

CENTRAL STATES PENSION FUND  
FINANCIAL AND ANALYTICAL INFORMATION  
MARCH 31, 2022

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**PENSION FUND  
FINANCIAL REPORT**  
**March 31, 2022 and the Three Months Then Ended**  
Dollars in Thousands

1. Net assets were \$7,414,671 at March 31, 2022, compared to \$8,158,228 at December 31, 2021, a decrease of \$743,557 compared to a decrease of \$573,555 for the same period last year.

The \$170,002 difference is due to \$170,956 less net investment income offset by \$954 less net operating loss.

2. A comparison of Full-Time Equivalent (FTE) actives and retirees follows:

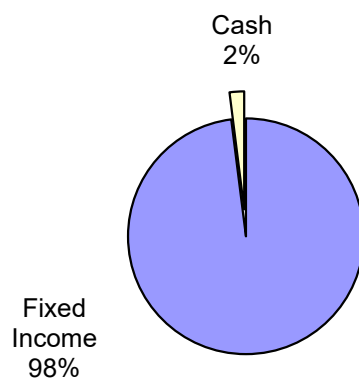
	<u>Actives</u>	<u>Retirees</u>
As of:		
February 2022	41,131	193,591
December 2021	43,020	194,354
Two-month average:		
February 2022	41,929	194,040
February 2021	43,782	196,318
% decrease	(4.23)%	(1.16)%

3. For the three months ended March 2022, the Fund's net operating loss was \$564,452 compared to a loss of \$565,406 for the same period in 2021, or an \$954 favorable change:

- \$1,389 more contributions,
- \$34 less benefits and
- (\$469) more general and administrative expenses.

4. During the three months ended March 2022 and 2021, the Fund withdrew \$562,796 and \$561,062 respectively, from investment assets to fund the cash operating deficits.

5. Investment asset allocation as of March 31, 2022:



Central States, Southeast and Southwest Areas Pension Fund  
Executive Summary of Financial Position  
March 31, 2022  
(Dollar amounts in thousands)

	March 31, 2022	December 31, 2021	Change in Net Assets	
			Dollars	Percentage
Investments:				
Cash equivalents	\$ 380,324	384,739	(4,415)	(0.1)
Fixed income	6,847,772	7,584,552	(736,780)	(9.0)
Equity	5,723	5,685	38	-
Other	45	40	5	-
Total investments	<u>7,233,864</u>	<u>7,975,016</u>	<u>(741,152)</u>	<u>(9.1)</u>
Investment related assets	1,884,985	2,091,411	(206,426)	(2.5)
Employer contributions receivable, net	50,663	50,475	188	-
Other assets	<u>5,830</u>	<u>5,807</u>	<u>23</u>	<u>-</u>
Total assets	<u>9,175,342</u>	<u>10,122,709</u>	<u>(947,367)</u>	<u>(11.6)</u>
Investment related liabilities	1,665,116	1,869,486	204,370	2.5
Other liabilities	<u>95,555</u>	<u>94,995</u>	<u>(560)</u>	<u>-</u>
Total liabilities	<u>1,760,671</u>	<u>1,964,481</u>	<u>203,810</u>	<u>2.5</u>
<b>NET ASSETS</b>	<u>\$ 7,414,671</u>	<u>8,158,228</u>	<u>(743,557)</u>	<u>(9.1)</u>

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Central States, Southeast and Southwest Areas Pension Fund  
Executive Summary of Financial Operations  
March 31, 2022  
(Tabular dollar amounts in thousands)

	Year-to-Date		Change from Prior Year	
	2022	2021	Dollars	Percentage
<b><u>INCOME &amp; EXPENSES</u></b>				
Contributions (includes W/L)	\$ 155,743	154,354	1,389	0.9
Benefits	708,981	709,015	34	-
General and administrative expenses	<u>11,214</u>	<u>10,745</u>	<u>(469)</u>	(4.4)
Operating gain(loss)	(564,452)	(565,406)	954	N/A
Net investment income(loss)	<u>(179,105)</u>	<u>(8,149)</u>	<u>(170,956)</u>	N/A
Change in net assets	\$ <u><u>(743,557)</u></u>	<u><u>(573,555)</u></u>	<u><u>(170,002)</u></u>	N/A
<b><u>OPERATING STATISTICS</u></b>				
Benefits to contributions	455.2 %	459.3 %		
General and administrative expenses to:				
Contributions	7.2 %	7.0 %		
Benefits	1.6 %	1.5 %		
Two-month average FTEs	41,929	43,782		
Contributions per average FTE	\$ 3,714	3,526		
Benefits per average FTE	\$ 16,909	16,194		
Pensioners and beneficiaries				
- current month	193,322	195,349		
Current month average benefit per pensioner and beneficiary	\$ 1,216	1,202		

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Central States, Southeast and Southwest Areas Pension Fund  
Executive Summary of Current and Projected Operations  
March 31, 2022  
(Dollar amounts in thousands)

	Actual through March 2022	April 2022	Projection Remainder of 2022	Year Ending December 2022
Contributions (includes W/L)	\$ 155,743	60,600	421,857	638,200
Benefits	708,981	236,100	1,887,319	2,832,400
General and administrative expenses	<u>11,214</u>	<u>3,800</u>	<u>30,686</u>	<u>45,700</u>
Operating gain(loss)	\$ <u>(564,452)</u>	<u>(179,300)</u>	<u>(1,496,148)</u>	<u>(2,239,900)</u>

Assumptions Used in 2022 Projections

Contributions - No change in plan mix and \$132.8 million in estimated withdrawal liability income.

Benefits - Level benefits.

General and administrative expenses - Actual expenses to date plus 2% increase over 2021 expenses for remaining months.

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Central States, Southeast and Southwest Areas Pension Fund  
Statement of Net Assets  
(In thousands)

	March 31, 2022	December 31, 2021	2020
<b>ASSETS</b>			
Investments:			
Cash equivalents	\$ 380,324	384,739	235,845
Fixed income	6,847,772	7,584,552	10,004,846
Equity	5,723	5,685	5,354
Other	45	40	40
Total investments	<u>7,233,864</u>	<u>7,975,016</u>	<u>10,246,085</u>
Receivables:			
Employer contributions, less allowance for uncollectible contributions (1)	50,663	50,475	55,304
Interest and dividends	30,825	36,604	55,376
Other, including investment related	467,220	313,268	419,060
Total receivables	<u>548,708</u>	<u>400,347</u>	<u>529,740</u>
Cash	432	249	1,406
Assets held in securities lending program	1,387,134	1,741,733	1,217,310
Other, primarily fixed assets - net	5,204	5,364	5,094
Total assets	<u>9,175,342</u>	<u>10,122,709</u>	<u>11,999,635</u>
<b>LIABILITIES</b>			
Liability to return collateral held under securities lending agreements	1,387,134	1,741,733	1,217,310
Investment related	275,440	125,440	273,984
Accounts payable and accrued expenses (2)	80,247	80,175	86,312
Deferred withdrawal liability receipts	17,850	17,133	12,588
Total liabilities	<u>1,760,671</u>	<u>1,964,481</u>	<u>1,590,194</u>
<b>NET ASSETS</b>	<u>\$ 7,414,671</u>	<u>8,158,228</u>	<u>10,409,441</u>

Note(s):

(1) Allowance for uncollectible contributions:	\$ 71,272	71,292	64,796
Reserve for YRC (2009 deferral) included in above allowance:	\$ 33,291	33,291	34,211
(2) Includes a liability for 401(h) plan assets:	\$ 64,802	66,535	67,287

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Central States, Southeast and Southwest Areas Pension Fund  
Statement of Changes in Net Assets  
(In thousands)

	March		Three Months Ended March	
	2022	2021	2022	2021
Revenue:				
Contributions	\$ 37,662	36,992	121,927	124,824
Withdrawal liability	9,504	8,268	33,816	29,530
Total revenue	<u>47,166</u>	<u>45,260</u>	<u>155,743</u>	<u>154,354</u>
Benefits and expenses:				
Benefits to participants	236,550	235,769	708,981	709,015
General and administrative expenses	3,905	3,815	11,214	10,745
Total benefits and expenses	<u>240,455</u>	<u>239,584</u>	<u>720,195</u>	<u>719,760</u>
Operating gain(loss)	(193,289)	(194,324)	(564,452)	(565,406)
Investment income(loss):				
Interest, dividends and other	11,645	16,084	34,730	49,759
Realized and unrealized gain(loss) on investments, net	(102,854)	(19,039)	(211,944)	(55,577)
Investment expenses	(619)	(768)	(1,891)	(2,331)
Net investment income(loss)	<u>(91,828)</u>	<u>(3,723)</u>	<u>(179,105)</u>	<u>(8,149)</u>
Change in net assets	(285,117)	(198,047)	(743,557)	(573,555)
<b>NET ASSETS:</b>				
Beginning of period	<u>7,699,788</u>	<u>10,033,933</u>	<u>8,158,228</u>	<u>10,409,441</u>
End of period	<u>\$ 7,414,671</u>	<u>9,835,886</u>	<u>7,414,671</u>	<u>9,835,886</u>

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Central States, Southeast and Southwest Areas Pension Fund  
Statement of Changes in Net Assets  
(In thousands)

	Years Ended			
	2021	2020	2019	2018
Revenue:				
Contributions	\$ 502,066	496,513	554,886	586,194
Withdrawal liability	157,763	164,315	186,676	556,449 (1)
Total revenue	<u>659,829</u>	<u>660,828</u>	<u>741,562</u>	<u>1,142,643</u>
Benefits and expenses:				
Benefits to participants	2,835,124	2,842,184	2,836,579	2,830,161
General and administrative expenses	45,093	42,242	44,442	44,236
Total benefits and expenses	<u>2,880,217</u>	<u>2,884,426</u>	<u>2,881,021</u>	<u>2,874,397</u>
Operating gain(loss)	(2,220,388)	(2,223,598)	(2,139,459)	(1,731,754)
Investment income(loss):				
Interest, dividends and other	173,417	253,778	301,117	312,387
Realized and unrealized gain(loss) on investments, net	(195,566)	80,664	994,052	(407,175)
Investment expenses	<u>(8,676)</u>	<u>(11,310)</u>	<u>(13,847)</u>	<u>(17,066)</u>
Net investment income(loss)	<u>(30,825)</u>	<u>323,132</u>	<u>1,281,322</u>	<u>(111,854)</u>
Change in net assets	(2,251,213)	(1,900,466)	(858,137)	(1,843,608)
<b>NET ASSETS:</b>				
Beginning of period	<u>10,409,441</u>	<u>12,309,907</u>	<u>13,168,044</u>	<u>15,011,652</u>
End of period	<u>\$ 8,158,228</u>	<u>10,409,441</u>	<u>12,309,907</u>	<u>13,168,044</u>

Note(s):

(1) Includes \$416.9 million from The Kroger Co. and \$47.7 million from Southstar LLC.

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Central States, Southeast and Southwest Areas Pension Fund  
Statement of Cash Receipts and Disbursements  
(In thousands)

	March		Three Months Ended March	
	2022	2021	2022	2021
Operations:				
Contributions	\$ 37,253	38,199	121,790	129,972
Benefits paid, net (1)	(236,327)	(236,965)	(708,290)	(708,926)
	<u>(199,074)</u>	<u>(198,766)</u>	<u>(586,500)</u>	<u>(578,954)</u>
Payroll	(1,159)	(1,165)	(4,084)	(3,855)
Employee benefits	(580)	(561)	(1,891)	(1,820)
Fees, services and software	(674)	(461)	(1,230)	(908)
Rent, including equipment	(85)	(84)	(250)	(245)
Office	(254)	(334)	(827)	(661)
Withdrawal liability receipts	9,672	8,984	34,321	31,360
Other	(433)	(10,777)	(1,936)	(6,706)
	<u>6,487</u>	<u>(4,398)</u>	<u>24,103</u>	<u>17,165</u>
Net from operations	<u>(192,587)</u>	<u>(203,164)</u>	<u>(562,397)</u>	<u>(561,789)</u>
Investments:				
Net sales(purchases)	175,981	177,557	523,523	501,657
Interest and dividends	14,072	24,125	40,720	60,675
Management fees	(273)	(1,276)	(1,663)	(1,494)
Investments, net	<u>189,780</u>	<u>200,406</u>	<u>562,580</u>	<u>560,838</u>
Change in cash	(2,807)	(2,758)	183	(951)
<b>Cash:</b>				
Beginning of period	<u>3,239</u>	<u>3,213</u>	<u>249</u>	<u>1,406</u>
End of period	<u>\$ 432</u>	<u>455</u>	<u>432</u>	<u>455</u>

Note(s):

(1) Includes change in overdraft:

\$	222	(1,197)	691	89
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Central States, Southeast and Southwest Areas Pension Fund  
Statement of Cash Receipts and Disbursements  
(In thousands)

	Years Ended			
	2021	2020	2019	2018
Operations:				
Contributions	\$ 507,265	511,681	554,895	588,551
Benefits paid, net (1)	(2,835,418)	(2,842,046)	(2,836,717)	(2,830,037)
	<u>(2,328,153)</u>	<u>(2,330,365)</u>	<u>(2,281,822)</u>	<u>(2,241,486)</u>
Payroll	(16,389)	(15,097)	(15,507)	(15,297)
Employee benefits	(7,427)	(6,992)	(7,399)	(7,095)
Fees, services and software	(4,235)	(3,759)	(4,388)	(4,218)
Rent, including equipment	(1,025)	(1,004)	(1,679)	(1,237)
Office (2)	(14,515)	(13,886)	(14,420)	(14,628)
Withdrawal liability receipts	161,633	163,390	194,804	565,749 (3)
Other	(6,422)	2,975	44	(2,032)
	<u>111,620</u>	<u>125,627</u>	<u>151,455</u>	<u>521,242</u>
Net from operations	<u>(2,216,533)</u>	<u>(2,204,738)</u>	<u>(2,130,367)</u>	<u>(1,720,244)</u>
Net sales(purchases)	2,032,017	1,947,567	1,847,559	1,435,950
Interest and dividends	192,845	269,350	296,838	304,571
Management fees	(9,486)	(11,211)	(15,546)	(20,038)
Investments, net	<u>2,215,376</u>	<u>2,205,706</u>	<u>2,128,851</u>	<u>1,720,483</u>
Change in cash	(1,157)	968	(1,516)	239
<b>Cash:</b>				
Beginning of period	<u>1,406</u>	<u>438</u>	<u>1,954</u>	<u>1,715</u>
End of period	<u>\$ 249</u>	<u>1,406</u>	<u>438</u>	<u>1,954</u>

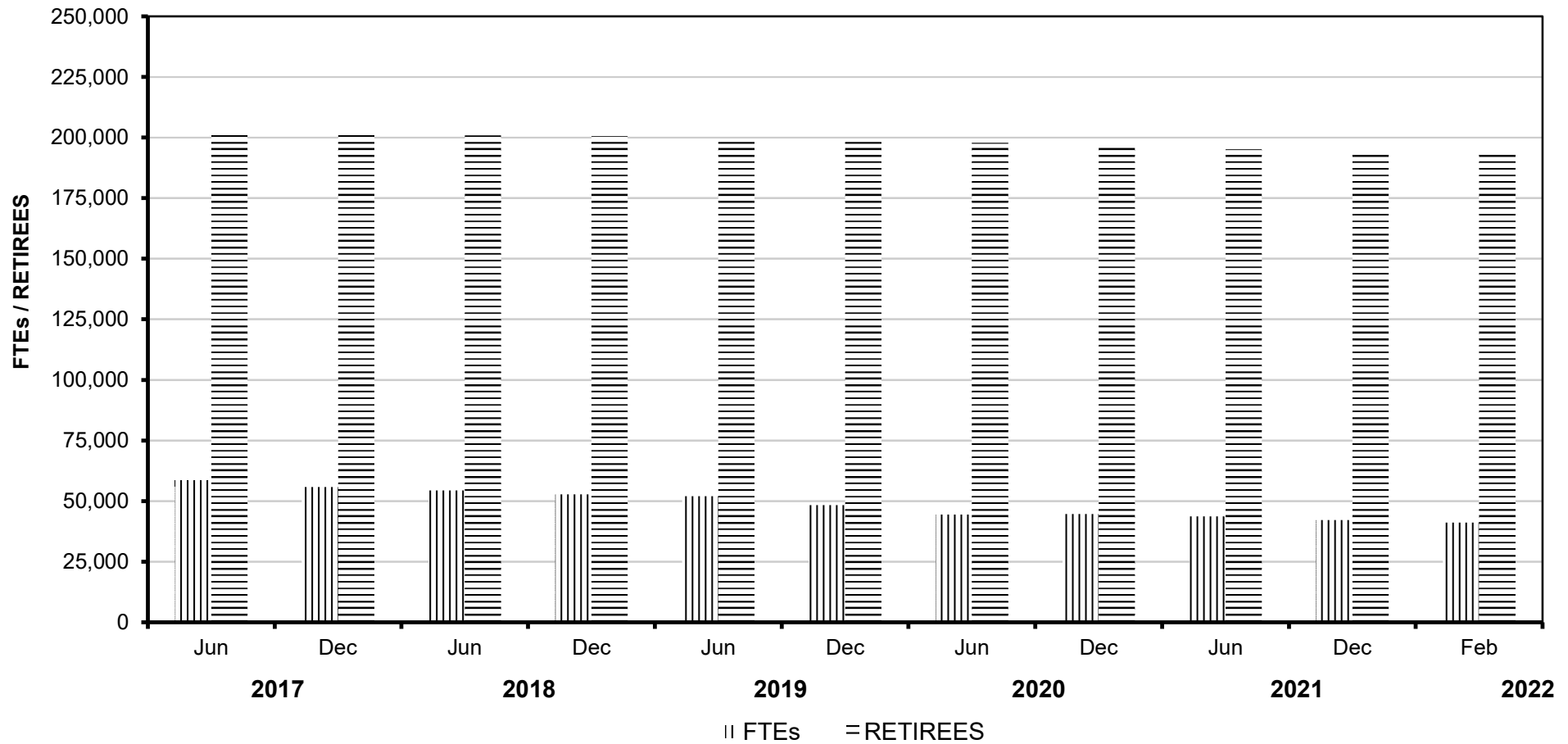
Note(s):

- |   |             |          |          |          |
|---|-------------|----------|----------|----------|
| (1) Includes change in overdraft:   | \$ (294)    | 137      | (138)    | 1,122    |
| (2) Includes PBGC payment:  | \$ (11,218) | (11,173) | (11,008) | (10,835) |
| (3) Includes \$416.9 million from The Kroger Co. and \$47.7 million from Southstar LLC. |             |          |          |          |

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# Central States Pension Fund

Full Time Equivalents vs. Retirees  
June 2017 Through February 2022



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