UFCW and FELRA
Severance Fund

# 2021 Valuation Results

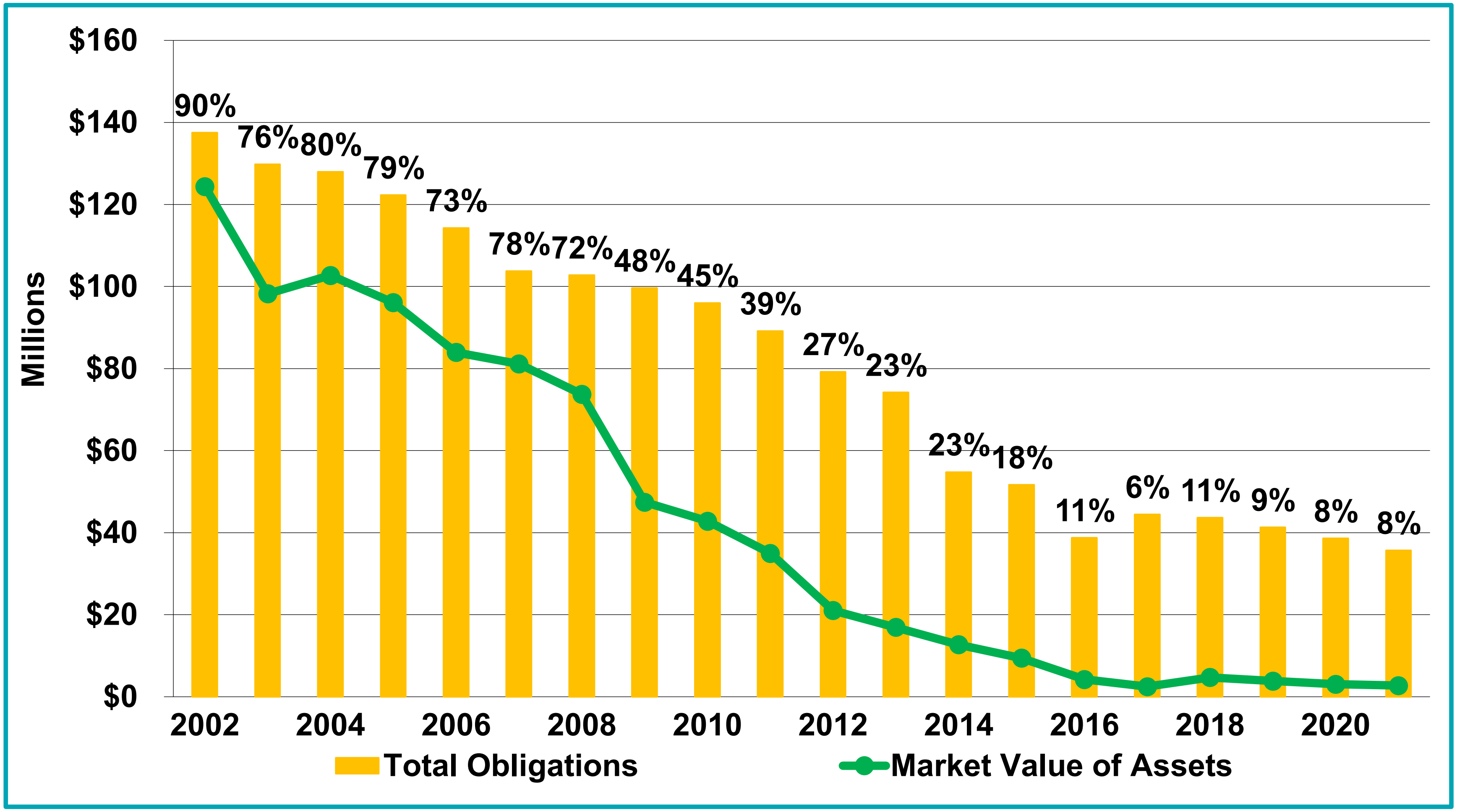
September 27, 2021

Christopher J. Mietlicki, ASA

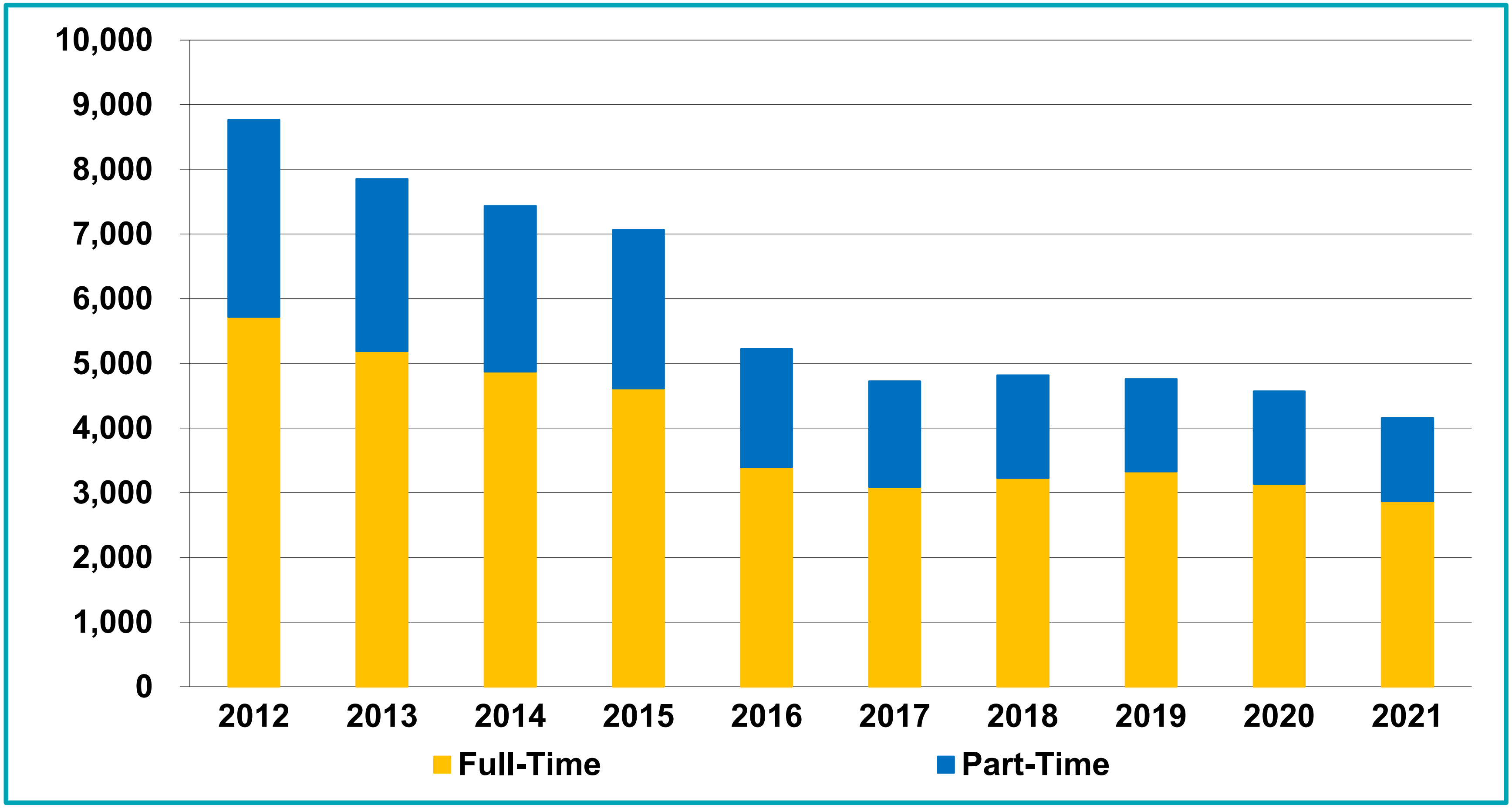
# Topics

- Historical Information
- Items of Note
- Current Status
- Future Outlook

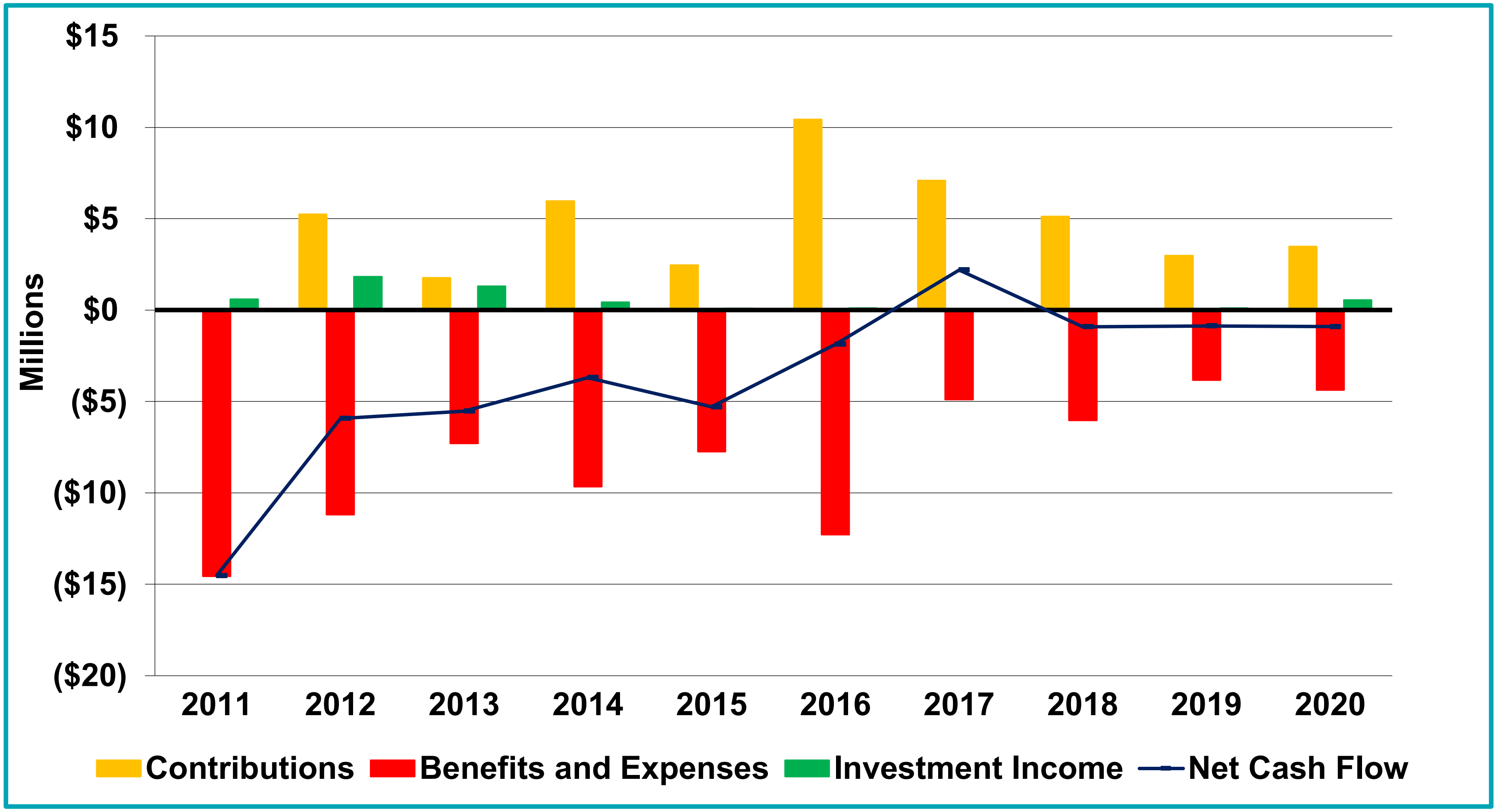
# Historical Information - Assets and Liabilities



# Historical Information – Participant Counts



# Historical Information – Cash Flows



# Items of Note

- Contributions mostly eliminated in 2000 bargaining
- Accruals were frozen as of 12/31/2013
- Current funding arrangement
  - When assets fall below $2 million contributions are made to bring assets up to $5 million
  - Contribution allocations:

| | |
|---|---|
| Giant=71.2% | Safeway=27.7% |
| Local 27=0.7% | Local 400=0.4% |

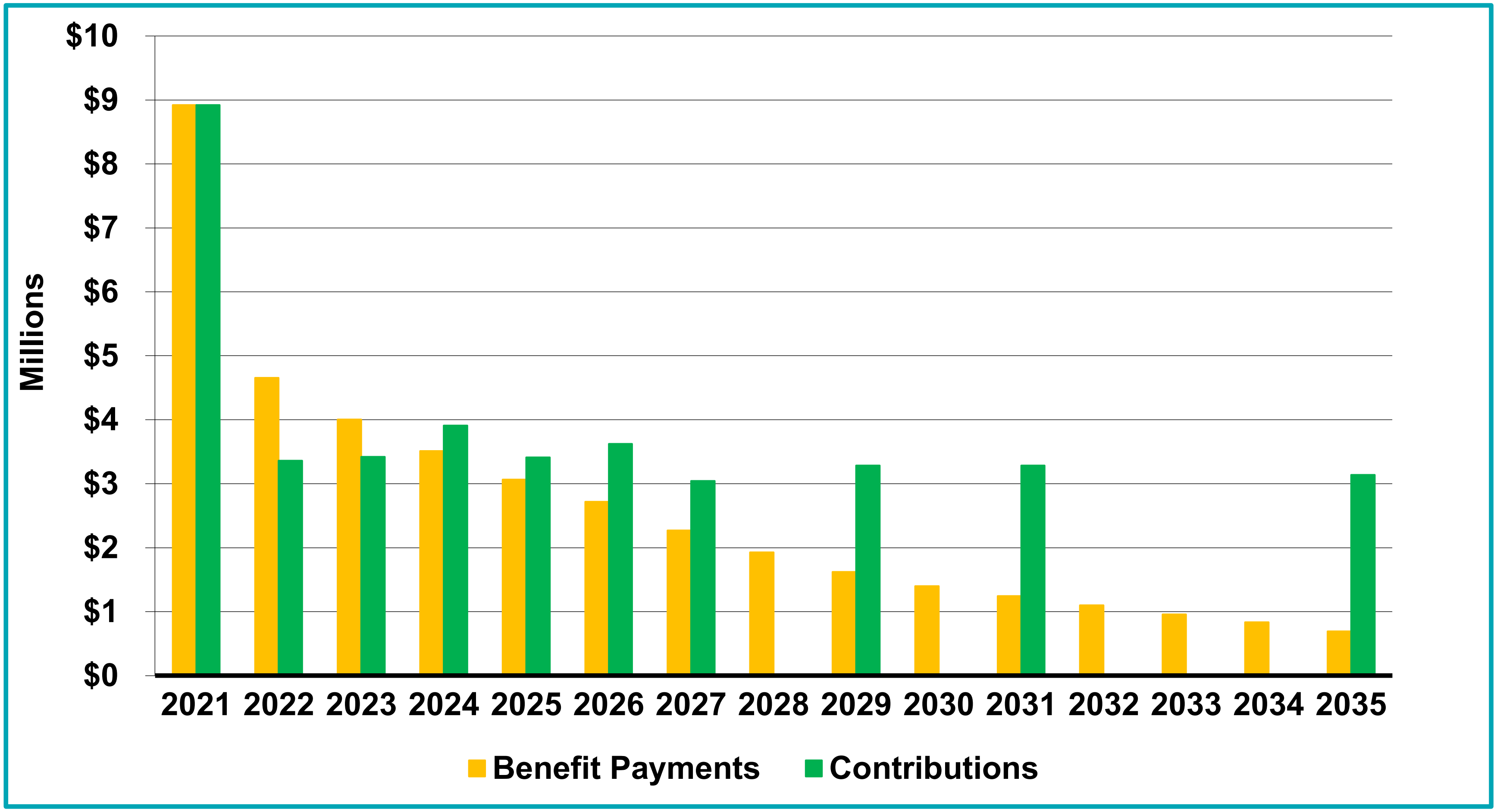
  - Additional payments made:

| | | | |
|---|---|---|---|
| July ’14 | July ’15 | May ’16 | Jan ’17 |
| Dec ’17 | Nov ’18 | July ’19 | May ‘20 |

# Current Status ($millions)

| | 1/1/2020 | 1/1/2021 |
|---|---|---|
| Liability at: | | |
| 7.0% (fully funded and invested) | $ 33.5 | $ 31.4 |
| 3.5% (current market basis) | $ 38.6 | $ 35.7 |
| 0.0% (cash basis) | $ 46.0 | $ 41.8 |
| Assets | $ 3.1 | $ 2.7 |

# Projection of Payments and Contribution Calls



# Required Disclosures

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

*This analysis was based on the current assumptions and methods, financial data through 12/31/2020, and the 1/1/2021 membership data. Assumptions and methods are outlined in the 2020 Actuarial Valuation Report. Future results 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.*

*Cheiron utilizes and relies upon ProVal, an actuarial valuation software leased from Winklevoss Technologies for the intended purpose of calculating liabilities and projected benefit payments. Projected expected results of future valuations in this presentation were developed using P-scan, our proprietary tool for the intended purpose of developing projections. As part of the review process for this presentation, we have performed a number of tests to verify that the results are reasonable and appropriate. We are not aware of any material inconsistencies, unreasonable output resulting from the aggregation of assumptions, material limitations or known weaknesses that would affect this presentation.*

*This presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. 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.*

*This presentation was prepared exclusively for the UFCW and FELRA Severance Fund for the purpose described herein and for the use by the plan auditor in completing an audit related to the matters herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.*