5.21	2.76	3.42
Private Market Contributions		13.16	9.82	11.69	9.25	8.34	7.01	8.96	8.96	11.32	14.47
Private Market Distributions		5.25	3.97	8.68	10.26	10.86	11.34	13.91	14.16	14.08	17.90
Ending Market Value	315.00	321.77	249.18	238.79	261.99	286.85	313.84	342.88	374.18	407.97	444.39
Remaining Liquid Market Value	261.45	257.43	194.24	183.19	207.83	235.27	260.49	284.59	310.57	338.61	368.84
Total Illiquid Assets	53.55	64.34	54.94	55.60	54.16	51.58	53.35	58.29	63.61	69.35	75.55
Percentage of Illiquid Assets	17.00%	19.99%	22.05%	23.28%	20.67%	17.98%	17.00%	17.00%	17.00%	17.00%	17.00%
Assets Sold in Duress		0.00	-1.32	0.70	2.56	1.57	2.28	2.28	2.28	2.28	0.00
Percentage of Cash Flows Sold in Duress		0.00%	71.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Percentage of Assets Sold in Duress		0.00%	0.41%	0.28%	1.07%	0.60%	0.79%	0.73%	0.66%	0.61%	0.00%
Ratio of Liquid Assets to Total Net Flows		65.81	104.61								
Ratio of Liquid Assets to External Flows and Contributions		28.10	33.36	23.82	39.58	54.26	99.83	62.48	68.13	48.94	36.61

Summary and Recommendations

Previously Proposed Asset Allocation Policy Options

	Current Allocation (%)	Match Current Private Markets (%)	Increase Private Markets (%)	No Private Markets (%)
Growth Assets	47	49	52	44
US Equity	25	0	0	0
Developed Market Equity (non-US)	10	0	0	0
Emerging Market Equity	7	0	0	0
Global Equity	0	42	43	44
Private Equity	5	7	9	0
Credit Assets	12	12	8	16
High Yield Bonds and Bank Loans	5	12	8	16
Emerging Market Bonds (major)	7	0	0	0
Inflation Hedges	27	22	20	19
TIPS	10	0	0	0
Short-term TIPS	0	5	2	8
Real Estate	12	10	8	0
REITs	0	0	0	5
Natural Resources	5	2	3	0
Natural Resources (Public)	0	0	0	3
Gold Mining	0	1	1	1
Gold (Metal)	0	1	1	2
Infrastructure (Private)	0	3	5	0
Risk Mitigating Assets	14	17	20	21
Investment Grade Bonds	14	15	16	18
Long-term Government Bonds	0	2	4	3
Expected Return (20 years)	8.04	8.06	8.29	7.45
Standard Deviation	11.8	11.8	12.3	10.8
Probability of Achieving 6.75% over 20 Years	68.6	68.9	71.1	61.0

Recommendations

→ Meketa Investment Group consider all of the options viable.

→ Generally Meketa's OCIO requests clients to use their long term outlook to utilize private markets.

- If the Trustees do not wish to use Private Markets we suggest the switch to the asset allocation labeled "No Private Markets"
- If the Trustees wish to use private markets we would consider "Increase Private Markets" as the favored policy option.

→ We consider the use of a Global Equity target beneficial for a variety of reasons, specifically the ability to control the allocation more effectively.

→ The risk and reward of emerging market debt has changed over the last 10 years, leading to our view that better risk and reward is available without the commensurate risks that emerging market debt introduces to a Pension Fund.

→ If any changes are made at this meeting we would work with counsel to update the Investment Policy Statement and consider any updates to policy benchmarks.

Appendices

Scenario Return Inputs

Asset Class	Benchmark Used
Investment Grade Bonds	Bloomberg US Aggregate
TIPS	Bloomberg Global Inflation Linked: US TIPS
Intermediate Government Bonds	Bloomberg US Treasury: Intermediate
Long-term Government Bonds	Bloomberg US Treasury: Long
Emerging Market Bonds (local)	Bloomberg EM Local Currency Government Diversified
Bank Loans	Credit Suisse Leveraged Loan
High Yield Bonds	Bloomberg US Corporate High Yield
Direct Lending	Cliffwater Direct Lending Index
Real Estate	NCREIF Property Index
Core Private Real Estate	Cambridge Associates Proxy IRR Returns
Value-Added Real Estate	Cambridge Associates Proxy IRR Returns
Opportunistic Real Estate	Cambridge Associates Proxy IRR Returns
REITs	FTSE NAREIT All Equity REITS
Infrastructure (Private)	Cambridge Associates Proxy IRR Returns
Natural Resources (Private)	Cambridge Associates Proxy IRR Returns
Timberland	NCREIF Timberland
Commodities	Bloomberg Commodity Index
US Equity	Russell 3000
Developed Markets Equity (non-US)	MSCI EAFE
Emerging Markets Equity	MSCI Emerging Markets
Private Equity	Cambridge Associates Proxy IRR Returns
Long-Short	HFRI Equity Hedge
Global Macro	HFRI Macro
Hedge Funds	HFRI Fund Weighted Composite
Private Debt	Cambridge Associates Proxy IRR Returns

Negative Historical Scenario Returns - Sample Inputs

	Post-COVID Rate Hikes (Jan 2022-Oct 2023)	Covid-19 Market Shock (Feb 2020-Mar 2020)	Taper Tantrum (May - Aug 2013)	Global Financial Crisis (Oct 2007 - Mar 2009)	Popping of the TMT Bubble (Apr 2000 - Sep 2002)	LTCM (Jul - Aug 1998)
Cash Equivalents	5.5	0.4	0.0	2.6	9.9	0.8
Short-term Investment Grade Bonds	-1.6	0.4	-0.1	7.9	21.9	1.6
Investment Grade Bonds	-15.4	-0.9	-3.7	8.5	28.6	1.8
Long-term Corporate Bonds	-30.7	-18.4	-9.3	-10.3	26.9	-0.6
Long-term Government Bonds	-38.5	12.7	-11.6	24.2	35.5	4.1
TIPS	-13.2	-0.4	-8.5	8.2	37.4	0.7
Global Inflation Linked Bonds	-25.7	-6.5	-7.4	-3.9	39.7	0.7
High Yield Bonds	-7.1	-20.8	-2.0	-22.8	-6.3	-5.0
Bank Loans	8.8	-20.3	0.8	-23.7	6.3	0.7
Direct Lending	12.2	-4.8	2.6	-3.3	-2.0	-2.6
Foreign Bonds	-22.0	-4.5	-3.2	2.1	8.5	3.5
Emerging Market Bonds (major)	-15.8	-15.3	-11.5	-5.0	6.3	-28.2
Emerging Market Bonds (local)	-12.9	-13.9	-14.3	-7.9	7.2	-34.1
US Equity	-11.6	-35.0	3.0	-45.8	-43.8	-15.4
Developed Market Equity (non-US)	-12.1	-32.7	-2.2	-52.1	-46.7	-11.5
Emerging Market Equity	-21.8	-31.2	-9.4	-51.2	-43.9	-26.7
Global Equity	-12.9	-33.6	-0.7	-49.3	-46.7	-14.0
Private Equity/Debt	7.5	-7.8	5.7	-27.7	-23.6	-3.2
Private Equity	1.7	-7.4	5.8	-28.2	-26.2	-3.3
Private Debt	13.6	-10.1	4.6	-22.3	-1.8	-2.3
REITs	-31.4	-41.0	-13.3	-63.0	45.4	-15.3
Core Private Real Estate	-1.9	0.7	3.6	-10.6	23.6	2.3
Value-Added Real Estate	-4.0	-3.5	3.0	-32.2	25.4	0.0
Opportunistic Real Estate	9.1	-8.6	4.0	-25.7	21.4	1.5
Natural Resources (Private)	16.0	-22.1	2.5	-31.2	-3.9	-16.9
Timberland	18.4	0.1	1.3	20.7	-1.5	0.5
Farmland	12.5	-0.1	3.3	26.7	11.4	0.8
Commodities (naïve)	12.4	-18.9	-2.4	-36.9	18.5	-12.0
Infrastructure (Core Private)	13.6	-1.3	3.7	-0.8	24.8	-0.3
Hedge Funds	-2.1	-9.1	-0.4	-17.8	-2.1	-9.4
Long-Short	-9.5	-10.9	1.0	-26.4	-8.8	-8.3
Hedge Fund of Funds	-3.3	-7.6	-0.5	-19.5	-0.4	-7.7

Negative Historical Scenario Returns - Sample Inputs (continued)

	Rate spike (1994 Calendar Year)	Crash of 1987 (Sep - Nov 1987)	Strong dollar (Jan 1981 - Sep 1982)	Volcker Recession (Jan - Mar 1980)	Stagflation (Jan 1973 - Sep 1974)
Cash Equivalents	3.9	1.4	24.4	2.9	13.5
Short-term Investment Grade Bonds	0.5	2.3	29.9	-2.6	4.3
Investment Grade Bonds	-2.9	2.2	29.9	-8.7	7.9
Long-term Corporate Bonds	-5.8	1.5	29.6	-14.1	-12.0
Long-term Government Bonds	-7.6	2.6	28.4	-13.6	-1.8
TIPS	-7.5	2.8	15.6	-7.8	4.3
Global Inflation Linked Bonds	-7.9	2.9	16.5	-8.3	4.5
High Yield Bonds	-1.0	-3.6	6.9	-2.3	-15.5
Bank Loans	10.3	-1.7	3.3	-1.1	-7.5
Direct Lending	7.6	-2.3	3.2	-1.0	-7.2
Foreign Bonds	5.3	-0.3	34.8	-6.5	-1.4
Emerging Market Bonds (major)	-18.9	-9.2	-1.6	-2.6	-20.2
Emerging Market Bonds (local)	-22.8	-11.0	-2.0	-3.2	-23.9
US Equity	1.3	-29.5	-2.3	-4.1	-42.6
Developed Market Equity (non-US)	7.8	-14.5	-18.0	-7.0	-36.3
Emerging Market Equity	-7.3	-25.3	-12.1	-6.6	-44.2
Global Equity	5.0	-20.5	-11.1	-5.4	-40.4
Private Equity/Debt	13.2	-0.7	-2.7	-2.5	-18.2
Private Equity	14.2	-0.5	-3.9	-2.7	-20.1
Private Debt	6.2	-1.8	3.0	-1.0	-6.9
REITs	-3.5	-19.5	2.5	-3.6	-33.9
Core Private Real Estate	6.4	2.5	23.9	5.5	-4.4
Value-Added Real Estate	6.5	4.3	44.2	9.6	-7.6
Opportunistic Real Estate	18.8	3.1	30.7	7.0	-5.6
Natural Resources (Private)	12.6	-9.9	-9.5	-9.1	19.3
Timberland	15.4	9.2	23.6	-7.4	5.5
Farmland	9.4	5.3	13.3	-4.2	3.1
Commodities (naïve)	16.6	1.8	-16.0	-9.6	139.5
Infrastructure (Core Private)	-11.5	-0.1	-0.2	-0.1	-0.5
Hedge Funds	4.1	-7.8	-3.8	-1.9	-15.7
Long-Short	2.6	-10.0	-4.9	-2.5	-19.8
Hedge Fund of Funds	-3.5	-5.7	-2.7	-1.4	-11.5

Positive Historical Scenario Returns - Sample Inputs

	Covid-19 Recovery (Apr 2020 – Dec 2021)	Global Financial Crisis Recover (Mar 2009 - Nov 2009)	Best of Great Moderation (Apr 2003 - Feb 2004)	Peak of the TMT Bubble (Oct 1998 - Mar 2000)	Plummeting Dollar (Jan 1986 - Aug 1987)	Volcker Recovery (Aug 1982 - Apr 1983)	Bretton Wood Recovery (Oct 1974 - Jun 1975)
Cash Equivalents	0.1	0.1	0.9	6.7	10.0	6.0	4.5
Short-term Investment Grade Bonds	1.1	4.3	2.8	5.3	13.2	15.4	5.0
Investment Grade Bonds	2.6	9.0	4.6	1.7	14.4	26.4	9.2
Long-term Corporate Bonds	18.0	28.8	11.3	-3.1	15.9	42.1	17.5
Long-term Government Bonds	-7.2	2.0	4.9	-2.3	15.4	33.6	11.8
TIPS	15.6	14.3	9.1	6.3	10.2	11.5	4.1
Global Inflation Linked Bonds	18.9	24.7	9.6	6.6	10.8	12.1	4.3
High Yield Bonds	29.1	49.1	21.8	2.1	24.9	23.3	19.3
Bank Loans	24.8	32.9	10.1	6.1	11.1	10.4	8.7
Direct Lending	25.0	9.4	23.7	26.8	5.4	8.2	8.3
Foreign Bonds	5.2	23.4	15.2	-7.0	44.5	32.3	17.9
Emerging Market Bonds (major)	15.7	27.0	20.6	49.0	38.9	21.6	21.0
Emerging Market Bonds (local)	7.0	37.5	25.2	61.0	48.4	26.5	25.7
US Equity	92.0	51.6	37.2	50.2	64.8	59.3	55.1
Developed Market Equity (non-US)	55.4	60.5	56.7	53.0	140.0	29.6	34.6
Emerging Market Equity	50.9	94.6	79.4	101.3	126.5	52.1	53.4
Global Equity	75.2	59.9	46.2	54.8	98.7	46.3	43.8
Private Equity/Debt	97.8	18.8	23.3	82.4	19.0	13.7	18.4
Private Equity	101.5	16.7	23.7	90.0	21.6	14.8	20.2
Private Debt	41.2	28.7	20.4	21.3	5.9	7.9	8.0
REITs	75.1	82.5	44.6	-5.2	51.8	47.4	42.5
Core Private Real Estate	21.4	-12.1	9.0	18.1	13.1	6.8	4.5
Value-Added Real Estate	36.6	-22.4	10.9	22.0	23.6	11.9	7.8
Opportunistic Real Estate	41.1	-14.8	13.6	27.9	16.7	8.6	5.7
Natural Resources (Private)	45.4	57.6	36.1	22.2	78.3	30.2	14.8
Timberland	9.9	-3.7	8.5	20.5	28.6	20.0	8.7
Farmland	11.3	4.5	9.6	10.4	15.9	11.3	5.0
Commodities (naïve)	60.5	28.9	30.6	17.1	27.6	6.2	-20.2
Infrastructure (Core Private)	32.7	6.9	8.5	33.0	1.4	0.6	0.6
Hedge Funds	39.3	20.1	22.4	52.8	30.6	13.8	14.5
Long-Short	54.1	25.9	25.3	81.4	40.8	18.0	18.9
Hedge Fund of Funds	29.1	10.3	13.3	36.8	21.3	9.7	10.3

Stress Test Return Assumptions - Sample Inputs[1]

	10-year Treasury Bond rates rise 100 bps	10-year Treasury Bond rates rise 200 bps	10-year Treasury Bond rates rise 300 bps	Baa Spreads widen by 50 bps, High Yield by 200 bps	Baa Spreads widen by 300 bps, High Yield by 1000 bps	Trade Weighted Dollar gains 10%	Trade Weighted Dollar gains 20%	US Equities decline 10%	US Equities decline 25%	US Equities decline 40%
Cash Equivalents	-0.2	-0.4	-0.5	2.8	1.1	3.6	1.3	2.8	2.3	0.4
Short-term Investment Grade Bonds	-1.2	-2.4	-3.6	2.2	1.5	0.8	1.4	0.8	0.7	0.8
Investment Grade Bonds	-4.0	-7.6	-10.7	3.9	-0.4	0.8	4.2	1.3	0.7	-1.0
Long-term Corporate Bonds	-8.2	-15.1%	-19.8	2.6	-13.4	-1.0	8.1	-1.4	-8.3	-12.3
Long-term Government Bonds	-9.5	-17.2	-21.8	7.8	7.3	1.8	12.8	1.0	2.6	2.4
TIPS	-4.3	-8.5	-11.6	2.8	-6.1	-2.4	-0.2	1.6	-2.3	-8.7
Global Inflation Linked Bonds	-1.9	-9.1	-11.9	2.4	-11.1	-4.0	-4.8	1.1	-5.4	-16.3
High Yield Bonds	2.4	-4.6	-3.6	-1.8	-23.0	-4.1	-0.6	-5.4	-15.5	-21.2
Bank Loans	1.5	-1.1	-5.1%	-2.8	-20.8	-2.9	-0.6	-3.6	-13.2	-17.4
Direct Lending	0.3	-2.4	-6.3	-1.8	-9.5	-3.3	-0.8	-3.3	-7.8	-5.9
Foreign Bonds	-4.6	-9.9	-15.7	6.6	-2.9	-4.5	-8.8	0.1	-4.6	-9.2
Emerging Market Bonds (major)	0.7	-6.5	-3.6	-0.1	-14.7	-2.6	-4.2	-4.4	-12.5	-15.4
Emerging Market Bonds (local)	1.6	-6.6	-3.0	0.1	-12.4	-2.8	-11.7	-3.8	-12.9	-19.8
US Equity	6.8	-1.8	2.8	-1.1	-31.6	-3.4	1.9	-10.0	-25.0	-40.0
Developed Market Equity (non-US)	8.6	0.1	-5.5	0.4	-34.6	-12.8	-8.6	-8.4	-22.2	-39.2
Emerging Market Equity	9.2	1.4	0.1%	-1.0	-41.9	-15.2	-14.4	-10.7	-28.3	-43.0
Global Equity	7.2	-0.8	-0.5	-0.6	-33.0	-8.8	-5.3	-9.2	-23.8	-39.0
Private Equity/Debt	6.0	0.6	-5.5	-0.1	-22.1	-2.7	-6.8	-9.0	-22.1	-25.0
Private Equity	6.3	0.6	-5.3	0.0	-22.3	-2.7	-6.0	-9.8	-22.9	-25.3
Private Debt	2.3	-1.1	-6.2	-1.8	-15.8	-2.3	-4.2	-3.9	-12.8	-14.9
REITs	3.3	-5.1	1.1	-3.7	-36.4	-1.3	12.1	-7.0	-31.9	-54.1
Core Private Real Estate	1.9	4.3	5.0	2.0	-7.1	2.7	9.7	1.1	-8.5	-14.0
Value-Added Real Estate	4.2	7.1	14.1	7.2	-13.5	13.7	6.4	1.9	-13.6	-23.1
Opportunistic Real Estate	3.8	6.7	9.9	1.1	-20.6	2.3	15.6	-0.6	-17.1	-26.3
Natural Resources (Private)	9.2	3.5	-7.5	-0.3	-25.0	-5.6	-14.5	-1.7	-14.5	-24.8
Timberland	1.6	2.6	-9.9	5.0	6.9	2.9	8.6	0.7	2.7	3.9
Farmland	2.4	0.9	-9.2	3.9	10.1	1.3	8.0	1.1	4.9	10.3
Commodities (naïve)	8.7	6.1	-6.6	-4.3	-25.0	-3.4	-24.0	5.2	-11.1	-37.8
Infrastructure (Core Private)	0.6	-4.2	-6.1	1.2	0.1	-0.7	3.6	-0.4	-5.0	-7.8
Hedge Funds	2.6	-1.9	-5.1	-0.6	-14.5	-2.2	-1.7	-4.3	-12.2	-15.7
Long-Short	4.7	-2.3	-4.2	-0.1	-21.0	-3.7	-4.3	-7.5	-17.7	-23.5
Hedge Fund of Funds	1.8	-2.5	-5.7	-1.3	-14.8	-2.9	-2.4	-4.9	-12.5	-16.0

[1] Assumptions are based on performance for each asset class during historical periods that resembled these situations.

'Anti' Stress Test Return Assumptions - Sample Inputs[1]

	10-year Treasury Bond rates drop 100 bps	10-year Treasury Bond rates drop 200 bps	10-year Treasury Bond rates drop 300 bps	Baa Spreads narrow by 30bps, High Yield by 100 bps	Baa Spreads narrow by 100bps, High Yield by 300 bps	Trade Weighted Dollar drops 10%	Trade Weighted Dollar drops 20%	US Equities rise 10%	US Equities rise 30%
Cash Equivalents	0.2	0.3	0.4	0.8	0.2	2.0	4.5	2.3	3.1
Short-term Investment Grade Bonds	1.2	2.5	3.8	0.4	2.0	1.5	3.3	0.7	1.6
Investment Grade Bonds	4.3	8.9	14.0	1.1	3.9	2.5	9.4	1.8	3.8
Long-term Corporate Bonds	9.4	20.9	33.8	3.6	14.5	5.6	15.8	3.6	7.7
Long-term Government Bonds	11.6	24.9	40.5	0.1	-0.6	1.8	22.2	3.4	5.7
TIPS	4.7	9.8	15.6	0.9	5.9	3.8	7.8	1.5	2.2
Global Inflation Linked Bonds	3.0	6.4	7.7	1.8	7.4	5.9	8.4	1.6	3.2
High Yield Bonds	2.8	8.9	9.8	6.8	25.7	7.7	8.6	4.8	10.6
Bank Loans	-0.2	2.2	2.9	4.0	16.4	4.3	0.6	2.2	4.5
Direct Lending	-0.5	0.3	1.2	4.8	5.6	1.5	4.1	1.8	3.7
Foreign Bonds	5.7	11.3	18.8	1.4	7.4	9.9	21.3	2.2	6.8
Emerging Market Bonds (major)	3.1	7.4	8.1	5.2	15.5	7.4	15.4	5.4	11.1
Emerging Market Bonds (local)	3.7	9.7	10.4	5.3	17.5	10.3	19.1	5.9	12.7
US Equity	3.4	15.2	18.6	11.2	18.7	7.9	24.4	10.0	30.0
Developed Market Equity (non-US)	-2.4	16.3	18.0	9.3	18.2	13.1	47.3	6.1	17.8
Emerging Market Equity	0.5	17.6	22.9	8.9	34.1	19.7	46.9	8.6	26.5
Global Equity	0.7	15.1	18.1	9.4	19.5	11.1	35.4	8.1	24.1
Private Equity/Debt	2.4	4.3	5.1	9.8	9.5	7.3	16.3	10.2	13.4
Private Equity	2.5	4.3	5.0	9.9	8.3	7.2	16.9	10.9	14.1
Private Debt	0.8	1.8	2.7	7.2	12.7	4.8	5.9	4.5	6.6
REITs	2.6	14.2	18.5	8.8	27.0	6.5	24.8	9.5	23.0
Core Private Real Estate	1.0	1.6	1.5	3.8	-3.5	1.2	5.5	2.8	3.6
Value-Added Real Estate	2.7	6.4	6.3	4.8	-9.4	0.9	12.6	5.8	7.4
Opportunistic Real Estate	0.1	3.9	4.0	5.5	-5.5	-0.4	11.4	4.6	6.2
Natural Resources (Private)	0.5	11.0	14.6	8.0	23.5	13.0	23.9	5.1	12.6
Timberland	6.4	9.2	11.6	4.8	-0.6	3.8	12.9	6.3	5.5
Farmland	3.2	4.2	5.6	6.3	3.8	3.4	7.8	5.2	4.1
Commodities (naïve)	-2.6	-3.2	-3.0	2.5	9.8	13.6	-2.5	3.0	4.0
Infrastructure (Core Private)	0.8	-4.3	-3.7	6.8	4.8	3.5	-2.3	2.0	2.9
Hedge Funds	3.3	4.8	4.8	5.4	11.3	6.0	9.3	5.5	9.8
Long-Short	3.3	5.8	5.5	6.4	12.3	7.8	15.2	6.9	13.3
Hedge Fund of Funds	2.5	3.9	4.0	4.5	10.2	5.1	8.3	4.6	8.8

1 Assumptions are based on performance for each asset class during historical periods that resembled these situations.

Inflation Scenario Description

Scenario	Scenario Description
Inflation slightly higher than expected	Inflation is .05% above inflation expectation (i.e. surprise inflation is .05%). .05% is the 25th percentile of positive, historical surprise inflation.
Inflation moderately higher than expected	Inflation is .15% above inflation expectation (i.e. surprise inflation is .15%). .15% is the median of positive, historical surprise inflation.
Inflation meaningfully higher than expected	Inflation is .3% above inflation expectation (i.e. surprise inflation is .3%). .3% is the 75th percentile of positive, historical surprise inflation.
High Growth and Low Inflation	The real GDP growth rate is 1% and inflation is .07%. 1% GDP growth is the 75th percentile of historical GDP growth and .07% inflation is the 25th percentile of historical inflation.
High Growth and Moderate Inflation	The real GDP growth rate is 1% and inflation is .25%. 1% GDP growth is the 75th percentile of historical GDP growth and .25% inflation is the median of historical inflation.
High Growth and High Inflation	The real GDP growth rate is 1% and inflation is .5%. 1% GDP growth is the 75th percentile of historical GDP growth and .5% inflation is the 75th percentile of historical inflation.
Low Growth and Low Inflation	The real GDP growth rate is .3% and inflation is .07%. .3% GDP growth is the 25th percentile of historical GDP growth and .07% inflation is the 25th percentile of historical inflation.
Low Growth and Moderate Inflation	The real GDP growth rate is .3% and inflation is .25%. .3% GDP growth is the 25th percentile of historical GDP growth and .25% inflation is the median of historical inflation.
Low Growth and High Inflation	The real GDP growth rate is .3% and inflation is .5%. .3% GDP growth is the 25th percentile of historical GDP growth and .5% inflation is the 75th percentile of historical inflation.
Very brief, moderate inflation spike	Inflation is .45% and lasts for 1-2 months. .45% is the 75th percentile of historical inflation.
Brief, moderate inflation spike	Inflation is .45% and lasts for 4-8 months. .45% is the 75th percentile of historical inflation.
Extended, moderate inflation spike	Inflation is .45% and lasts for 12+ months. .45% is the 75th percentile of historical inflation.
Very brief, extreme inflation spike	Inflation is .9% and lasts for 1-2 months. .9% is the 95th percentile of historical inflation.
Brief, extreme inflation spike	Inflation is .9% and lasts for 4-8 months. .9% is the 95th percentile of historical inflation.
Extended, extreme inflation spike	Inflation is .9% and lasts for 12+ months. .9% is the 95th percentile of historical inflation.

Notes and Disclaimers

[1] The returns shown in the Policy Options and Risk Analysis sections rely on estimates of expected return, standard deviation, and correlation developed by Meketa Investment Group. To the extent that actual return patterns to the asset classes differ from our expectations, the results in the table will be incorrect. However, our inputs represent our best unbiased estimates of these simple parameters.

[2] The returns shown in the Policy Options and Risk Analysis sections use a lognormal distribution, which may or may not be an accurate representation of each asset classes' future return distribution. To the extent that it is not accurate in whole or in part, the probabilities listed in the table will be incorrect. As an example, if some asset classes' actual distributions are even more right-skewed than the lognormal distribution (i.e., more frequent low returns and less frequent high returns), then the probability of the portfolio hitting a given annual return will be lower than that stated in the table.

[3] The standard deviation bars in the chart in the Risk Analysis section do not indicate the likelihood of a 1, 2, or 3 standard deviation event—they simply indicate the return we expect if such an event occurs. Since the likelihood of such an event is the same across allocations regardless of the underlying distribution, a relative comparison across policy choices remains valid.

AFL-CIO Building Investment Trust Update

Background

→ The Unite Here Pension Fund has been invested in the AFL-CIO BIT Fund since October 2011. The portfolio has been severely challenged and has experienced significantly negative performance over the last several years.

- For calendar year 2023, the fund posted a net return of -34.0% while the benchmark was down by 13.3%. Since inception, the fund has returned 2.9% net of fees, trailing its benchmark by 4.6% over that period.

→ Meketa's real estate research team met with AFL-CIO BIT in November 2023, to discuss the significant underperformance during the year and to get updates on the Fund's strategy going forward. We have included key take aways from that discussion in this document.

→ As a reminder, DWS took over as investment manager of the AFL-CIO BIT fund in 2023. As part of the transition plan, DWS instituted a lock-up period, temporarily freezing redemptions to enable the portfolio transition.

As of December 31, 2023	Market Value ($ mm)	QTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Since Inception (%)	Inception Date
AFL-CIO BIT	10.2	-5.5	-34.0	-10.4	-6.0	1.2	2.9	Oct-11
NCREIF ODCE		-5.4	-13.3	4.3	3.8	6.7	7.5	

Summary

→ The AFL-CIO BIT Fund has struggled with performance relative to the NFI-ODCE Index due to high exposure to gateway cities, an overweight to the office sector, an underweight to industrial, and high leverage on some of their office properties.

→ DWS was assigned as the new investment manager for the portfolio in early 2023 and has been working through a three-phrase strategy that seeks to stabilize the portfolio, reposition some of the assets and eventually grow, with goals of creating liquidity down the road.

→ As part of this transition, the AFL-CIO BIT Fund was removed from the NFI-ODCE Index and will be benchmarked to the NCREIF Property Index going forward.

Performance Drivers and Fund Composition

→ In 2023, the fund was down 35%, underperforming the benchmark by a wide margin. Negative relative performance was driven by poor sector exposures (underweight to industrials & overweight to office). Additionally, high exposure to midsized urban centers "gateway cites" as well as high leverage within the Office Sector.

→ Currently, the fund has 43 properties with a total of $4.9 billion GAV ($3.2 billion NAV) and a portfolio leverage ratio of 35.6%. Sector exposures were 45% multifamily, 29% office, 17% industrial, 9% retail, with Top 5 markets representing 58% of the fund GAV.

→ Total fund occupancy sits at 89% (95% apartments, 100% industrial, 83% office, 71% retail). The low occupancy in the retail sector is attributed to Hacienda Crossings (80%) and Gallery Place (42%) while Office occupancy is weighted down due to Wacker (85%), 400 S Hope (84%), One Federal (78%), 1801 California (73%), and 199 Fremont (42%).

Outlook

→ The AFL-CIO BIT is a diversified real estate fund that has been challenged by a difficult real estate environment coupled with investor redemptions, capital requirements required to fund development projects, current and pending office vacancies, and near-term debt maturities.

- Property level considerations include a risk overweight to value-add office and multifamily development have also impacted portfolio liquidity.

→ DWS has developed a three-phase strategy that seeks to stabilize portfolio and maximize shareholder value. They aim to stabilize the fund by focusing on extending 2023 maturities with existing lenders, re-evaluating current credit facilities, and restricting near term redemptions. The goal here is to create liquidity for the portfolio in the least dilutive way.

→ In the mid-to-long term window, DWS will look to rebalance the portfolio through dispositions and strategic acquisitions in target markets by sector.

- As investors, including the Pension Fund, are currently locked up for another 2+ years, the manager has the ability to reposition the portfolio to maximize value without forced sales to satisfy redemptions.

→ In light of the current market environment and portfolio, the road ahead for the AFL-CIO BIT is still challenging, however, DWS has operated through several market cycles and has extensive experience transitioning portfolios, going through workouts, and recapitalizations.

→ We will keep the Trustees apprised of progress over time.

Appendices

Corporate Update

7
Offices

235+
Employees

245+
Clients

$1.8T
Assets Under Advisement

$200B
Assets in Alternative Investments

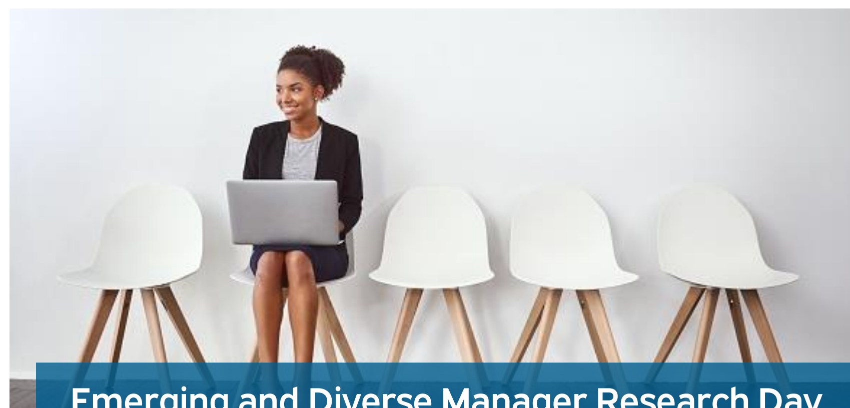
98%
Client Retention Rate

5:1
Client | Consultant Ratio

Meketa Investment Group is proud to work for over 15 million American families everyday!

UPCOMING EVENTS

Q4 Investment Perspectives Webcast
April 2024



Emerging and Diverse Manager Research Day
April 2024

Client and employee counts as of December 31, 2023; assets as of September 30, 2023.
Client retention rate is one minus the number of clients lost divided by the number of clients at prior year-end.

THOUGHT LEADERSHIP

Read our December Connectives “Navigating US China Tensions with Dynamic Portfolio Levers”

Sifting through economic, financial, and political factors is proving to be increasingly challenging for institutional investors as sentiment toward China continues to turn negative in western governments.

While some US investors have decided to actively underweight or even exit China altogether, others are seeking dynamic portfolio and manager solutions.

Read more here:
https://meketa.com/news/meketa-connectives-navigating-us-china-tensions-with-dynamic-portfolio-levers/

Read our recent white paper “Opportunities in Critical Minerals”

The push toward net-zero emissions has expedited the need for green energy and technology. At the forefront of this green energy boom are critical minerals, the essential inputs to all types of green technologies, especially electric vehicles (“EVs”) and EV batteries.

This research note provides an overview of critical minerals, their uses, current market size, as well as describes the unique opportunity that critical minerals may provide for investors.

Read more here:
https://meketa.com/leadership/the-opportunity-in-critical-minerals/

Watch our recent webinar “Mission Driven Investing Manager Research Day Roundtable”

As part of Meketa’s first Public and Private Markets Mission Driven Investing Manager Research Day, we hosted a one-hour roundtable discussion with a panel of institutional investors speaking about their experiences with mission driven investing. The panel includes perspectives from investors who invest broadly in mission-driven investments, as well as specifically for economic development in a particular state or region and as informed by religious values. Discussion topics include impact and return goals, mission related investment structures, best practices in manager due diligence and other areas relevant for the mission driven investor.

Read more here:
https://meketa.com/leadership/december-2023-mission-driven-investing-manager-research-day-roundtable/

MEKETA VALUES CULTURE

Whether looking for new team members or getting to know our current fellow team mates better, Meketa values the people we work with.

MEKETA IN THE NEWS

Pensions&Investments

Asset owners lean on consultants to be educated about ESG

By Palash Ghosh | 11.20.23

Read full article here

Meketa assists clients in understanding different approaches to sustainability, including focusing on integrating material sustainability financial risks and opportunities, seeking investments that also offer impact on a given environmental or social themes, and investing in products for socially responsible ends that do not include a performance expectation to meet or exceed a market beta, said Sarah Bernstein, head of sustainability. "Some pension funds have specific requests, for example how to respond to ESG and/or anti-ESG legislation; provide analysis on options to address climate risks and opportunities; or address diversity, equity and inclusion concerns," she added.

One area that is seeing a lot of interest from investors is opportunities around the energy transition. Lisa Bacon, managing principal, private markets consultant and infrastructure program lead at Meketa, said deploying capital into renewables and related infrastructure has been going on for a number of years even before "energy transition" and "decarbonization" became common terms.

In fact, "as both governmental entities and corporates in the U.S. and abroad have established more ambitious goals for reducing greenhouse gases and reaching net-zero carbon emissions, demand for private capital to support investments in assets and companies that will help meet these goals has also increased," Bacon said. "Opportunities have also arisen in the natural resources sector involving alternative fuels, metals and minerals for batteries and electric chargers, and other sustainable inputs and activities." Bacon added that Meketa and its clients want to be investing in the areas "where economic activity is increasing and where growth potential supports attractive risk-adjusted returns."

Impact of higher rates top of mind for institutions

By Palash Ghosh | 11.20.23

Read full article here

Aside from rising interest rates, noted Frank Benham, director of research at Meketa, his firm's clients are also concerned about the potential for an economic hard landing, as well as both political and economic risks in China.

Regarding China, Amy Hsiang, director of public markets manager research at Meketa, said clients are interested in learning more about emerging markets. "Whether or not translates to actually increasing allocations to emerging markets, only time will tell," Hsiang said. "We have not seen clients actively avoid China."

"Clients are increasing exposure to select alternatives like private credit and private equity. This needs to be balanced with an understanding of each clients' liquidity needs to ensure the portfolio can deliver on all commitments through a market cycle." John A. Haggerty, director of private market investments at Meketa, noted that in times of uncertainty and market volatility, the issue of placing value on alternative assets naturally receives more scrutiny. "Private market performance lags public market performance in both up markets and down markets," he said. "So, the gaps have been greater in recent years with the stock market swings, negative in 2022 and positive for much of 2023."

FUNDfire

Corporate Pensions at 'Inflection Point' as Funded Statuses Improve

By Bridget Hickey 11.28.23

Read full article here

Corporate pension sponsors are at an "inflection point" when it comes to deciding about the future of their plans, said Jonathan Camp, a managing principal at investment consultant Meketa.

Companies may choose to hedge their liabilities or transfer risk. Almost 90% of corporate pension respondents to a recent survey by MetLife said they were interested in completely divesting all their defined benefit plan liabilities.

However, the news earlier this month that International Business Machines, better known as IBM, is reopening its defined benefit pension as a cash balance plan has sparked a conversation within the industry about whether other companies will follow suit.

Companies that are over-funded may opt to follow in IBM's stead, Camp suggested. He added that one client, (un-named), re-opened its pension plan more than a year ago.

"The benefit of just keeping your frozen pension plan on your books is that it's very easy to open it back up in a different form in the future, versus if you terminate your plan," he said. "It will be interesting to see, if now that we have this first mover publicly, if other companies think to themselves, 'well, you know, I can do that too'."

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Credit Risk: Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security).

Duration: Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

Information Ratio: This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

Jensen's Alpha: A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk. Portfolio Return- [Risk Free Rate+Beta*(market return-Risk Free Rate)].

Market Capitalization: For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

Market Weighted: Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

Maturity: The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

Prepayment Risk: The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

Price-Book Value (P/B) Ratio: The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

Price-Earnings (P/E) Ratio: A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about is future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

Quality Rating: The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

Sharpe Ratio: A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

STIF Account: Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

Standard Deviation: A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

Style: The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

Yield to Maturity: The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a "basis book." For example, a 5% bond pays $5 a year interest on each $100 par value. To figure its current yield, divide $5 by $95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay $100 for the bond that can be bought now for $95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\%\text{ (discount)}}{5\text{ (yrs. to maturity)}} = \begin{array}{l}1\%\text{ pro rata, plus}\\ 5.26\%\text{ (current yield)}\end{array} = 6.26\%\text{ (yield to maturity)}$$

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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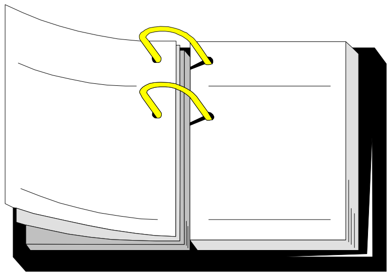
Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.



MEETING NOTES