UNITE HERE Local 25 and Hotel Association of Washington, D.C.
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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.
PENSION FUND
HELD ON APRIL 30, 2025
UNITE HERE Local 25
901 K Street, N.W., Suite 200
Washington, DC

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
Paul Schwalb - Chairman	Solomon Keene
Stephanie Steer Jones	Satinder Palta
Linda Martin	Michael D'Angelo (via video conference)

Also present were:

Anne Mayerson - Bredhoff & Kaiser, PLLC
Swapnil Agrawal – Bredhoff & Kaiser, PLLC
Ben Conley - Seyfarth Shaw, LLP
Anne-Marie Sims - Associated Administrators, LLC
Amy Steen – Associated Administrators, LLC
Brittany Garland – Associated Administrators, LLC
William Duryea - Meketa Investment Group
Brian Dana – Meketa Investment Group (via video conference)
Kevin Woodrich – Cheiron
Coralie Taylor - Cheiron

I. CALL TO ORDER

A quorum being present, Chairman Schwalb called the meeting to order.

II. MINUTES

Board Meeting, January 22, 2025

The Trustees reviewed the draft minutes of the January 22, 2025 meeting.

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

> **RESOLVED that the minutes of the Board meeting held January 22, 2025 are approved as presented.**

III. INVOICES

Ms. Sims presented a list of invoices dated April 30, 2025. 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 April 30, 2025 are approved for payment.**

IV. PAYROLL AUDITOR REPORT

Ms. Sims reviewed with the Trustees the Payroll Audit Collections Report dated April 16, 2025, which was included with the meeting materials.

V. CO-COUNSEL REPORT

A. Counsel Rate Increase Request

Mr. Conley requested an increase in his firm's hourly billing rate from $580 to $640/hour effective April 1, 2025. He noted that co-counsel rates have not increased since 2022. Ms. Mayerson requested the same increase for her firm except that associate rates, which are currently $440, would increase to $475/hour. She explained that this proposal reflects a 3% year-over-year increase, which is less than inflation over that same period. The Trustees approved the fee increase.

RESOLVED that the proposed increases in Fund Co-Counsel's hourly rate is approved, effective April 1, 2025.

B. Withdrawal Liability – Capitol Hill DC

Ms. Steer reported that the Capitol Hill Hotel was changing operators from Hilton to Rebel. She noted that an assumption agreement has already been executed. The Trustees requested that the payroll auditor perform an exit audit on this property.

C. Withdrawal Liability – Intercontinental Hotel

Ms. Steer reported that the Intercontinental Hotel had restructured April 1, 2025 with new ownership but no change in operator. The Trustees confirmed that Fund had received a signed owner's letter and requested that the payroll auditor perform an exit audit on this property.

D. Supreme Court – Prohibited Transaction Fees to Service Providers

Mr. Conley and Ms. Mayerson reported on the Supreme Court's recent decision in *Cunningham v. Cornell University*. The Supreme Court unanimously held that where a plaintiff brings a claim that a transaction between a plan and a party-in-interest is prohibited under ERISA § 406, they need not allege that no statutory exemption is available (e.g., there is a contract with a service provider under which reasonable compensation is paid). Rather, the plan must show that an exemption applies. This means that these claims are more likely to withstand a plan's motion to dismiss the claim before reaching the costly discovery phase, giving the plaintiffs more leverage to extract settlements from plans even if their claims lack merit. Ms. Mayerson advised that there was little that the Trustees could do to mitigate the risk of such litigation beyond continuing their prudent monitoring of service provider fees. She added that any such litigation should be covered by fiduciary insurance – though premiums may increase due to the Supreme Court's decision.

VI. INVESTMENT CONSULTANT REPORT

Mr. Duryea outlined the presentation Meketa prepared for the meeting. He began by covering the agenda which included an update on the markets and economy, followed by the performance and positioning of the Fund.

Mr. Dana began with a summary of the markets and economy for the year-to-date period. He discussed the returns of various indexes and drivers of markets for the beginning of 2025 with a focus on the effect of the current administration's trade policy. April volatility was discussed along with potential market and economic impacts of Tariffs on different parts of the market and economy. The quarter saw a shift in market leadership with US equities declining by approximately 5% and international equities gaining just under 7%.

Mr. Duryea then discussed the positioning of the Fund. With the recent updates to the asset allocation Meketa continues to work towards new targets.

Mr. Duryea discussed the current allocation of the Fund relative to the positioning comments. At the end of Q1 2025 the Fund was primarily underweight to the private equity asset class that was increased with the change to the asset allocation. Additional commitments will be made to reach the target over time.

Mr. Duryea began with a review of the overall Fund performance, stating that for the quarter the Fund was up 1.5% net of fees. Mr. Duryea also reviewed the performance of the asset class aggregates for the quarter and one year period.

YTD 2025 returns were estimated at 1.5 % through 4/30/25.

VII. ACTUARY REPORT

The Trustees welcomed Mr. Kevin Woodrich and Ms. Coralie Taylor of Cheiron, Inc. to the meeting.

Mr. Woodrich reviewed the Annual Certification of Plan Status under Section 432(b) of the Internal Revenue Code has been filed by the deadline of March 31, 2025. Cheiron certified that, for the plan year beginning January 1, 2025, the Fund is not in endangered, critical, or critical and declining status. In addition, the Fund is not projected to be classified as being in critical status for the five plan years following the plan year beginning January 1, 2025. Mr. Woodrich also reported that the plan is 85.86% funded and is projected to be fully funded by 2029.

Mr. Woodrich reminded the Trustees that, at a prior meeting, they had discussed a possible benefit increase. The Trustees agreed to table this discussion for a future meeting due to changing market conditions.

The Cheiron representatives left the meeting.

VIII. ADMINISTRATIVE MANAGER'S REPORT

A. Fourth Quarter 2024 Administrative Manager's Report

Ms. Sims presented and reviewed the Fourth Quarter 2024 Administrative Manager's Report, which is included in the meeting book. The report showed employer contribution income of $6,968,327, investment income of ($4,336,210), interest & dividends of $2,389,478 and withdrawal liability of $210,820, producing a total income of $5,232,415. Expenses included $5,996,435 for pension and death benefits, $96,708 for administration fees, and $496,596 miscellaneous expenses, producing total expenses of $6,589,739, resulting in a deficit of $1,357,324. Contributions were made on behalf of 5,858 active participants.

B. Fourth Quarter 2024 Pension Benefit Applications

Ms. Sims presented and reviewed the Fourth Quarter 2024 Pension Benefit Application Reports, which were included in the meeting book.

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

RESOLVED that the Fourth Quarter 2024 Pension Benefit Applications are approved for payment as presented.

IX. OTHER FUND BUSINESS

A. Fund Actuary – 2025 Fees

Ms. Sims reviewed Cheiron's proposed 2025 retainer fee and rates for non-retainer work set forth in the April 24, 2025 letter. Specifically, she noted that the proposed annual retainer fee will increase by 2.4% from $62,658 ($15,664.50 per quarter) to $64,162 ($16,040.50 per quarter), and the proposed hourly fees for non-retainer work (special consulting projects) will range between $165 and $550 per hour for 2025.

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

RESOLVED that Cheiron's proposed 2025 retainer fees and billing rates for non-retainer work is approved.

X. NEXT MEETING DATES

The Trustees scheduled the following Board meetings for the remainder of 2025, commencing at 10:00 a.m.: August 13, 2025, and November 19, 2025.

XI. ADJOURNMENT

There being no further business, the meeting was adjourned.

Approved by the Board of Trustees on __________, 2025

By: ____________________________________

Anne-Marie Sims, Associated Administrators, LLC

AMS

(Org. 04-30-2025)