

## IN THE CHANCERY COURT OF JACKSON COUNTY, MISSISSIPPI

IN RE: Singing River Health System Employees' Retirement Plan and Trust  
Almond, et al. v. Singing River Health System, et al.; Cause No. 2014-2653  
Thompson, et al. v. Singing River Health System, et al.; Cause No. 2014-2695  
Bosarge, et al. v. Singing River Health System, et al.; Cause No. 2014-2729  
Aguillar, et al. v. Singing River Health System, et al.; Cause No. 2014-2753  
Drury, et al. v. Singing River Health System, et al.; Cause No. 2015-0001  
Broun, et al. v. Singing River Health System, et al.; Cause No. 2015-0027  
Eiland, et al. v. Singing River Health System, et al.; Cause No. 2015-0030  
Lay, et al. v. Singing River Health System, et al.; Cause No. 2015-0060

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### REPORT BY SPECIAL FIDUCIARY TRACI M. CHRISTIAN

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Pursuant to the appointment of Traci M. Christian as Special Fiduciary of the Singing River Health System Employees' Retirement Plan and Trust (the "Plan"), the Court has requested a monthly report. The Special Fiduciary brings to the Court's attention the following items for the month of August, 2018.

#### **1. Investment Policy Statement**

The new Investment Policy Statement has been executed per the Court's order of August 21, 2018.

#### **2. Plan Audit (repeated information)**

The Special Fiduciary has been presented with a service agreement for plan auditing services to be conducted by the current hospital auditing firm of Dixon Hughes. It appears that some of the fees outlined in the service agreement may not be for the sole benefit of the Plan itself and may be more appropriately paid for by the hospital. A conference call was held on July 6. An agreement regarding the fees is pending.

#### **3. Request for Proposals for Investment Management Services (repeated information)**

In an effort to more efficiently manage the Plan's assets and reduce costs, the Special Fiduciary on June 11, 2018 issued a "Requests for Proposals" (RFP) for the following services: Custody, Benefit Payments, Expense Disbursements, and/or Investment Management.

Twelve firms were invited to bid. The RFP was also posted on the Singing River Hospital website. Eleven firms responded. The Special Fiduciary has conferred with the Plan's independent investment advisors regarding the proposals submitted. Five of the eleven firms proposing were eliminated from consideration based on an initial review of all proposals. The remaining six firms will be compared using a comprehensive scoring system with the goal of either recommending a single firm or narrowing the selection

down to two to three firms. If necessary, finalist firms may be invited to give secondary presentations of their proposals.

Should the Court so desire, the Special Fiduciary will make available to the Court all information regarding the selection process, any or all proposals, and secondary presentations if applicable.

The Special Fiduciary expects to complete the selection process within one to two months and make a recommendation to the Court in the form of a motion.

#### **4. Return of Contributions Window for Active Participants**

The Plan has been amended per the Court's order of August 21, 2018 to allow active participants to withdraw their own contributions in lieu of a retirement annuity benefit. Individualized statements, information and election forms packets were sent out to all actively employed participants during the first week of August. Payments are currently in process for those participants who have so elected. This window will end on December 31, 2018.

#### **5. Actuarial Valuation as of October 1, 2018**

The Special Fiduciary is planning to present the results of the October 1, 2018 Actuarial Funding Valuation on November 16, 2018 to the committee at Singing River Hospital as well as to Plan participants in two open meetings that same day/evening.

This report will contain information related to the Court's order of April 12, 2018 that "The Special Fiduciary shall institute the 90% to 110% funding level corridor ..."

It is anticipated that this report will be prepared in advance of that meeting and the Special Fiduciary requests guidance from the Court as to how and when the Court would like to be presented with this report. Absent alternative direction from the Court, the Special Fiduciary will file the Actuarial Valuation Report either along with her October monthly report to the Court if it is available or separately in early November.

#### **6. Administrative**

All invoices to date have been processed.

**This concludes the report for the 24th day of August, 2018**

**Respectfully submitted,**



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**TRACI M. CHRISTIAN**