FELRA & UFCW
Pension Fund

CHEIRON
Classic Values, Innovative Advice

2018 Preliminary Actuarial Valuation Results

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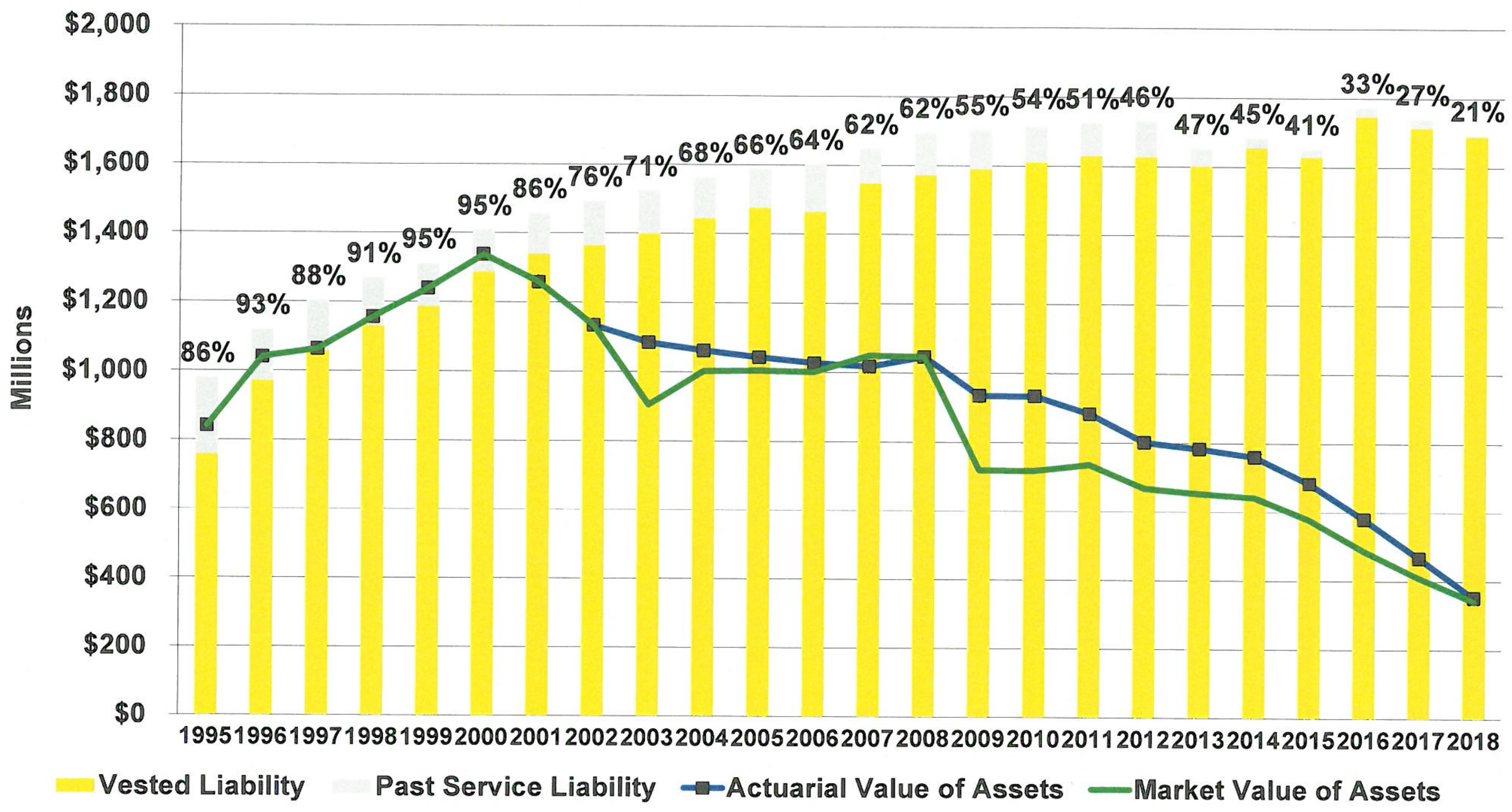
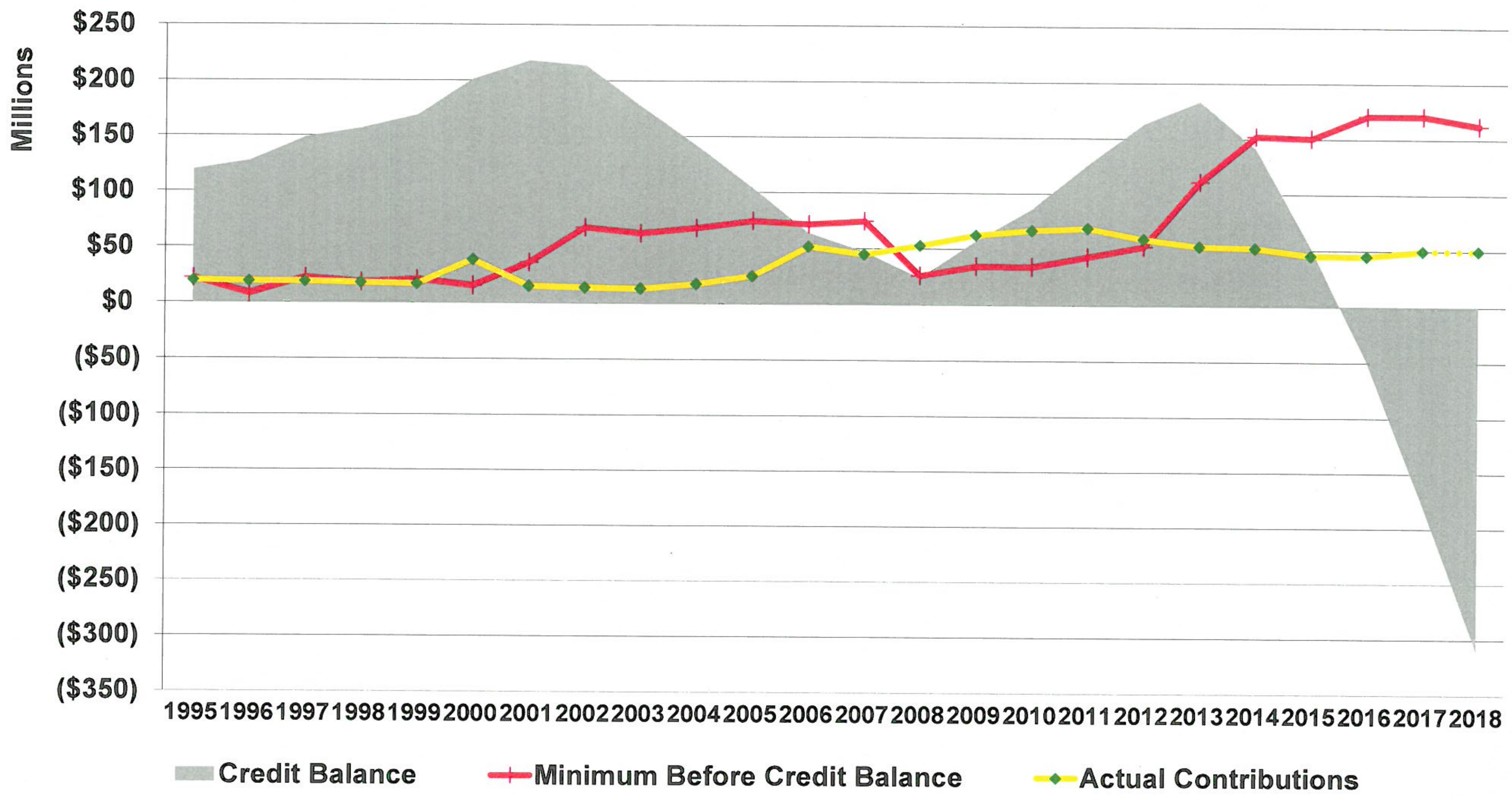
Historical Review - Assets and Liabilities

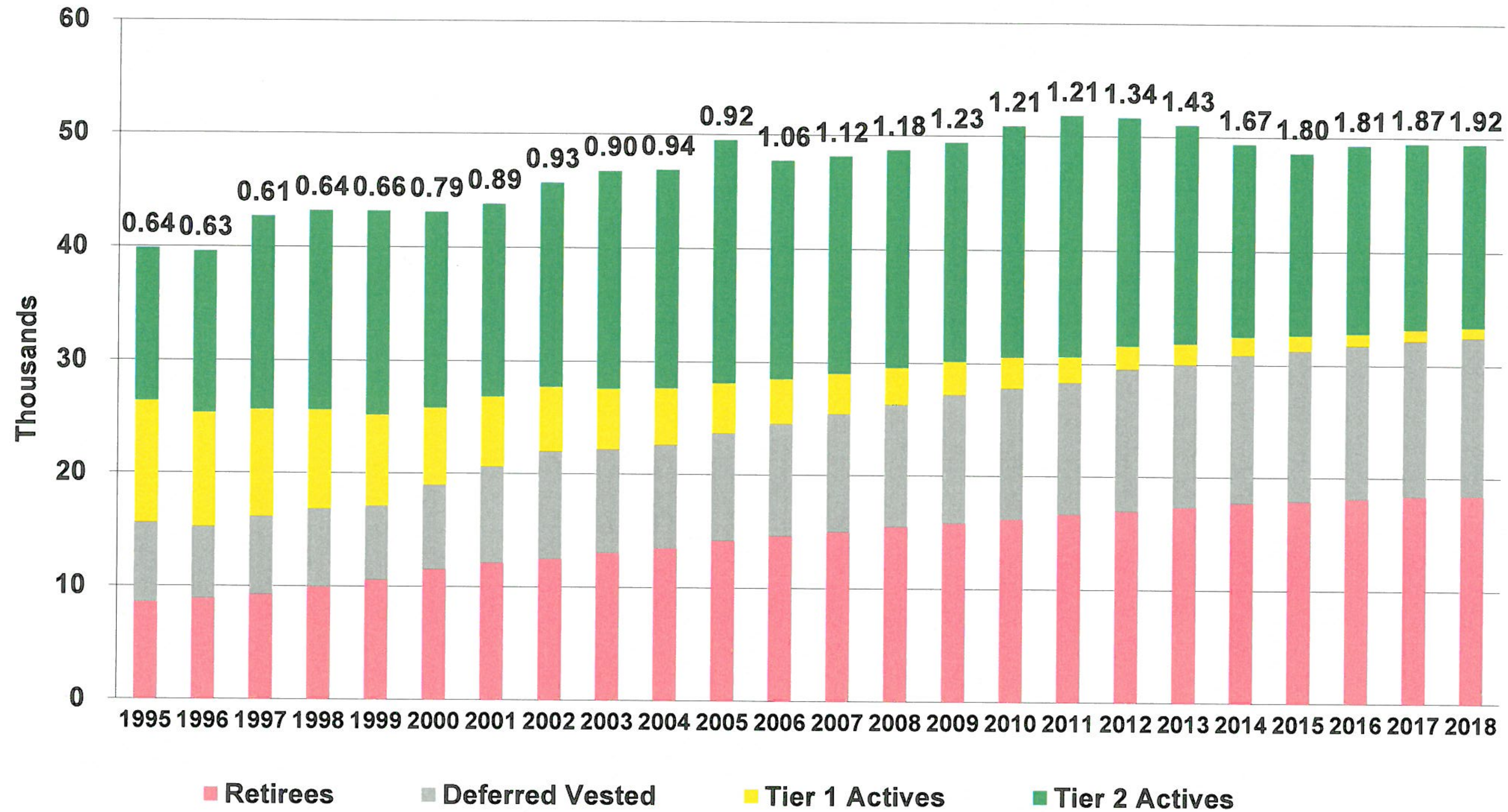


Funded status based on Actuarial Value of Assets.

Historical Review - Minimum Funding



Historical Review - Plan Membership



Ratio above the bars represents the number of inactives for every one active. Actives include Giant and Employees hired on or after January 1, 2013 who do not earn a benefit in FELRA but have contributions made on their behalf.

Historical Review - Gains and (Losses)

	Liability		MVA		Other*		Total
Year	Amount	%	Amount	%	Amount	%	Amount
1995	$ 36.92	3.8%	$ 167.47	19.9%	$ (146.27)	(14.9%)	$ 58.12
1996	(42.81)	(3.8%)	(20.90)	(2.0%)	(1.11)	(0.1%)	(64.82)
1997	(24.32)	(2.0%)	54.13	5.1%	(0.56)	(0.0%)	29.25
1998	(6.41)	(0.5%)	47.15	4.1%	1.39	0.1%	42.13
1999	(22.67)	(1.7%)	66.07	5.3%	(67.17)	(5.1%)	(23.77)
2000	(24.86)	(1.8%)	(102.75)	(7.7%)	-	0.0%	(127.61)
2001	(6.02)	(0.4%)	(141.36)	(11.2%)	-	0.0%	(147.38)
2002	(10.95)	(0.7%)	(223.94)	(19.8%)	179.15	15.8%	(55.74)
2003	(15.51)	(1.0%)	119.00	13.1%	-	0.0%	103.49
2004	(1.65)	(0.1%)	16.68	1.7%	-	0.0%	15.03
2005	1.57	0.1%	9.59	1.0%	-	0.0%	11.16
2006	6.56	0.4%	40.52	4.0%	(39.45)	(2.5%)	7.63
2007	(5.49)	(0.3%)	(3.83)	(0.4%)	(31.84)	(1.9%)	(41.16)
2008	0.28	0.0%	(333.60)	(31.9%)	71.93	6.9%	(261.39)
2009	(0.99)	(0.1%)	11.30	1.6%	38.17	5.3%	48.48
2010	(4.66)	(0.3%)	29.52	4.1%	(56.66)	(7.9%)	(31.80)
2011	(3.42)	(0.2%)	(55.80)	(7.6%)	-	0.0%	(59.22)
2012	16.91	1.0%	15.08	2.3%	61.99	3.6%	93.98
2013	4.92	0.3%	28.04	4.3%	(49.68)	(3.0%)	(16.72)
2014	19.54	1.2%	(21.02)	(3.3%)	-	0.0%	(1.48)
2015	4.52	0.3%	(35.12)	(6.1%)	(141.38)	(8.6%)	(171.98)
2016	6.31	0.4%	(1.69)	(0.3%)	-	0.0%	4.62
2017	16.60	1.0%	11.29	2.8%	-	(19.4%)	27.89
Total	**(55.63)**	**(3.3%)**	**(324.15)**	**(94.8%)**	**(181.48)**	**(10.7%)**	**(561.29)**

** Plan, assumption and funding method changes*

Summary of Principal Results

FELRA and UFCW Pension Fund
Summary of Principal Results

	January 1, 2017	January 1, 2018	Change
Participant Counts			
Actives* Tier I	985	906	(8.02%)
Tier II	11,210	10,323	(7.91%)
Total	12,195	11,229	(7.92%)
Terminated Vesteds	13,863	14,100	1.71%
In Pay Status	18,362	18,415	0.29%
Total	44,420	43,744	(1.52%)
Financial Information			
(1) Market Value of Assets (MVA)	$ 408,705,177	$ 341,959,087	(16.33%)
(2) Actuarial Value of Assets (AVA)	466,729,375	351,793,767	(24.63%)
(3) Actuarial Liability	$ 1,740,354,952	$ 1,694,245,721	(2.65%)
(4) Surplus (Unfunded Actuarial Liability) [(2) - (3)]	(1,273,625,577)	(1,342,451,954)	N/A
(5) Funding Ratio [(2) ÷ (3)]	26.8%	20.8%	N/A
(6) Present Value of Accrued Benefits / PPA Liability	$ 1,738,592,894	$ 1,692,540,419	(2.65%)
(7) Accrued Benefit Surplus (Unfunded) [(2) - (6)]	(1,271,863,519)	(1,340,746,652)	N/A
(8) Funding Ratio [(2) ÷ (6)]	26.8%	20.8%	N/A
Plan Experience			
Investment Gain/(Loss)	$ (47,810,812)	$ (41,075,429)	N/A
Liability Gain/(Loss)	6,308,913	16,601,473	N/A
Total Gain/(Loss)	$ (41,501,899)	$ (24,473,956)	N/A
Contributions and Cash Flows			
Employer Contributions (Actual / Estimated)	$ 49,915,380	$ 50,000,000	0.17%
ERISA minimum required contribution	359,740,952	504,641,290	40.28%
ERISA credit balance at start of year	(176,470,796)	(309,393,361)	75.32%
Prior Year Benefit Payouts	$ 146,238,867	$ 146,488,446	0.17%
Prior Year Total Investment Return (Net)	22,945,768	35,111,194	N/A

* Active counts exclude any Giant or Safeway hires after January 1, 2013. There were 5,080 as of January 1, 2017 and 5,721 as of January 1, 2018.

Assumptions and Methods/Reliance

The purpose of this presentation is to present the January 1, 2018 Actuarial Valuation results to the FELRA & UFCW Pension Fund Board of Trustees. Other users of this valuation report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any such other users.

The assumptions reflect our understanding of the likely future experience of the Fund and the assumptions taken individually represent our best estimate for the future experience of the Fund. The results of this presentation are dependent upon future experience conforming to these assumptions. Future valuation reports may differ significantly from the current results presented in this presentation 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. For complete details on the assumptions and methods, refer to the January 1, 2017 Actuarial Valuation Report.

In preparing our presentation, we relied on information (some oral and some written) supplied by the auditor and Fund Office. 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.

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

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