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August 28, 2018

Board of Trustees
UFCW Unions and Participating Employers Health and Welfare Fund
Landover, Maryland

Re: **Reserve Determination through July 31, 2018**

Dear Trustees:

Attached is a report which provides the calculation of the Fund's reserve position based on PNC statements representing the period August 1, 2017 through July 31, 2018. Figures included in the report reflect the Administrative Manager's Report through June 30, 2018, which may result in changes to the calculations from previous periods due to updated expense numbers through June.

At this time, the Fund's reserve position exceeds the four-month reserve ceiling. The amount of reserves above four-months results in an amortized adjustment of **$96,953**. This figure is in addition to the unrealized amortized reserve adjustment of $13,942 from May 2018 and $1,654 from June 2018. Associated Administrator's LLC will need to work with the employers to determine how this additional amount will be credited to the employers by the Fund.

Estimated current monthly contributions from the employers equals $2,318,000. The sum of the three reserves calculations to date is $675,294. The adjustments are equal to 4.9% of employer contributions.

We look forward to reviewing this information with you further. Please let us know if you have questions.

Sincerely,

Mitch Bramstaedt
Senior Vice President
Midwest Regional Leader

Christopher Heppner, ASA, MAAA
Senior Vice President and Consulting Actuary

mwb/ch/tsw:rm

cc: Mr. Josh Timm

Attachment (5774298)

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