FELRA and UFCW Pension Fund
Asset Allocation
and Glide Path Updated to November 2017

Presented by Investment Performance Services, LLC

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The FELRA Pension Plan's Cash Flow Projections:

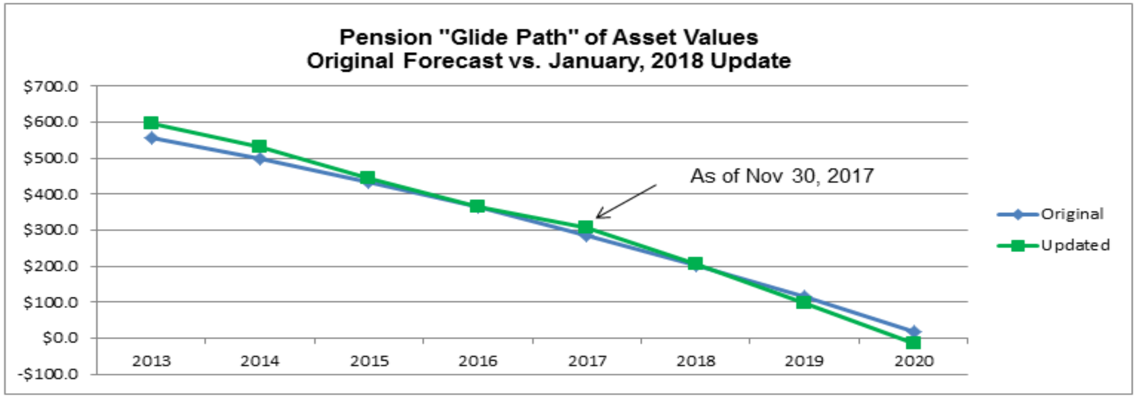
Original Forecast - 2012

	Beginning Market Value ($ million)	Forecasted Return (%)	Forecasted Return ($)	Plan Cash Flows: Contrib	Plan Cash Flows: Benefit Payments	Plan Cash Flows: Admin Costs	Net Plan Cash Flow	Year End Assets
2013	$608.2	7.2%	$43.8	$56.1	($146.9)	($4.1)	($94.90)	$557.1
2014	$557.1	7.2%	$40.1	$56.1	($150.2)	($4.2)	($98.30)	$498.9
2015	$498.9	7.2%	$35.9	$56.2	($152.6)	($4.4)	($100.80)	$434.0
2016	$434.0	7.2%	$31.3	$56.5	($153.8)	($4.5)	($101.80)	$363.5
2017	$363.5	6.9%	$25.1	$56.9	($154.5)	($4.6)	($102.20)	$286.4
2018	$286.4	6.5%	$18.6	$57.6	($154.4)	($4.8)	($101.60)	$203.4
2019	$203.4	5.2%	$10.6	$58.4	($153.7)	($4.9)	($100.20)	$113.8
2020	$113.8	2.8%	$3.2	$58.5	($152.5)	($5.1)	($99.10)	$17.8
Totals			$208.5	$456.3	($1,218.60)	($36.60)	($798.90)	

Updated Forecast - January, 2018

Reflects Market Values as of Nov 30, 2017 and 2017 Asset Class Return Assumptions

	Beginning Market Value ($ million)	Actual (%)	Actual ($)	Plan Cash Flows: Contrib	Plan Cash Flows: Benefit Payments	Plan Cash Flows: Admin Costs	Net Plan Cash Flow	Year End Assets	
2013	$603.7	14.9%	$81.2	$56.1	($146.9)	($4.1)	($90.10)	$594.8	
2014	$594.8	5.9%	$31.8	$48.2	($150.1)	($4.4)	($95.32)	$531.3	
2015	$531.3	3.0%	$15.9	$48.2	($150.1)	($4.4)	($106.30)	$444.9	
2016	$444.9	7.8%	$34.7	$45.8	($153.4)	($4.5)	($112.10)	$366.1	
2017	$366.1	9.5%	$34.8	$45.5	($155.7)	($4.7)	($114.90)	**$305.2**	**<- @ Nov 30th**
2018	$305.2	5.5%	$16.9	$45.9	($156.9)	($4.8)	($115.80)	$206.3	
2019	$206.3	2.9%	$6.0	$46.5	($157.2)	($5.0)	($115.70)	$96.5	
2020	$96.5	2.8%	$2.7	$46.5	($156.0)	($5.1)	($114.60)	-$15.4	
			$224.0	$382.7	($1,226.30)	($37.00)	($864.82)		



Recommended Asset Allocation Glide Path

As of Nov 30, 2017

	IPS 2017 Long Term Assumptions	2014 Recommended Policy Allocation	2015 Target Allocation	Dec 2015 Actual Allocation	Jan 1, 2016 Target Allocation	Jan 1, 2017 Target Allocation	Actual Allocation 11/30/2017	Jan 1, 2018 Target Allocation	Jan 1, 2019 Target Allocation	Jan 1, 2020 Target Allocation
Total Equity		**40.0%**	**40.0%**	**28.7%**	**40.0%**	**30.0%**	**37.3%**	**30.0%**	**0.0%**	**0.0%**
US Equity	**7.25%**	30.0%	30.0%	24.9%	30.0%	30.0%	32.2%	30.0%	0.0%	0.0%
Non-US Equity	**7.75%**	5.0%	5.0%	2.5%	5.0%	0.0%	3.2%	0.0%	0.0%	0.0%
EM Equity	**9.75%**	5.0%	5.0%	1.3%	5.0%	0.0%	1.8%	0.0%	0.0%	0.0%
Total Bonds		**19.5%**	**19.5%**	**13.9%**	**19.5%**	**35.0%**	**12.6%**	**40.0%**	**95.0%**	**90.0%**
US Interm Gov/Credit	**3.00%**	5.0%	5.0%	1.8%	5.0%	20.0%	1.8%	25.0%	95.0%	90.0%
Opportunistic Bond	**4.50%**	10.0%	10.0%	10.8%	10.0%	10.0%	9.3%	10.0%	0.0%	0.0%
Sh Dur HY Bonds	**5.50%**	4.5%	4.5%	1.3%	4.5%	5.0%	1.4%	5.0%	0.0%	0.0%
Real Estate	**7.75%**	**15.0%**	**15.0%**	**25.1%**	**15.0%**	**15.0%**	**12.3%**	**10.0%**	**0.0%**	**0.0%**
Hedge FOFs	**4.50%**	**10.0%**	**10.0%**	**15.0%**	**10.0%**	**0.0%**	**0.8%**	**0.0%**	**0.0%**	**0.0%**
GTAA	**7.00%**	**15.0%**	**15.0%**	**17.1%**	**15.0%**	**15.0%**	**19.0%**	**15.0%**	**0.0%**	**0.0%**
Cash	**1.00%**	0.5%	0.5%	0.2%	0.5%	5.0%	17.9%	5.0%	5.0%	10.0%
Total		**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Forecasted Plan Return								**5.5%**	**2.9%**	**2.8%**

Supplemental Information

Manager Recommendations - Updated January, 2018

U.S. Equity	Status in 2017	Recommended Action in 2018
Wedge Capital	Retained	Liquidate by 12/31/18
Vanguard Total Market	Retained	Liquidate by 12/31/18

International		
Gryphon	Liquidation in Process as cash is needed	---
Vanguard EM Index Fund	Liquidation in Process as cash is needed	---

Fixed Income		
Segall Bryant Hamill	Retained	Retain
Chartwell Short Dur HY	Retained	Liquidate by 12/31/2018
Templeton Global Bond	Retained	Liquidate by 12/31/2018

Real Estate	Recommendation	
JPMorgan	Three Partial Redemptions Submitted in 2017	Liquidate by 12/31/2018

Hedge Fund of Funds		
EnTrust	Redeemed Effective June 30, 2017 (See Note 1)	
Mesirow	Redeemed Effective Sept 30, 2017 (See Note 2)	

GTAA		
Wellington	Redeemed Effective 10/31/2016	---
First Eagle	Multiple Redemptions in 2017 to Reduce to 15%	Liquidate by 12/31/2018

Note 1 - Paid out 50% in July, 2017, 47% in Oct, 2017 and 3% audit holdback is due April, 2018
Note 2 - Paid out 95% in Nov, 2017 and 5% audit holdback is due April, 2018