UFCW Unions & Participating Employers Pension Fund

CHEIRON
Classic Values, Innovative Advice

2018 Actuarial Valuation Results

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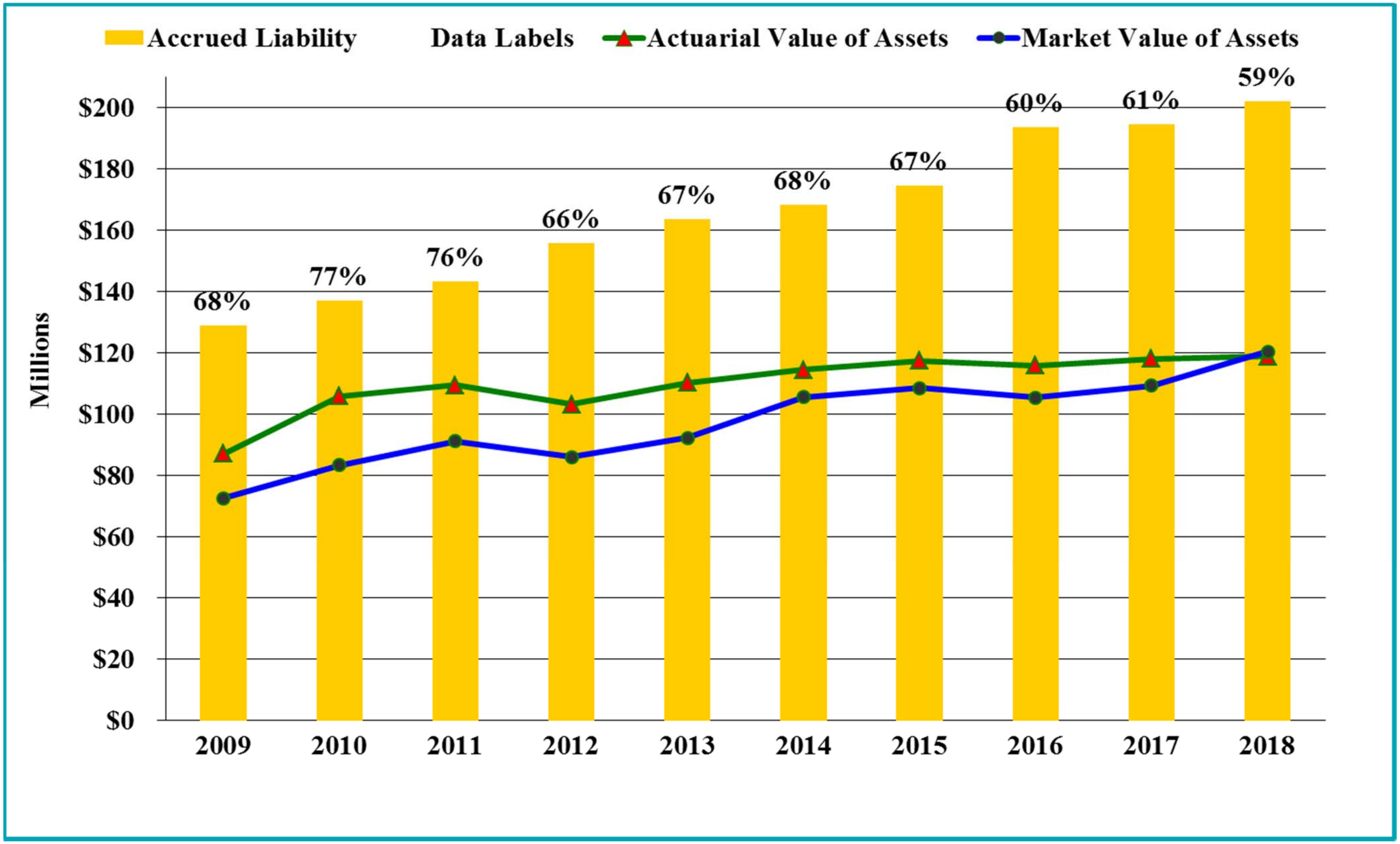
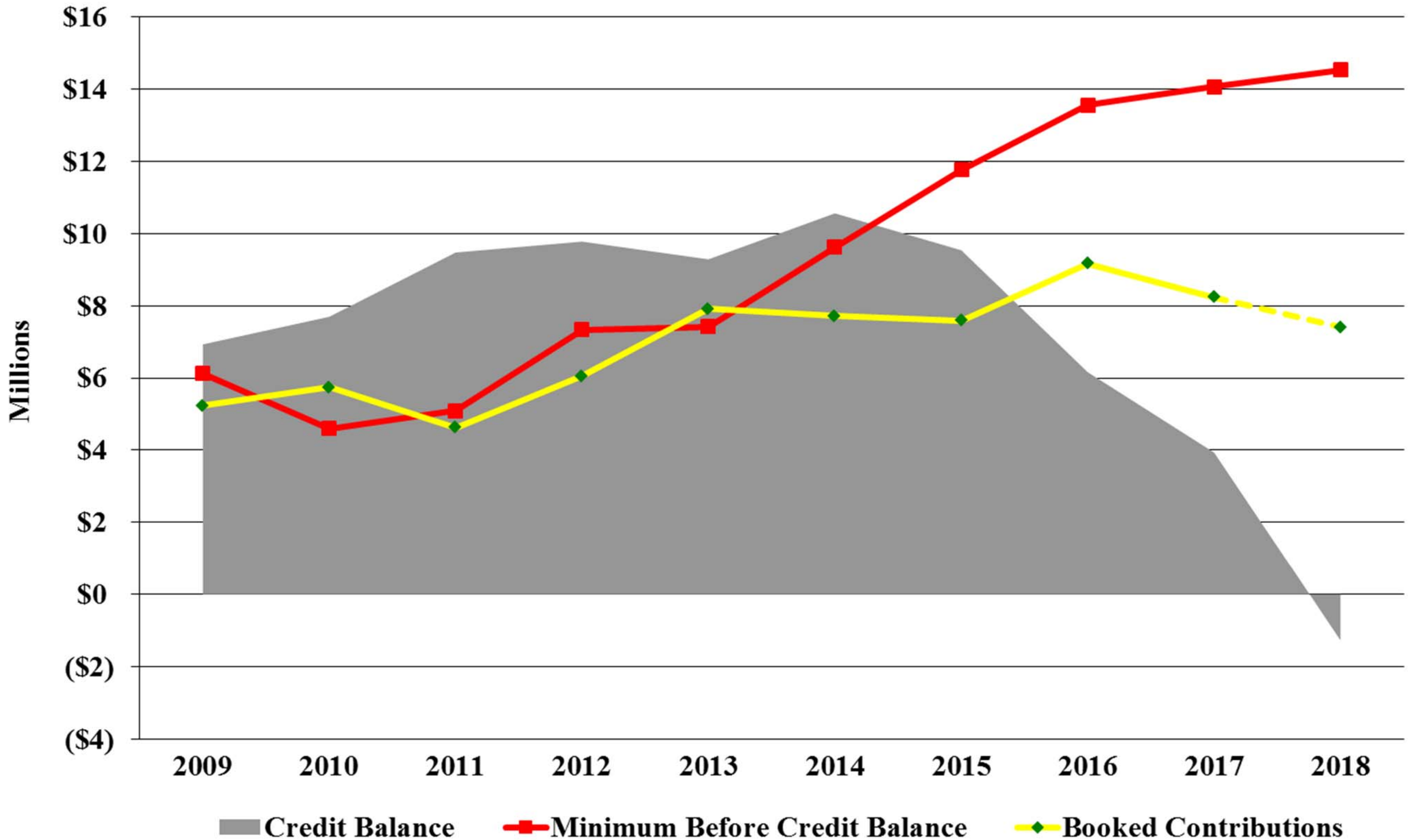
Topics for Discussion

- January 1, 2018 Actuarial Valuation
  - – Historical Trends
  - – January 1, 2018 Results
  - – Projection

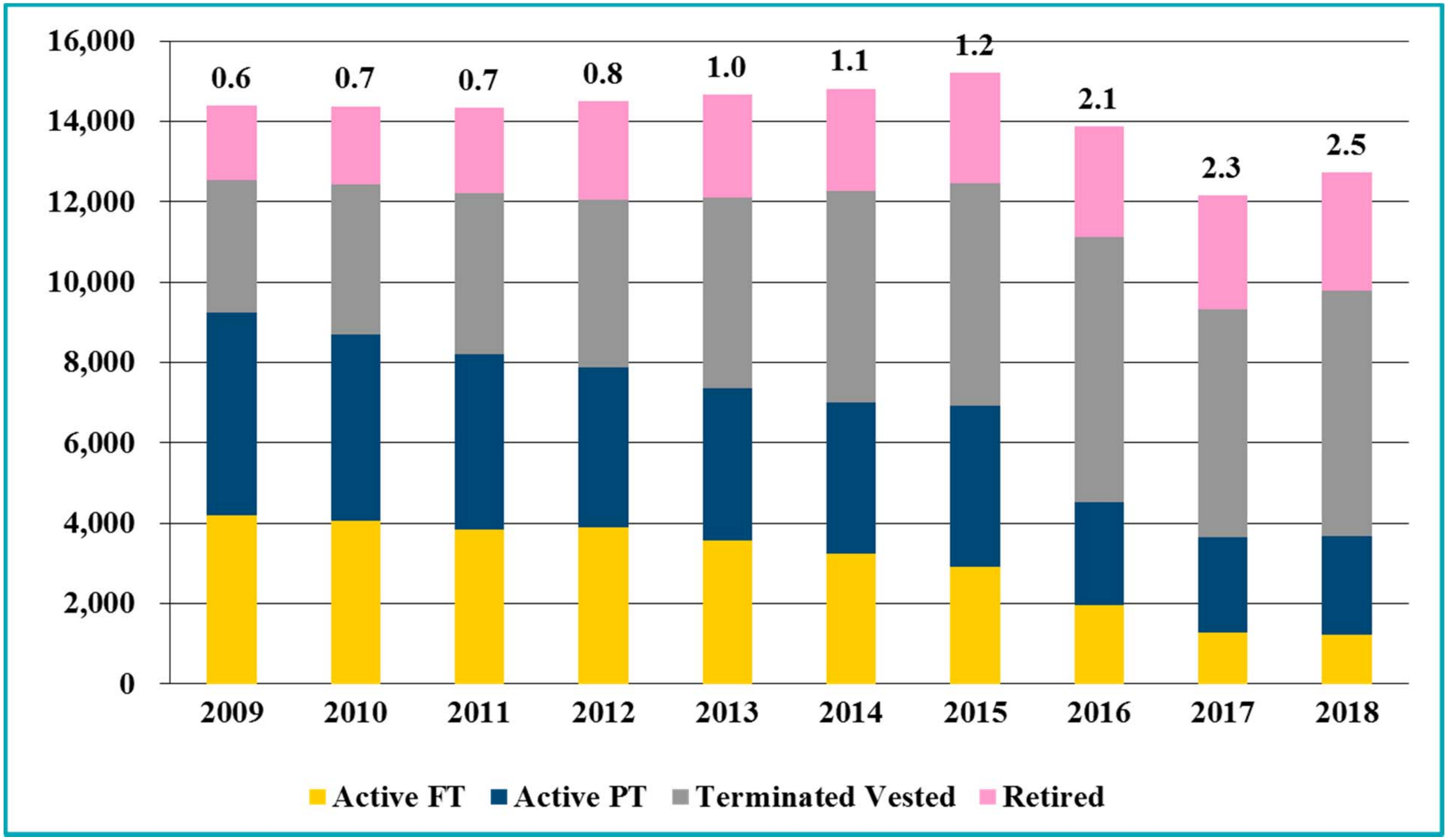
Historical Review – Assets & Liabilities



Historical Review – Minimum Funding

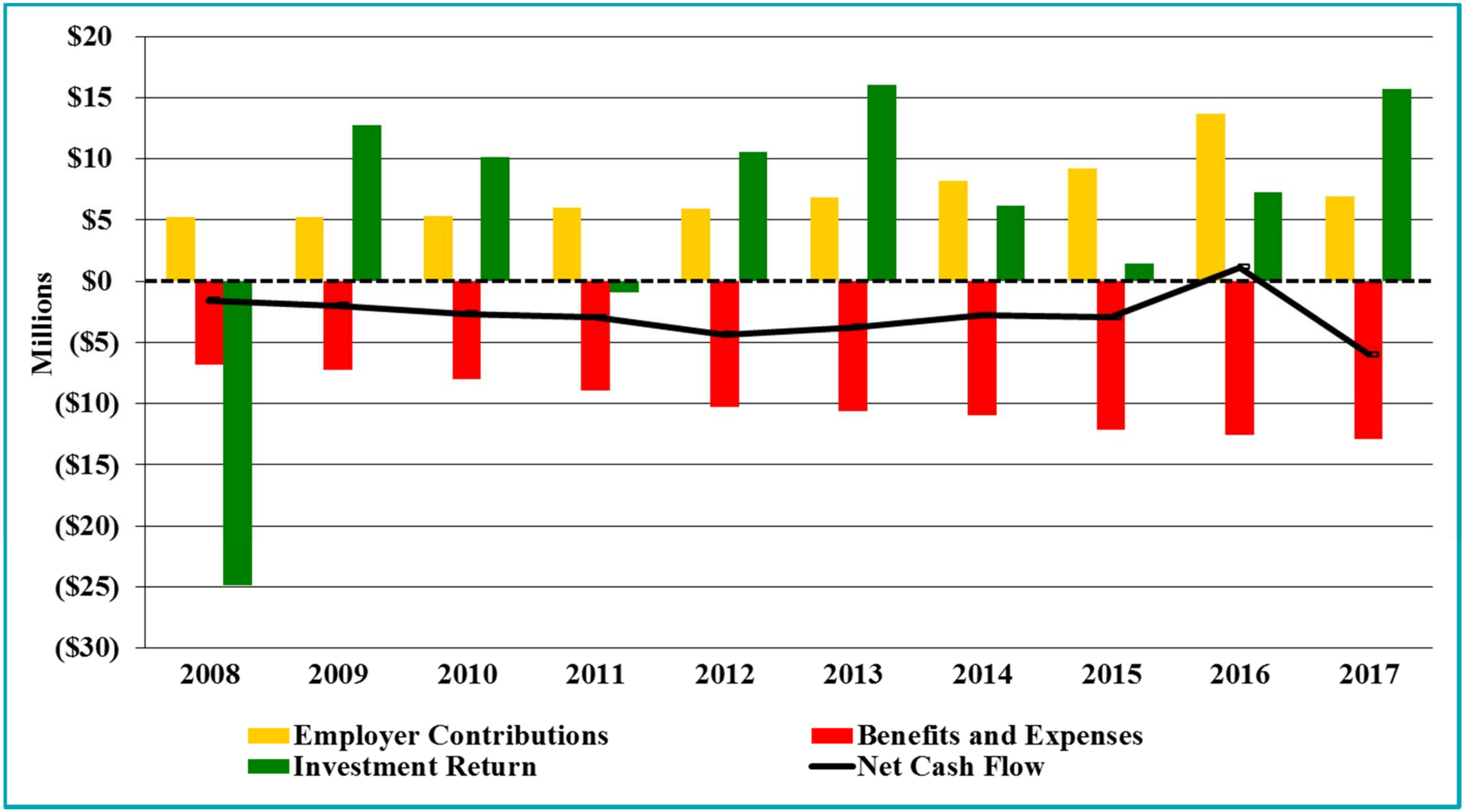


Historical Review – Plan Maturity



Numbers above the bars represent the number of inactive to active participants.

Historical Review – Net Cash Flow



Current Valuation Results

	2017	2018	% Chg
Liabilities			
Accrued Liability (UC for PPA and ASC 960)	$ 194,523,879	$ 202,075,314	3.9%
Vested Liability	$ 193,438,032	$ 201,051,271	3.9%
PPA Funding Ratio	60.7%	58.9%	-3.0%
Assets			
Market	$ 109,381,243	$ 120,413,338	10.1%
Market Return on Assets	5.77%	14.69%	N/A
Actuarial	$ 118,036,150	$ 118,931,463	0.8%
Actuarial Return on Assets	2.99%	5.04%	N/A
Minimim Funding			
Credit Balance at Beginning of Year	$ 3,936,115	$ (1,276,842)	-132.4%
Minimum Funding Requirement before Credit Balance	14,069,405	14,543,972	3.4%
Minimum Funding Contribution*	8,238,128	*7,400,000*	-10.2%
Credit Balance at End of Year	$ (1,276,842)	$ (8,238,370)	545.2%
Participants			
Active	3,665	3,687	0.6%
Deferred Vested	5,651	6,096	7.9%
Retired	2,847	2,956	3.8%

** 2018 contributions are estimated*

2017 Experience

Item	Assets	Liability	Unfunded
Value 1/1/2017	$118.0	$(194.5)	$(76.5)
Benefit Accruals	N/A	$(1.9)	(1.9)
Contributions	8.2	N/A	8.2
Benefit Payments	(11.4)	11.4	N/A
Expenses	(1.8)	-	(1.8)
Interest	9.0	(14.8)	(5.9)
Expected Value 1/1/2018	122.0	(199.8)	(77.8)
Value 1/1/2018	118.9	(202.0)	(83.1)
Gain / (Loss)	**$(3.1)**	**$(2.2)**	**($5.3)**

* Values are in millions and rounded to the nearest hundred thousand. Due to this, rows and columns may not total

Projections

Required Disclosures

In preparing this presentation, we relied on information (some oral and some written) supplied by the Fund Office. This information includes, but is not limited to, the plan provisions, employee data, and financial information. This analysis was based on the current assumptions and methods, financial data as of December 31, 2017, and the data provided to perform the January 1, 2018 valuation. For complete details on the assumptions and methods, refer to the January 1, 2017 valuation report.

To the best of our knowledge, this presentation and its contents were 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 this presentation. 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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