FELRA and UFCW Benefit Funds
VEBA, Severance, Scholarship, and Legal Funds

April 16, 2019

INVESTMENT PERFORMANCE SERVICES, LLC

TABLE OF CONTENTS

This page left blank intentionally.

FELRA and UFCW Benefit Funds

VEBA, Severance, Scholarship, and Legal Funds

Preliminary Performance

Period Ending

February 28, 2019

Summary of Cash Flows
Ending February 28, 2019

	Last Month	Year-To-Date
Beginning Market Value	$38,987,733	$31,103,087
Net Cash Flow	-$6,213,197	$1,259,031
Net Investment Change	$181,934	$594,352
Ending Market Value	$32,956,471	$32,956,471

- Total assets represent the combined value of the VEBA, Severance, Scholarship and Legal Funds.

- Fiscal year end is 12/31.

Performance Summary (Gross of Fees)

	Market Value	% of Portfolio	Ending February 28, 2019 1 Mo	Ending February 28, 2019 YTD
Composite	**$32,956,471**	**100.0%**	**0.5%**	**1.8%**
Total Fund Domestic Equity	**$3,271,329**	**9.9%**	**3.5%**	**12.4%**
CRSP US Total Market TR USD			*3.5%*	*12.4%*
S&P 500			*3.2%*	*11.5%*
Vanguard U.S. Stock Market Index Fund	$3,271,329	9.9%	3.5%	12.4%
CRSP US Total Market TR USD			*3.5%*	*12.4%*
Total Fund Investment Grade Fixed Income	**$5,480,205**	**16.6%**	**0.2%**	**1.0%**
Custom Benchmark			*0.1%*	*1.0%*
Segall, Bryant and Hamill	$5,480,205	16.6%	0.2%	1.0%
Custom Benchmark			*0.1%*	*1.0%*
Total Short Duration High Yield Fixed Income	**$2,419,749**	**7.3%**	**0.9%**	**2.9%**
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*3.1%*
Chartwell Investment Partners Short Duration High Yield	$2,419,749	7.3%	0.9%	2.9%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*3.1%*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*2.9%*
Total Fund Real Estate	**$2,515,322**	**7.6%**	**0.0%**	**1.7%**
American Realty Advisors	$2,515,322	7.6%	0.0%	1.7%

Performance Summary (Gross of Fees)

	Market Value	% of Portfolio	Ending February 28, 2019 1 Mo	Ending February 28, 2019 YTD
Total Fund Cash	**$19,249,293**	**58.4%**	**0.2%**	**0.3%**
VEBA Cash	$16,193,624	49.1%	0.2%	0.3%
91 Day T-Bills			*0.2%*	*0.4%*
Severance Cash	$2,834,010	8.6%	0.2%	0.3%
91 Day T-Bills			*0.2%*	*0.4%*
Scholarship Cash	$9,312	0.0%	0.1%	0.3%
91 Day T-Bills			*0.2%*	*0.4%*
Legal Cash	$212,347	0.6%	0.1%	0.2%
91 Day T-Bills			*0.2%*	*0.4%*
Total Fund HFOF/Cash	**$20,573**	**0.1%**		
Meridian MDF Special Investments	$20,573	0.1%		

Summary of Cash Flows

	Last Month	Year-To-Date
Beginning Market Value	$34,553,828	$27,544,017
Net Cash Flow	-$5,670,459	$940,678
Net Investment Change	$172,861	$571,534
Ending Market Value	$29,056,229	$29,056,229

			Ending February 28, 2019	
	Market Value	% of Portfolio	1 Mo	YTD
Total VEBA Fund	**$29,056,229**	**100.0%**	**0.5%**	**1.9%**
Domestic Equity	$3,261,980	11.2%	3.5%	12.4%
CRSP US Total Market TR USD			*3.5%*	*12.4%*
Core Bond	$4,864,493	16.7%	0.2%	1.0%
Custom Benchmark			*0.1%*	*1.0%*
Short Duration High Yield Bond	$2,268,671	7.8%	0.9%	2.9%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*3.1%*
Real Estate	$2,467,461	8.5%	0.0%	1.7%
VEBA Cash	$16,193,624	55.7%	0.2%	0.3%
91 Day T-Bills			*0.2%*	*0.4%*

Allocation vs. Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
U.S. Large Cap Equity	$3,261,980	11.2%	25.0%	5.0% - 50.0%	-13.8%	-$4,002,077
Investment Grade Fixed Income	$4,864,493	16.7%	40.0%	20.0% - 80.0%	-23.3%	-$6,757,999
Short Duration High Yield	$2,268,671	7.8%	20.0%	10.0% - 40.0%	-12.2%	-$3,542,575
Real Estate	$2,467,461	8.5%	10.0%	0.0% - 20.0%	-1.5%	-$438,162
Cash	$16,193,624	55.7%	5.0%	0.0% - 25.0%	50.7%	$14,740,813
Total	**$29,056,229**	**100.0%**	**100.0%**			

Note: Allocations are based on data from the PNC custody statements.

Summary of Cash Flows

	Last Month	Year-To-Date
Beginning Market Value	$3,649,360	$2,937,615
Net Cash Flow	-$365,717	$337,217
Net Investment Change	$7,487	$16,298
Ending Market Value	$3,291,130	$3,291,130

	Ending February 28, 2019			
	Market Value	% of Portfolio	1 Mo	YTD
Total Severance Fund	**$3,291,130**	**100.0%**	**0.2%**	**0.5%**
Core Bond	$320,781	9.7%	0.2%	1.0%
Custom Benchmark			*0.1%*	*1.0%*
Short Duration High Yield	$115,766	3.5%	0.9%	2.9%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*3.1%*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*2.9%*
HFOF/Cash	$20,573	0.6%		
Severance Cash	$2,834,010	86.1%	0.2%	0.3%
91 Day T-Bills			*0.2%*	*0.4%*

Allocation vs. Policy							
	Current Balance	Current Allocation	Policy	Difference	Policy Range	Difference	Difference
Investment Grade Fixed Income	$320,781	9.7%	65.0%	-55.3%	10.0% - 80.0%	-55.3%	-$1,818,453
Short Duration High Yield	$115,766	3.5%	30.0%	-26.5%	15.0% - 60.0%	-26.5%	-$871,573
HFOF/Cash	$20,573	0.6%	--	0.6%	--	0.6%	$20,573
Cash	$2,834,010	86.1%	5.0%	81.1%	0.0% - 40.0%	81.1%	$2,669,453
Total	**$3,291,130**	**100.0%**	**100.0%**				

Note: Allocations are based on data from the PNC custody statements.

Summary of Cash Flows

	Last Month	Year-To-Date
Beginning Market Value	$166,409	$170,840
Net Cash Flow	-$3,821	-$11,026
Net Investment Change	$748	$3,522
Ending Market Value	$163,336	$163,336

	Ending February 28, 2019			
	Market Value	% of Portfolio	1 Mo	YTD
Total Scholarship Fund	**$163,336**	**100.0%**	**0.4%**	**2.1%**
Domestic Equity	$9,348	5.7%	3.5%	12.4%
CRSP US Total Market TR USD			*3.5%*	*12.4%*
S&P 500			*3.2%*	*11.5%*
Core Bond	$61,503	37.7%	0.2%	0.9%
Custom Benchmark			*0.1%*	*1.0%*
Short Duration Hi Yield Fund	$35,311	21.6%	0.9%	2.9%
BofA ML - U.S. HY Cash Pay 1-3 Yr BB			*0.9%*	*3.1%*
BBgBarc 1-3 Yr BB U.S. Constrained Index			*0.8%*	*2.9%*
Real Estate	$47,861	29.3%	0.0%	1.7%
Scholarship Cash	$9,312	5.7%	0.1%	0.3%
91 Day T-Bills			*0.2%*	*0.4%*

- On 1/1/19 sold $4,000 of Core Bond.

- On 2/1/19 sold $10,000 of Core Bond.

Allocation vs. Policy						
	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
U.S. Large Cap Equity	$9,348	5.7%	10.0%	2.5% - 20.0%	-4.3%	-$6,985
Investment Grade Fixed Income	$61,503	37.7%	40.0%	20.0% - 80.0%	-2.3%	-$3,831
Short Duration Hi Yield Fund	$35,311	21.6%	30.0%	5.0% - 60.0%	-8.4%	-$13,689
Real Estate	$47,861	29.3%	20.0%	0.0% - 40.0%	9.3%	$15,194
Cash	$9,312	5.7%	--	--	5.7%	$9,312
Total	**$163,336**	**100.0%**	**100.0%**			

Note: Allocations are based on data from the PNC custody statements.

Summary of Cash Flows

	Last Month	Year-To-Date
Beginning Market Value	$618,136	$450,617
Net Cash Flow	-$173,200	-$7,838
Net Investment Change	$840	$2,997
Ending Market Value	$445,776	$445,776

			Ending February 28, 2019	
	Market Value	% of Portfolio	1 Mo	YTD
Total Legal Fund	**$445,776**	**100.0%**	**0.1%**	**0.6%**
Core Bond	$233,429	52.4%	0.2%	1.0%
Custom Benchmark			*0.1%*	*1.0%*
Legal Cash	$212,347	47.6%	0.1%	0.2%
91 Day T-Bills			*0.2%*	*0.4%*

Note: Allocations are based on data from the PNC custody statements.

Allocation vs. Policy

	Current Balance	Current Allocation	Policy	Policy Range	Difference	Difference
Investment Grade Fixed Income	$233,429	52.4%	100.0%	30.0% - 100.0%	-47.6%	-$212,347
Cash	$212,347	47.6%	--	--	47.6%	$212,347
Total	**$445,776**	**100.0%**	**100.0%**			

ASSET ALLOCATION REVIEW

FELRA and UFCW Benefit Funds

April 16, 2019

This page left blank intentionally.

Annualized Expected Returns over 10-20 years

Equity Asset Class	Return	Risk
U.S. Large Cap	7.25%	15.50
U.S. Mid Cap	7.50%	17.50
U.S. Smid Cap	7.63%	19.00
U.S. Small Cap	7.75%	21.00
International Large Cap	7.75%	17.00
International Small Cap	8.00%	20.50
Emerging Markets	9.00%	22.00
Global Equity	7.75%	17.50

Fixed Income Asset Class	Return	Risk
Cash Equivalents	2.50%	0.50
Short-term Gov/Credit	3.00%	2.50
Intermediate Investment Grade	3.25%	4.00
Core Investment Grade	3.50%	5.00
Mortgages	4.50%	5.00
Short Duration High Quality High Yield	5.00%	6.50
High Quality High Yield	6.00%	8.50
Opportunistic High Yield	6.25%	8.75
Multi-Sector Fixed Income	5.00%	6.50
Short Duration Global Bonds	4.00%	6.00
Core Plus Bonds	4.00%	6.00

Alternatives Asset Class	Return	Risk
Multi-Strategy Hedge Fund of Funds	4.75%	6.50
Opportunistic Strategies	8.00%	11.00
Long Short Equity Hedge Fund of Funds	5.75%	10.00
Global Tactical Asset Allocation	6.75%	13.00
Core Real Estate	7.00%	10.00
Value-Add Real Estate	8.00%	12.00
Opportunistic Real Estate	10.00%	15.50
REITS	7.00%	21.00
Private Equity FOF	10.00%	20.00
Private Equity Secondaries	10.00%	18.00
Core Infrastructure	6.50%	12.00
Value-Add Infrastructure	9.00%	16.00
Risk Parity	6.25%	16.00
Commodities	3.75%	18.00

INVESTMENT PERFORMANCE SERVICES, LLC

- IPS Investment Committee January 2019.
- Inflation expectation 2.00%.
- The above chart represents an annualized return forecast for different asset classes using index returns (net of fees). These forecasts are forward-looking assumptions based on reasonable beliefs of the IPS Investment Committee, but are not a guarantee of future performance. Actual results may differ from the forecast above.
- The information contained in this report is proprietary and confidential information. You are hereby notified that any dissemination, distribution, or copying of this document is strictly prohibited.

Asset Class Constraints

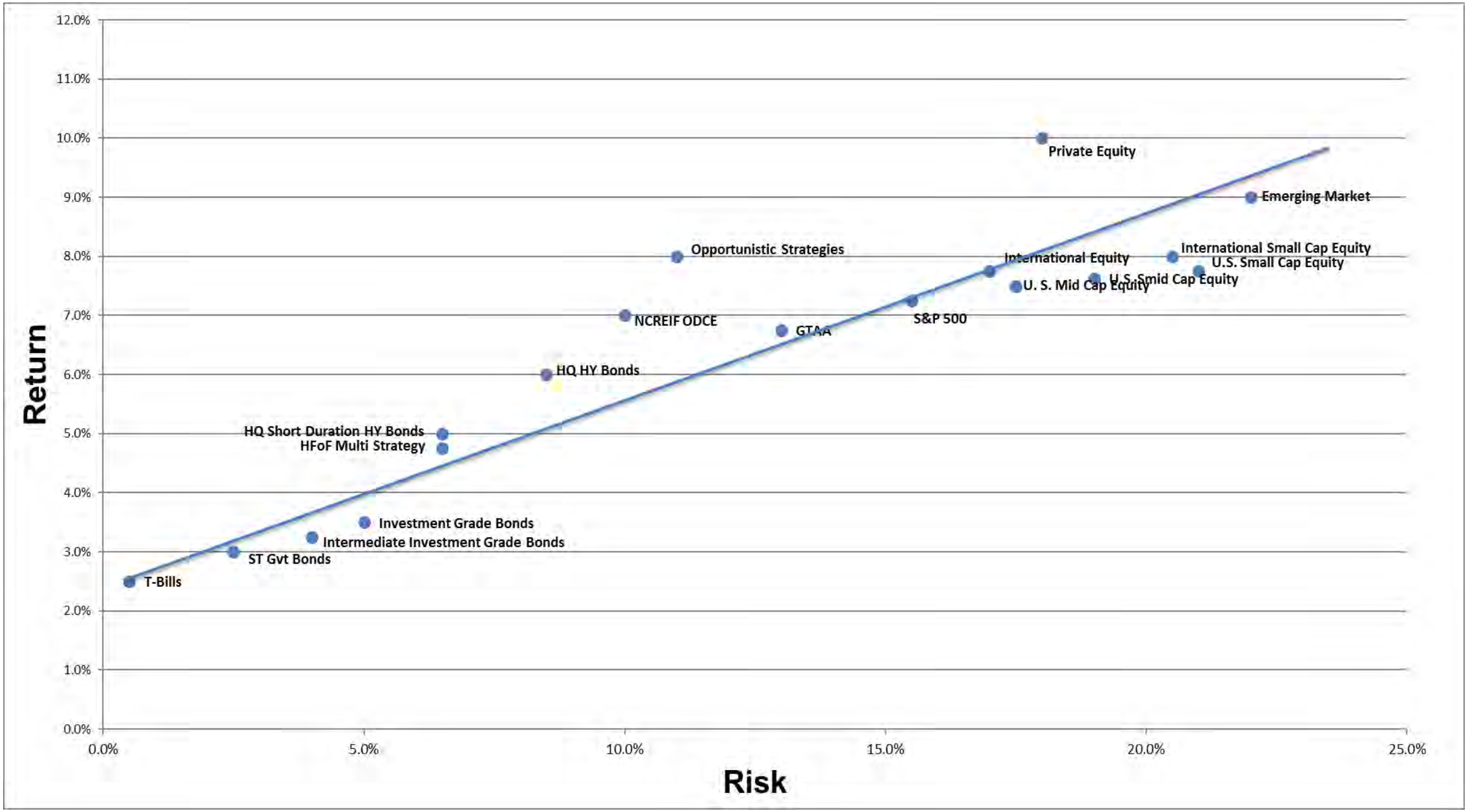
Total Domestic Equity	**20%**	**Max**
Cash	**5%**	**Max**
Fixed Investment Grade (Includes Short Term & Intermediate)	**20%**	**Min**
High Quality High Yield Bonds (Includes Short Duration)	**30%**	**Max**
Real Estate – Core	**10%**	**Max**
Real Estate – Value Add	**5%**	**Max**
Hedge Fund of Funds – Multi Strategy	**5%**	**Max**
Opportunistic Strategies	**5%**	**Max**

The Asset Allocation modeling requires the mathematical construction of an efficient frontier of various portfolios with distinct asset allocations and risk and return characteristics. The modeling process also requires the imposition of constraints, so that the efficient frontier represents a prudently diversified portfolio with adequate consideration of the liquidity needs and investment time horizon. Unconstrained optimization frequently generates allocations that have superior risk/reward characteristics, but the resulting allocations may not be adequately diversified and/or may have high allocations to illiquid investments.

The constraints shown are used for modeling purposes only. They should not be construed as suggested or recommended allocations, or limits on allocations, to any asset class or investment strategy. Each client fund has different facts, circumstances, time horizon, risk tolerance levels, return objectives, investment preferences, cash flows, and liquidity requirements. As such, each client's investment policy may differ materially from the constraints shown above.

IPS Investment Committee January 2019.

2019 Capital Market Assumptions



Asset Class Correlations

Assumption table:	US Large Cap Equity	US Mid Cap Equity	US Smid Cap Equity	US Small Cap Equity	Int'l Equity	Int'l Small Cap Equity	Emerging Markets Equity	Cash	Short Term Govt / Credit	Interm. Invest. Grade	Core Invest. Grade	Short Duration High Yield	High Yield	Real Estate Core	Real Estate Value Add	Private Equity	HFoF Multi-Strategy	Opp. Strategies	GTAA
US Large Cap Equity	1.00																		
US Mid Cap Equity	0.96	1.00																	
US Smid Cap Equity	0.93	0.98	1.00																
US Small Cap Equity	0.91	0.96	0.98	1.00															
Int'l Equity	0.89	0.86	0.82	0.78	1.00														
Int'l Small Cap Equity	0.85	0.85	0.81	0.77	0.96	1.00													
Emerging Markets Equity	0.80	0.81	0.76	0.72	0.87	0.87	1.00												
Cash	-0.07	-0.11	-0.08	-0.07	-0.08	-0.10	-0.09	1.00											
Short Term Govt / Credit	0.01	0.02	-0.01	-0.05	0.14	0.16	0.21	-0.01	1.00										
Int. Investment Grade	0.04	0.07	0.02	-0.02	0.15	0.18	0.24	-0.11	0.86	1.00									
Core Investment Grade	0.02	0.04	-0.01	-0.05	0.12	0.14	0.20	-0.10	0.79	0.97	1.00								
Short Duration High Yield	0.57	0.66	0.61	0.55	0.63	0.69	0.70	-0.23	0.26	0.33	0.28	1.00							
High Yield	0.65	0.72	0.68	0.63	0.72	0.74	0.76	-0.23	0.21	0.28	0.25	0.93	1.00						
Real Estate Core	0.12	0.08	0.09	0.10	0.03	0.00	-0.08	-0.11	-0.42	-0.20	-0.16	-0.20	-0.10	1.00					
Real Estate Value Add	0.14	0.10	0.10	0.12	0.04	0.01	-0.07	-0.11	-0.40	-0.19	-0.15	-0.20	-0.10	0.99	1.00				
Private Equity	0.91	0.96	0.98	0.99	0.78	0.77	0.72	-0.07	-0.05	-0.02	-0.05	0.55	0.63	0.10	0.12	1.00			
HFoF Multi-Strategy	0.77	0.77	0.74	0.70	0.78	0.81	0.73	-0.11	-0.07	-0.01	-0.04	0.63	0.69	0.09	0.09	0.70	1.00		
Opp. Strategies	0.69	0.76	0.72	0.68	0.75	0.77	0.79	-0.21	0.21	0.27	0.23	0.91	0.98	-0.12	-0.12	0.68	0.69	1.00	
GTAA	0.94	0.91	0.86	0.82	0.96	0.93	0.88	-0.06	0.21	0.24	0.21	0.62	0.70	0.05	0.06	0.82	0.76	0.74	1.00

A Correlation of 1.00 indicates two series move perfectly together while a -1.00 shows they move perfectly opposite one another.

Efficient Frontier Analysis

Efficient Frontier Report										
Asset	Portfolio 1	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5	Portfolio 6	Portfolio 7	Portfolio 8	Portfolio 9	Portfolio 10
US Large Cap Equity	0.00	0.00	0.00	1.16	2.63	4.16	5.74	9.07	13.61	20.00
US Mid Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
US Smid Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
US Small Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Int'l Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Int'l Small Cap Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash	5.00	5.00	5.00	5.00	0.13	0.00	0.00	0.00	0.00	0.00
Short Term Govt / Credit	77.92	69.19	64.60	54.50	53.05	42.57	29.68	14.79	0.00	0.00
Int. Investment Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Core Investment Grade	0.00	0.00	0.00	0.00	0.00	4.45	11.50	21.14	31.39	25.00
Short Duration High Yield	1.33	6.81	5.40	10.28	7.00	3.47	0.39	0.00	0.00	0.00
High Yield	0.00	0.00	0.00	4.06	12.19	20.35	27.70	30.00	30.00	30.00
Real Estate Core	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Real Estate Value Add	0.75	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Private Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HFoF Multi-Strategy	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Opp. Strategies	0.00	0.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
GTAA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Return	3.60	3.90	4.20	4.49	4.78	5.06	5.34	5.61	5.88	6.14
Risk	1.84	1.92	2.13	2.55	3.10	3.69	4.32	4.96	5.64	6.38
Return/Risk	1.96	2.04	1.97	1.76	1.54	1.37	1.24	1.13	1.04	0.96

* Compound annual return.

* Returns based on a geometric calculation.

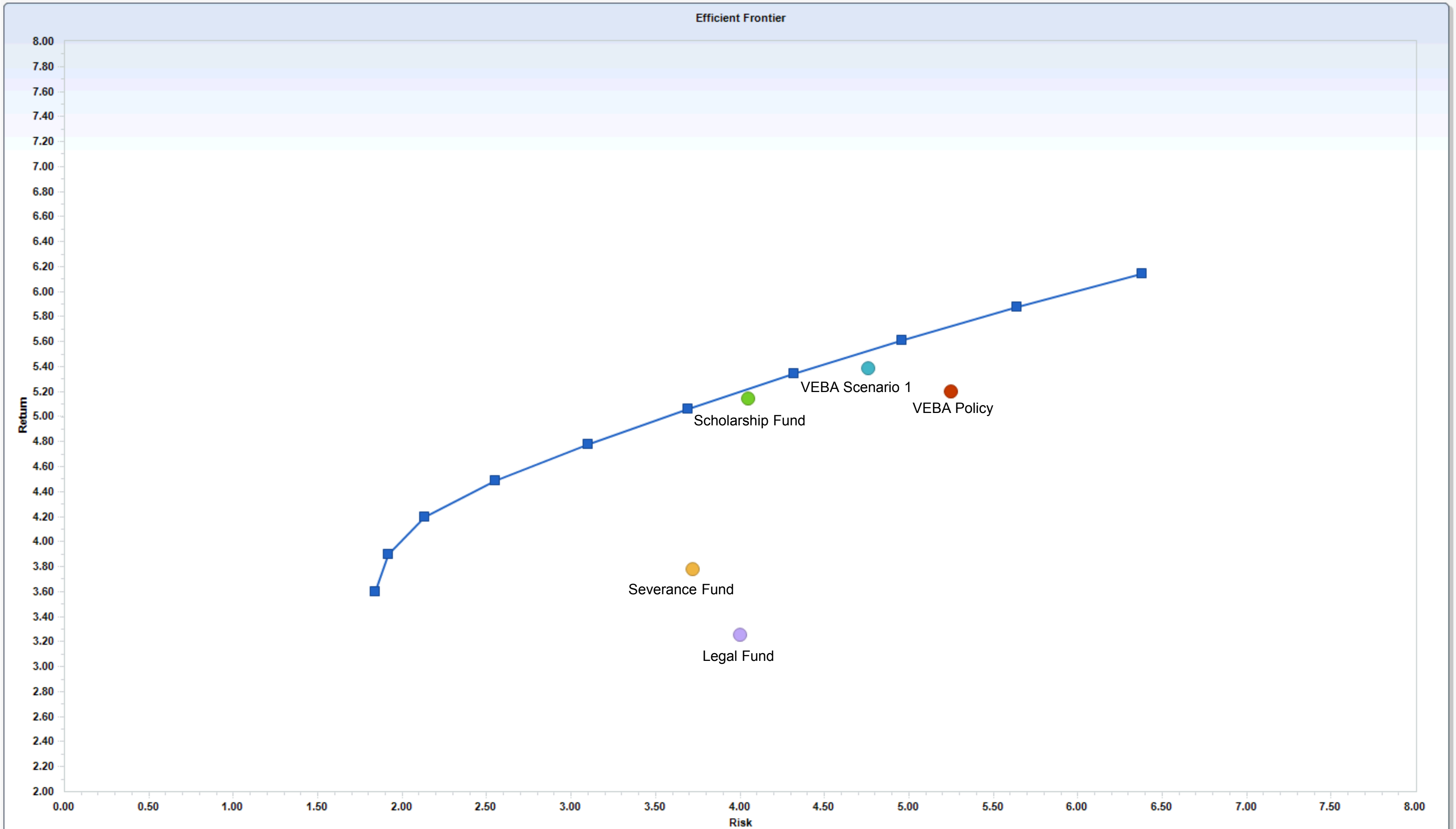
Current Policy Comparison

	% Asset Class Target							
	US LC Equity	Fixed Income Interm	SDHY	Real Estate	Cash	Expected Return	Risk	Comments
FELRA and UFCW VEBA Fund Portfolio A	25.0	40.0	20.0	10.0	5.0	5.20%	5.25	Policy
Scenario 1 Portfolio B	20.0	35.0	20.0	20.0	5.0	5.38%	4.76	Decrease US LC eq.; decrease inv. grd.; increase real estate
FELRA and UFCW Scholarship Fund Portfolio C	10.0	40.0	30.0	20.0	0.0	5.14%	4.05	Policy
FELRA and UFCW Severance Fund Portfolio D	0.0	65.0	30.0	0.0	5.0	3.78%	3.72	Policy
FELRA and UFCW Legal Benefits Fund Portfolio E	0.0	100.0	0.0	0.0	0.0	3.25%	4.00	Policy

Green	Increase allocation
Red	Decrease allocation
Blue	New asset class

Scenario is shown for illustrative purposes.

Efficient Frontier Comparison



* Compound Annual Return

Glossary of Investment Terminology

Total Return	The annual return on an investment including appreciation, depreciation and income (interest, dividends, net operating income).
Alpha	The excess return (positive or negative) generated by active portfolio management and security selection, relative to a benchmark.
Beta	A historical measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Standard Deviation	Standard deviation is a statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data are, the greater the standard deviation.
Risk	For an investment portfolio, risk is typically defined as the volatility of the returns, as measured by calculating the standard deviation. The risk does not necessarily indicate the risk of loss, but does indicate the risk of inconsistent returns.
Capture Ratio	Calculates how well a manager performs in a rising or falling market as a percentage of a benchmark. In a rising market, a percentage of 100 or better is preferred, and indicates the manager exceeded the benchmark (upside capture ratio). In a falling market, a percentage of less than 100 is preferred, indicating that the manager lost less than the benchmark (downside capture ratio).
Correlation	A statistical measure of how two asset classes perform in relation to each other. Asset classes with a correlation of 1.0 have perfect positive correlation (exactly the same). Assets with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Efficient Frontier	A series of portfolios with the maximum expected return for any level of risk, which is calculated based on assumptions of risk, return and correlation. These portfolios are shown graphically on a risk and return chart, and represent the most efficient tradeoff between risk and return.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price and the number of outstanding shares.
Large Cap	Stocks which typically have a market capitalization of $10 billion or higher.
Mid Cap	Stocks which typically have a market capitalization of $2 to $10 billion.
Small Cap	Stocks which typically have a market capitalization of $2 billion or less.
Geometric Calculation	Geometric Calculations are used when determining an annualized investment return and tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Compound Annual Returns	Compound annual returns show the annual investment return, assuming the investment grew at a constant rate, and reflects the impact of the time in the calculation of an investment return.
Return/Risk Ratio	The return/risk ratio is the expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios a higher value is presumed to be better than a lower value