

**IN THE CHANCERY COURT OF JACKSON COUNTY, MISSISSIPPI**

IN RE: 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 November, 2021.

**Repeated - Ongoing Litigation**

We have three lawsuits involving the Plan that are pending.

A motion was filed per the Court's order to dismiss the case against Transamerica, the former administrator. Transamerica has filed a counter claim and that action has not yet been heard. A conference with the Court and all attorneys has been requested.

In Beasley et al vs SRHS et al, the Plan is a Respondent. The lawsuit alleges benefits owed from the Plan that were not paid. A hearing on that case took place November 2.

Barbour vs SRHSERPT, where the Plan is the Respondent also alleges benefits owed from the Plan that were not paid. On December 1, 2020 Judge Harris dismissed this case. The case has been appealed to the Mississippi Supreme Court.

**Plan Investments**

Attached for the Court's review is a report showing asset positions and activity for the month ending October 31 as well as a quarterly report for the quarter ending September 30. While the markets were down in September mostly due to the increase in interest rates, investments continue to perform reasonably well keeping pace with current market conditions. Subsequent reports will keep the Court apprised as to the investment performance in coming months. October returns were quite favorable. As of October 31, the market value of the Trust is \$120.862 million.

Meetings with FCI Advisors, are held every two to three weeks as we continue to pursue opportunities to lower investment costs and to generate lower volatility around performance benchmarks. Discussions will continue regarding moving more funds out of active management to the extent possible and moving more toward passive investment strategies. Such strategies are common for pension plans of this size and the goal

continues to be to maintain a balance between maximizing investment return, minimizing investment expenses and mitigating risk to the portfolio due to market volatility.

**Actuarial Valuation as of October 1, 2021**

The Special Fiduciary is planning to present the results of the October 1, 2021 Actuarial Funding Valuation on November 19, 2021 to the committee at Singing River Hospital as well as to Plan participants later that same day.

This report is attached and contains information related to the Court's order of April 12, 2018 that "The Special Fiduciary shall institute the 90% to 110% funding level corridor ..." This report confirms that the Plan is within that corridor at 101% as of the October 1, 2021 valuation date and no recommendation for changes to benefits will be forthcoming.

Also included with the report is a summary of Plan expenses for the year and targeted expenses for the current year. Of note is that investment expenses were higher than targeted, mainly because the assets performed so far above the target of 6%. That said, efforts are still underway to further reduce those costs.

This Actuarial Valuation will be audited in the coming months by the firm of CBIZ, Inc. The results of that audit and any subsequent recommendations made as a result of the audit will be presented to the Court for consideration. After the actuarial audit, if the projected funded status of the Plan remains above 100%, the Special Fiduciary will present the Court with options to consider regarding Plan benefits.

**Administration**

All Plan benefits due and vendor invoices to date have been authorized for payment.

**This concludes the report for the 13th day of November, 2021.**

**Respectfully submitted,**



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**TRACI MILLER CHRISTIAN**

Singing River Health System Employees' Pension Plan Trust  
Mark to Market Accounting Summary

One Month Ended Oct 31, 2021

Investment (\$000's)	Net				Ending Market Value
	Beginning Market Value	Additions/Withdrawals	Interest/ Dividends/ Fees	Gains/ Losses	
<b>Total</b>	117,203	555	34	3,070	120,862
Cash	4,892	604	0	-	5,496
Cash in Mutual Fund Account	35	-	-	0	35
FCI Advisors Fixed Income	10,022	-	23	(21)	10,024
Regiment Capital <sup>1</sup>	251	-	-	-	251
Vanguard High Yield Corp Adm Fund	1,285	-	-	(4)	1,280
III Credit Opportunities Fund <sup>2</sup>	3,929	-	-	39	3,968
Coho Partners	6,123	(10)	7	307	6,427
Schwab S&P 500 Index Fund	5,781	-	-	405	6,185
Sustainable Growth Advisers	5,144	(24)	1	340	5,461
Disciplined Growth Investors	6,026	-	-	112	6,138
Nuance Investmenten	6,041	(4)	3	119	6,159
Fidelity Mid Cap Index	2,944	-	-	175	3,119
Wells Fargo Special Small Cap Value <sup>2</sup>	6,820	-	-	259	7,079
Westfield Capital	6,291	(12)	0	288	6,568
Vanguard Real Estate Index	4,861	-	-	343	5,205
Fidelity Total International Index	10,545	-	-	278	10,823
DFA International Small Cap Value	3,246	-	-	80	3,326
Fidelity Emerging Markets Index Prem	3,792	-	-	36	3,828
Invesco Opp Developing Markets	3,783	-	-	80	3,863
Gramercy Distressed Opportunities Fund II <sup>2</sup>	1,616	-	-	16	1,632
Invesco Balanced Risk Allocation <sup>2</sup>	5,940	-	-	149	6,089
Elliott International Ltd. <sup>2</sup>	7,043	-	-	70	7,113
Invesco Mortgage Recovery Fund-Loans <sup>1</sup>	163	-	-	-	163
Invesco US Income <sup>3</sup>	5,413	-	-	-	5,413
Eastern Timberland Opportunities II <sup>3</sup>	4,376	-	-	-	4,376
Eastern Timberland Opportunities III <sup>3</sup>	841	-	-	-	841

<sup>1</sup>Valuation date: 9/30/2021 and taken from Mark to Market report previously provided by FiduciaryVest

<sup>2</sup>Valuation date: 10/31/2021 using estimated monthly investment performance

<sup>3</sup>Valuation date: 9/30/2021 asset prices quarterly

Withdrawals represent "Employee Benefit Payments" and Additions represent hospital contributions.

Fees represent investment management fees.

Beginning market value may vary from previous month ending market values due to adjustments made during current month.

All values are preliminary.



SINGING RIVER  
HEALTH SYSTEM

## SRHS Employees' Retirement Plan & Trust

# Investment Performance Report

Periods ended 09/30/2021



FIDUCIARY VEST

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# Market Commentary



# BACK TO WORK!

## Well...Perhaps Not So Fast

At this time a year ago, the US was dipping its toes into the delights of on-street drinking and dining with one or two family and friends. A limited-mingling-Thanksgiving lay just ahead. But, on the bummer-side of October 2020, creation and distribution of a Covid vaccine was not in the cards; months earlier, prominent bio-scientists had cautioned that such a development was surely years away.

Airlines, cruise lines and hotels were about one level above being lights-out dormant. Convention gatherings, performing arts, professional golf and cheering throngs in sports stadia all languished in a fug-get-about-it zone. Institutional education functions had been reduced to an on-screen experience, to the extent it took place at all.

In the workforce, Covid was extremely unfair. There was of course an unprecedented demand for overtime-exhaustion level healthcare workers and high risk, mostly blue-collar jobs that required 100% on-site workers, such as

midwestern meat packers, grocery and drug store employees. For millions of others whose on-site presence was not required, white-collar, pajama-clad workers sat at home computers, participated in virtual meetings and delivered near normal job performance.

Meanwhile, the US stock market shot upward on an astounding run, following its five-week [2/12 to 3/23] 37% Dow Jones "Covid-crash". The late April 2020 surge turned out to be a never-look-back skyrocket that made the March crash into a straight down, but temporary blip, especially among NASDAQ's technology shares.

In September 2008, we had seen the US Congress emerge from an emergency economic briefing that "sucked the air out of the room" following an abrupt financial-sector collapse. Likewise, the spring of 2020 again saw the Congress in bipartisan panic about prospects for an economy-wide, government-ordered shutdown of countless business operations

*Congress swung into an unaccustomed bipartisan working mode that produced a new avalanche of cash "stimulus" payments to many/most working Americans.*

caused by a worldwide virus for which there was no medical preventative, or treatment. So, Congress swung into an un-accustomed bipartisan working mode that produced a new avalanche of cash "stimulus" payments to many/most working Americans, and to most of their employers and to state and local governments. After a predictably rocky start, it worked mostly according to intentions.

But then, as the worst economic stagnation began to ebb and un-freeze in late 2020, the Congress re-doubled those cash distributions. And, in early 2021, they did it a third time. The immediate-impact "Covid relief" legislative packages enacted into law total \$5.3 trillion<sup>1</sup>. The last of these bills was a nearly \$2 trillion package that was the most controversial of all the Covid bills, because it provided direct cash payments to a large majority of individuals, regardless of their economic need, or absence thereof. In addition, it extended the monthly payout of beefed-up benefit amounts delivered under the unemployment compensation structure.

### **Bizarre Economic Wrinkle**

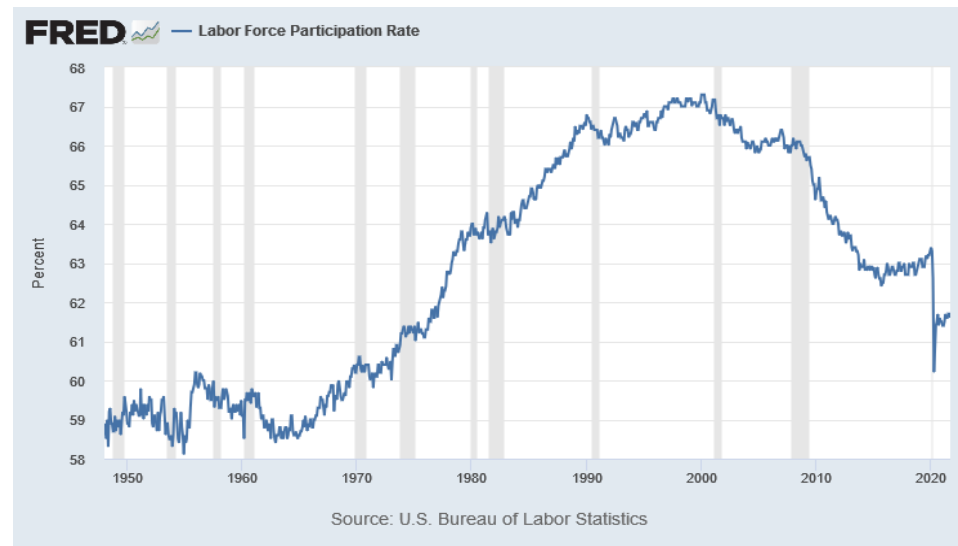
As discussed above, the economic stage had been set for a well-tended, very costly sail

<sup>1</sup> Not to be confused with *pending* legislation for "infrastructure", \$1.0 trillion, and new welfare entitlements, \$3.5 trillion

through the pandemic shutdown. But something hard to believe had happened on the way to 2021 workplace recovery: job openings in nearly all industries were cascading down the chute so fast that many jobs remained unclaimed. And, as of now, they are still open... vast numbers of them. This, despite the fact that big box retail employers, notorious for their huge, predominantly minimum-wage workforces suddenly increased their starting minimum pay by a large percentage. Nearly all manufacturing employers are unable to get necessary raw materials from their labor-starved suppliers and, even when they succeed on the supply-side, their own labor shortages gum up normal production volume. And, in between those labor-challenged employers, there are the shippers who cannot adequately staff their trucks, ships and planes. More than a half-million transport jobs are now unfilled, according to the US Dept of Transportation.

The deep economic disruption that occurred in 2008 caused a sharp spike in the number of people seeking, but not finding employment. Not so in 2021. The unemployment rate in September was actually good... 4.8% and falling. But, that good-getting-better *percentage* is not mostly caused by more people finding jobs. Instead, it's because the number of people currently being paid to work + those who are seeking work (i.e., *the Labor Force*<sup>2</sup>) is shrinking. In fact, the Labor Force as a percentage of the

eligible Population<sup>2</sup> has been steadily declining for most of the last 20 years. Very recently, we have experienced a pronounced Labor Force down-spike. As things stand now, *almost 40% of the eligible job holders and self-employed are not even seeking to earn an income*, while millions of advertised jobs go unfilled. Not since about 1970, has there been such a low Work Force percentage of the eligible. Please see the graph below.



**The Fed Continues to Rule**

The 13-year US Federal Reserve manipulation of essentially all things financial not only continues but was recently amped-up to create and deliver a fresh avalanche of new 2020-21 Covid-fighting dollars (a 116% new-dollars increase,

since January 2, 2020). The Fed's process first creates, then lends those new dollars to the US Treasury, by way of open market purchases of the Treasury's newly issued and existing debt and Treasury-guaranteed home mortgage-backed bonds. It's a pretty slick system: every new dollar is automatically deemed to have the same purchasing value as every "old" dollar. So, every week the Fed goes to market makers and buys bonds, using mostly new-born dollars. It

works every time. Sellers of those bonds have never (yet) insisted upon a discount for accepting payment in new dollars.

Meanwhile, the Treasury comes out well, because the Fed's charter requires it to pay back to the Treasury its net interest income

collected from the Treasury on its bond holdings. As of September 30, 2021, the Fed's bond investment assets amounted to just below \$8 trillion. By comparison, in late September 2008 (the beginning of this program), the Fed's bond holdings amounted to a mere \$0.5 trillion, a 16-fold expansion. Today, the Fed's buying program is still adding bonds every month, at its

September 2021, that eligible number (100%) was 261.8 million people. The *employed Labor Force* was 153.7 million [58.7% of

eligible] and the *unemployed Labor Force* - people seeking jobs was 7.7 million [4.8% of el

<sup>2</sup> The *Population* eligible for work = above age 15, US resident, non-military, who live outside of institutional confinement; in

accustomed \$1.4 trillion annual rate, although it has indicated that its buying volume will probably be reduced, by some amount, beginning sometime later this year. The bond market has predictably responded by modestly beginning to fidget with interest rates.

Make no mistake; this 13-year, off-and-on money creation scheme is not only unprecedented, it is now deeply embedded and institutionalized among central banks and market makers worldwide; therefore, its unwinding, if attempted, will likely be a homeward journey without a compass, made especially delicate because it will necessarily pressure market interest rates higher amid unpredictable, uncontrolled global economic conditions and market-maker reactions. Why would such a successful money-creation regime be unwound? Indeed, it amounts to an ordained Belief System, shared among the world's leading fiat currency issuers [led by the dollar, euro, yen and pound-sterling issuers]; it appears to be unimpeachable; it offers total control over currencies, and it offers complete financial flexibility and accountability, all without much, if any need to deal with market forces.

Not so fast.... There is a serious and rapidly expanding challenger to the Belief System's trusted dependability: **cryptocurrencies**. Unless the fiat currency-world's governments can

manage to regulate and de-fang the cutting edges of blockchain technology, it appears that the cryptos will soon emerge as a credible threat to the free-wheeling respect that is accorded to fiat currencies. A significant volume of transactions is occurring, and their pace is accelerating.

### At last, inflation awakens

Beginning in 2012 (i.e., not long after the Fed's bond-buying program got to center-stage), the Ben Bernanke-led Fed officially began to target a 2% annual inflation rate, as a partial goal of its responsibility to manage monetary policy. The Fed was never very straightforward about its new inflation targeting regime, but indications were that the Fed had been so spooked by the 2008-09 threat of *de*-flation that it came to believe a modest inflation rate is the appropriate tool for continuously fulfilling its Congressional Charter mandate to maintain "stable prices". Because of the Fed's 2009-until-now massive bond-buying program, inflation rates (and interest rates) have been below 2%, for most of the last 10 years.

That was then; this is now. The CPI-U index's inflation rate, across nearly all categories of consumption, has spiked from around 1.7% in early 2021 to a steady 5%+ in every month since April. Despite Fed Chairman Powell's springtime pooh-pooing of the potential for any longevity in the inflation spike, the economy seems to be

proving him to be off the mark. Moreover, everyday consumables such as gasoline and food are posting fierce price increases which predictably produce an almost forgotten public sense of "inflation expectation thinking." For various chain-linked reasons, those expectations naturally beget more inflation, notwithstanding technical news to the contrary.

### China in change

Despite its perch as the world's 2<sup>nd</sup> largest economy, which is home to the world's 2<sup>nd</sup> largest number of billionaires<sup>3</sup>, communist-governed China is officially categorized as an "emerging market" country. How is that? The answer seems to be the ranking of a country's *GDP per capita*. The US, for example, recently ranks 8<sup>th</sup> and China ranks only 79<sup>th</sup>, according to the World Bank. China's two largest stock exchanges (Shanghai and Shenzhen) have a combined recent market value of not-so-tiny US\$8.6 trillion, compared to the NYSE's \$29 trillion.

The MSCI China Index is composed of 5 share classes, representing 740 corporate shares; "B" shares are quoted in foreign currencies and open to foreign investors and some large China companies have ADRs, or shares traded outside of China. The Index return for the quarter ended September 30, 2021, was -18.1% and -16.6% YTD. China's two mega-companies are

<sup>3</sup> Source: 2021 World Population Review, US billionaires = 724; China = 698; World total is >2,700.

Tencent Holdings (TCEHY: \$341B) and Alibaba Group (BABA: \$277B).

China’s currently significant regulatory re-org is in process, up and down the social spectrum. US advisors are generally rating China shares as currently requiring a risk premium return.

**Covid redux**

The world’s battle with pandemic is laboring under a second surge delivered by Covid’s so-called delta-variant which tends to strike people who escaped the first version and also many who have already been vaccinated. Meanwhile, in the 9 months year-to-date, vaccinations are progressing by the millions.

Since the beginning of the always on-screen Covid-counts being published and maintained minute by minute, we have always considered the data reporting to be little more than raw information having neither perspective, nor impact measurement. This writer determined that the most meaningful Covid data ought to measure Covid’s death rate, and more specifically *the death rate by age groups*, because it was clear, early-on, that the age 65+ demographic group was suffering a heavy, tragic death rate that was many times higher than that of younger ages. The age-phenomenon was therefore a logical category to produce a higher death rate which was easily understood by hospital physicians, because older covid patients often had pre-existing, diseased vital organs. Another general condition

that became a prominent death-cause is obesity.

Please see our table of various death-focused covid statistics, below.

**AGE REALLY MATTERS**

U.S. POPULATION			COVID-19 DEATHS as of 10/6/2021		VACCINATIONS as of 10/14/2021*	
Age Groups	Millions of People	Percent of Total	INDIVIDUAL DEATHS	% of TOTAL	Age Groups	% VACCINATED
up to 17	126	52%	499	2%	up to 39	43%
18 - 29			3,739			
30 - 39			10,877			
40 - 49	45	12%	27,172	4%	40 - 49	71%
50 - 64	63	19%	122,500	17%	50 - 64	78%
65 - 74	32	10%	157,673	22%	65 - 74	91%
75 - 84	16	5%	185,180	26%	75 and older	86%
85 and older	7	2%	193,317	28%		
<b>TOTALS</b>	<b>329 million</b>	100%	<b>700,957</b>	100%	<b>200.1 million</b>	<b>61%</b>

source of population and COVID death data: STATISTA and FiduciaryVest, LLC  
 source of vaccination data: U.S. CDC and FiduciaryVest, LLC

\*% of people who had at least one dose

**KEY FACTS SUMMARY**

**In the US, approximately 2 people out of every 1,000 have died of COVID-19 (0.2% of Population)**

**Over half of the U.S. population is under age 40, while only 17% is age 65+.**

**BUT, ALMOST 8 OF 10 COVID DEATHS HAVE BEEN AGE 65+ (over half of deaths were 75+) DESPITE THE FACT THAT MORE THAN 86% OF 65+ AGE GROUP HAS BEEN VACCINATED.**

**CONTRAST: 64% of U.S. is UNDER AGE 50 , BUT they represent only 6% of COVID deaths.**

## COMMENTARY

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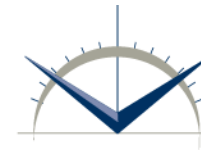
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**FIDUCIARYVEST**

INVESTMENT STRATEGIES FOR FIDUCIARIES

### *FiduciaryVest Mission Statement*

To earn and maintain **Trusted Advisor** status with clients through consultant integrity, objective advice, and innovative solutions.

### *FiduciaryVest Core Values*

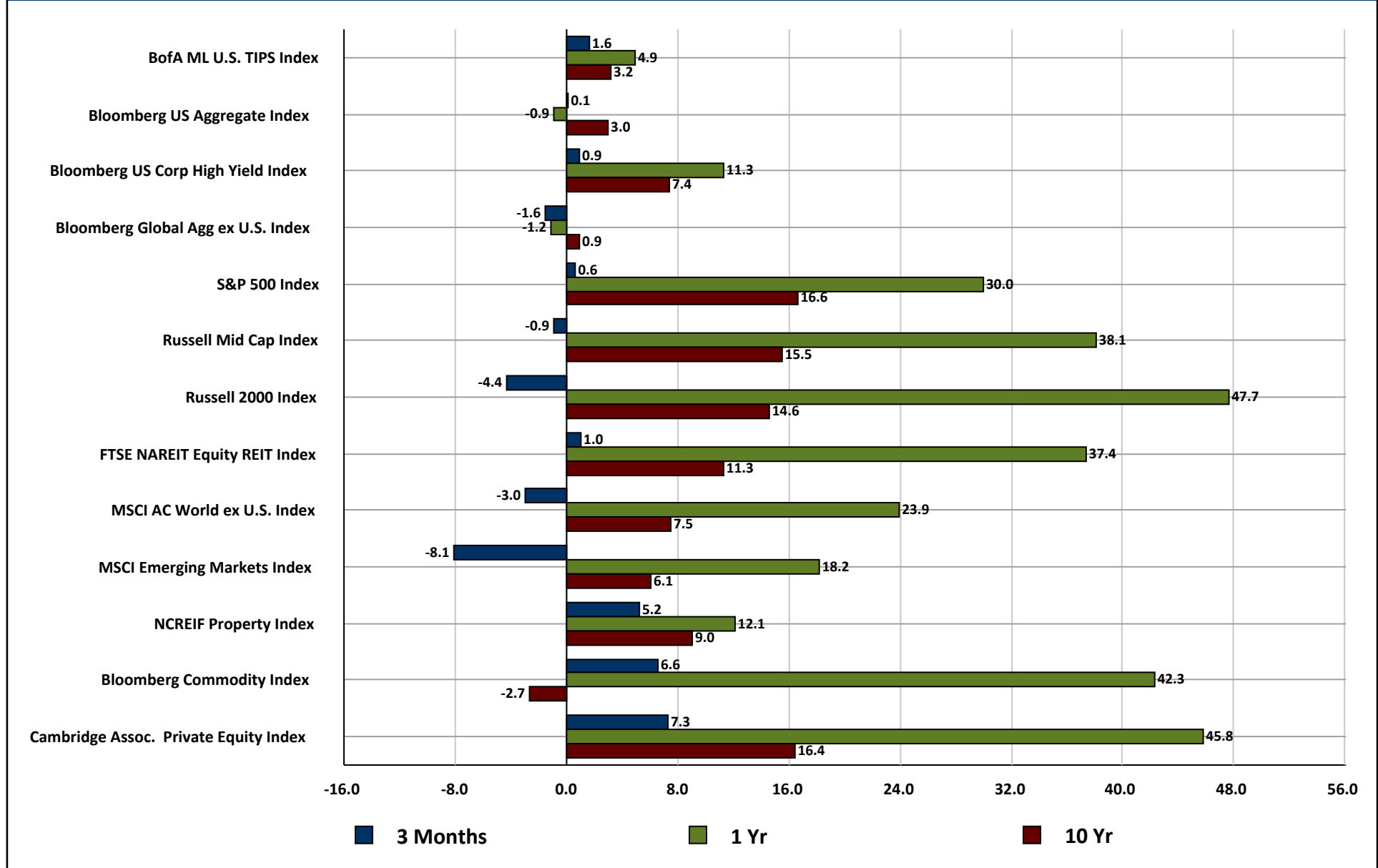
Uncompromising integrity

Unbiased strategic advice

Exceed client expectation

Innovative thought leadership

World Markets Review - Broad Market Indexes

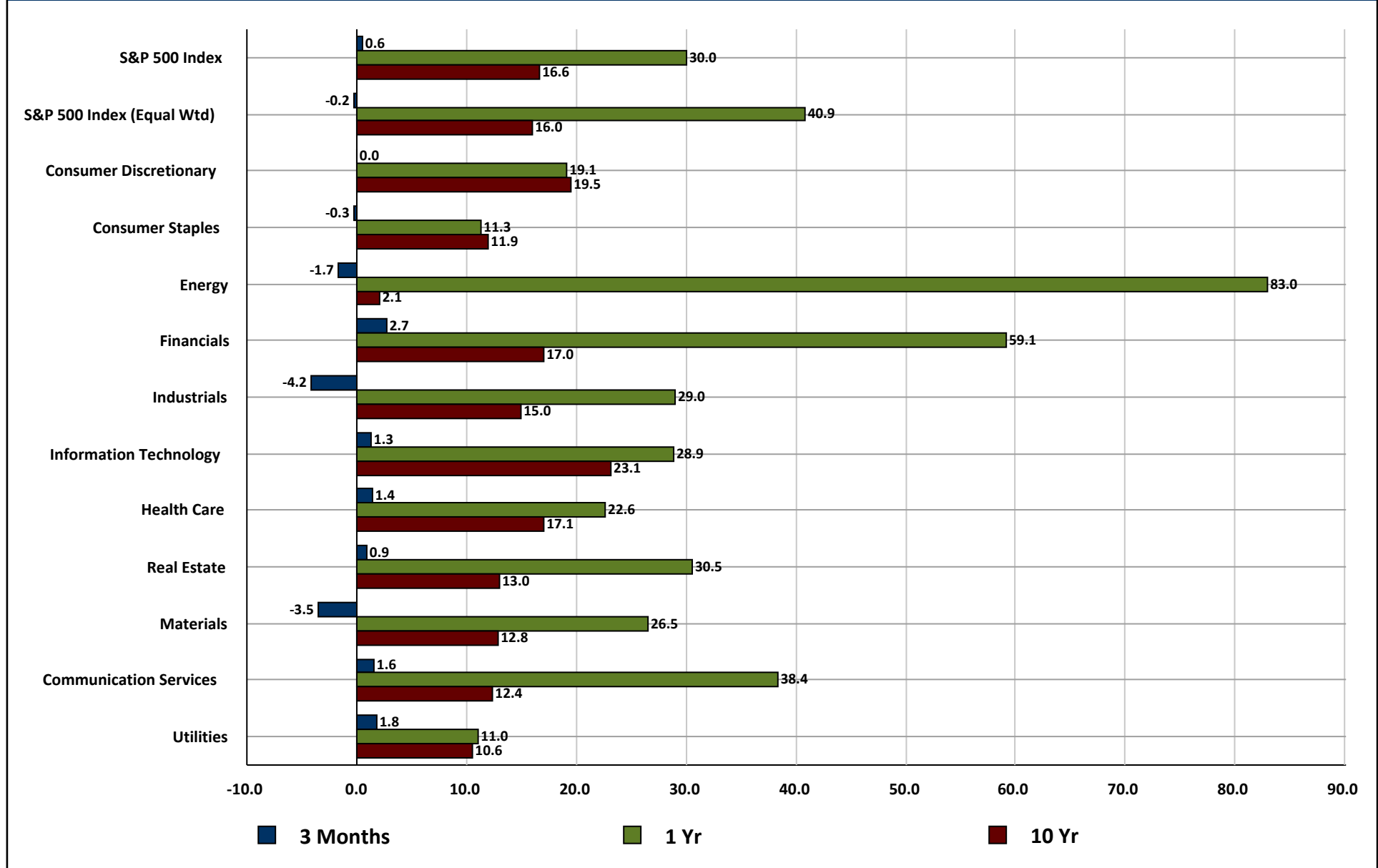


Proxies are used for late-reporting indexes as follows: NCREIF Property Index: NCREIF Property ODCE Index preliminary return.  
 Cambridge Assoc. Private Equity Index: 50% Private Equity long term average return (since 1986)/ 50% S&P 500 Index.

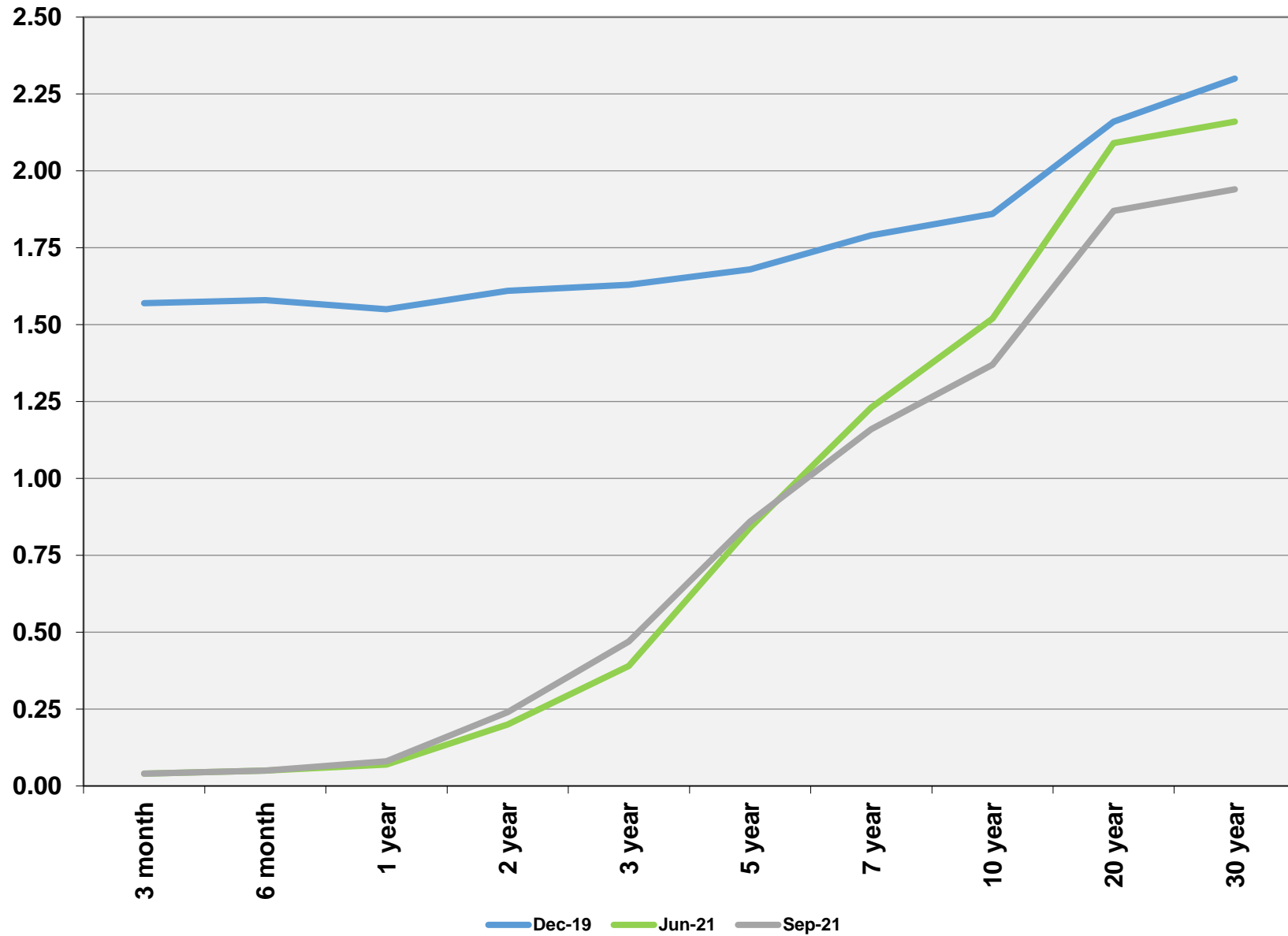
Historical Capital Markets Returns							
	3 Months	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
<b>Fixed Income</b>							
Bloomberg 1-3 Yr US Treasury Index	0.1	0.0	0.0	2.7	1.6	1.5	1.2
Bloomberg 1-3 Yr US Gov/Credit Index	0.1	0.1	0.3	2.9	1.9	1.7	1.5
Bloomberg Intermed US Govt/Credit Index	0.0	(0.9)	(0.4)	4.6	2.6	2.7	2.5
Bloomberg US Corp Investment Grade Index	0.0	(1.3)	1.7	7.4	4.6	4.7	4.9
Bloomberg US Gov't/Credit Index	0.0	(1.9)	(1.1)	5.9	3.2	3.5	3.2
Bloomberg US Aggregate Index	0.1	(1.6)	(0.9)	5.4	2.9	3.3	3.0
Bloomberg Long US Treasury Index	0.5	(7.5)	(10.3)	9.2	3.3	5.4	4.4
ICE BofA ML US TIPS Index	1.6	3.3	4.9	7.6	4.4	4.0	3.2
Bloomberg Municipal Bond Index	(0.3)	0.8	2.6	5.1	3.3	3.6	3.9
Bloomberg US Corp High Yield Index	0.9	4.5	11.3	6.9	6.5	5.9	7.4
Bloomberg Global Agg ex U.S. Index	(1.6)	(5.9)	(1.2)	3.2	1.1	1.2	0.9
Bloomberg Emerging Mkts USD Aggregate Idx	(0.5)	(1.1)	3.3	5.9	4.1	4.6	5.7
<b>U.S. Equity</b>							
S&P 500 Index	0.6	15.9	30.0	16.0	16.9	14.0	16.6
Russell 1000 Value Index	(0.8)	16.1	35.0	10.1	10.9	9.3	13.5
Russell 1000 Growth Index	1.2	14.3	27.3	22.0	22.8	18.5	19.7
Russell Mid Cap Index	(0.9)	15.2	38.1	14.2	14.4	12.2	15.5
Russell Mid Cap Value Index	(1.0)	18.2	42.4	10.3	10.6	9.6	13.9
Russell Mid Cap Growth Index	(0.8)	9.6	30.5	19.1	19.3	15.4	17.5
Russell 2000 Index	(4.4)	12.4	47.7	10.5	13.5	11.9	14.6
Russell 2000 Value Index	(3.0)	22.9	63.9	8.6	11.0	10.2	13.2
Russell 2000 Growth Index	(5.7)	2.8	33.3	11.7	15.3	13.2	15.7
FTSE NAREIT Equity REIT Index	1.0	23.1	37.4	10.0	6.8	9.0	11.3
<b>Non-U.S. Equity</b>							
MSCI EAFE Index	(0.4)	8.3	25.7	7.6	8.8	5.8	8.1
MSCI AC World ex U.S. Index	(3.0)	5.9	23.9	8.0	8.9	5.7	7.5
MSCI AC Europe Index	(1.1)	11.1	28.8	8.6	9.6	5.7	8.6
MSCI AC Pacific Index	(5.5)	(1.1)	16.3	8.2	9.7	7.6	8.5
MSCI Emerging Markets Index	(8.1)	(1.2)	18.2	8.6	9.2	5.6	6.1
MSCI AC World ex USA Small Cap Index	0.1	12.6	33.5	10.8	10.7	8.5	9.8
<b>Alternatives</b>							
Credit Suisse Long/Short Equity Index	0.8	6.1	14.2	6.2	6.7	5.1	6.7
Bloomberg Commodity Index	6.6	29.1	42.3	6.9	4.5	(1.5)	(2.7)
HFRI Merger Arbitrage Index	0.5	9.0	19.0	7.0	6.0	5.1	4.6
HFRI Macro Index	(0.2)	8.1	13.4	5.8	3.4	2.8	2.0
NCREIF Property Index	5.2	10.9	12.1	6.7	6.8	8.1	9.0
NCREIF Timberland Index	1.9	4.4	5.0	2.4	2.9	3.8	4.9
Cambridge Assoc. Private Equity Index	7.3	30.9	45.8	21.0	19.7	16.1	16.4

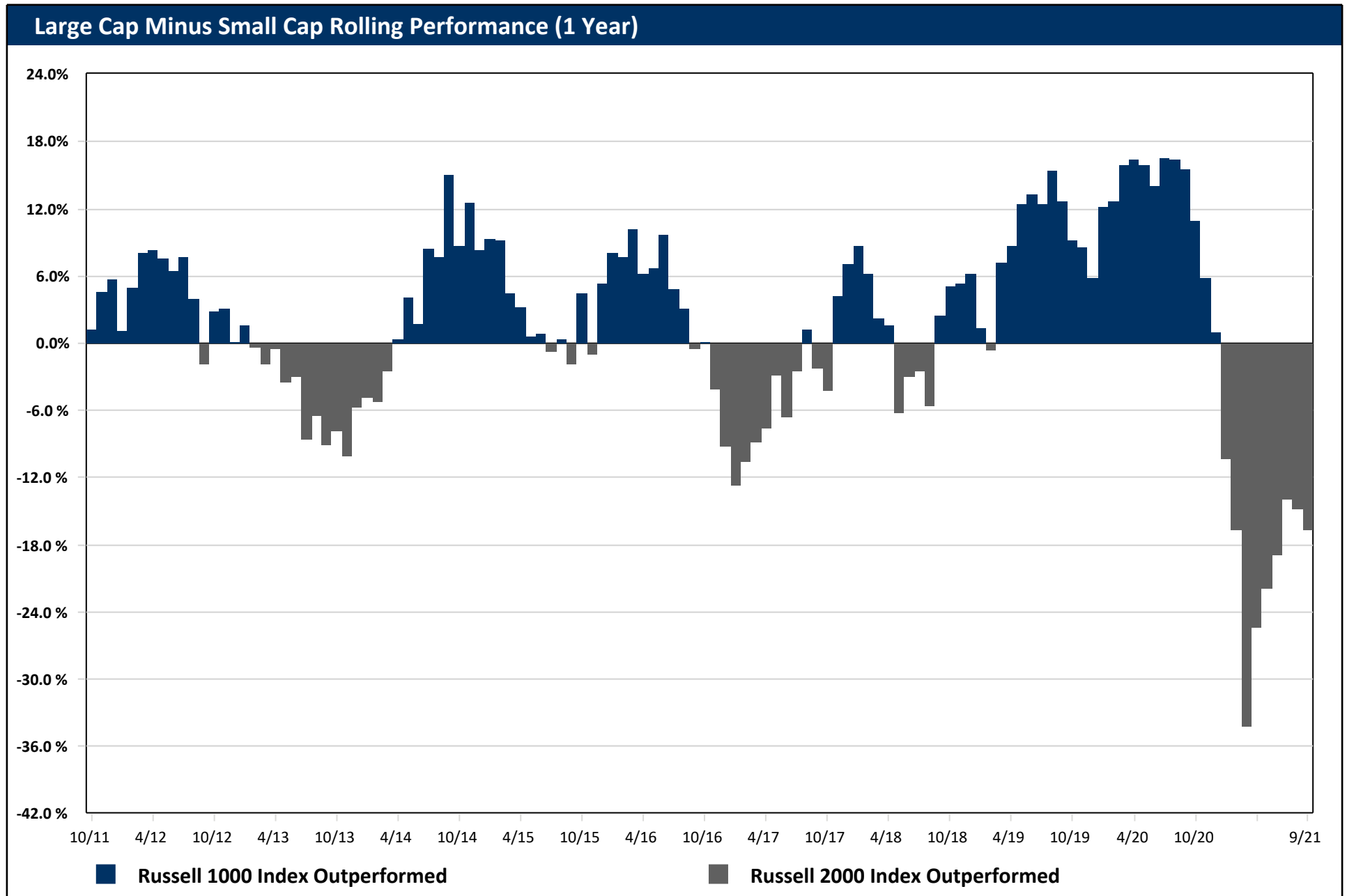
Proxies are used for late-reporting indexes as follows: NCREIF Property Index: NCREIF Property ODCE Index preliminary return. NCREIF Timberland Index: Long term annualized index return (since 1994). Cambridge Assoc. Private Equity Index: 50% Private Equity long term average return (since 1986)/ 50% S&P 500 Index.

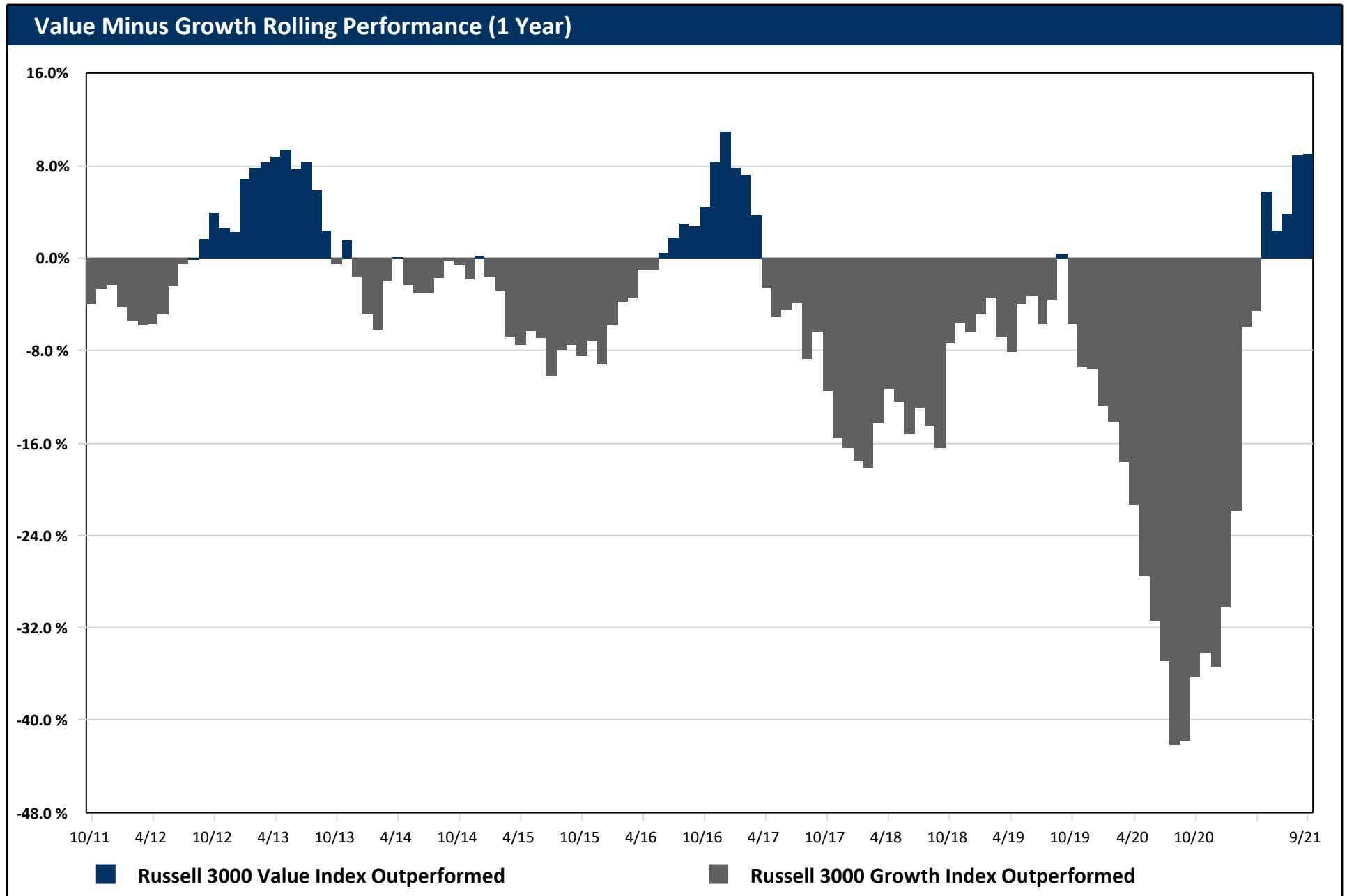
World Markets Review - S&P 500 Sectors



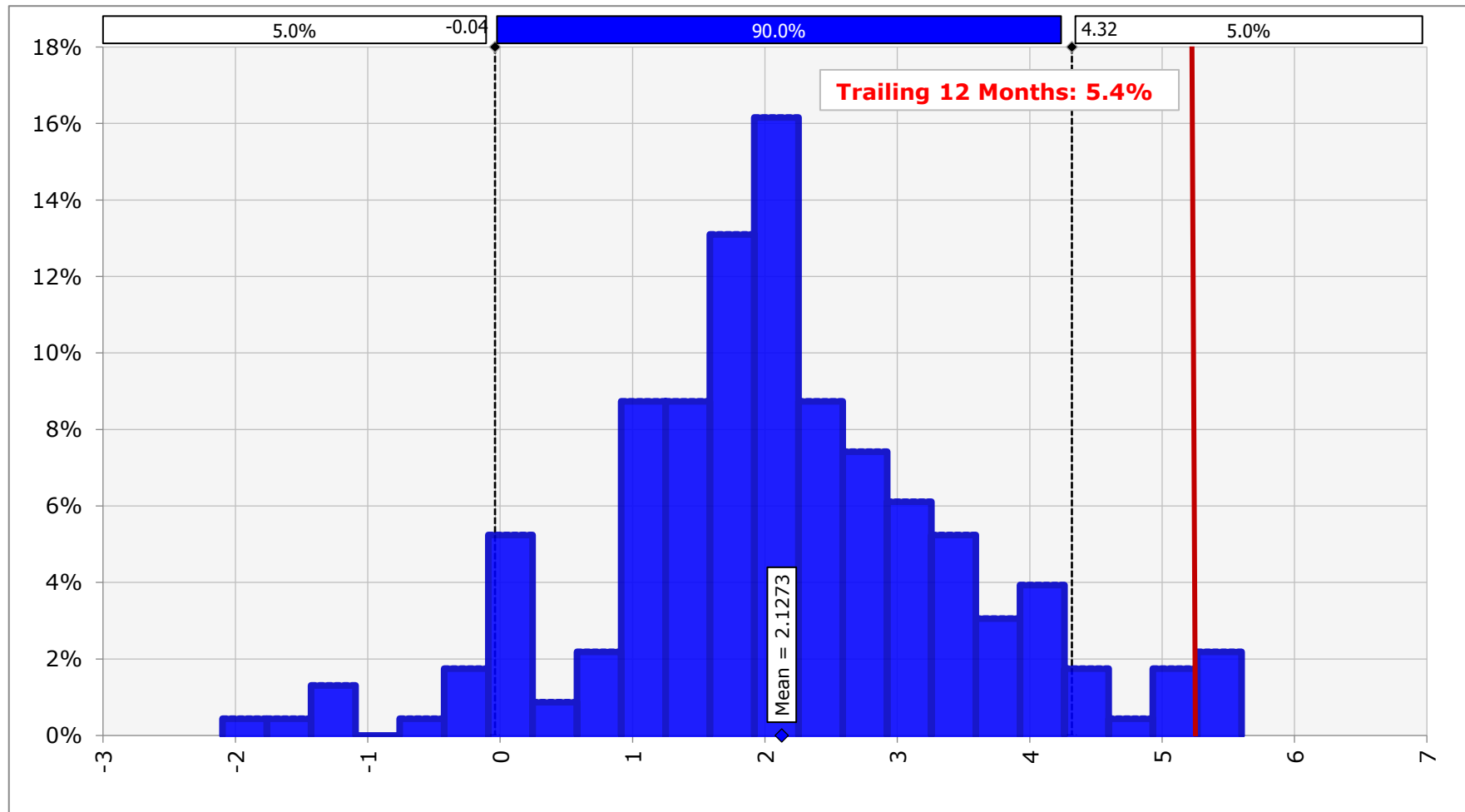
U.S. Treasury Bond Yields at selected quarter end dates







Distribution of Year Over Year Change for CPI-U in last 20 Years





# Total Plan Analysis



# Observations: SRHS Employees' Retirement Plan & Trust

## Performance and Observations

- The investment program declined **0.6%** (net of investment fees) this quarter, underperforming the policy benchmark loss of **0.3%**. For the fiscal year the investment program is up **22.7%** (net of investment fees), ahead of the policy benchmark's **20.5%** return.
- The returns net of investment fees over the trailing one, three, five, seven, and ten years are all ahead of the policy benchmark and are ahead of the 6% long term objective.
- Over the last twelve months the outperformance is attributable to both asset allocation and manager value added. The asset allocation is due to the underweight in bonds and overweight in equities compared to the investment policy targets. The manager value added is a result of the managers in total outperforming their respective benchmarks, net of investment fees.

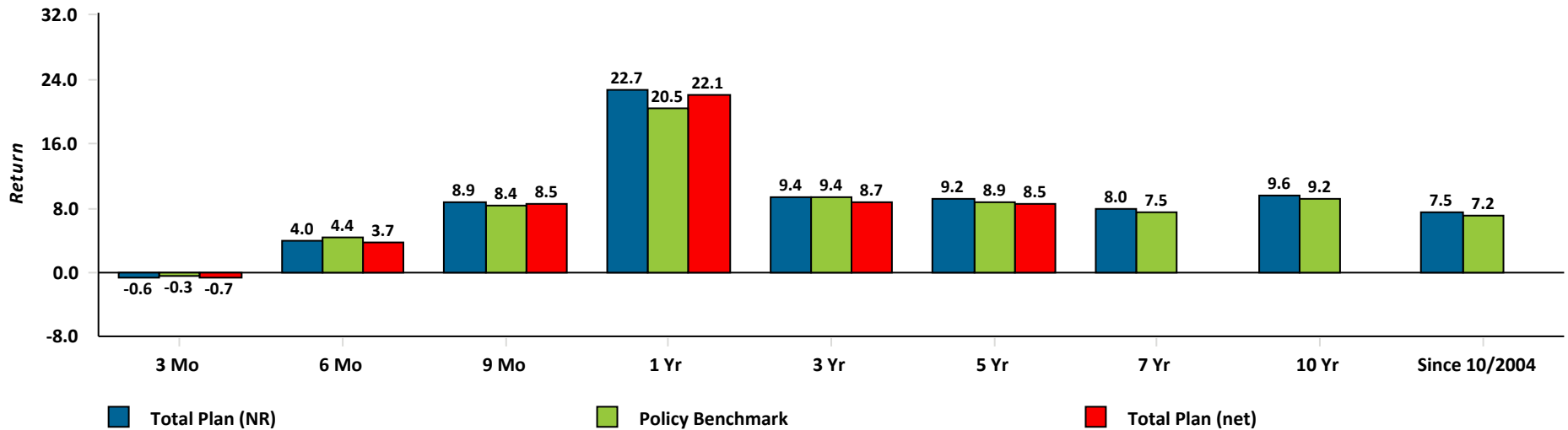
## Probation or Watch List

- Nuance Mid Cap Value declined **0.8%** this quarter, ahead of the **1.0%** loss of the Russell Midcap Value Index. The strategy is ahead of its index and peers for all periods three years and longer.
- Disciplined Growth Investors avoided a loss this quarter, outperforming the **0.8%** decline of the Russell Midcap Growth Index. Over the last twelve months the strategy outperformed its index, climbing **45.4%** compared to the **30.5%** return of the index and ranking in the top 2% of its peers.
- The Gramercy Distressed Opportunities Fund II returns net of fees remain at a slight loss since inception. The manager anticipates the majority of the remaining investments will return capital over the next twelve months. They have reduced their fee by one-third.

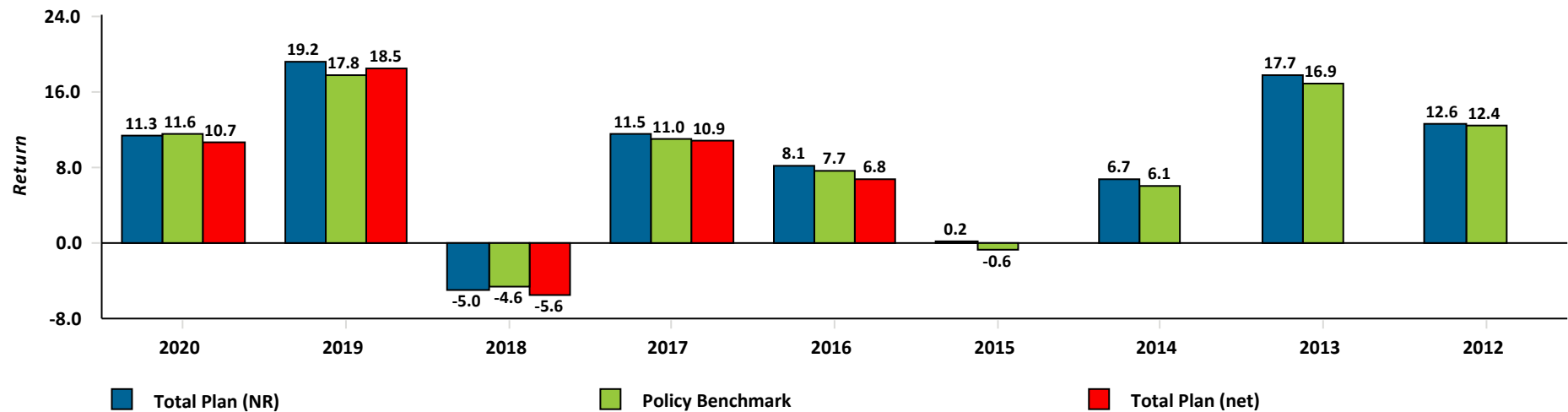
## Recommended Actions

- None

Trailing Returns

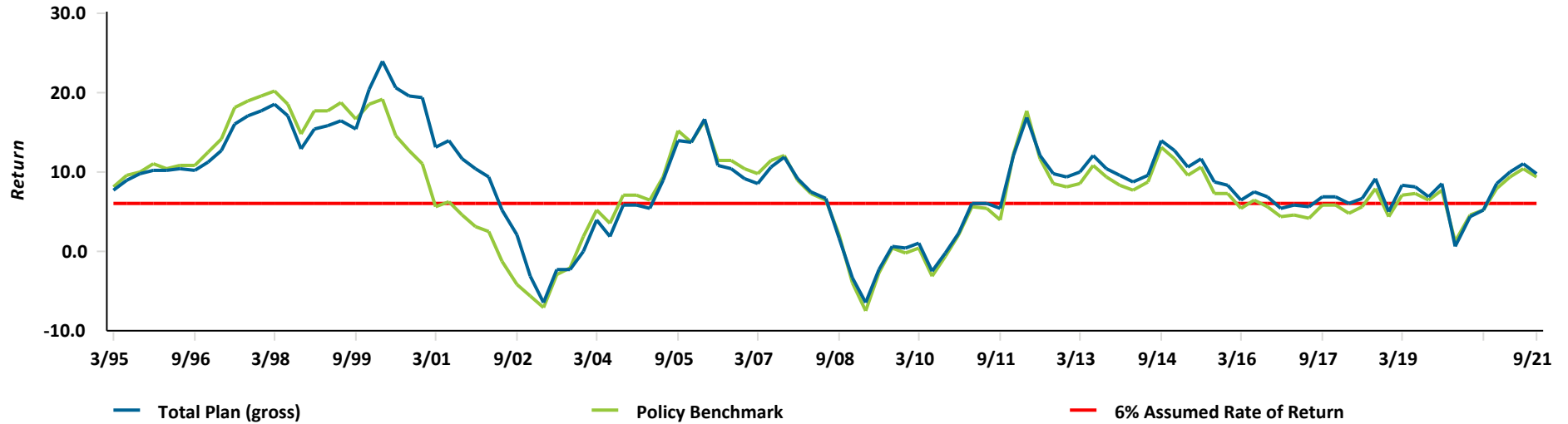


Calendar Year Returns

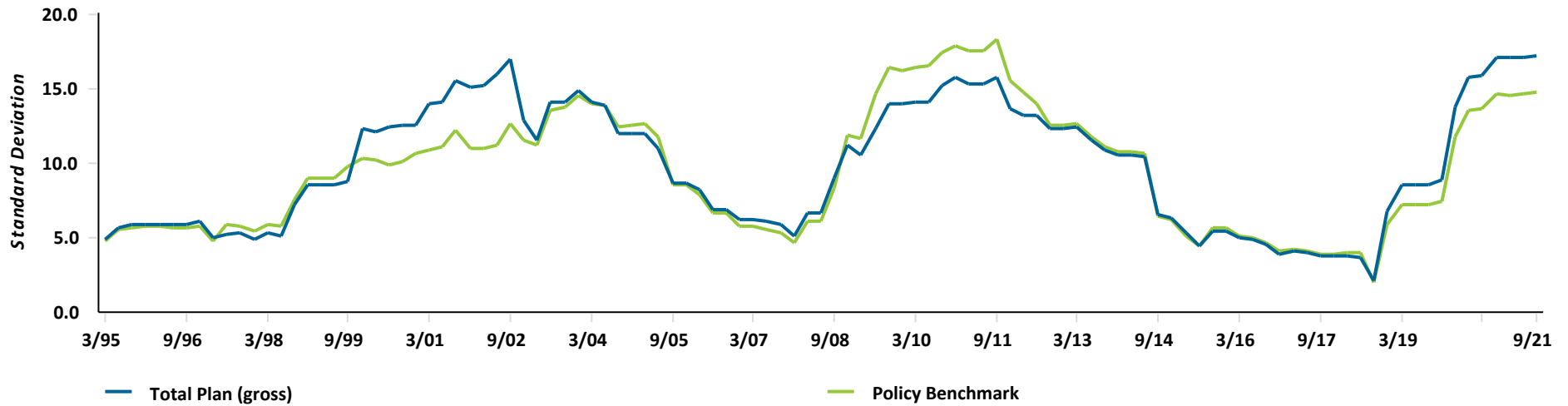


NR=Net of investment management fees return. "Net" returns are net of both investment management fees and plan expenses.

Rolling Three-Year Return

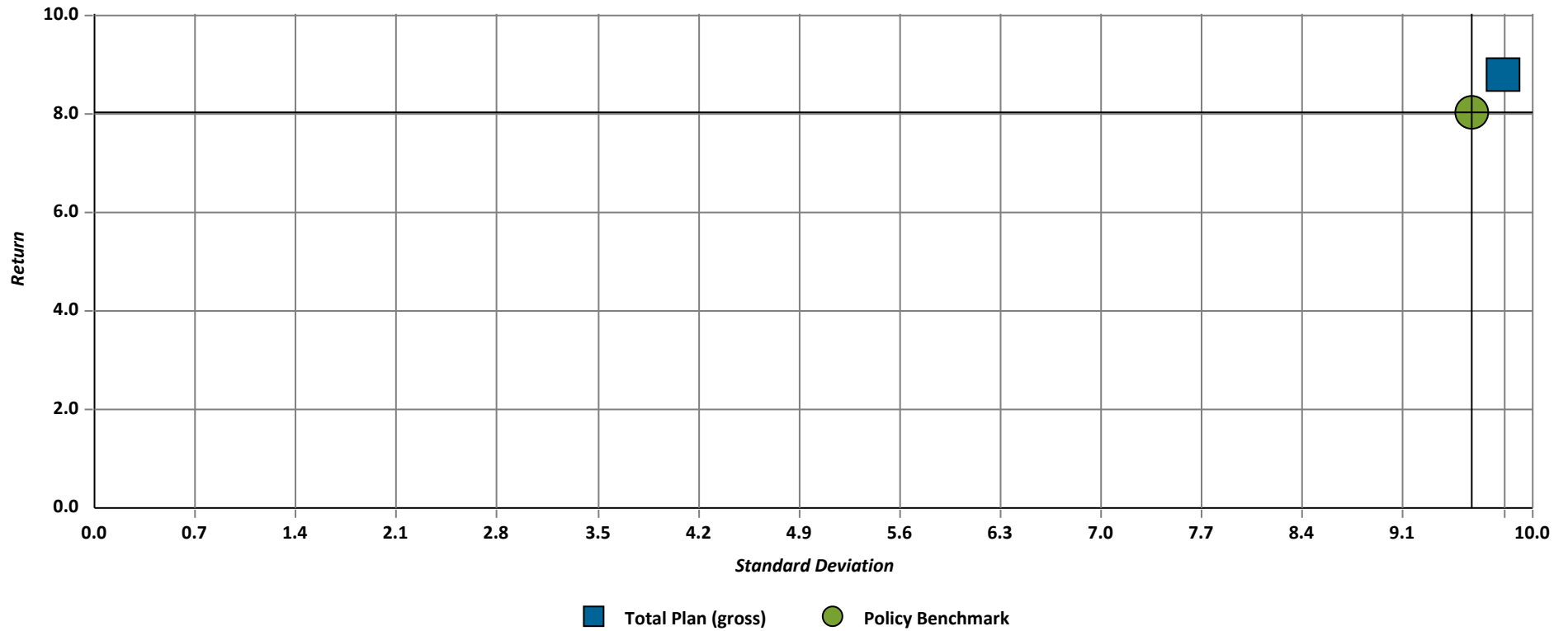


Rolling Three Year Standard Deviation



NR=Net of investment management fees return. "Net" returns are net of both investment management fees and plan expenses.

Risk/Return since Inception

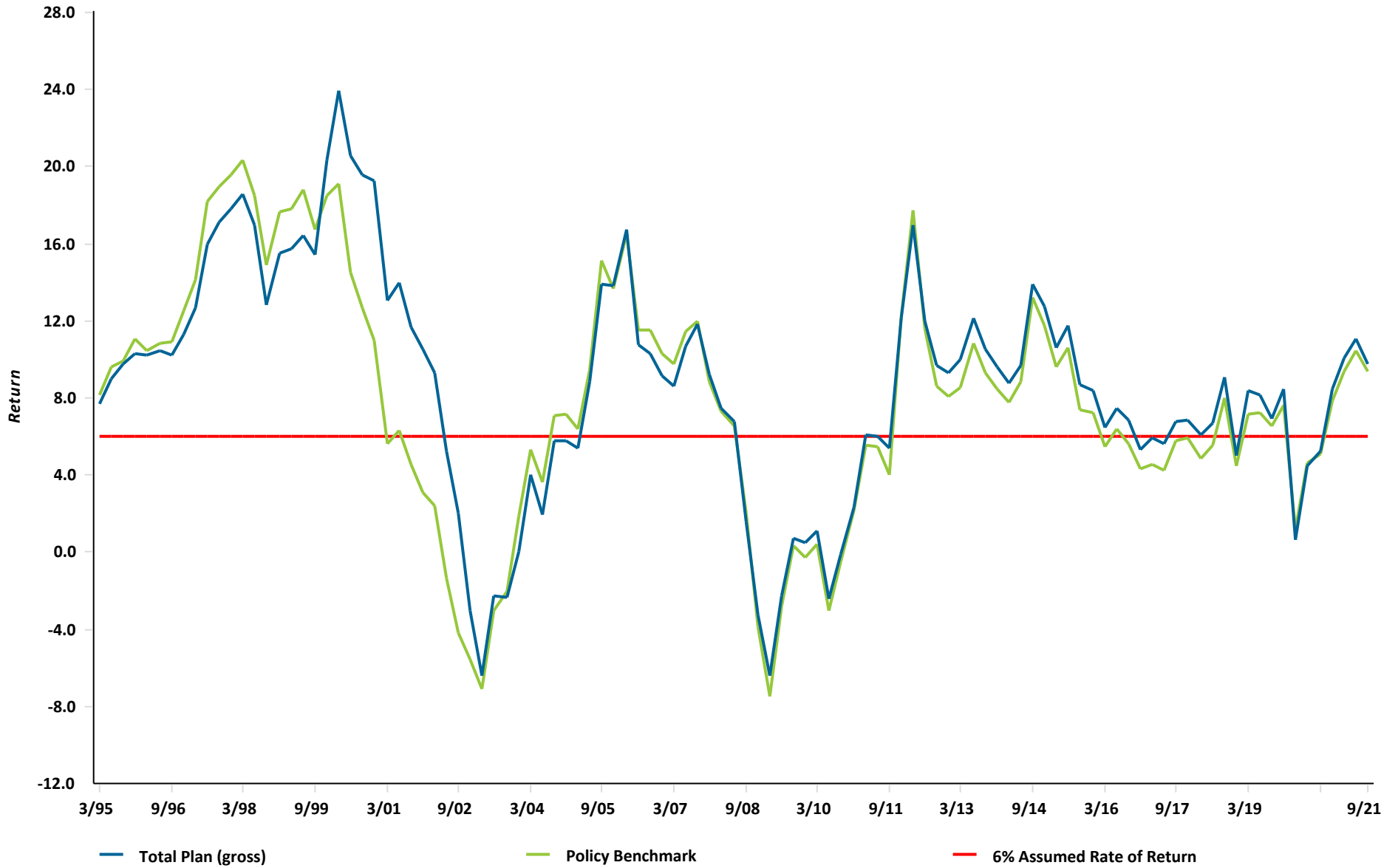


Performance & Risk Statistics since Inception

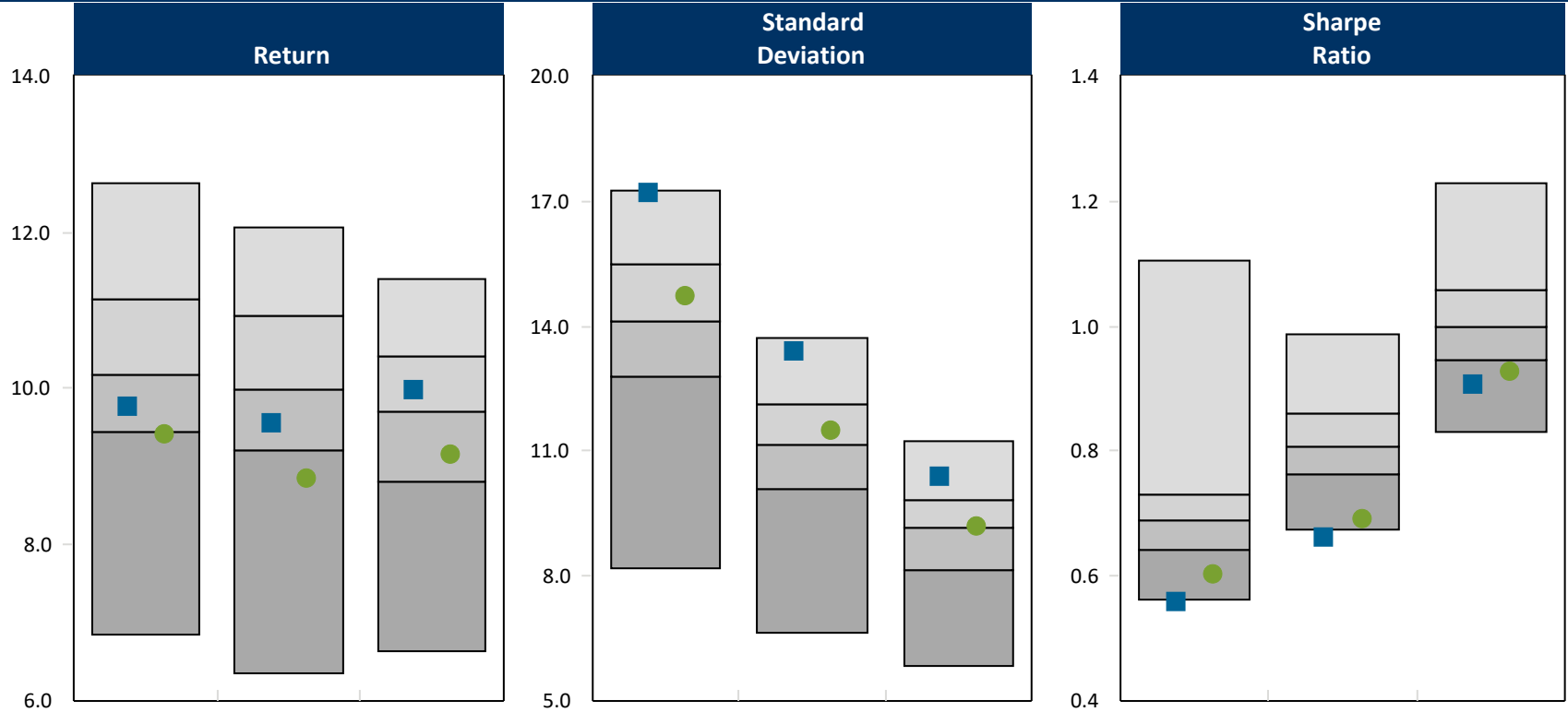
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Best Quarter	Worst Quarter	Up Market Capture	Down Market Capture	Inception Date
<b>Total Plan (gross)</b>	<b>8.8</b>	<b>9.8</b>	<b>1.4</b>	<b>0.9</b>	<b>0.7</b>	<b>19.3</b>	<b>(21.5)</b>	<b>96.8</b>	<b>85.7</b>	<b>3/1/1992</b>
<i>Policy Benchmark</i>	<i>8.0</i>	<i>9.6</i>	<i>0.0</i>	<i>1.0</i>	<i>0.6</i>	<i>20.4</i>	<i>(24.8)</i>	<i>100.0</i>	<i>100.0</i>	<i>3/1/1992</i>
90 Day U.S. Treasury Bill	2.4	0.6	2.4	0.0	-	1.8	0.0	9.5	(8.6)	3/1/1992

NR=Net of investment management fees return. "Net" returns are net of both investment management fees and plan expenses.

Rolling Three-Year Return



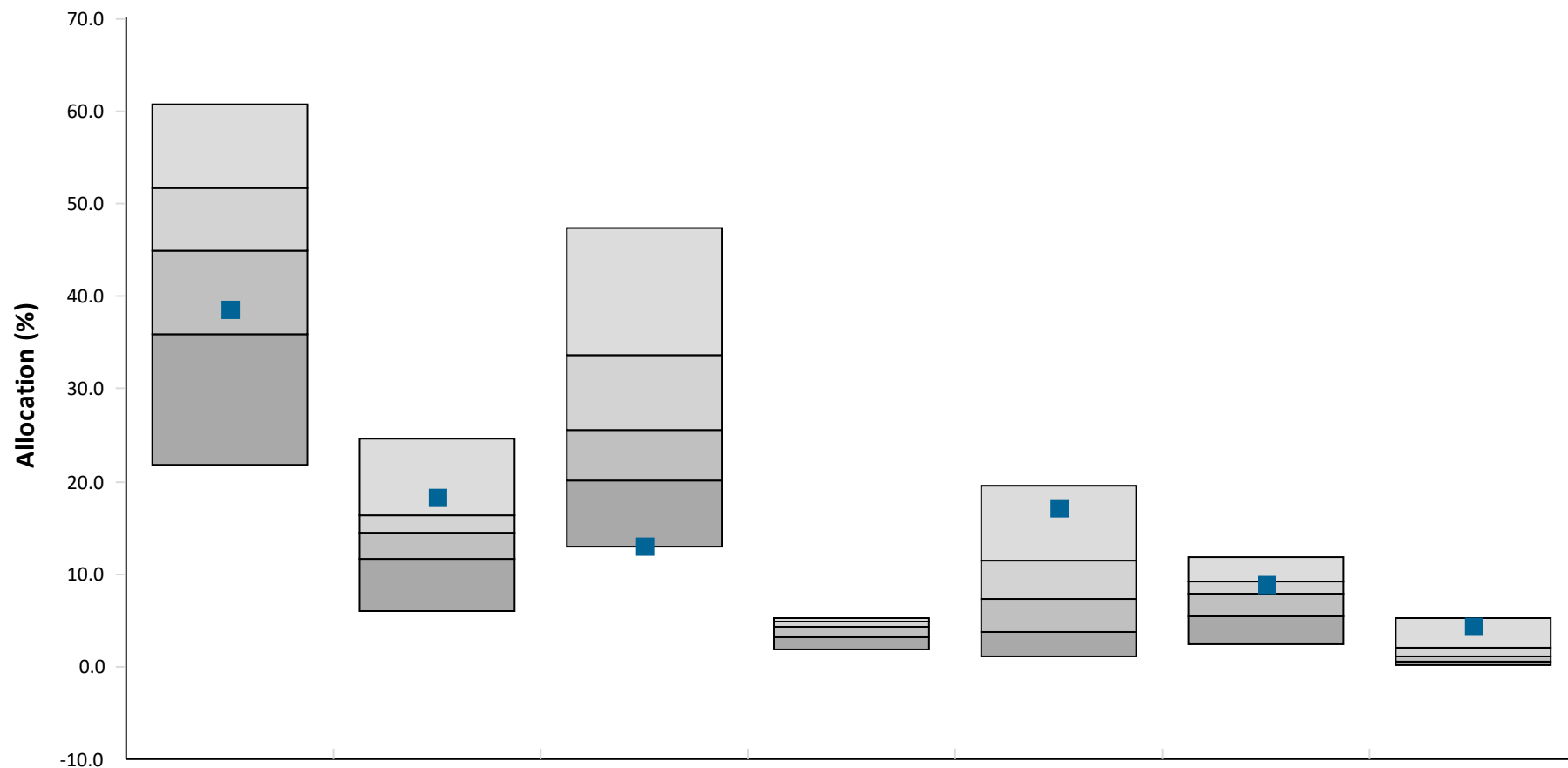
Plan Sponsor Peer Group Analysis  
All Public Plans-Total Fund



	3 Years	5 Years	10 Years	3 Years	5 Years	10 Years	3 Years	5 Years	10 Years
■ Total Plan	9.8 (66)	9.6 (66)	10.0 (42)	17.2 (6)	13.4 (7)	10.4 (13)	0.6 (96)	0.7 (96)	0.9 (85)
● Policy Benchmark	9.4 (77)	8.9 (84)	9.2 (68)	14.7 (38)	11.5 (41)	9.2 (47)	0.6 (91)	0.7 (94)	0.9 (81)
5th Percentile	12.6	12.1	11.4	17.3	13.7	11.2	1.1	1.0	1.2
1st Quartile	11.1	10.9	10.4	15.5	12.1	9.8	0.7	0.9	1.1
Median	10.2	10.0	9.7	14.1	11.1	9.1	0.7	0.8	1.0
3rd Quartile	9.5	9.2	8.8	12.8	10.1	8.1	0.6	0.8	0.9
95th Percentile	6.8	6.4	6.6	8.2	6.6	5.8	0.6	0.7	0.8
Population	222	212	186	222	212	186	222	212	186

Parentheses contain percentile rankings.  
Calculation based on quarterly periodicity.

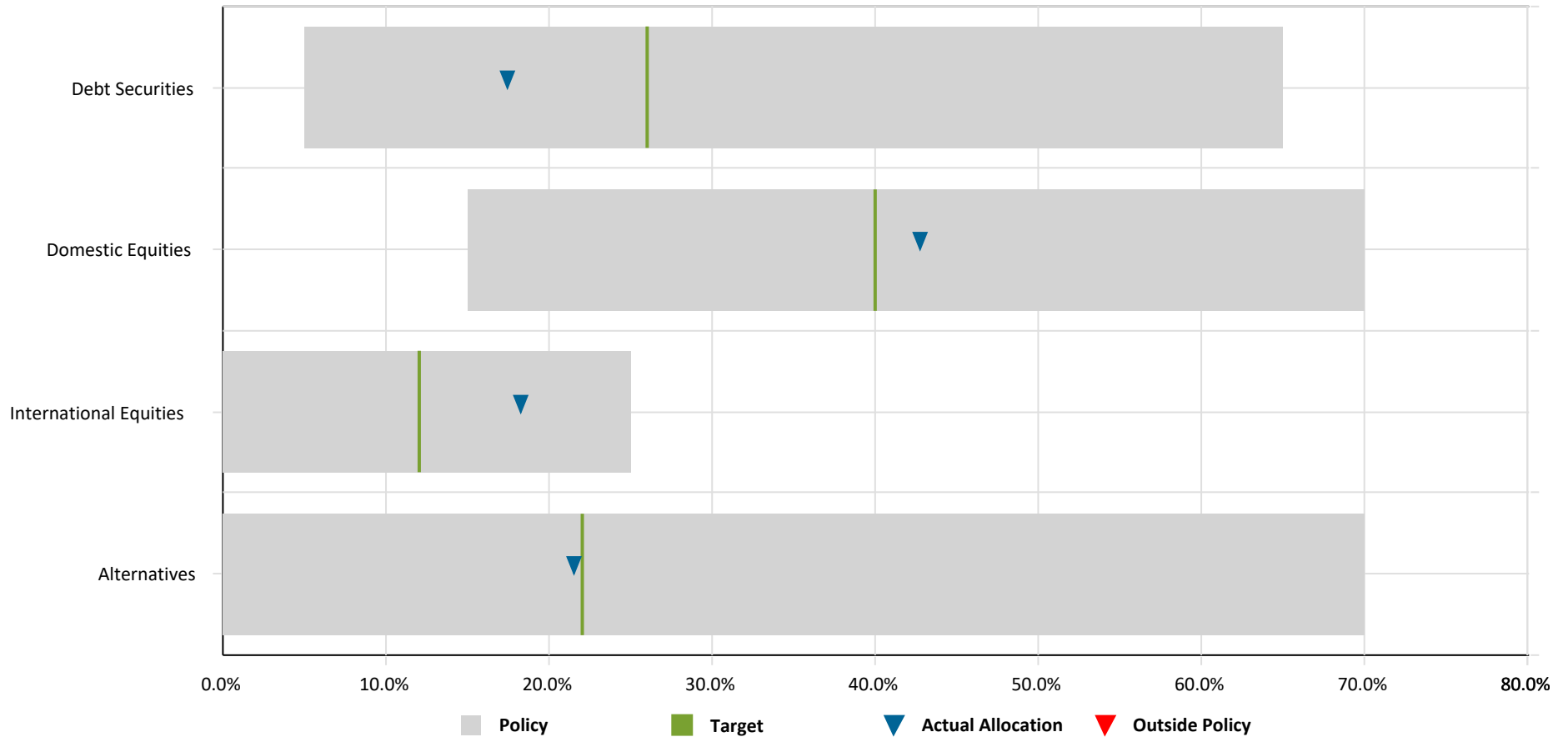
Plan Sponsor Asset Allocation  
All Public Plans-Total Fund



	US Equity	Global ex-US Equity	US Fixed	Global ex-US Fixed	Alternatives	Total Real Estate	Cash & Equivalents
<b>Total Plan</b>	<b>38.6 (68)</b>	<b>18.3 (17)</b>	<b>13.0 (95)</b>	<b>-</b>	<b>17.1 (9)</b>	<b>8.8 (34)</b>	<b>4.2 (9)</b>
5th Percentile	60.9	24.6	47.4	5.2	19.5	11.8	5.2
1st Quartile	51.8	16.4	33.6	4.8	11.5	9.1	2.1
Median	44.9	14.5	25.5	4.3	7.3	7.8	1.1
3rd Quartile	35.9	11.6	20.1	3.1	3.7	5.5	0.6
95th Percentile	21.8	5.9	13.0	1.8	1.1	2.4	0.1

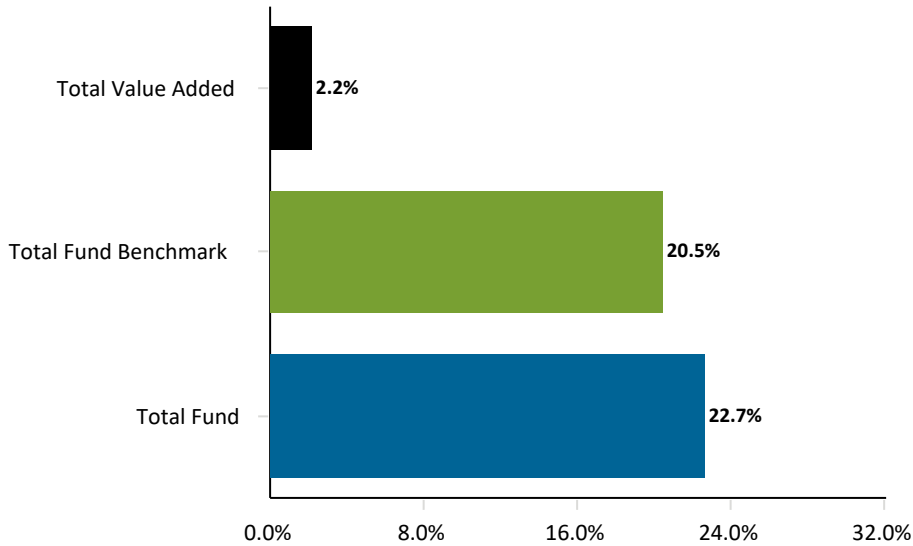
Parentheses contain percentile rankings.

**Asset Allocation Compliance**

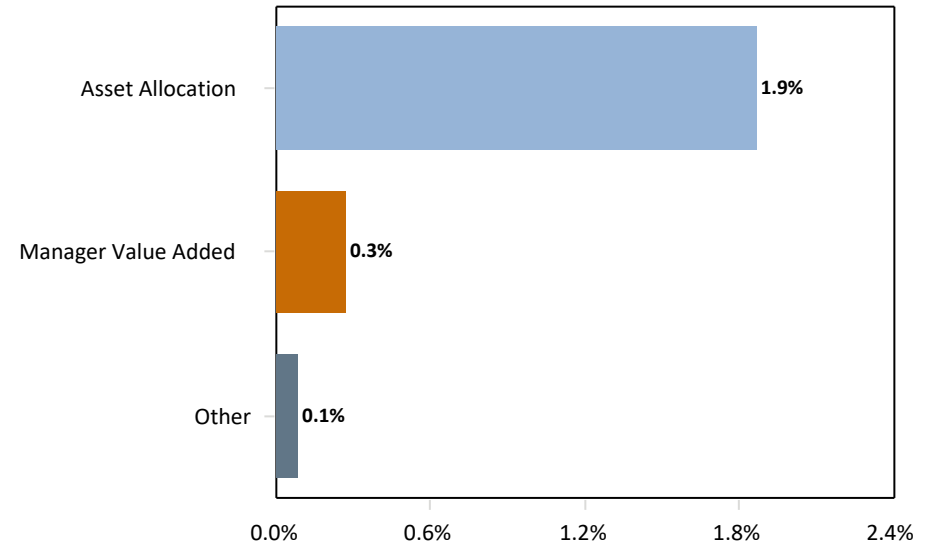


	Market Value (\$)	Current Allocation	Target Allocation	Variance
<b>Total Plan</b>	<b>116,871,693</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Debt Securities	20,351,673	17.4	26.0	(8.6)
Domestic Equities	50,002,335	42.8	40.0	2.8
International Equities	21,366,330	18.3	12.0	6.3
Alternatives	25,151,355	21.5	22.0	(0.5)

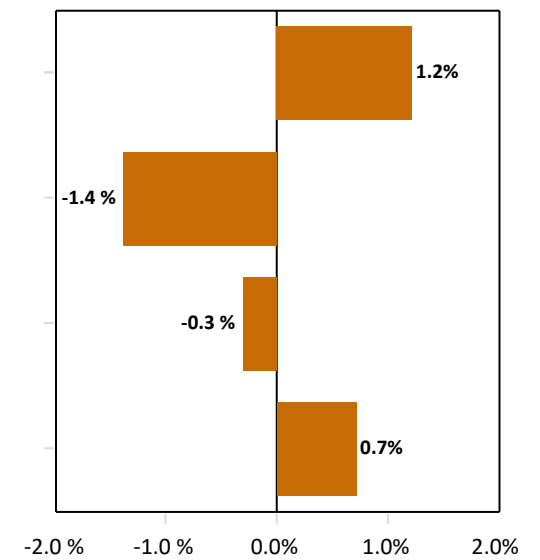
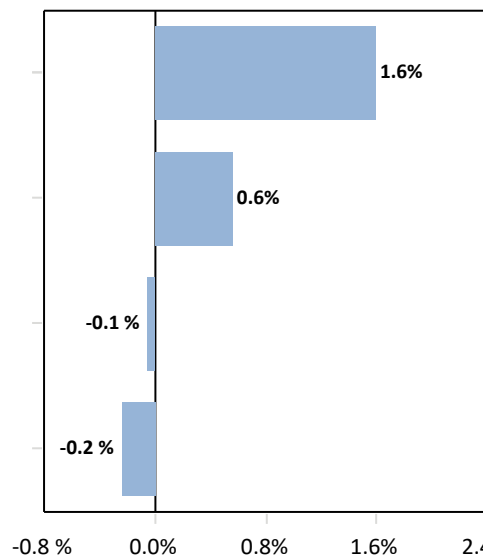
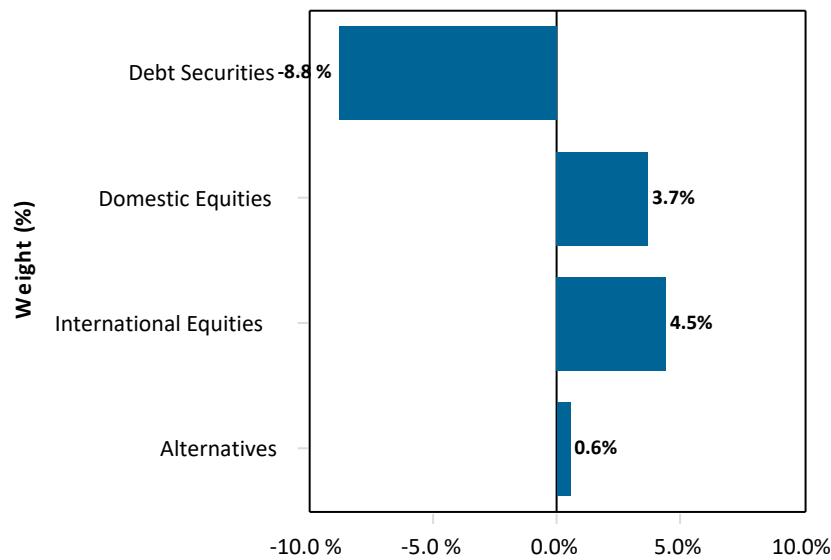
**Total Fund Performance: 1 Year**



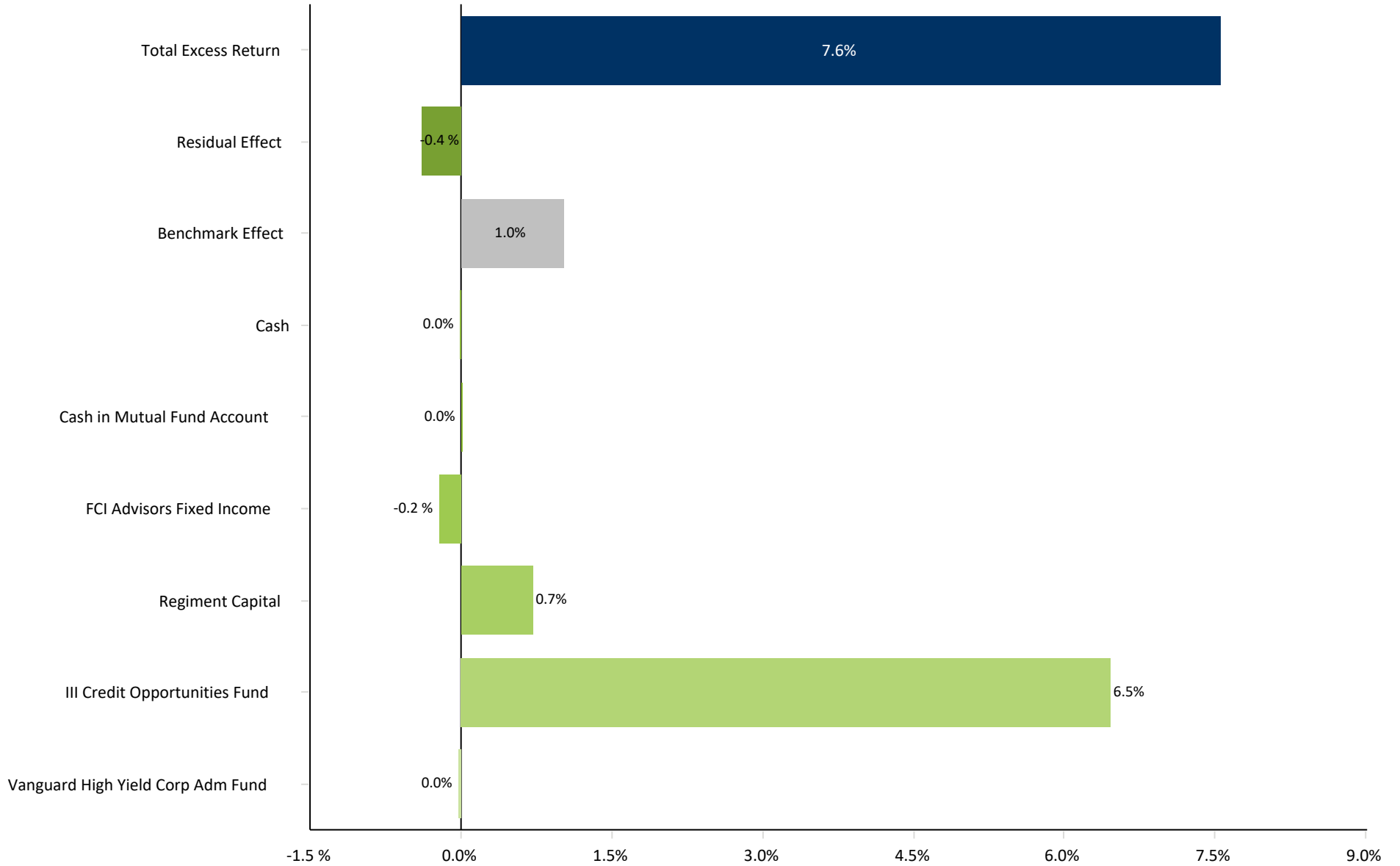
**Total Value Added: 2.2%**



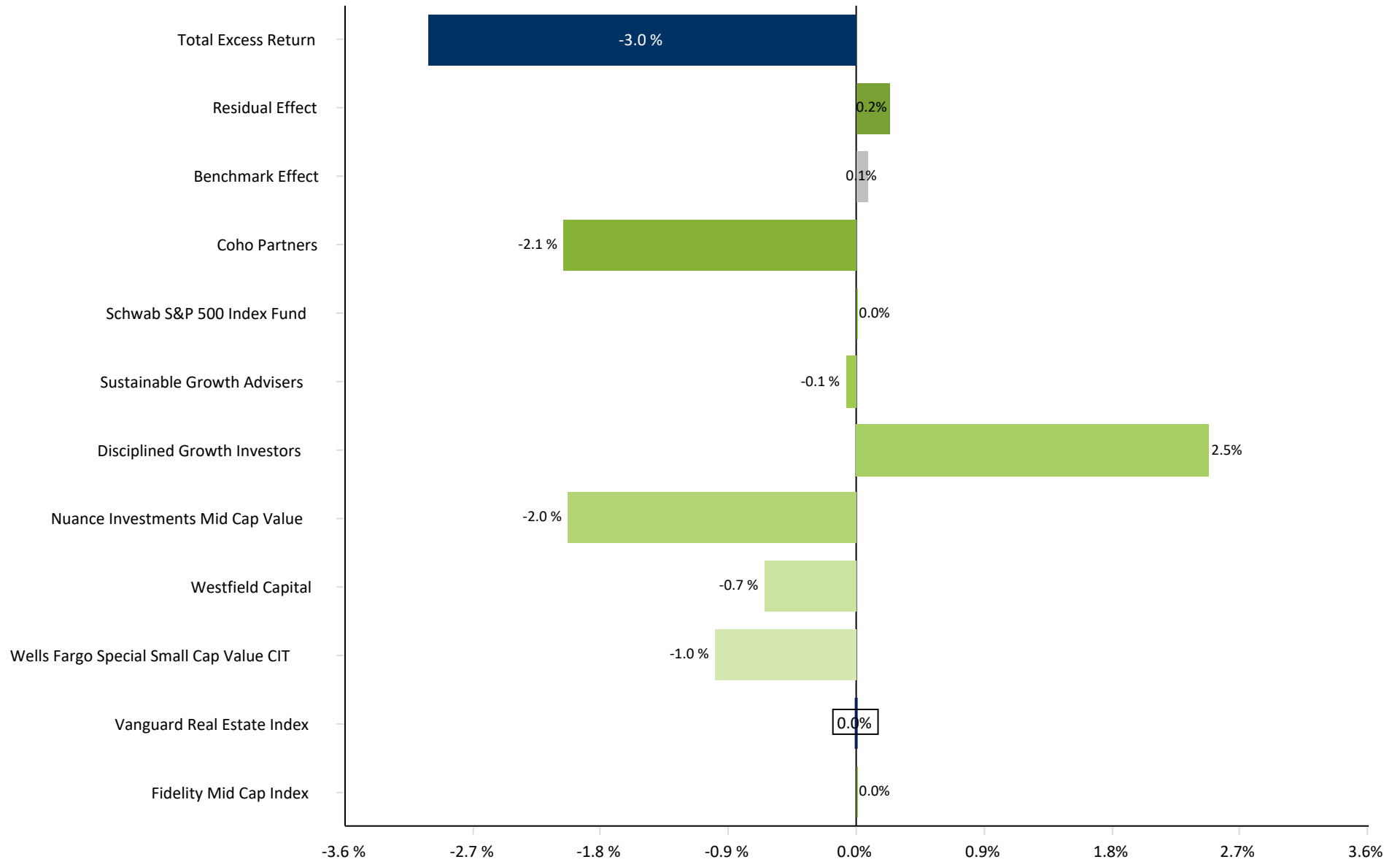
**Average Active Weight: 1.9%**      **Allocation Value Added: 1.9%**      **Total Manager Value Added: 0.3%**



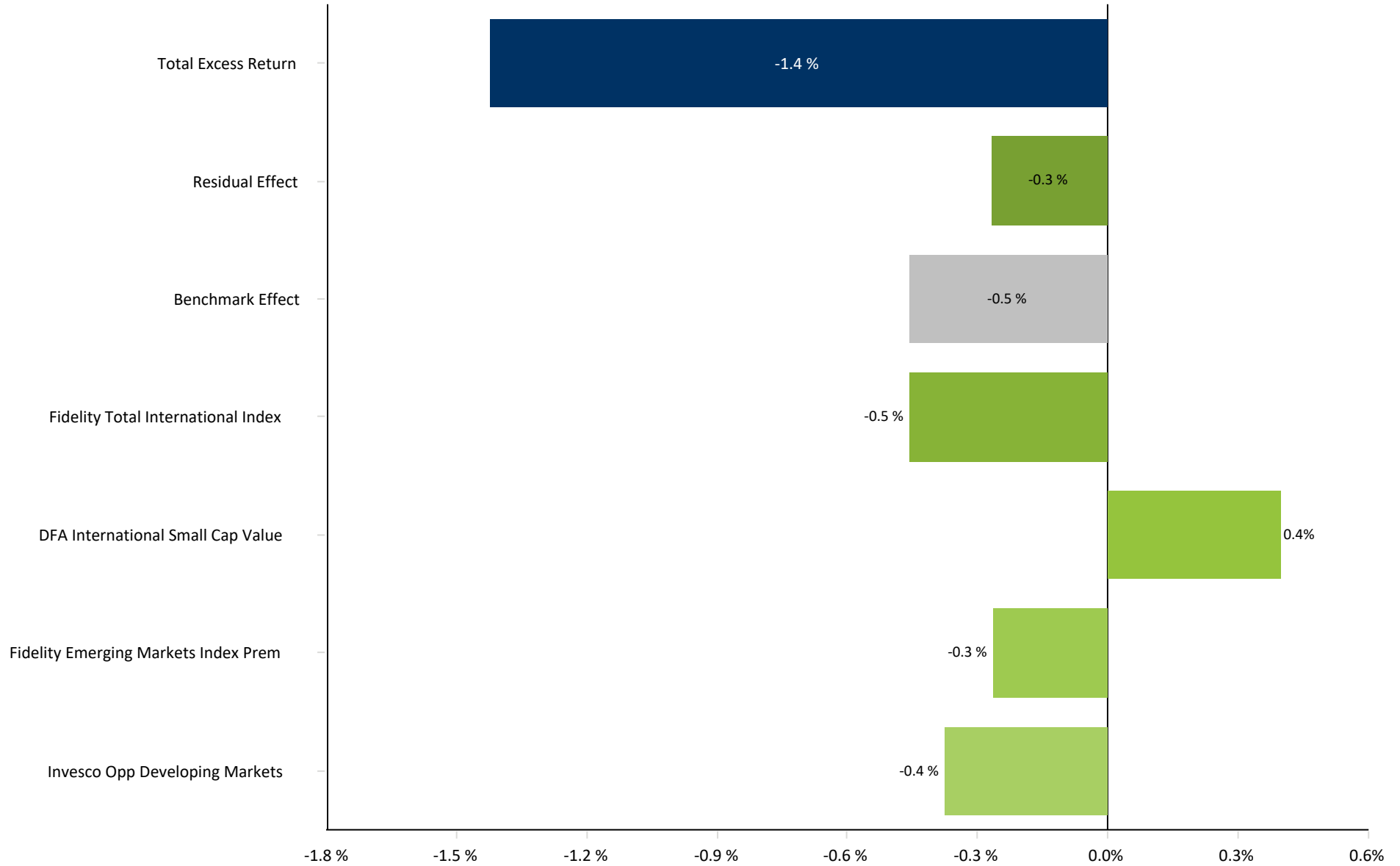
Debt Securities Attribution: 1 Year



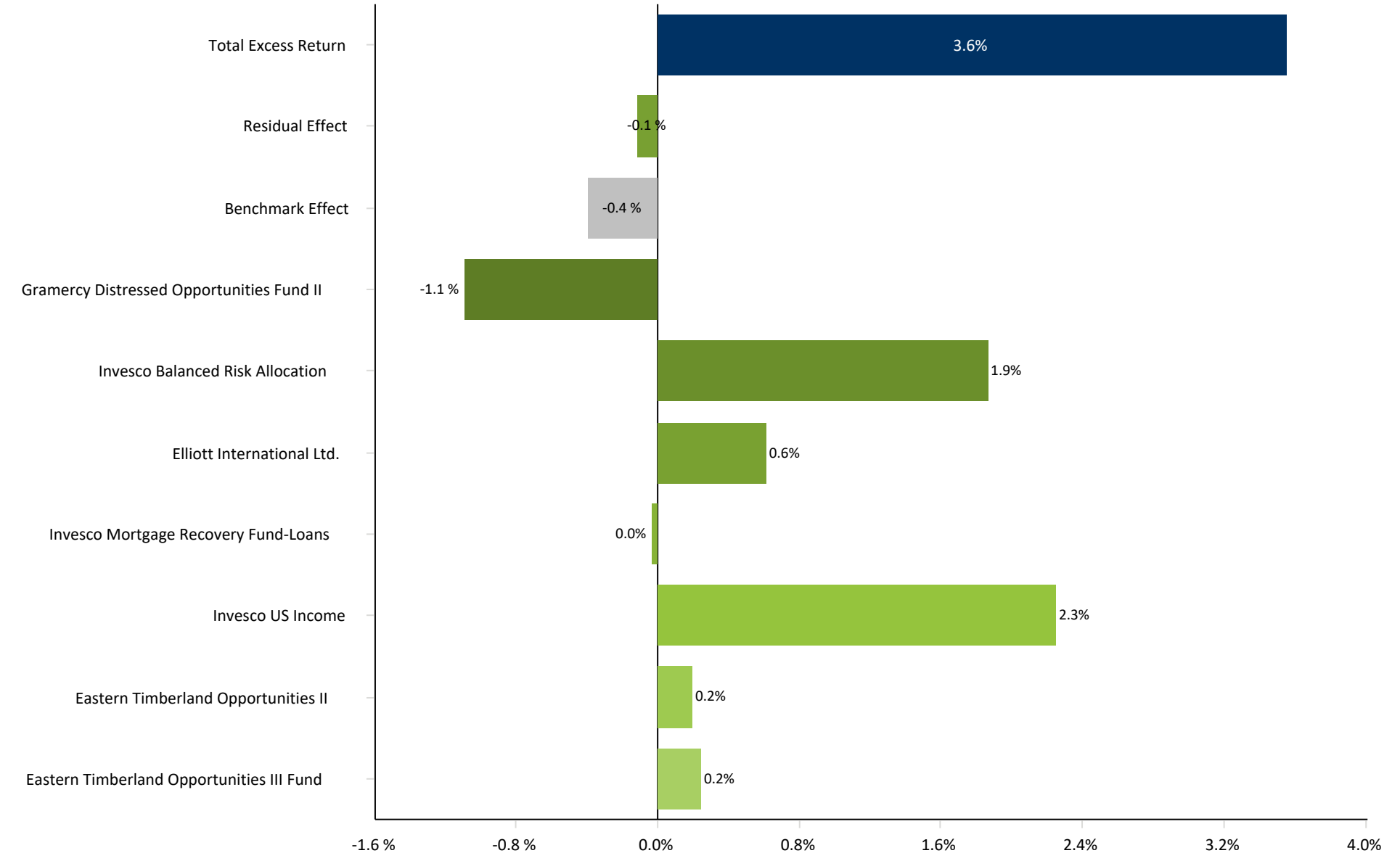
Domestic Equities Attribution: 1 Year



International Equities Attribution: 1 Year



Alternatives Attribution: 1 Year



# SRHS Employees' Retirement Plan & Trust

As of 9/30/2021

	Since Inception in Portfolio										
	Allocation		Performance(%)							Since Invested	Inception Date
	Market Value \$	%	3 Mo	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr			
<b>Total Plan</b>	<b>116,871,693</b>	<b>100.0</b>	<b>(0.5)</b>	<b>23.3</b>	<b>9.8</b>	<b>9.6</b>	<b>8.3</b>	<b>10.0</b>	<b>8.8</b>	<b>3/1/1992</b>	
<i>Policy Benchmark</i>			(0.3)	20.5	9.4	8.9	7.5	9.2	8.0		
<i>Total Plan (NR)</i>			(0.6)	22.7	9.4	9.2	8.0	9.6	-		
<i>Total Plan (net)</i>			(0.7)	22.1	8.7	8.5	-	-	-		
<b>Cash</b>	<b>4,894,368</b>	<b>4.2</b>									
<b>Debt Securities</b>	<b>20,351,673</b>	<b>17.4</b>	<b>0.4</b>	<b>9.7</b>	<b>5.3</b>	<b>4.7</b>	<b>4.1</b>	<b>5.1</b>	<b>5.2</b>	<b>2/1/1993</b>	
<i>Debt Securities Benchmark</i>			0.3	2.1	5.6	3.9	3.9	4.7	5.6		
<b>Domestic Equities</b>	<b>50,002,335</b>	<b>42.8</b>	<b>(0.4)</b>	<b>35.0</b>	<b>13.3</b>	<b>15.1</b>	<b>12.3</b>	<b>15.8</b>	<b>12.3</b>	<b>3/1/1992</b>	
<i>Domestic Equities Benchmark</i>			(1.4)	38.0	13.6	14.4	12.6	15.5	10.7		
<b>US Large Cap Equities</b>	<b>17,037,727</b>	<b>14.6</b>	<b>0.0</b>	<b>25.2</b>	<b>16.9</b>	<b>17.9</b>	<b>13.8</b>	<b>16.6</b>	<b>10.4</b>	<b>5/1/2005</b>	
<i>S&amp;P 500 Index</i>			0.6	30.0	16.0	16.9	14.0	16.6	10.6		
<b>International Equities</b>	<b>21,366,330</b>	<b>18.3</b>	<b>(4.6)</b>	<b>22.7</b>	<b>8.7</b>	<b>6.5</b>	<b>6.1</b>	<b>7.9</b>	<b>5.4</b>	<b>5/1/1997</b>	
<i>International Equities Benchmark</i>			(2.3)	24.1	8.1	9.2	6.0	7.6	5.6		
<b>Alternatives</b>	<b>25,151,355</b>	<b>21.5</b>	<b>1.9</b>	<b>14.3</b>	<b>6.9</b>	<b>6.1</b>	<b>5.5</b>	<b>6.0</b>	<b>3.4</b>	<b>1/1/2001</b>	
<i>Alternatives Benchmark</i>			1.7	11.2	5.1	5.4	4.3	5.4	3.9		

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SRHS Employees' Retirement Plan & Trust

As of 9/30/2021

	Allocation		Performance(%)							Since Inception in Portfolio	
	Market Value \$	%	3 Mo	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Since Invested	Inception Date	
<b>Total Plan</b>	<b>116,899,027</b>	<b>100.0</b>	<b>(0.5)</b>	<b>23.3</b>	<b>9.8</b>	<b>9.6</b>	<b>8.3</b>	<b>10.0</b>	<b>8.8</b>	<b>3/1/1992</b>	
<i>Policy Benchmark</i>			(0.3)	20.5	9.4	8.9	7.5	9.2	8.0		
<i>Total Plan (NR)</i>			(0.6)	22.7	9.4	9.2	8.0	9.6	-		
<i>Total Plan (net)</i>			(0.7)	22.1	8.7	8.5	-	-	-		
<b>Cash</b>	<b>4,894,368</b>	<b>4.2</b>									
<b>Debt Securities</b>	<b>20,351,673</b>	<b>17.4</b>	<b>0.4</b>	<b>9.7</b>	<b>5.3</b>	<b>4.7</b>	<b>4.1</b>	<b>5.1</b>	<b>5.2</b>	<b>2/1/1993</b>	
<i>Debt Securities Benchmark</i>			0.3	2.1	5.6	3.9	3.9	4.7	5.6		
<b>FCI Advisors Fixed Income (GR)</b>	<b>9,961,810</b>	<b>8.5</b>	<b>0.0</b>	<b>(1.6)</b>	-	-	-	-	<b>3.8</b>	<b>10/1/2019</b>	
<i>Bloomberg U.S. Gov't/Credit</i>			0.0	(1.1)	5.9	3.2	3.5	3.2	3.4		
IM U.S. Broad Market Core Fixed Income (SA+CF) Rank			86	96	-	-	-	-	51		
<b>Vanguard High Yield Corp Adm Fund (NR)</b>	<b>1,280,092</b>	<b>1.1</b>	<b>0.9</b>	<b>8.0</b>	<b>6.4</b>	<b>5.7</b>	<b>5.5</b>	<b>6.7</b>	<b>3.2</b>	<b>2/9/2021</b>	
<i>Bloomberg U.S. High Yield Ba/B 2% Issuer Cap</i>			0.9	9.8	7.5	6.4	5.9	7.2	3.8		
IM U.S. High Yield Bonds (MF) Rank			22	84	27	40	15	31	77		
<b>III Credit Opportunities Fund (NR)</b>	<b>3,929,160</b>	<b>3.4</b>	<b>1.2</b>	<b>30.5</b>	<b>7.8</b>	<b>8.2</b>	<b>6.7</b>	<b>8.8</b>	<b>8.1</b>	<b>12/1/2016</b>	
<i>ICE BofAML High Yield Master II</i>			0.9	11.5	6.6	6.4	5.8	7.3	6.6		
IM U.S. High Yield Bonds (MF) Rank			5	1	6	2	2	1	3		

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# SRHS Employees' Retirement Plan & Trust

As of 9/30/2021

	Allocation		Performance(%)							
	Market Value \$	%	3 Mo	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Since Invested	Inception Date
<b>Domestic Equities</b>	<b>50,002,335</b>	<b>42.8</b>	(0.4)	35.0	13.3	15.1	12.3	15.8	12.3	3/1/1992
<i>Domestic Equities Benchmark</i>			(1.4)	38.0	13.6	14.4	12.6	15.5	10.7	
<b>Coho Partners (GR)</b>	<b>6,113,266</b>	<b>5.2</b>	(1.7)	19.8	10.8	12.6	11.1	14.3	12.3	4/1/2017
<i>Russell 1000 Value Index</i>			(0.8)	35.0	10.1	10.9	9.3	13.5	9.8	
IM U.S. Large Cap Value Equity (SA+CF) Rank			83	99	54	54	38	52	38	
<b>Schwab S&amp;P 500 Index Fund (NR)</b>	<b>5,780,536</b>	<b>4.9</b>	0.6	30.0	16.0	16.9	14.0	16.6	16.5	5/1/2017
<i>S&amp;P 500 Index</i>			0.6	30.0	16.0	16.9	14.0	16.6	16.5	
IM U.S. Large Cap Core Equity (MF) Rank			26	41	33	27	17	19	28	
<b>Sustainable Growth Advisors (GR)</b>	<b>5,143,926</b>	<b>4.4</b>	1.5	26.6	23.6	21.8	18.5	19.4	22.8	4/1/2017
<i>Russell 1000 Growth Index</i>			1.2	27.3	22.0	22.8	18.5	19.7	23.0	
IM U.S. Large Cap Growth Equity (SA+CF) Rank			26	58	19	43	30	37	37	
<b>Nuance Investments Mid Cap Value (GR) (Probation Aug 2021)</b>	<b>6,023,545</b>	<b>5.2</b>	(0.8)	25.6	12.0	12.8	11.6	15.6	20.0	5/1/2020
<i>Russell Midcap Value Index</i>			(1.0)	42.4	10.3	10.6	9.6	13.9	39.5	
IM U.S. Mid Cap Value Equity (SA+CF) Rank			52	96	34	32	21	16	100	
<b>Fidelity Mid Cap Index (NR)</b>	<b>2,943,952</b>	<b>2.5</b>	(0.9)	38.1	14.2	14.4	12.1	15.5	(4.1)	9/23/2021
<i>Russell Midcap Index</i>			(0.9)	38.1	14.2	14.4	12.2	15.5	(4.1)	
IM U.S. Mid Cap Core Equity (MF) Rank			52	53	13	15	15	8	64	
<b>Disciplined Growth Investors (GR) (Probation Aug 2019)</b>	<b>6,026,778</b>	<b>5.2</b>	0.0	45.4	15.2	17.2	14.9	18.1	13.5	1/1/2004
<i>Russell Midcap Growth Index</i>			(0.8)	30.5	19.1	19.3	15.4	17.5	11.9	
IM U.S. Mid Cap Growth Equity (SA+CF) Rank			67	2	87	83	70	50	25	
<b>Wells Fargo Special Small Cap Value CIT (NR)</b>	<b>6,819,993</b>	<b>5.8</b>	(2.9)	53.2	8.0	10.5	10.2	13.7	41.2	5/1/2020
<i>Russell 2000 Value Index</i>			(3.0)	63.9	8.6	11.0	10.2	13.2	50.2	
IM U.S. Small Cap Value Equity (SA+CF+MF) Rank			76	80	55	48	27	30	83	

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SRHS Employees' Retirement Plan & Trust

As of 9/30/2021

	Allocation		Performance(%)							
	Market Value \$	%	3 Mo	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Since Invested	Inception Date
<b>Westfield Capital (GR)</b>	<b>6,288,918</b>	<b>5.4</b>	<b>0.3</b>	<b>33.4</b>	<b>17.9</b>	<b>20.0</b>	<b>15.7</b>	<b>18.4</b>	<b>14.6</b>	<b>4/1/1999</b>
<i>Russell 2000 Growth Index</i>			(5.7)	33.3	11.7	15.3	13.2	15.7	8.3	
IM U.S. Small Cap Growth Equity (SA+CF) Rank			24	78	45	48	61	55	15	
<b>Vanguard Real Estate Index (NR)</b>	<b>4,861,421</b>	<b>4.2</b>	<b>0.7</b>	<b>33.5</b>	<b>12.0</b>	<b>7.5</b>	<b>9.5</b>	<b>11.5</b>	<b>27.4</b>	<b>9/11/2020</b>
<i>MSCI U.S. IMI Real Estate 25/50 Index</i>			0.7	33.6	12.1	8.7	-	-	27.5	
IM Real Estate Sector (MF) Rank			63	41	42	44	37	31	44	
<b>International Equities</b>	<b>21,366,330</b>	<b>18.3</b>	<b>(4.6)</b>	<b>22.7</b>	<b>8.7</b>	<b>6.5</b>	-	-	<b>7.1</b>	<b>9/1/2015</b>
<i>International Equities Benchmark</i>			(2.3)	24.1	8.1	9.2	6.0	7.6	8.3	
<b>Fidelity Total International Index (NR)</b>	<b>10,545,298</b>	<b>9.0</b>	<b>(3.0)</b>	<b>24.2</b>	<b>8.2</b>	<b>8.9</b>	-	-	<b>6.2</b>	<b>4/2/2018</b>
<i>MSCI AC World ex USA IMI (Net)</i>			(2.6)	25.2	8.3	9.1	6.0	7.7	6.4	
<i>MSCI EAFE (Net) Index</i>			(0.4)	25.7	7.6	8.8	5.8	8.1	6.5	
IM International Large Cap Core Equity (MF) Rank			78	64	37	28	-	-	30	
<b>DFA International Small Cap Value (NR)</b>	<b>3,246,196</b>	<b>2.8</b>	<b>0.6</b>	<b>36.2</b>	<b>4.4</b>	<b>6.7</b>	<b>5.6</b>	<b>9.1</b>	<b>10.0</b>	<b>2/16/2019</b>
<i>MSCI EAFE Small Cap Value (Net)</i>			0.1	33.4	5.9	8.1	7.0	9.4	10.0	
<i>MSCI EAFE (Net) Index</i>			(0.4)	25.7	7.6	8.8	5.8	8.1	11.5	
IM International Small Cap Value Equity (SA+CF) Rank			28	43	80	79	77	93	72	
<b>Fidelity Emerging Markets Index Prem (NR)</b>	<b>3,791,808</b>	<b>3.2</b>	<b>(8.6)</b>	<b>16.7</b>	<b>8.2</b>	<b>8.8</b>	<b>5.5</b>	<b>5.9</b>	<b>8.2</b>	<b>10/1/2018</b>
<i>MSCI Emerging Markets (Net) Index</i>			(8.1)	18.2	8.6	9.2	5.6	6.1	8.6	
IM Emerging Markets Equity (MF) Rank			65	68	65	50	50	57	65	
<b>Invesco Opp Developing Markets (NR)</b>	<b>3,783,028</b>	<b>3.2</b>	<b>(9.2)</b>	<b>15.2</b>	<b>9.4</b>	<b>10.0</b>	<b>5.6</b>	<b>7.5</b>	<b>10.6</b>	<b>2/19/2019</b>
<i>MSCI Emerging Markets (Net) Index</i>			(8.1)	18.2	8.6	9.2	5.6	6.1	9.4	
IM Emerging Markets Equity (MF) Rank			77	73	52	34	46	30	50	

NR-Net of investment mgmt fees return. GR=Gross of fees return. "Net" Total Plan returns are net of both investment mgmt fees and plan expenses. Returns calculated using Time-Weighted rate of return method. Returns for periods longer than 12 months are annualized. Returns shown prior to inception in portfolio represent composite returns provided by manager. Green highlighted cells indicate the manager's performance in that time period is better than its benchmark. Cells highlighted in yellow indicate the manager's performance in that time period is trailing the benchmark. Red highlighted cells indicate manager's performance is in the fourth quartile of its peers.

	Allocation		Performance(%)							
	Market Value \$	%	3 Mo	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Since Invested	Inception Date
<b>Alternatives</b>	<b>25,178,689</b>	<b>21.5</b>	<b>1.9</b>	<b>14.3</b>	<b>6.9</b>	<b>6.1</b>	<b>5.5</b>	<b>6.0</b>	<b>3.4</b>	<b>1/1/2001</b>
<i>Alternatives Benchmark</i>			1.7	11.2	5.1	5.4	4.3	5.4	3.9	
<b>Invesco Balanced Risk Allocation (NR)</b>	<b>5,940,124</b>	<b>5.1</b>	<b>(0.1)</b>	<b>19.8</b>	<b>9.6</b>	<b>7.4</b>	<b>6.9</b>	<b>7.3</b>	<b>7.9</b>	<b>4/1/2010</b>
<i>Barclay Global Macro Index</i>			0.0	12.7	6.7	5.3	4.3	3.9	3.5	
<b>Elliott International Ltd (NR)</b>	<b>7,043,419</b>	<b>6.0</b>	<b>3.2</b>	<b>13.2</b>	<b>9.6</b>	<b>8.8</b>	<b>7.8</b>	<b>8.4</b>	<b>8.3</b>	<b>1/1/2013</b>
<i>Dow Jones Credit Suisse Multi-Strategy Index</i>			1.4	11.2	4.9	5.1	4.8	6.2	5.7	

NR-Net of investment mgmt fees return. GR=Gross of fees return. "Net" Total Plan returns are net of both investment mgmt fees and plan expenses. Returns calculated using Time-Weighted rate of return method. Returns for periods longer than 12 months are annualized. Returns shown prior to inception in portfolio represent composite returns provided by manager. Green highlighted cells indicate the manager's performance in that time period is better than its benchmark. Cells highlighted in yellow indicate the manager's performance in that time period is trailing the benchmark. Red highlighted cells indicate manager's performance is in the fourth quartile of its peers.

## Internal Rate of Return

	Market Value \$	% of Total	Since Inception	Inception Date
Regiment Capital	250,760	0.2	7.9	5/31/2011
Gramercy Distressed Opportunities Fund II (Probation Aug 2019)	1,615,092	1.4	(2.1)	6/21/2012
Invesco Mortgage Recovery Fund-Loans	163,170	0.1	10.7	10/31/2009
Invesco US Income	5,413,277	4.6	11.8	12/6/2013
Eastern Timberland Opportunities II	4,161,831	3.6	6.1	7/3/2014
Eastern Timberland Opportunities III	814,442	0.7	5.5	6/26/2020

The investments on this page have active capital flows which require a Dollar-Weighted return calculation, in contrast to the Time-Weighted method used on other investments where cash flows are not a factor. IRR returns are net of investment management fees.

## Mark to Market Accounting Summary: 1 Quarter (in 000s)

	Beginning Market Value	Deposits	Withdrawals	Net Transfers	Fees	Expenses	Income	Asset Value Change	Ending Market Value
Total Portfolio	117,918	3,001	(3,244)	-	(78)	(143)	290	(872)	116,872
Cash	3,159	3,001	(3,244)	2,117	-	(138)	-	-	4,894
Cash (Mutual Fund Account)	31	-	-	7	-	(2)	-	-	35
FCI Advisors Fixed Income	9,966	-	-	-	-	(1)	76	(80)	9,962
Regiment Capital	251	-	-	-	-	-	-	-	251
Vanguard High Yield Corp Adm Fund	1,269	-	-	-	-	-	13	(2)	1,280
III Credit Opportunities Fund	3,881	-	-	-	(13)	-	-	61	3,929
Coho Partners	6,966	-	-	(750)	(10)	-	35	(127)	6,113
Schwab S&P 500 Index Fund	6,957	-	-	(1,257)	-	-	-	81	5,781
Sustainable Growth Advisers	5,077	-	-	-	(9)	-	7	70	5,144
Nuance Investments Mid Cap Value	7,580	-	-	(1,500)	(12)	(1)	44	(88)	6,024
Fidelity Mid Cap Index	-	-	-	3,000	-	-	-	(56)	2,944
Disciplined Growth Investors	7,509	-	-	(1,500)	-	-	-	17	6,027
Wells Fargo Special Small Cap Value CIT	6,994	-	-	-	-	-	-	(174)	6,820
Westfield Capital	6,283	-	-	-	(12)	-	7	11	6,289
Vanguard Real Estate Index	4,829	-	-	-	-	-	31	1	4,861
Fidelity Total International Index	10,874	-	-	-	-	-	-	(329)	10,545
DFA International Small Cap Value	3,227	-	-	-	-	-	10	9	3,246
Fidelity Emerging Markets Index Prem	3,880	-	-	250	-	-	-	(339)	3,792
Invesco Opp Developing Markets	3,894	-	-	250	-	-	-	(361)	3,783
Gramercy Distressed Opportunities Fund II	1,637	-	-	-	-	-	-	(22)	1,615
Invesco Balanced Risk Allocation	5,945	-	-	-	(9)	-	-	4	5,940
Elliott International Ltd.	6,823	-	-	-	-	-	-	220	7,043
Invesco Mortgage Recovery Fund-Loans	163	-	-	-	-	-	-	-	163
Invesco US Income	5,181	-	-	(53)	(13)	-	66	232	5,413
Eastern Timberland Opportunities II	4,726	-	-	(564)	-	-	-	-	4,162
Eastern Timberland Opportunities III	814	-	-	-	-	-	-	-	814

## Mark to Market Accounting Summary: 4 Quarters (in 000s)

	Beginning Market Value	Deposits	Withdrawals	Net Transfers	Fees	Expenses	Income	Asset Value Change	Ending Market Value
Total Portfolio	103,008	4,203	(12,565)	-	(517)	(512)	1,467	21,788	116,872
Cash	4,741	4,203	(12,565)	9,008	-	(493)	-	-	4,894
Cash (Mutual Fund Account)	36	-	-	7	-	(8)	-	-	35
FCI Advisors Fixed Income	9,312	-	-	908	(107)	(3)	258	(406)	9,962
Regiment Capital	104	-	-	-	-	(1)	-	148	251
Vanguard High Yield Corp Adm Fund	-	-	-	1,250	-	-	35	(4)	1,280
III Credit Opportunities Fund	6,337	-	-	(4,000)	(146)	-	-	1,738	3,929
Coho Partners	5,746	-	-	(750)	(39)	(2)	134	1,023	6,113
Schwab S&P 500 Index Fund	5,383	-	-	(1,257)	-	-	107	1,547	5,781
Sustainable Growth Advisers	4,094	-	-	-	(34)	(1)	27	1,059	5,144
Nuance Investments Mid Cap Value	4,843	-	-	-	(39)	(2)	159	1,062	6,024
Fidelity Mid Cap Index	-	-	-	3,000	-	-	-	(56)	2,944
Disciplined Growth Investors	6,554	-	-	(3,500)	-	-	-	2,972	6,027
Wells Fargo Special Small Cap Value CIT	5,350	-	-	(1,500)	-	-	-	2,970	6,820
Westfield Capital	8,108	-	-	(4,500)	(60)	(2)	34	2,709	6,289
Vanguard Real Estate Index	2,468	-	-	1,500	-	-	124	769	4,861
Fidelity Total International Index	8,490	-	-	-	-	-	158	1,898	10,545
DFA International Small Cap Value	1,646	-	-	1,000	-	-	49	551	3,246
Fidelity Emerging Markets Index Prem	2,638	-	-	750	-	-	46	357	3,792
Invesco Opp Developing Markets	2,260	-	-	1,250	-	-	9	263	3,783
Gramercy Distressed Opportunities Fund II	1,577	-	-	-	-	-	-	39	1,615
Invesco Balanced Risk Allocation	6,247	-	-	(1,500)	(36)	-	-	1,229	5,940
Elliott International Ltd.	6,220	-	-	-	-	-	-	823	7,043
Invesco Mortgage Recovery Fund-Loans	170	-	-	-	-	-	-	(7)	163
Invesco US Income	4,579	-	-	(202)	(49)	-	325	760	5,413
Eastern Timberland Opportunities II	5,592	-	-	(1,709)	-	-	-	278	4,162
Eastern Timberland Opportunities III	511	-	-	245	(6)	-	-	64	814

## Liquidity Schedule

Investments	Market Value \$	Daily \$	Monthly \$	Quarterly \$	Semi-Annually \$	Illiquid \$
Cash	4,894,368	4,894,368	-	-	-	-
Cash in Mutual Fund Account	35,483	35,483	-	-	-	-
FCI Advisors Fixed Income	9,961,810	9,961,810	-	-	-	-
Regiment Capital	250,760	-	-	-	-	250,760
Vanguard High Yield Corp Adm Fund	1,280,092	1,280,092	-	-	-	-
III Credit Opportunities Fund	3,929,160	-	3,929,160	-	-	-
Coho Partners	6,113,266	6,113,266	-	-	-	-
Schwab S&P 500 Index Fund	5,780,536	5,780,536	-	-	-	-
Sustainable Growth Advisers	5,143,926	5,143,926	-	-	-	-
Nuance Investments Mid Cap Value	6,023,545	6,023,545	-	-	-	-
Fidelity Mid Cap Index	2,943,952	2,943,952	-	-	-	-
Disciplined Growth Investors	6,026,778	6,026,778	-	-	-	-
Wells Fargo Special Small Cap Value CIT	6,819,993	-	6,819,993	-	-	-
Westfield Capital	6,288,918	6,288,918	-	-	-	-
Vanguard Real Estate Index	4,861,421	4,861,421	-	-	-	-
Fidelity Total International Index	10,545,298	10,545,298	-	-	-	-
DFA International Small Cap Value	3,246,196	3,246,196	-	-	-	-
Fidelity Emerging Markets Index Prem	3,791,808	3,791,808	-	-	-	-
Invesco Opp Developing Markets	3,783,028	3,783,028	-	-	-	-
Gramercy Distressed Opportunities Fund II	1,615,092	-	-	-	-	1,615,092
Invesco Balanced Risk Allocation	5,940,124	5,940,124	-	-	-	-
Elliott International Ltd.	7,043,419	-	-	-	7,043,419	-
Invesco Mortgage Recovery Fund-Loans	163,170	-	-	-	-	163,170
Invesco US Income	5,413,277	-	-	5,413,277	-	-
Eastern Timberland Opportunities II	4,161,831	-	-	-	-	4,161,831
Eastern Timberland Opportunities III	814,442	-	-	-	-	814,442
<b>Total (\$)</b>	<b>116,871,693</b>	<b>86,660,549</b>	<b>10,749,154</b>	<b>5,413,277</b>	<b>7,043,419</b>	<b>7,005,295</b>
<b>Total (%)</b>	<b>100.0</b>	<b>74.2</b>	<b>9.2</b>	<b>4.6</b>	<b>6.0</b>	<b>6.0</b>

**SRHS Employees' Retirement Plan & Trust**  
**Liquidity Terms**

**As of 9/30/2021**

**Daily Liquidity** \$ **86,660,549**

<u>Manager</u>	<u>Asset Class</u>	<u>Vehicle</u>	<u>% Assets</u>
FCI Advisors	Broad Fixed	Separate Account	8.5%
Vanguard	HY Fixed	Mutual Fund	1.1%
Schwab S&P 500 Fund	Large Cap Core	Mutual Fund	4.9%
Vanguard	Real Estate	Mutual Fund	4.2%
Coho Partners	Large Cap Value	Separate Account	5.2%
Sustainable Growth Advisers	Large Cap Growth	Separate Account	4.4%
Nuance Investments	Mid Cap Value	Separate Account	5.2%
Fidelity Investments	Mid Cap Index	Mutual Fund	2.5%
Disciplined Growth Investors	Mid Cap Growth	Commingled Fund	5.2%
Westfield Capital	Small Cap Growth	Separate Account	5.4%
Invesco Oppenheimer	Developed Markets	Mutual Fund	3.2%
Fidelity Investments	International Equity	Mutual Fund	9.0%
Dimensional Fund Advisors	Intl Small Cap	Mutual Fund	2.8%
Fidelity Investments	Emerging Markets	Mutual Fund	3.2%
Invesco Balanced Rick	Global Macro	Commingled Fund	5.1%
Cash	Cash	Mutual Fund	4.2%
			74.2%

<b>Total Portfolio</b>	<b>\$</b>	<b>116,871,693</b>
<b>Total Committed</b>	<b>\$</b>	<b>21,500,000</b>
<b>Remaining Commitment (\$)</b>	<b>\$</b>	<b>2,151,018</b>
<b>Remaining Commitment (%)</b>		<b>2%</b>

**Monthly Liquidity** \$ **10,749,154**

<u>Manager</u>	<u>Asset Class</u>	<u>Vehicle</u>	<u>% Assets</u>
III Credit Opp	High Yield Fixed	Limited Partnership	3.4%
Wells Fargo	Small Cap Value	Commingled Fund	5.8%
			9.2%

**Quarterly Liquidity** \$ **12,456,696**

<u>Manager</u>	<u>Asset Class</u>	<u>Vehicle</u>	<u>% Assets</u>
Elliott Management <sup>2</sup>	Multi-Strategy Hedge	Limited Partnership	6.0%
Invesco <sup>3</sup>	Real Estate (Income)	Limited Partnership	4.6%
			10.7%

**Illiquid** \$ **7,005,295**

<u>Manager</u>	<u>Asset Class</u>	<u>Vehicle</u>	<u>% Assets</u>	<u>\$ Committed</u>	<u>Remaining Commitment</u>	<u>Investment Term</u>
Regiment Capital <sup>1</sup>	Bank Loans	Limited Partnership	0.2%	\$ 7,000,000	\$ 302,718	5/13/2017
Gramercy Capital	Distressed Opportunit	Limited Partnership	1.4%	\$ 3,000,000	\$ -	6/30/2019
Invesco <sup>1</sup>	Mortgage Recovery	Limited Partnership	0.1%	\$ 4,000,000	\$ 114,813	6/1/2017
TIR-ETO II	Timber	Limited Partnership	3.6%	\$ 5,000,000	\$ -	4/4/2027
TIR-ETO III	Timber	Limited Partnership	0.7%	\$ 2,500,000	\$ 1,733,487	6/1/2030
			6.0%			

<sup>1</sup> Commitment period has ended. Any further capital called would be for expenses or follow-on investments.

<sup>2</sup> Up to 25% of shares may be redeemed semi-annually.

<sup>3</sup> Quarterly liquidity with 45 days' notice. May be paid in installments based on investor queue and property sales.

## Fee Schedule

	Fee Schedule	Market Value As of 09/30/2021 \$	Estimated Annual Fee \$	Estimated Annual Fee (%)
Cash		4,894,368	-	-
Cash in Mutual Fund Account		35,483	-	-
FCI Advisors Fixed Income	0.00 % of Assets	9,961,810	-	0.00
Regiment Capital	0.00 % of Assets	250,760	-	0.00
Vanguard High Yield Corp Adm Fund	0.13 % of Assets	1,280,092	1,664	0.13
III Credit Opportunities Fund	0.75 % of Assets	3,929,160	29,469	0.75
Coho Partners	0.60 % of First \$25 M 0.50 % of Next \$75 M 0.40 % Thereafter	6,113,266	36,680	0.60
Schwab S&P 500 Index Fund	0.02 % of Assets	5,780,536	1,156	0.02
Sustainable Growth Advisors*	0.56 % of Assets	5,143,926	28,806	0.56
Nuance Investments Mid Cap Value*	0.60 % of Assets	6,023,545	36,141	0.60
Fidelity Mid Cap Index	0.03 % of Assets	2,943,952	736	0.03
Disciplined Growth Investors	0.79 % of Assets	6,026,778	47,612	0.79
Wells Fargo Special Small Cap Value CIT	0.75 % of Assets	6,819,993	51,150	0.75
Westfield Capital	0.75 % of First \$10 M 0.50 % Thereafter	6,288,918	47,167	0.75
Vanguard Real Estate Index	0.12 % of Assets	4,861,421	5,834	0.12
Fidelity Total International Index	0.06 % of Assets	10,545,298	6,327	0.06
DFA International Small Cap Value	0.49 % of Assets	3,246,196	15,906	0.49
Fidelity Emerging Markets Index Prem	0.08 % of Assets	3,791,808	3,033	0.08
Invesco Opp Developing Markets	0.82 % of Assets	3,783,028	31,021	0.82
Gramercy Distressed Opportunities Fund II	1.00 % of Assets	1,616,255	16,163	1.00
Invesco Balanced Risk Allocation	0.45 % of Assets	5,940,124	26,731	0.45
Elliott International Ltd.	1.50 % of Assets	7,043,419	105,651	1.50
Invesco Mortgage Recovery Fund-Loans	1.50 % of Assets	163,170	2,448	1.50
Invesco US Income	1.00 % of Assets	5,413,277	54,133	1.00
Eastern Timberland Opportunities II	0.90 % of Assets	4,161,831	37,456	0.90
Eastern Timberland Opportunities III	0.85 % of Assets	840,613	7,145	0.85
<b>Total Portfolio</b>		<b>116,899,027</b>	<b>592,428</b>	<b>0.51</b>

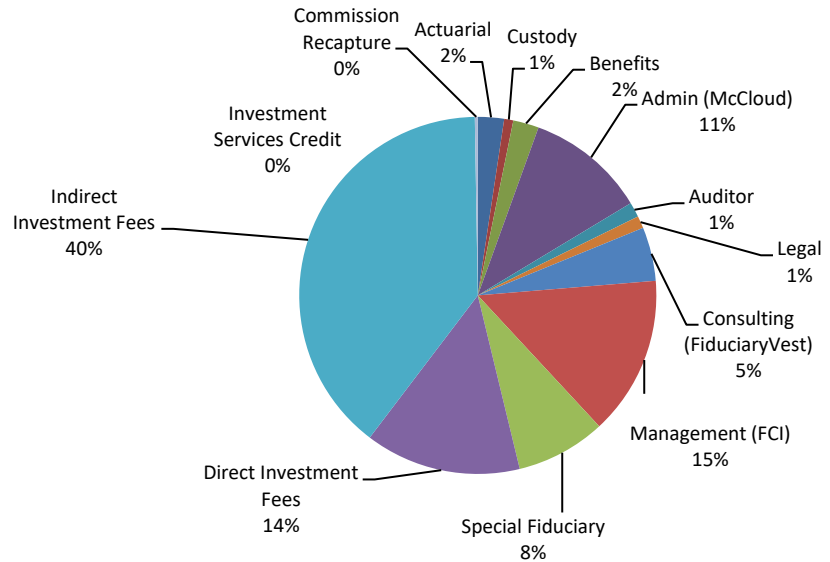
Fees on this page are based on investment managers' stated fees. To the extent fees have been negotiated, that will be noted below and reflected on the Fee Analysis page. \*This manager aggregates FiduciaryVest clients' assets to determine fee break points, and applies the same fee across all FiduciaryVest clients.

# SRHS Employees' Retirement Plan & Trust Fee Analysis

As of 9/30/2021

## Estimated Annual costs

Estimated Plan Expenses	Dollars	% of assets
Actuarial Services (MCC)	\$26,523	0.02%
Custody (Fifth Third)	9,243	0.01%
Benefits (Fifth Third)	26,081	0.02%
Admin*	121,323	0.10%
Auditor (BKD)	15,152	0.01%
Legal (Mikhail)	12,420	0.01%
Investment Consulting (FiduciaryVest)	54,507	0.05%
Investment Management (FCI)	161,212	0.14%
Special Fiduciary	90,983	0.08%
<b>Total estimated plan expenses</b>	<b>\$517,443</b>	<b>0.44%</b>
<b>Estimated Investment Fees</b>		
Direct Investment Fees	158,071	0.14%
Indirect Investment Fees	440,953	0.38%
Investment Services Credit	-	0.00%
Commission Recapture	(2,961)	0.00%
<b>Total estimated investment fees</b>	<b>\$596,063</b>	<b>0.51%</b>
<b>Total estimated annual costs</b>	<b>\$1,113,506</b>	<b>0.95%</b>
Total assets	\$116,871,693	



### Notes:

\*Represents payments to: BXS Insurance, Jonah Blum Production, McCloud Consulting/Administrative Services.

-Actuarial Services, Custody, Benefits, Admin, Auditor, Legal, Investment Consulting, Investment Management and Special Fiduciary expenses represent actual amounts deducted from/contributed to the Plan during the trailing 12 months.

-Direct Investment Fees are comprised of the direct investment management fees paid to separate account managers. Managers' fees are computed from the applicable formula, whether or not they were paid during the year.

-Indirect Investment Fees are comprised of commingled and mutual fund fees. These fees are computed based on total expense ratio which includes investment management, custody, commissions and other costs of the fund. They are not actual negative cash flows but are embedded in the fund performance, and are shown here as an indication of the total investment program cost.

-Costs as a percent of assets includes both estimated plan expenses and estimated investment fees.

**SRHS Employees' Retirement Plan & Trust  
Investment Management Fees**

**As of 9/30/2021**

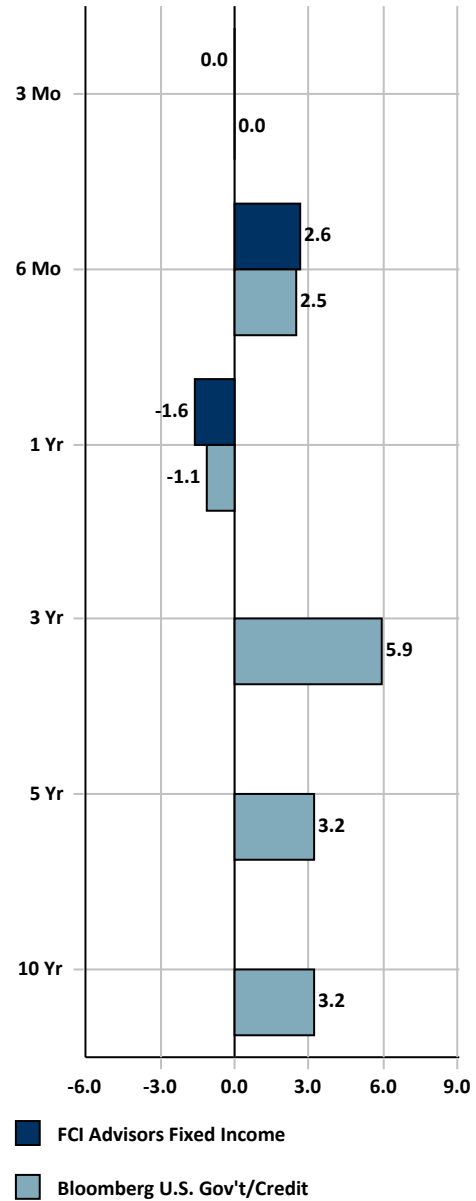
Manager	Vehicle	Performance	Fee Schedule
FCI Advisors Fixed Income Regiment Capital	Separate Account Limited Partnership	Gross Net	included in advisory fee 0.00%
Vanguard High Yield Corporate III Credit Opportunities	Mutual Fund Limited Partnership	Net Net	0.13% 0.75% management fee Performance fee: 10% Incentive fee accrued monthly, paid annually, subject to High Water Mark
Coho Partners	Separate Account	Gross	0.60%
Schwab S&P 500 Index Fund	Mutual Fund	Net	0.02%
Sustainable Growth Advisers*	Separate Account	Gross	0.56%
Nuance Investments*	Separate Account	Gross	0.60%
Fidelity Mid Cap Index	Mutual Fund	Net	0.025%
Disciplined Growth Investors	Commingled Fund	Net	0.79%
Wells Fargo Small Cap Value	Commingled Fund	Net	0.75%
Westfield Capital	Separate Account	Gross	0.75% on first \$10 million 0.50% over \$10 million
Vanguard Real Estate Index	Mutual Fund	Net	0.12%
DFA International Small Cap	Mutual Fund	Net	0.49%
Fidelity Emerging Markets Index	Mutual Fund	Net	0.075%
Invesco Oppenheimer Developed Markets	Mutual Fund	Net	0.82%
Gramercy Distressed Opportunities	Limited Partnership	Net	Management Fee: 1.00% Performance Fee: 15%
Invesco Balanced-Risk Allocation	Commingled Fund	Net	0.45%
Fidelity Total International Index Fund	Mutual Fund	Net	0.06%
Elliott International Ltd	Limited Partnership	Net	Management fee: 1.50% Performance fee: 20% Contribution/withdrawal fee: 1.75%
Invesco Mortgage Recovery Fund	Limited Partnership	Net	0.00%
Invesco US Income	Limited Partnership	Net	1.00%
Timber Investment Resources-ETO II	Limited Partnership	Net	Management fee: 0.90% Performance Fee: 20% of realized profits over 8% hurdle (beginning at end of fourth year of fund)
Timber Investment Resources-ETO III	Limited Partnership	Net	Management fee: 0.85% Performance Fee: 20% of realized profits over 7% hurdle (beginning at end of fourth year of fund)

\*This manager aggregates FiduciaryVest clients' assets to determine fee break points, and applies the same fee across all FiduciaryVest clients.

# Investment Manager Analysis



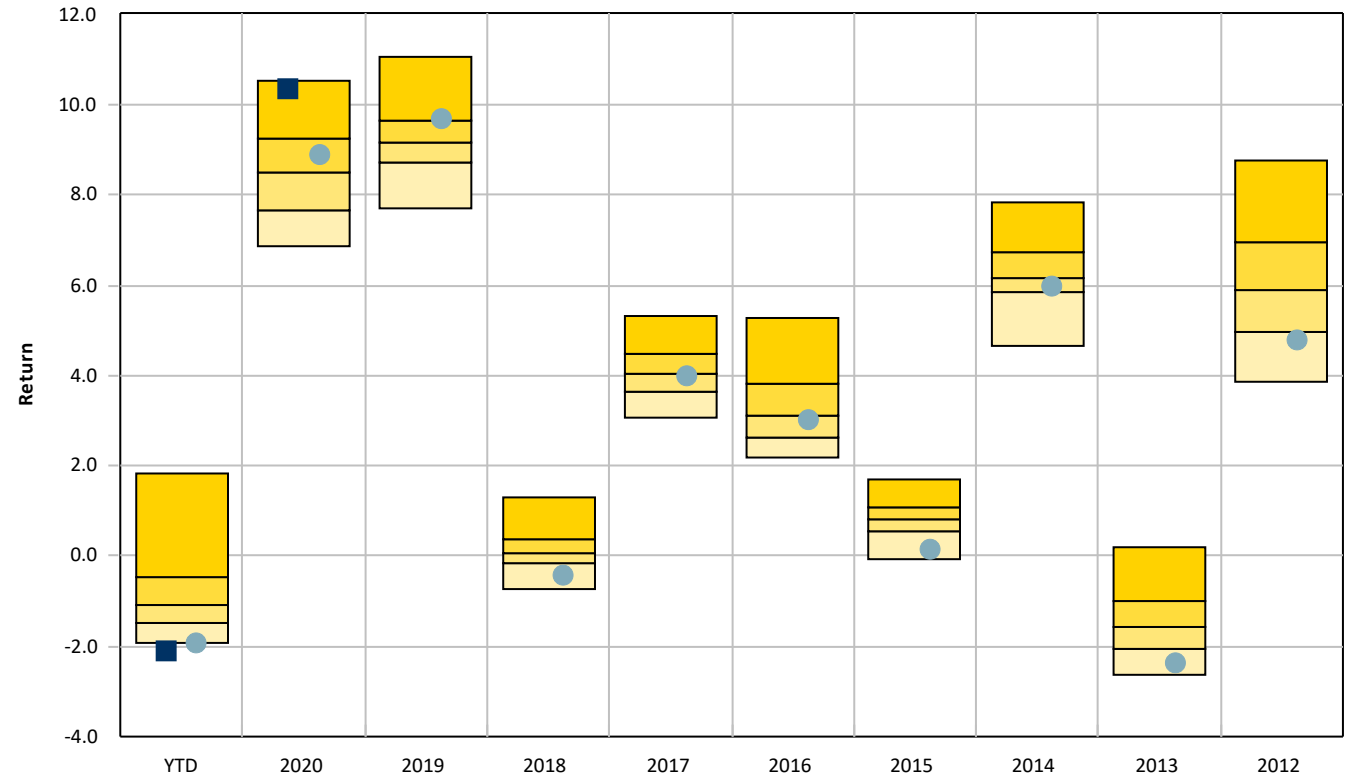
**Trailing Returns**



**Investment Strategy**

FCI's fixed income investment strategy seeks to deliver superior returns relative to the Bloomberg Govt/Credit Index over a market cycle, while limiting the risk incurred by maintaining a high credit profile. The philosophy is to employ a time-tested disciplined investment process to construct a high-quality portfolio which is suitable for the given set of market conditions.

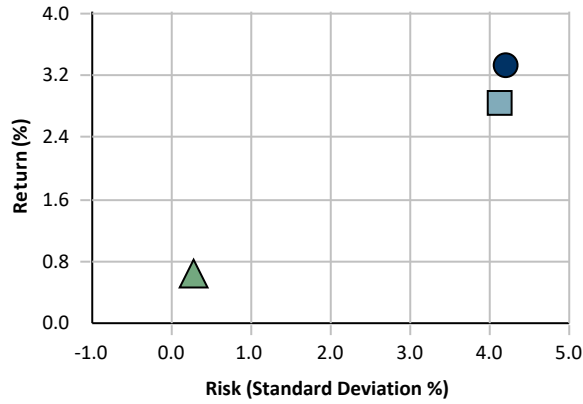
**Performance Relative to Peer Group**



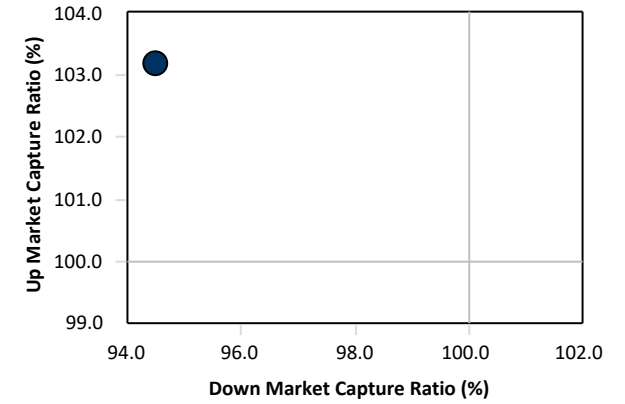
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
FCI Advisors Fixed Income	(2.1) (100)	10.3 (9)	-	-	-	-	-	-	-	-
Bloomberg U.S. Gov't/Credit	(1.9)	8.9	9.7	(0.4)	4.0	3.0	0.1	6.0	(2.4)	4.8
Peer Group Median	(1.1)	8.5	9.2	0.1	4.0	3.1	0.8	6.1	(1.6)	5.9
Population	114	149	152	158	163	170	175	188	198	207

**Risk/Return**



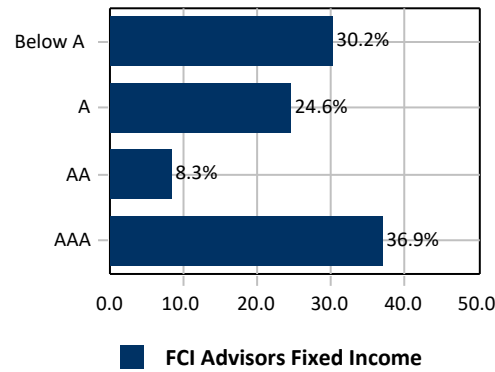
**Up/Down Markets**



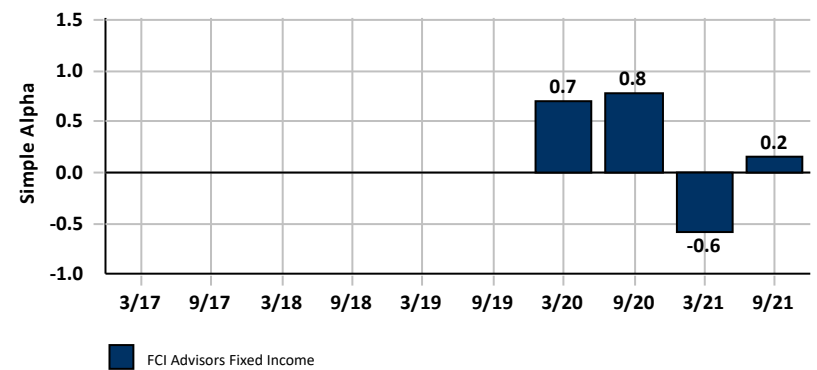
**Top Holdings**

US Treasury Note	5.4
US Treasury Bond	3.8
US Treasury Note	3.2
US Treasury Bond	3.1
US Treasury Bond	2.8
US Treasury Note	2.6
US Treasury Bond	2.3
US Treasury Note	2.0
Verizon	1.7
Broadcom	1.7

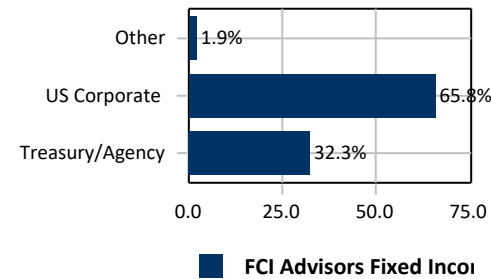
**Quality Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Sector Allocation**



**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
FCI Advisors Fixed Income	64.0	2.7	1.0	(4.9)	0.6	9/1/2019
Bloomberg U.S. Gov't/Credit	0.0	2.1	1.0	(4.7)	0.5	1/1/1973
90 Day U.S. Treasury Bill	48.0	0.0	0.0	0.0	-	9/1/2019

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

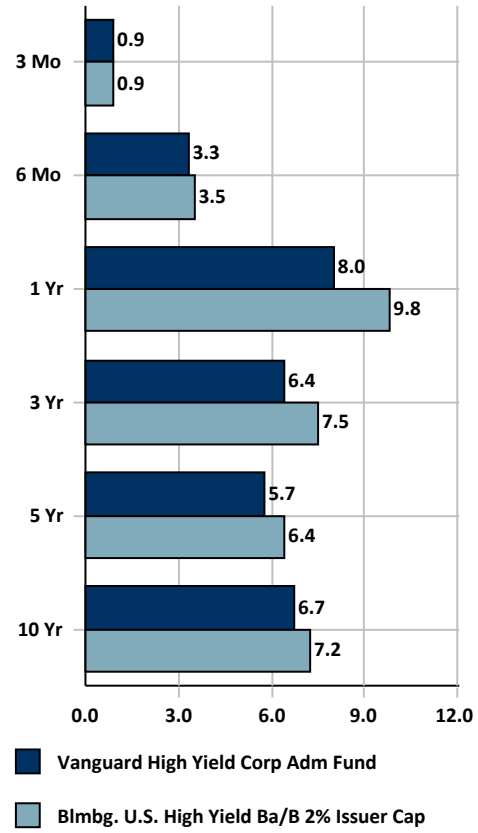
**Fund Snapshot**

Ticker : VWEAX  
 Peer Group : IM U.S. High Yield Bonds (MF)  
 Benchmark : Blmbg. U.S. High Yield Ba/B 2% Issuer Cap  
 Total Assets : \$25,175 Million  
 Fund Inception : 11/12/2001  
 Portfolio Manager : Michael L. Hong  
 Net Expense : 0.13%  
 Turnover : 38%

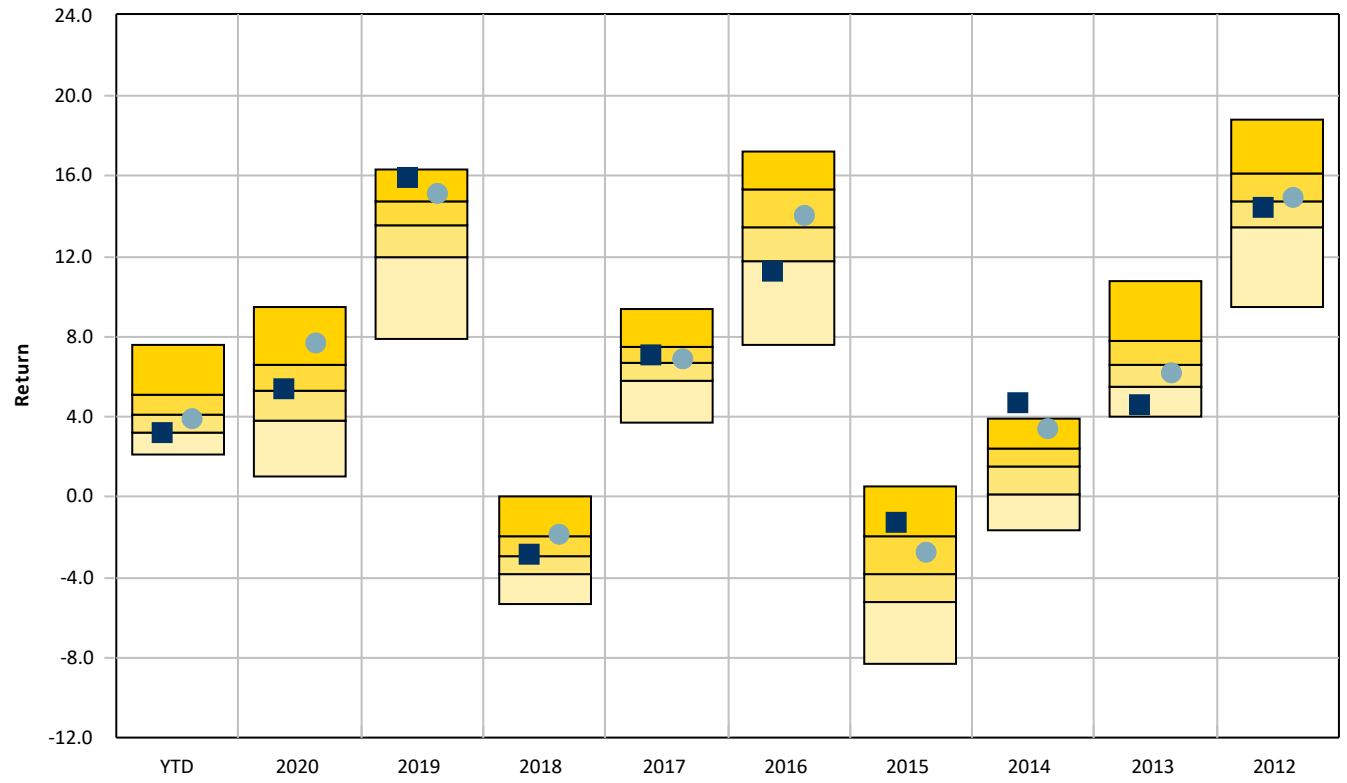
**Investment Strategy**

The Fund seeks a high level of current income by investing in a diversified portfolio of high-yielding, higher-risk corporate bonds, with medium and lower range credit quality ratings.

**Trailing Returns**



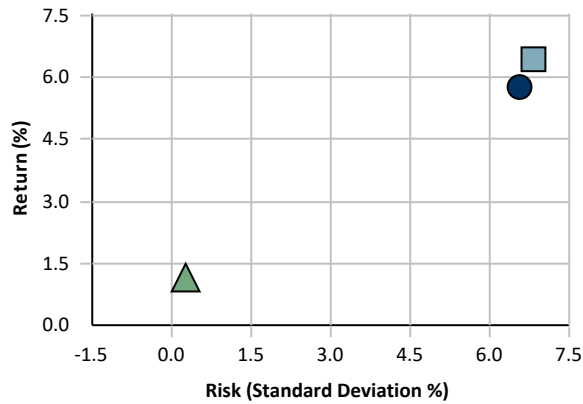
**Performance Relative to Peer Group**



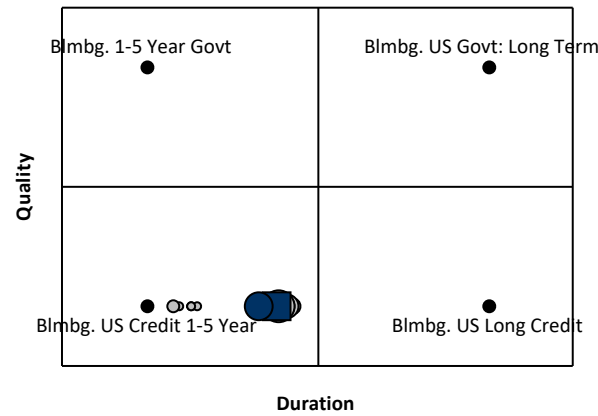
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	3.2 (76)	5.4 (47)	15.9 (8)	(2.9) (49)	7.1 (35)	11.3 (79)	(1.3) (17)	4.7 (2)	4.6 (91)	14.5 (56)
Benchmark	3.9	7.7	15.2	(1.9)	6.9	14.1	(2.7)	3.5	6.2	15.0
Peer Group Median	4.2	5.3	13.5	(2.9)	6.7	13.5	(3.9)	1.5	6.6	14.7
Population	656	659	682	669	626	594	544	615	574	513

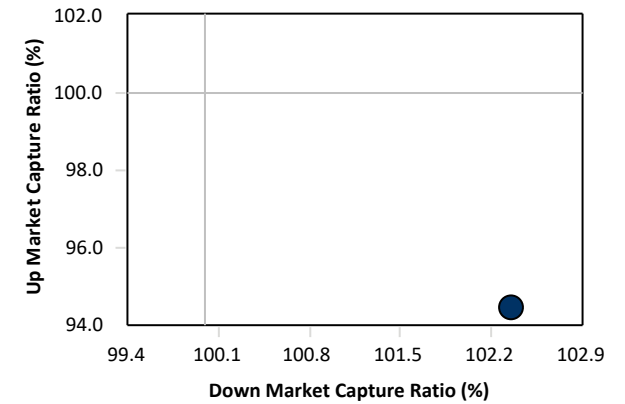
**Risk/Return**



**3 Year Rolling Style Map**



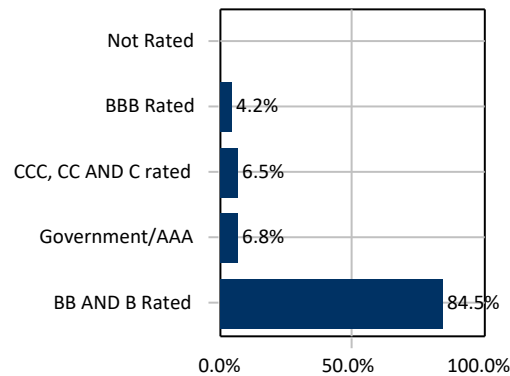
**Up/Down Markets**



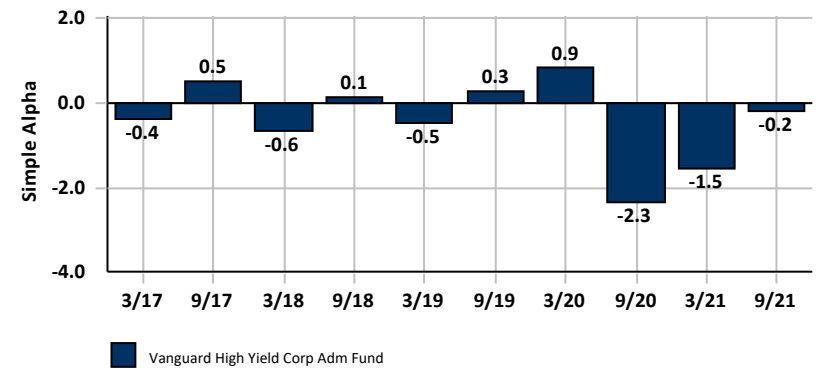
**Top Holdings**

Corporate Notes/Bonds	93.4 %
Government Agency Securities	3.3 %
Treasury Notes/Bonds	3.3 %

**Quality Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

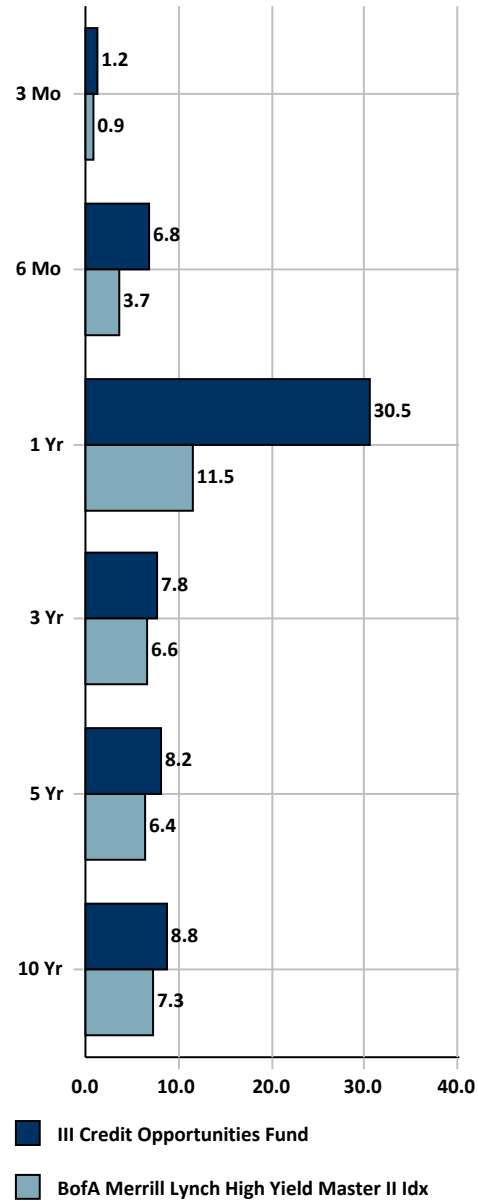
Avg. Coupon	-
Nominal Maturity	-
Effective Maturity	-
Duration	-
SEC 30 Day Yield	6.5
Avg. Credit Quality	BB

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Vanguard High Yield Corp Adm Fund	45.0	4.7	1.0	(10.7)	0.7	12/1/2001
Blmbg. U.S. High Yield Ba/B 2% Issuer Cap	0.0	5.4	1.0	(11.5)	0.8	1/1/1993
90 Day U.S. Treasury Bill	26.7	0.0	0.0	0.0	-	12/1/2001

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

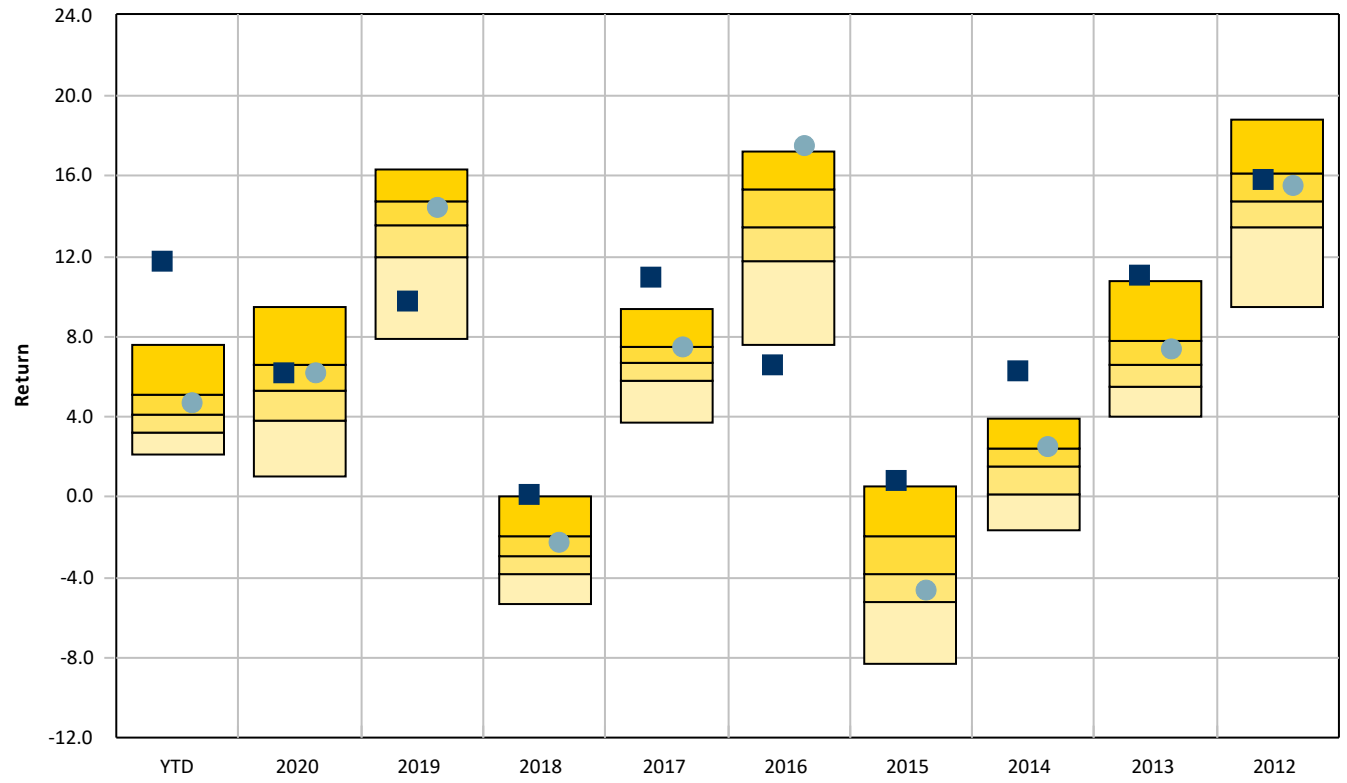
**Trailing Returns**



**Investment Strategy**

The fund seeks to generate significant returns using long only cash credit products with no repo leverage or derivatives use. Assets in the fund are primarily structured credit instruments.

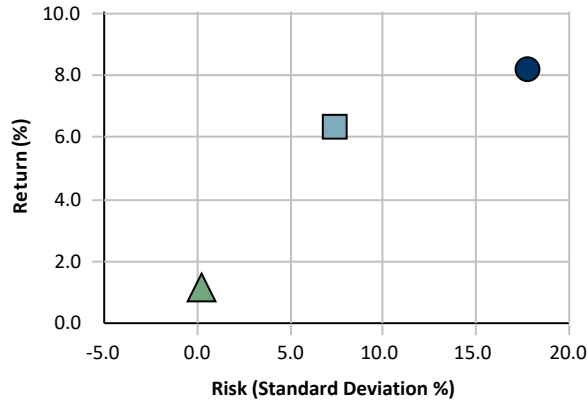
**Performance Relative to Peer Group**



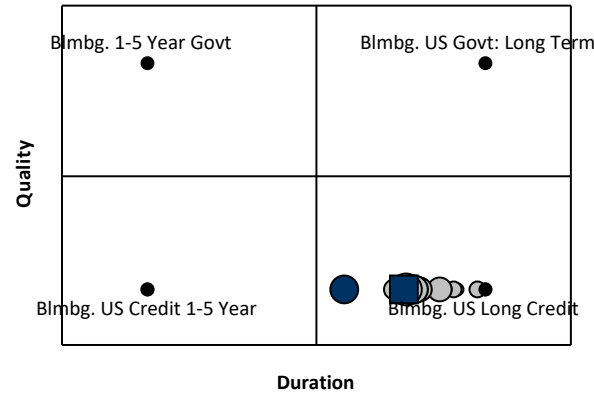
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
III Credit Opportunities Fund	11.8 (1)	6.2 (30)	9.8 (87)	0.1 (5)	10.9 (2)	6.6 (97)	0.9 (4)	6.3 (1)	11.1 (5)	15.8 (30)
ICE BofAML High Yield Master II	4.7	6.2	14.4	(2.3)	7.5	17.5	(4.6)	2.5	7.4	15.6
Peer Group Median	4.2	5.3	13.5	(2.9)	6.7	13.5	(3.9)	1.5	6.6	14.7
Population	656	659	682	669	626	594	544	615	574	513

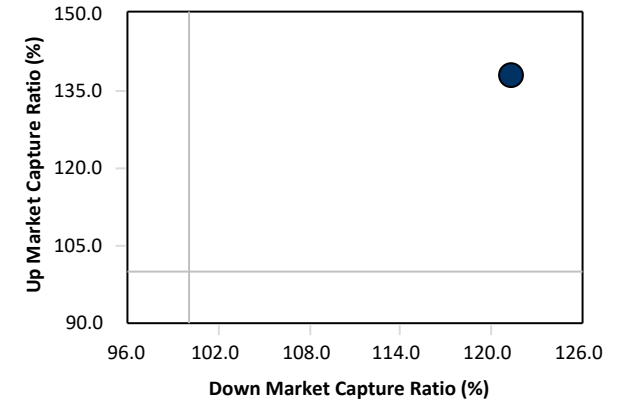
**Risk/Return**



**3 Year Rolling Style Map**



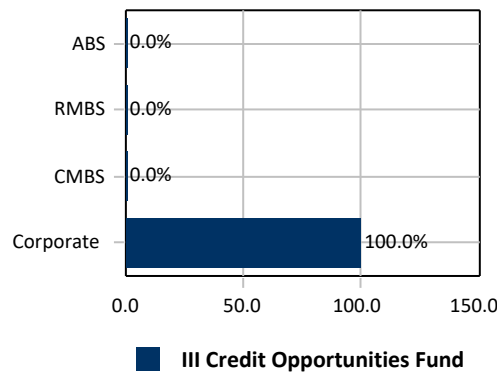
**Up/Down Markets**



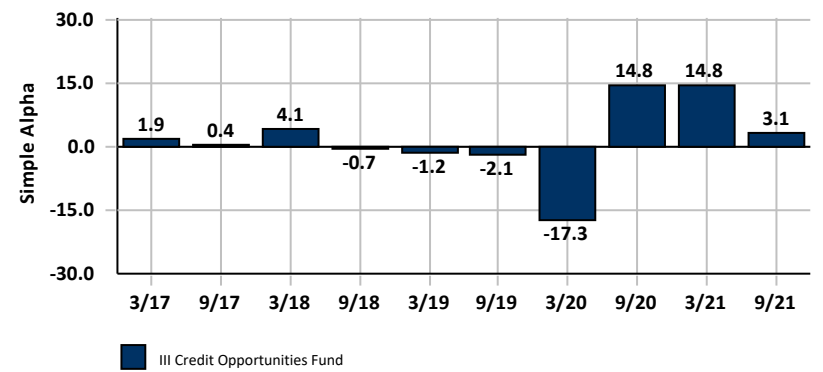
**Top Holdings**

CLOs	88.0
Eur CLOs	12.0
Eur CMBS	0.0
CRE CDOs	0.0

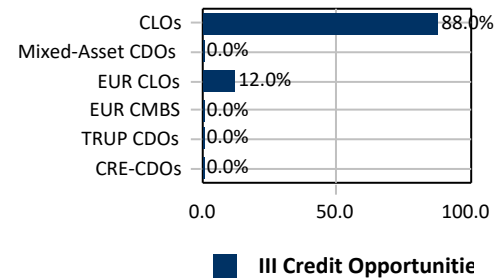
**Quality Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Sector Allocation**

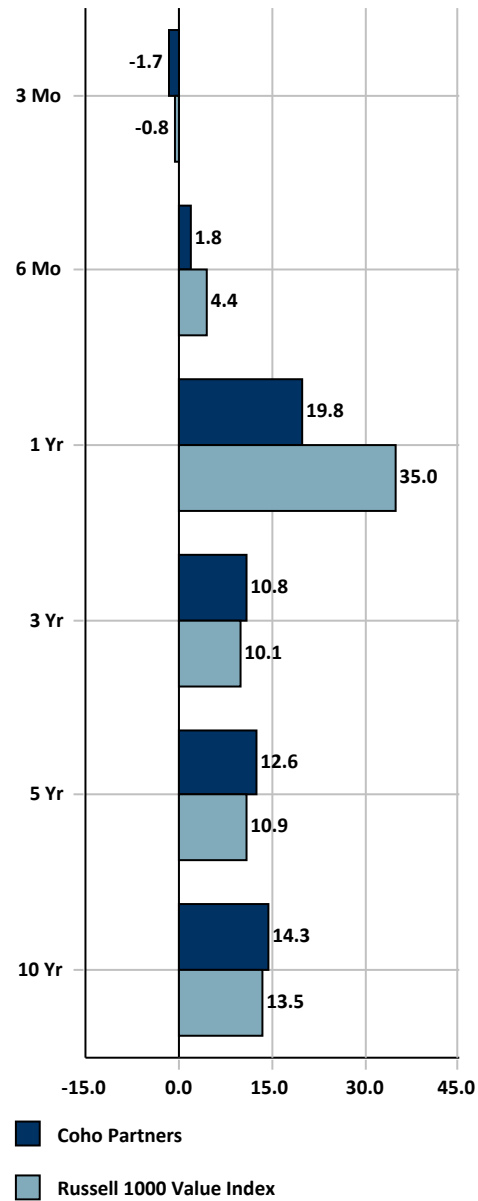


**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
III Credit Opportunities Fund	58.3	8.5	1.8	(35.6)	0.5	4/1/2010
BofA Merrill Lynch High Yield Master II Idx	0.0	5.3	1.0	(13.1)	0.7	4/1/2010
90 Day U.S. Treasury Bill	25.0	0.0	0.0	0.0	-	4/1/2010

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

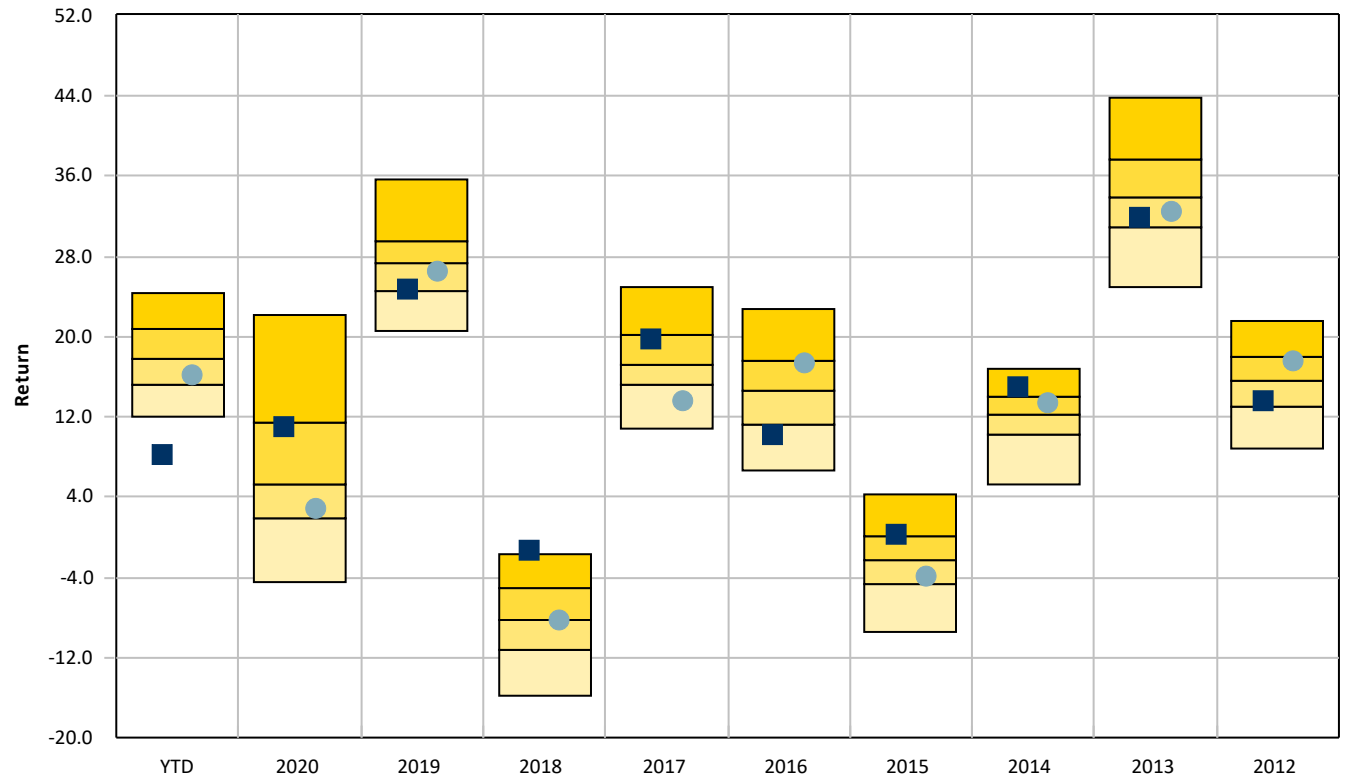
**Trailing Returns**



**Investment Strategy**

Firm's equity investment philosophy is based on the premise that the most effective way to create and sustain wealth in the equity markets is to achieve an asymmetric pattern of returns over time, where the portfolio demonstrates a down market beta which is considerably less than its up market beta.

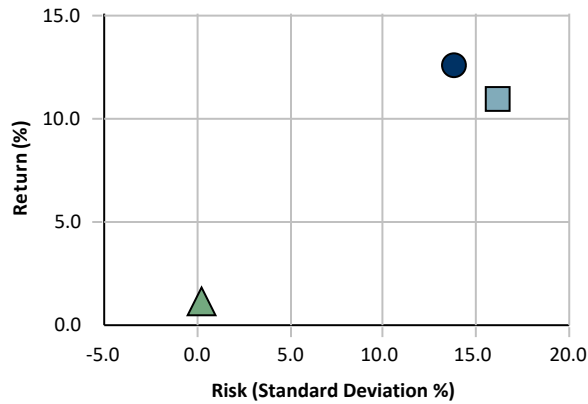
**Performance Relative to Peer Group**



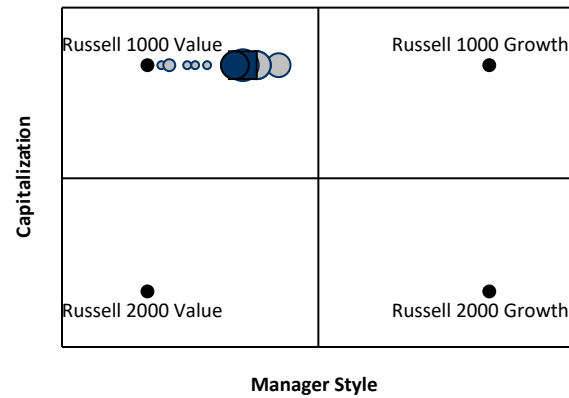
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Coho Partners	8.2 (100)	10.9 (28)	24.7 (73)	(1.3) (5)	19.8 (30)	10.2 (84)	0.3 (23)	15.0 (17)	31.9 (67)	13.5 (70)
Russell 1000 Value Index	16.1	2.8	26.5	(8.3)	13.7	17.3	(3.8)	13.5	32.5	17.5
Peer Group Median	17.8	5.3	27.4	(8.3)	17.3	14.5	(2.3)	12.1	33.9	15.6
Population	229	286	315	333	352	381	395	418	417	434

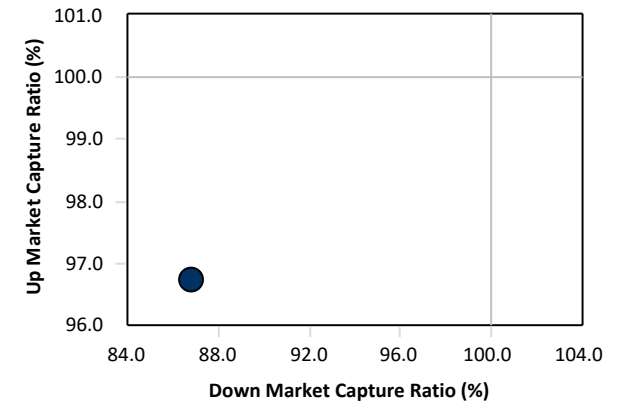
**Risk/Return**



**3 Year Rolling Style Map**



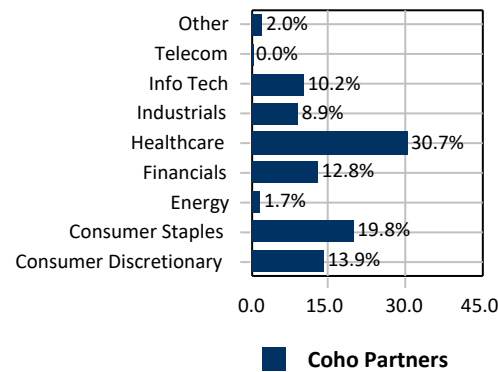
**Up/Down Markets**



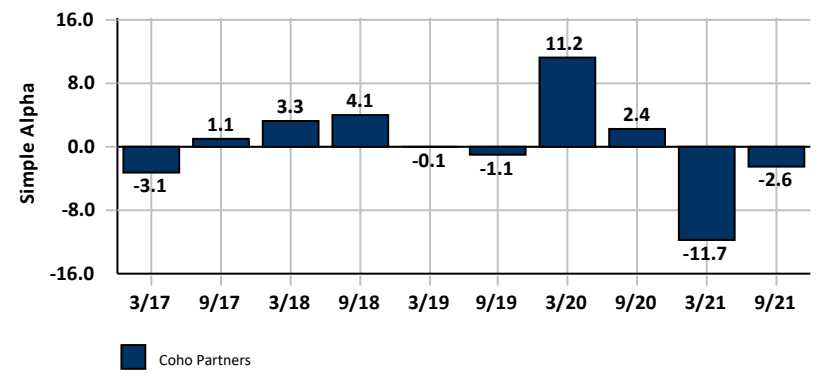
**Top Holdings**

Lowe's Companies	5.0
UnitedHealth Group Inc	4.9
Ross Stores Inc	4.8
US Bancorp	4.5
Johnson & Johnson	4.5
CVS Health Corp	4.3
W.W. Grainger Inc	4.2
Global Payments Inc	4.2
State Street Corporation	4.2
Dollar General Corp	4.0

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Holdings:	29
Med Mkt Cap:	\$76,770
P/E Ratio:	18.1
P/B Ratio:	3.4
Turnover:	18.4%

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Coho Partners	55.0	11.7	0.8	(18.5)	0.8	10/1/2000
Russell 1000 Value Index	0.0	10.6	1.0	(26.7)	0.7	10/1/2000
90 Day U.S. Treasury Bill	33.3	0.0	0.0	0.0	-	10/1/2000

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

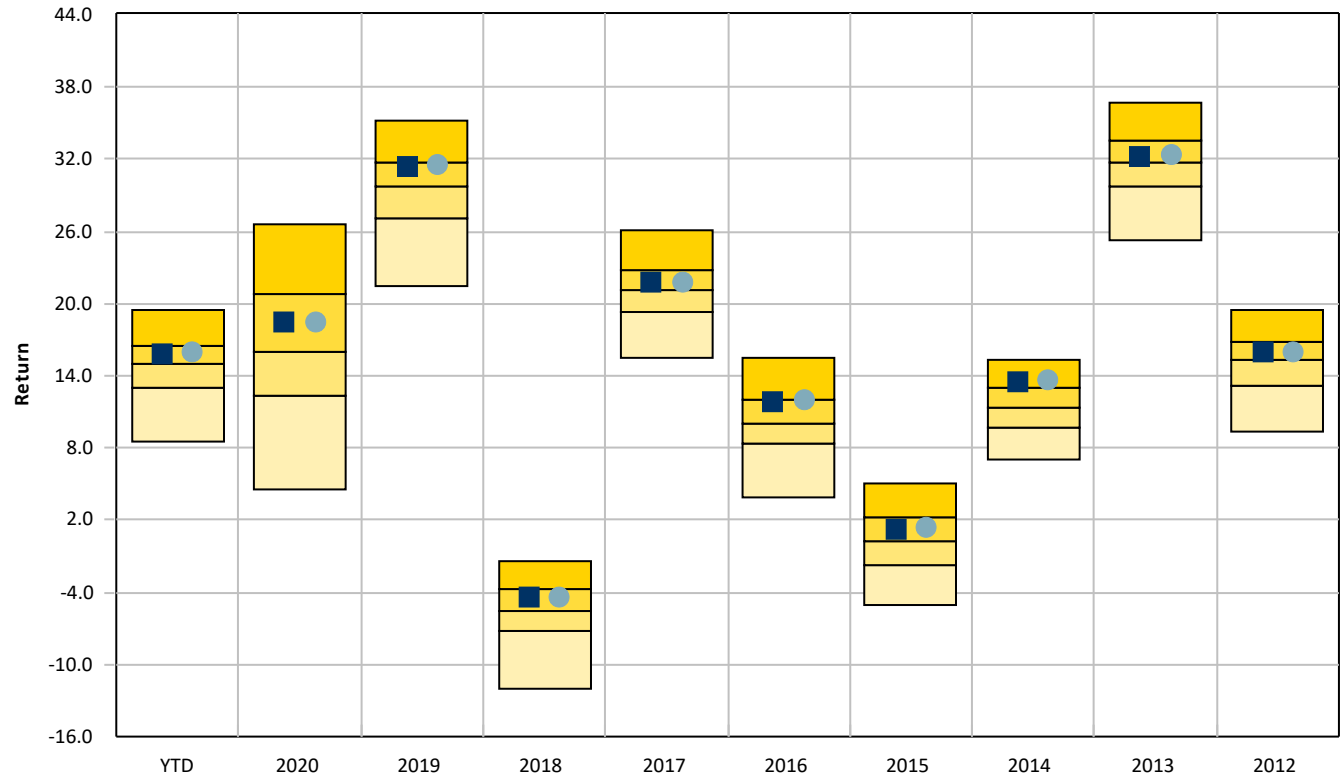
**Fund Snapshot**

Ticker : SWPPX  
 Peer Group : IM U.S. Large Cap Core Equity (MF)  
 Benchmark : S&P 500 Index  
 Total Assets : \$59,844 Million  
 Fund Inception : 5/19/1997  
 Portfolio Manager : Team Managed  
 Net Expense : 0.02%  
 Turnover : 4%

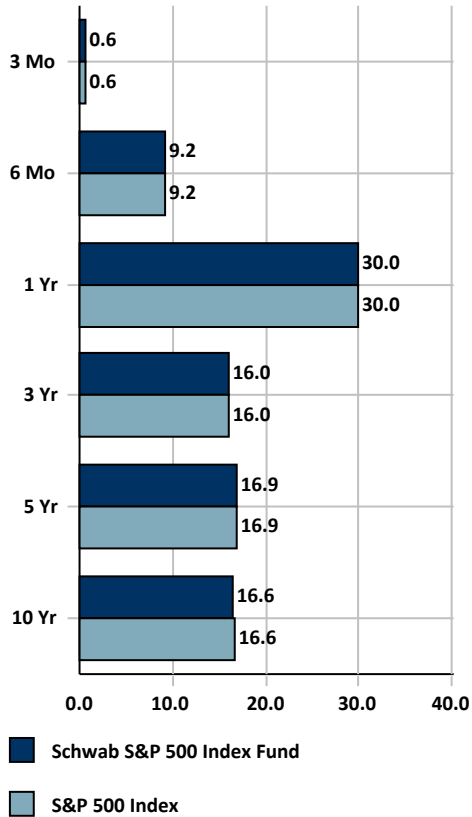
**Investment Strategy**

The Fund seeks to track the total return of the S&P 500 Index. The Fund will invest at least 80% of its net assets in these stocks; typically, the actual percentage is considerably higher. The Fund generally will seek to replicate the performance of the index by giving the same weight to a given stock as the index does.

**Performance Relative to Peer Group**



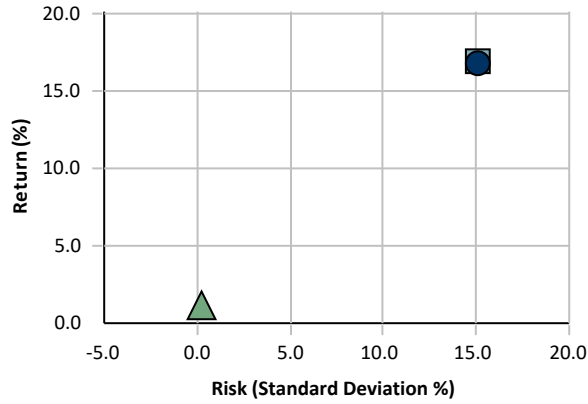
**Trailing Returns**



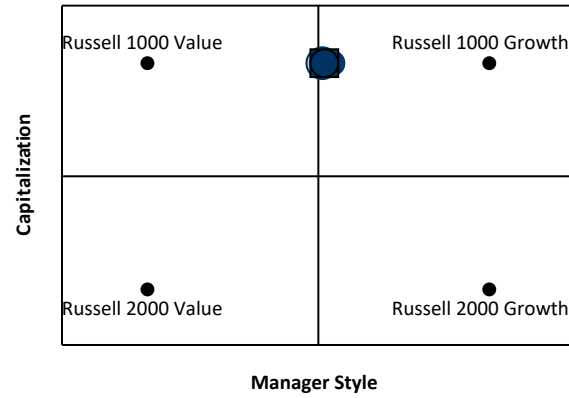
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	15.9 (35)	18.4 (40)	31.4 (30)	(4.4) (31)	21.8 (39)	11.8 (28)	1.3 (34)	13.6 (17)	32.3 (41)	15.9 (40)
Benchmark	15.9	18.4	31.5	(4.4)	21.8	12.0	1.4	13.7	32.4	16.0
Peer Group Median	15.0	16.0	29.7	(5.6)	21.2	10.1	0.3	11.4	31.8	15.3
Population	778	743	733	710	672	634	588	746	749	761

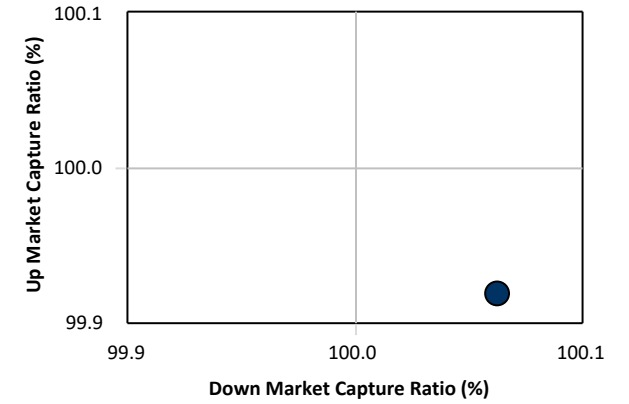
**Risk/Return**



**3 Year Rolling Style Map**



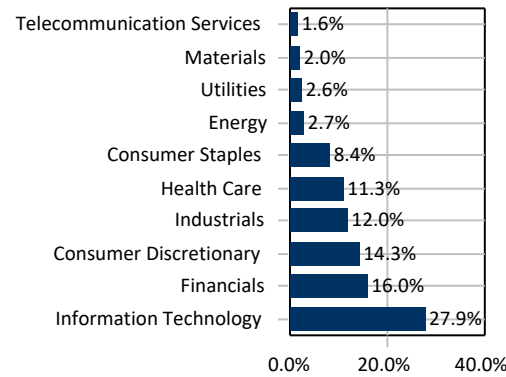
**Up/Down Markets**



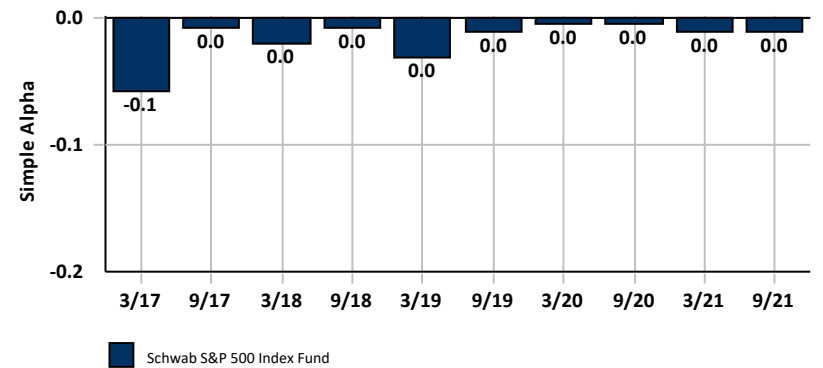
**Top Holdings**

Apple Inc ORD	5.8 %
Microsoft Corp ORD	5.3 %
Amazon.com Inc ORD	4.2 %
Facebook Inc ORD	2.2 %
Alphabet Inc ORD 1	2.0 %
Alphabet Inc ORD 2	1.9 %
Tesla Inc ORD	1.5 %
Berkshire Hathaway Inc ORD	1.5 %
JPMorgan Chase & Co ORD	1.3 %
Johnson & Johnson ORD	1.2 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

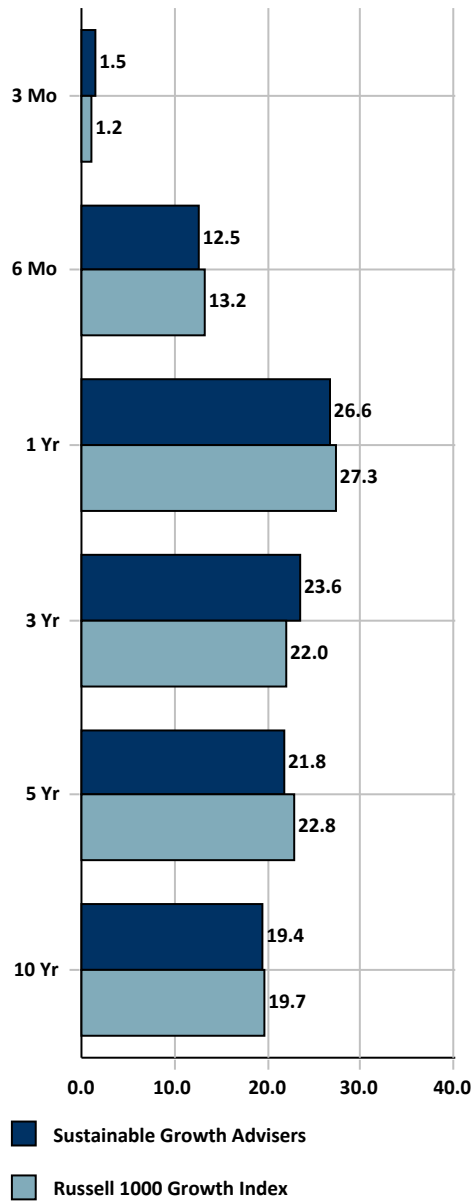
Total Securities	508
Avg. Market Cap	\$496,180 Million
P/E	35.4
P/B	10.4
Div. Yield	1.8%
Annual EPS	8.8
5Yr EPS	16.8
3Yr EPS Growth	15.8

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Schwab S&P 500 Index Fund	41.7	15.7	1.0	(19.6)	1.0	6/1/1997
S&P 500 Index	0.0	15.7	1.0	(19.6)	1.0	6/1/1997
90 Day U.S. Treasury Bill	23.3	0.0	0.0	0.0	-	6/1/1997

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

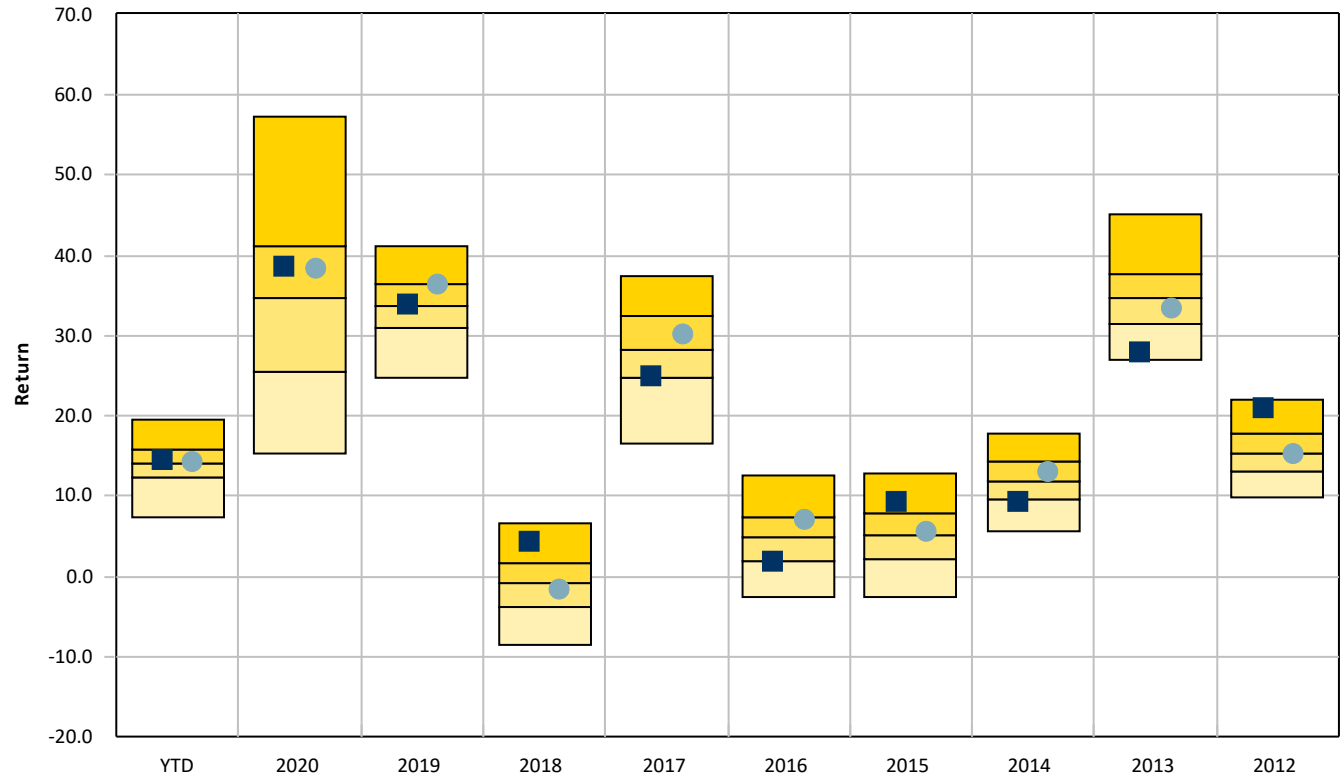
Trailing Returns



Investment Strategy

Strategy focuses on producing attractive, consistent earnings growth by owning a select group of businesses that possess long-term secular growth opportunities, predictable revenue and earnings growth, superior pricing power and global reach. Such companies are identified through bottom-up fundamental research process.

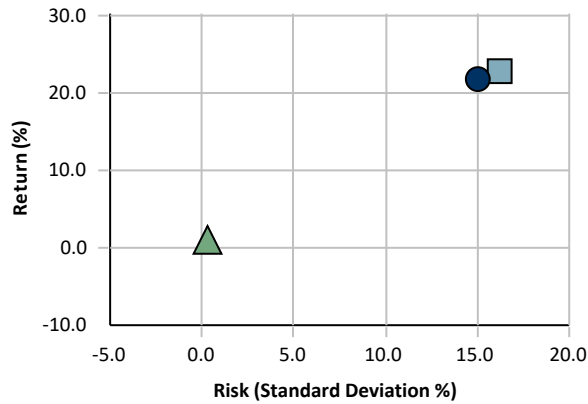
Performance Relative to Peer Group



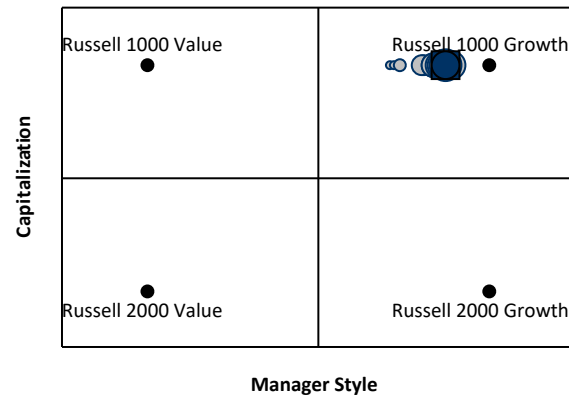
Calendar Year Returns

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Sustainable Growth Advisers	14.6 (43)	38.6 (33)	34.1 (47)	4.3 (11)	25.0 (74)	1.8 (76)	9.4 (16)	9.4 (78)	28.0 (93)	21.1 (8)
Russell 1000 Growth Index	14.3	38.5	36.4	(1.5)	30.2	7.1	5.7	13.1	33.5	15.3
Peer Group Median	14.1	34.8	33.8	(0.9)	28.3	4.7	5.1	11.9	34.6	15.2
Population	174	241	255	279	289	308	337	348	352	365

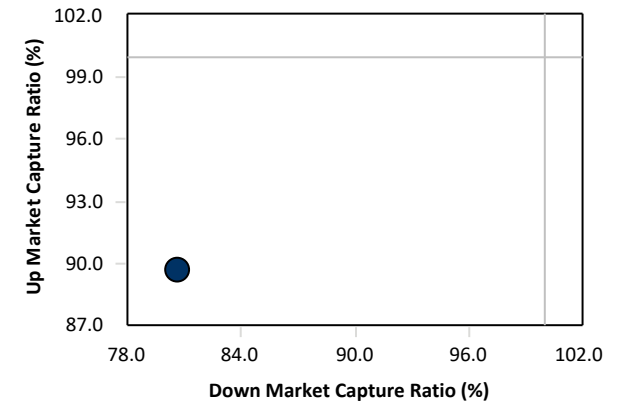
**Risk/Return**



**3 Year Rolling Style Map**



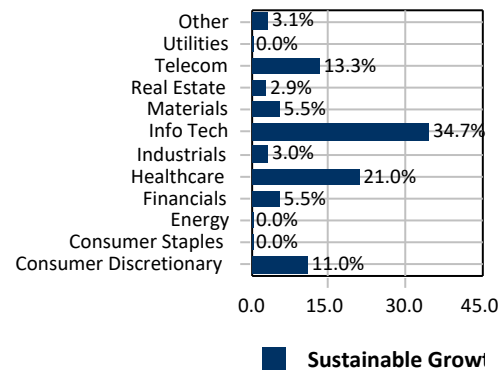
**Up/Down Markets**



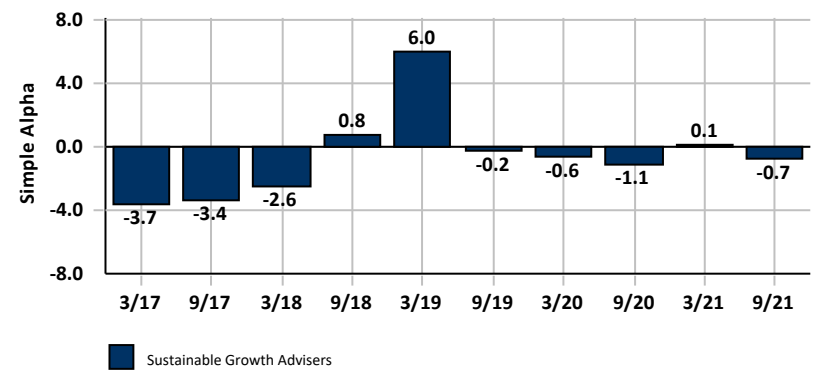
**Top Holdings**

Amazon	5.6
UnitedHealth	5.0
Microsoft	4.9
Visa	4.6
Salesforce.com	4.3
PayPal	4.1
Facebook	4.1
Workday	3.8
Autodesk	3.6
Ball Corporation	3.5

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

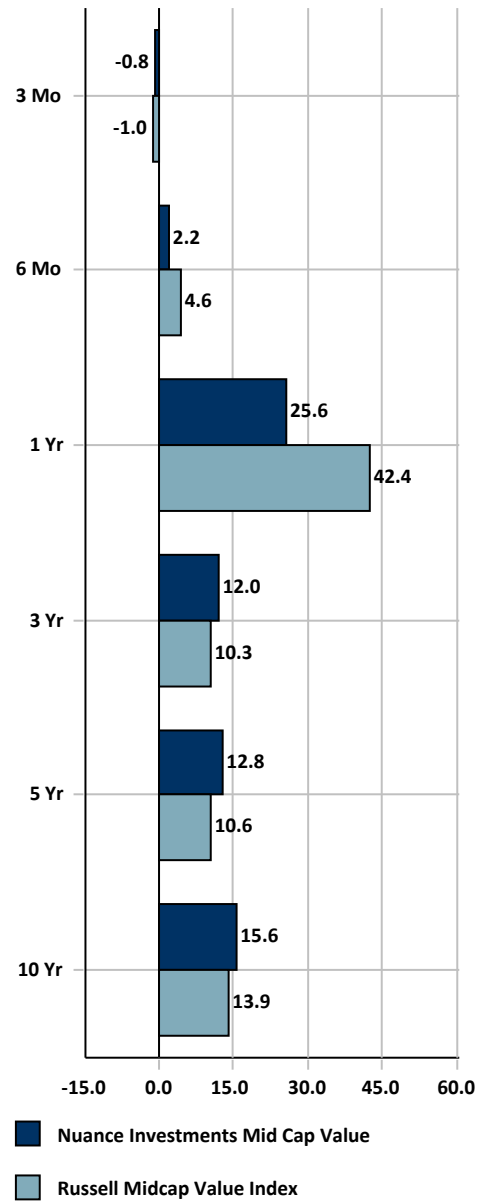
Holdings:	29
Median Mkt Cap:	\$151,504
P/E Ratio:	38.3
P/B Ratio:	7.8
Turnover:	5.1

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Sustainable Growth Advisers	50.0	19.8	0.9	(14.6)	1.3	4/1/2000
Russell 1000 Growth Index	0.0	20.9	1.0	(16.0)	1.3	4/1/2000
90 Day U.S. Treasury Bill	28.3	0.0	0.0	0.0	-	4/1/2000

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

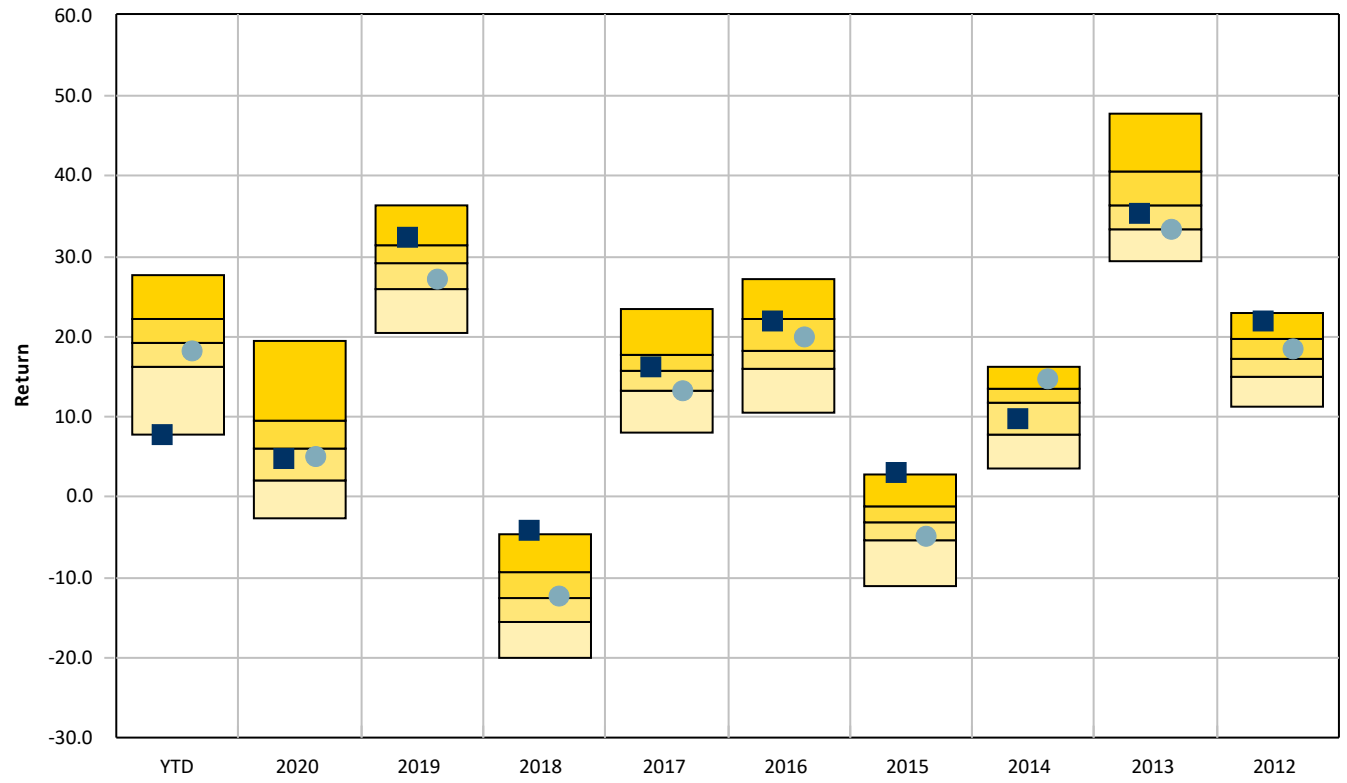
**Trailing Returns**



**Investment Strategy**

Strategy seeks long-term capital appreciation through investing primarily in equity securities of companies organized in the US that the team believes are high quality, though temporarily out of favor. Securities are selected using a quantitative screening and fundamental research process that identifies leading businesses selling at a discount to fair value and that have the potential to generate above average rates of return over time.

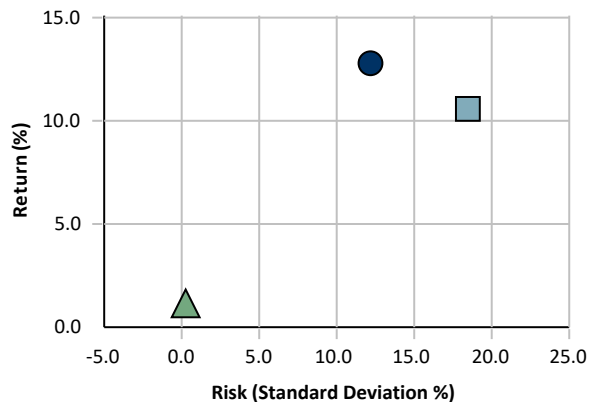
**Performance Relative to Peer Group**



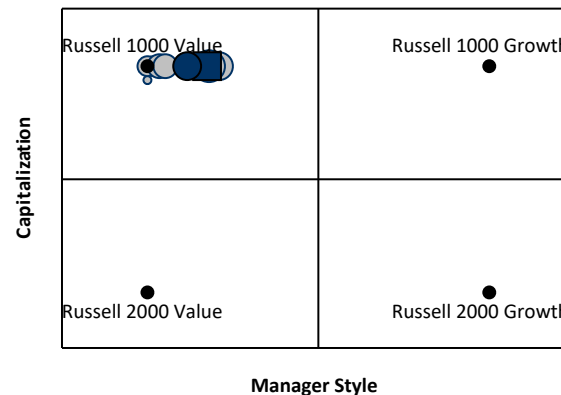
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Nuance Investments Mid Cap Value	7.7 (95)	4.9 (54)	32.5 (16)	(4.2) (4)	16.2 (41)	21.9 (32)	3.0 (3)	9.8 (65)	35.5 (58)	22.0 (9)
Russell Midcap Value Index	18.2	5.0	27.1	(12.3)	13.3	20.0	(4.8)	14.7	33.5	18.5
Peer Group Median	19.2	5.9	29.0	(12.7)	15.6	18.2	(3.2)	11.8	36.5	17.1
Population	52	75	77	82	84	87	91	90	92	96

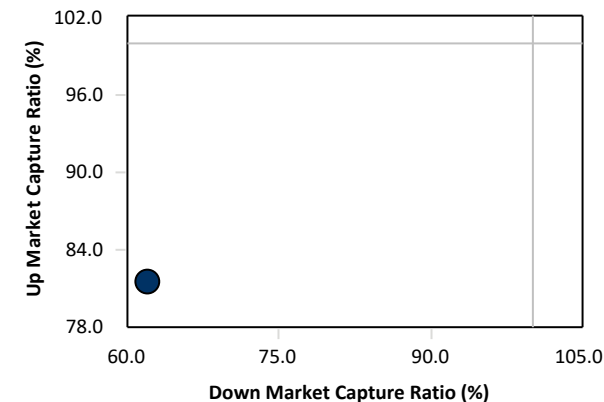
**Risk/Return**



**3 Year Rolling Style Map**



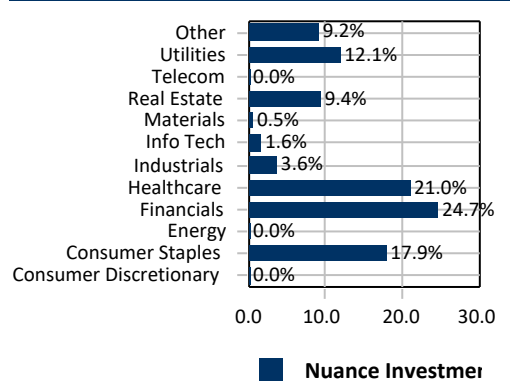
**Up/Down Markets**



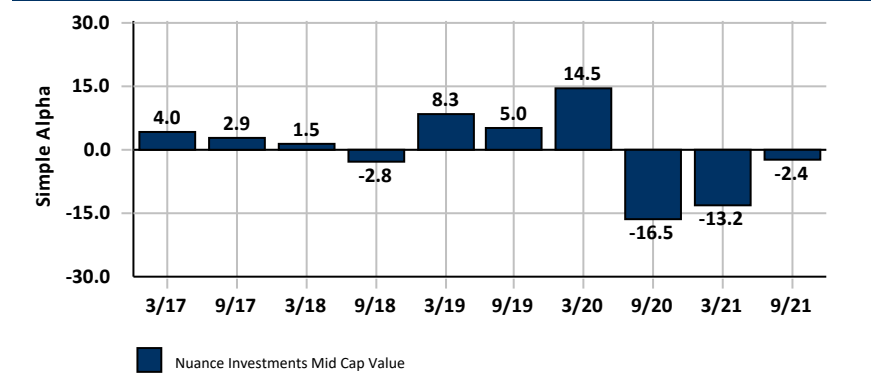
**Top Holdings**

Travelers Companies Inc	5.5
Equity Commonwealth	5.1
Beiersdorf AG Unsponsored ADR	5.0
Baxter International	5.0
Sanderson Farms Inc	4.9
Smith & Nephew PLC sp ADR	4.3
BDX 6 06/01/23 Pfd	4.0
ICU Medical Inc	3.9
United Utilities Group PLC Sp ADR	3.7
Northern Trust Corp	3.4

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Holdings: 52  
 Median Market Cap: \$9,451  
 P/E Ratio: 15.5  
 P/B Ratio: 1.9  
 Turnover: 54.2%  
 Cash: 9.3%

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Nuance Investments Mid Cap Value	46.7	11.7	0.6	(19.1)	0.9	12/1/2008
Russell Midcap Value Index	0.0	10.8	1.0	(31.7)	0.6	1/1/1986
90 Day U.S. Treasury Bill	28.3	0.0	0.0	0.0	-	12/1/2008

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

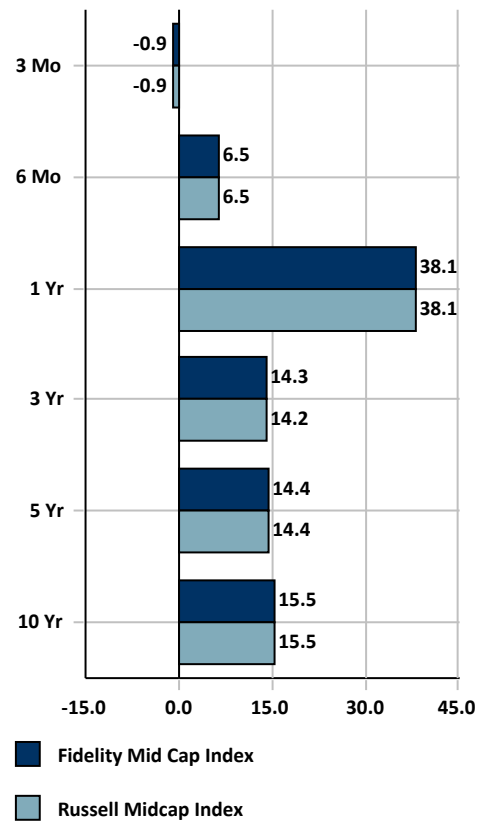
**Fund Snapshot**

Ticker : FSMDX  
 Peer Group : IM U.S. Mid Cap Core Equity (MF)  
 Benchmark : Russell Midcap Index  
 Total Assets : \$22,168 Million  
 Fund Inception : 9/8/2011  
 Portfolio Manager : Team Managed  
 Net Expense : 0.03%  
 Turnover : 14%

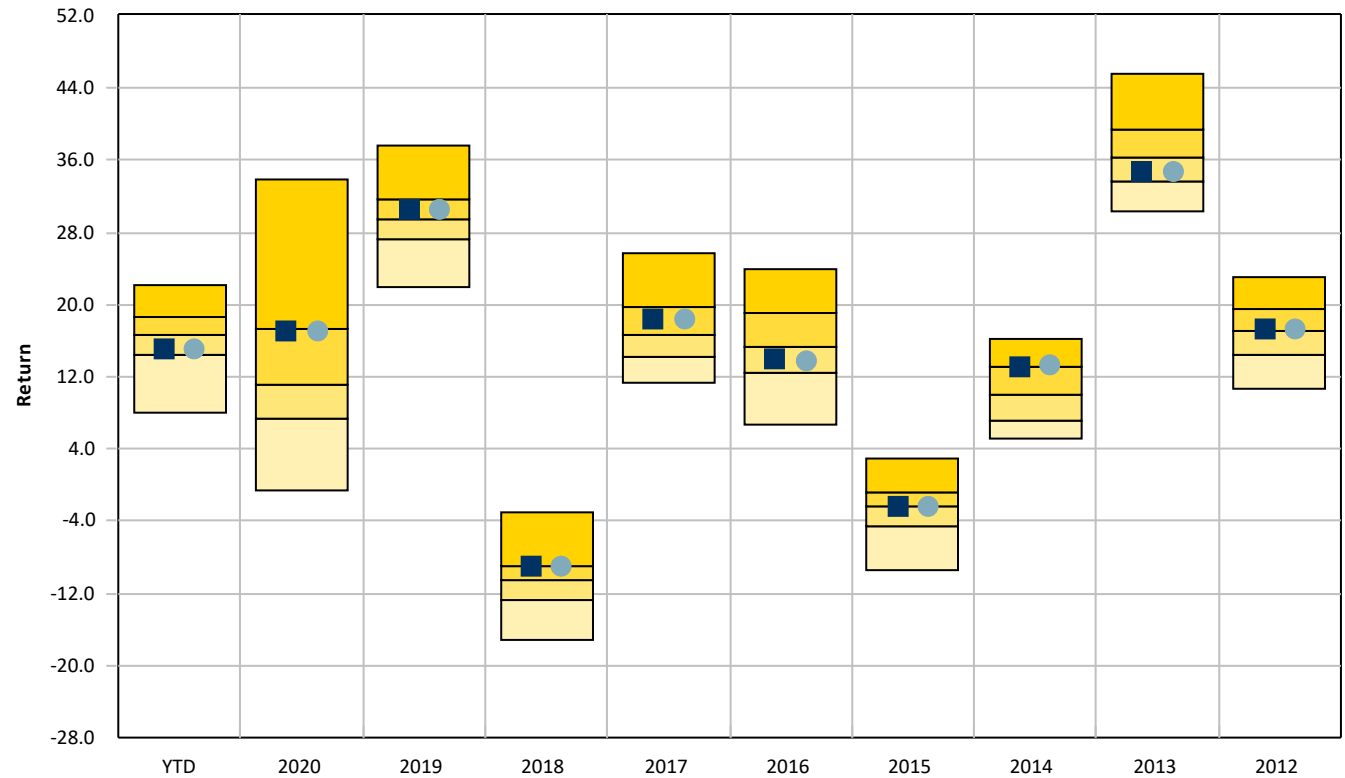
**Investment Strategy**

The Fund seeks to provide investment results that correspond to the total return of stocks of mid-capitalization United States companies. The Fund normally investing at least 80% of assets in securities included in the Russell Midcap Index and lending securities to earn income.

**Trailing Returns**



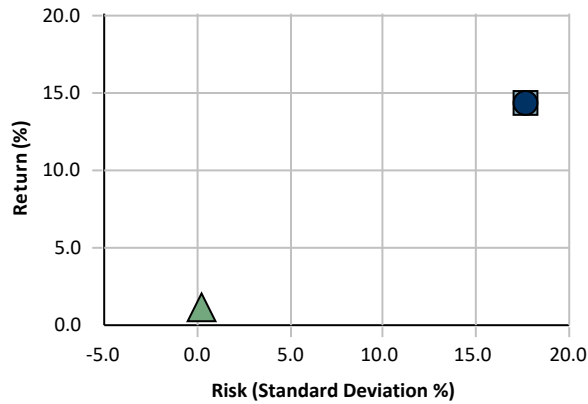
**Performance Relative to Peer Group**



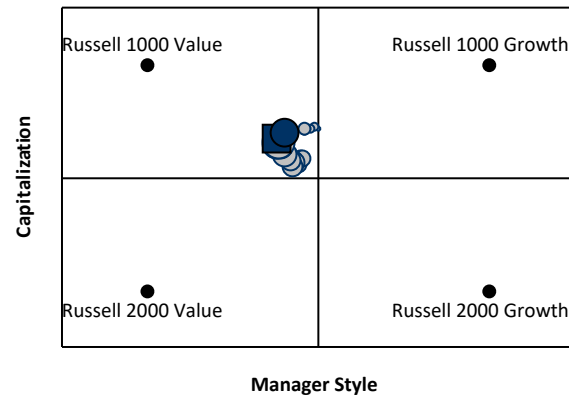
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	15.2 (69)	17.1 (27)	30.5 (41)	(9.0) (27)	18.5 (35)	13.9 (61)	(2.4) (51)	13.1 (23)	34.8 (61)	17.2 (48)
Benchmark	15.2	17.1	30.5	(9.1)	18.5	13.8	(2.4)	13.2	34.8	17.3
Peer Group Median	16.7	11.1	29.4	(10.5)	16.6	15.4	(2.4)	10.1	36.4	17.2
Population	308	312	328	338	339	299	270	315	304	301

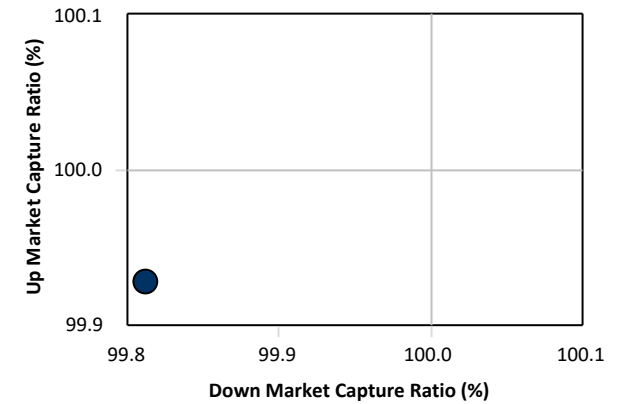
**Risk/Return**



**3 Year Rolling Style Map**



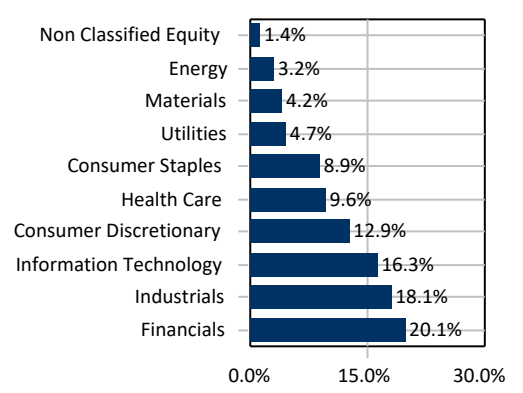
**Up/Down Markets**



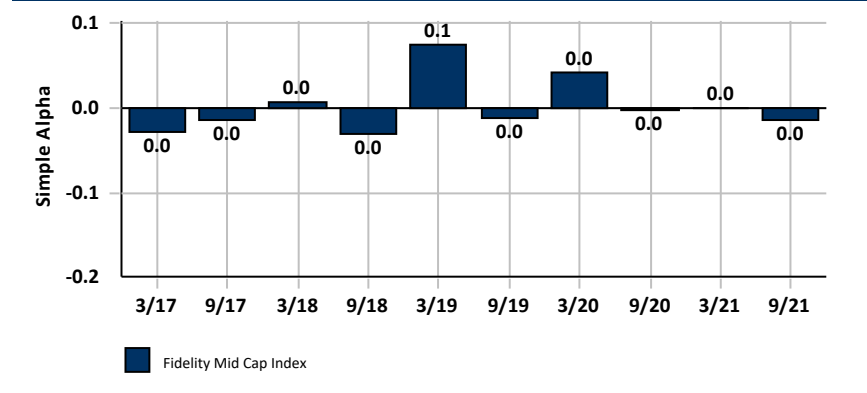
**Top Holdings**

Freeport-McMoRan Inc ORD	0.5 %
Twilio Inc ORD	0.5 %
Moderna Inc ORD	0.5 %
KLA Corp ORD	0.5 %
Align Technology Inc ORD	0.4 %
IDEXX Laboratories Inc ORD	0.4 %
Johnson Controls International	0.4 %
Ford Motor Co ORD	0.4 %
IQVIA Holdings Inc ORD	0.4 %
HP Inc ORD	0.4 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

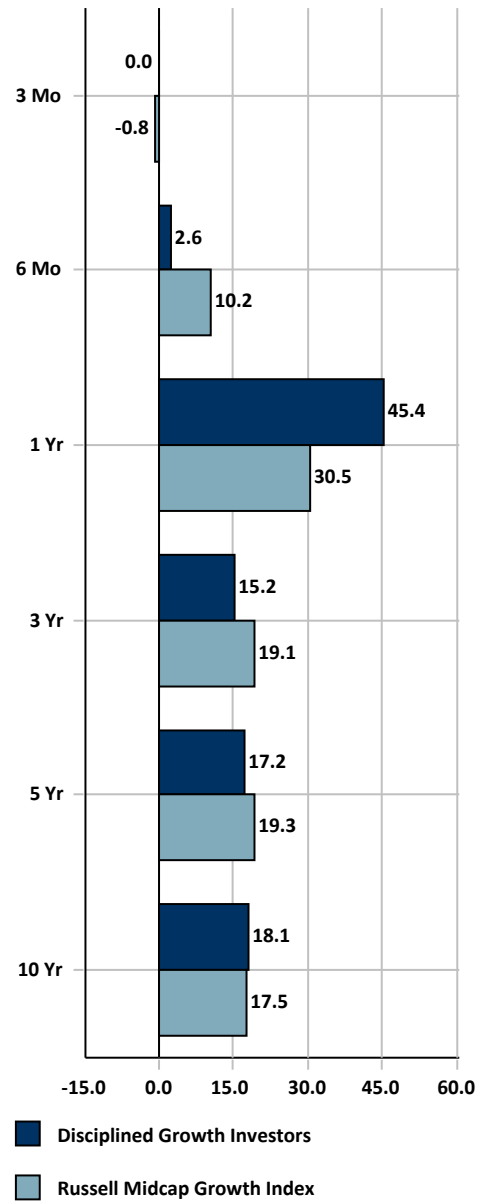
Total Securities	828
Avg. Market Cap	\$22,901 Million
P/E	35.3
P/B	7.4
Div. Yield	1.9%
Annual EPS	0.6
5Yr EPS	11.5
3Yr EPS Growth	11.3

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Fidelity Mid Cap Index	55.0	14.0	1.0	(27.0)	0.8	10/1/2011
Russell Midcap Index	0.0	14.0	1.0	(27.1)	0.8	1/1/1979
90 Day U.S. Treasury Bill	28.3	0.0	0.0	0.0	-	10/1/2011

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

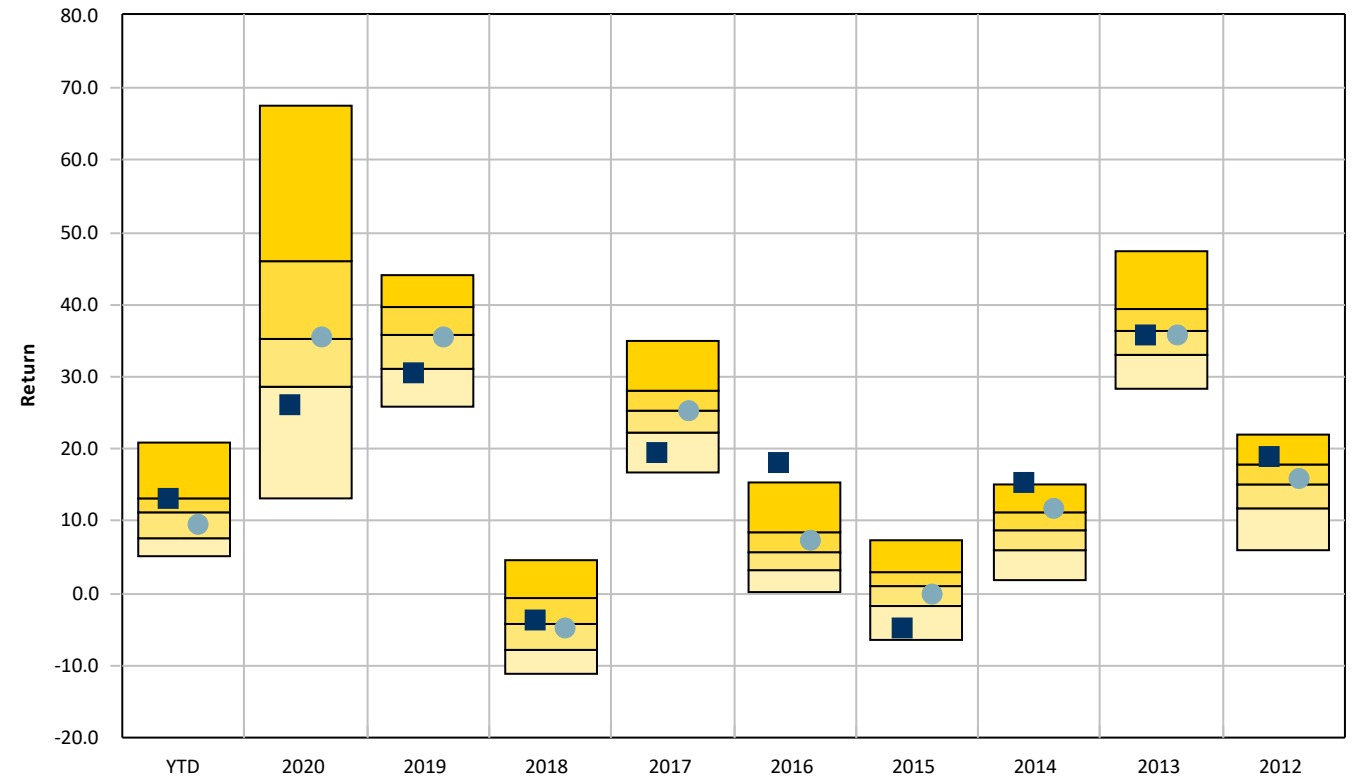
**Trailing Returns**



**Investment Strategy**

Mid cap US equity separate account. Invests in companies with market capitalizations greater than \$1 billion and less than \$10 billion. This class of stocks may present moderately more risk than larger more established companies. Strategy exploits price volatility to purchase business temporarily "on sale" for reasons DGI believes will have de minimis impact on the long-term value-creating potential of the business.

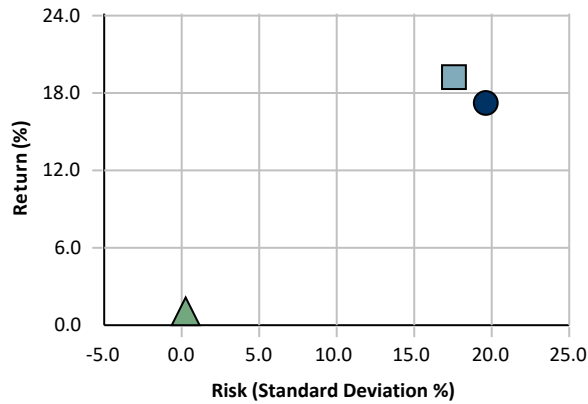
**Performance Relative to Peer Group**



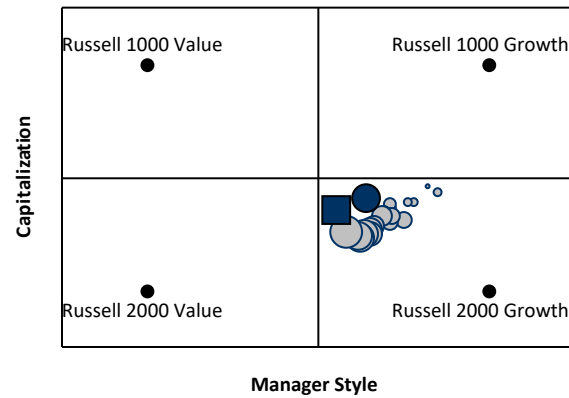
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Disciplined Growth Investors	13.1 (28)	26.1 (83)	30.5 (80)	(3.7) (47)	19.6 (91)	18.0 (2)	(4.9) (90)	15.3 (4)	35.7 (57)	19.0 (19)
Russell Midcap Growth Index	9.6	35.6	35.5	(4.8)	25.3	7.3	(0.2)	11.9	35.7	15.8
Peer Group Median	11.2	35.3	35.8	(4.3)	25.4	5.6	1.1	8.7	36.4	15.1
Population	63	80	81	93	101	107	118	122	131	133

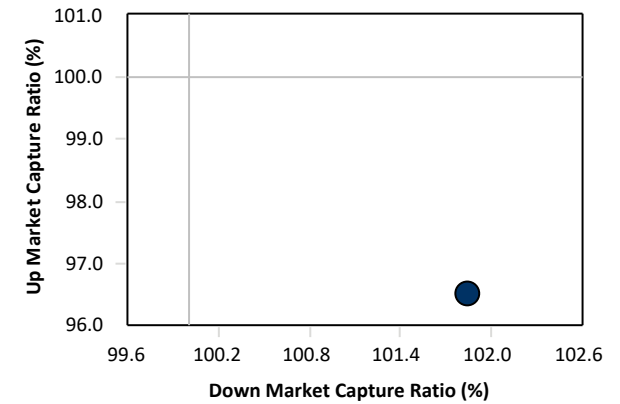
**Risk/Return**



**3 Year Rolling Style Map**



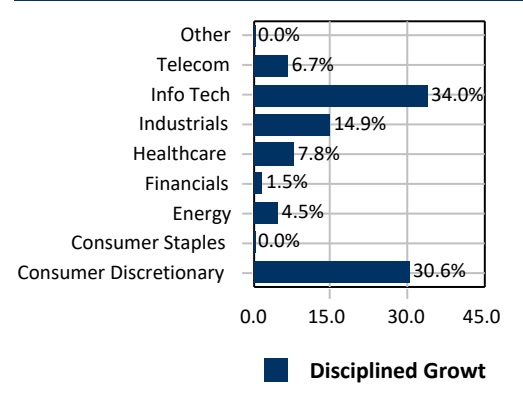
**Up/Down Markets**



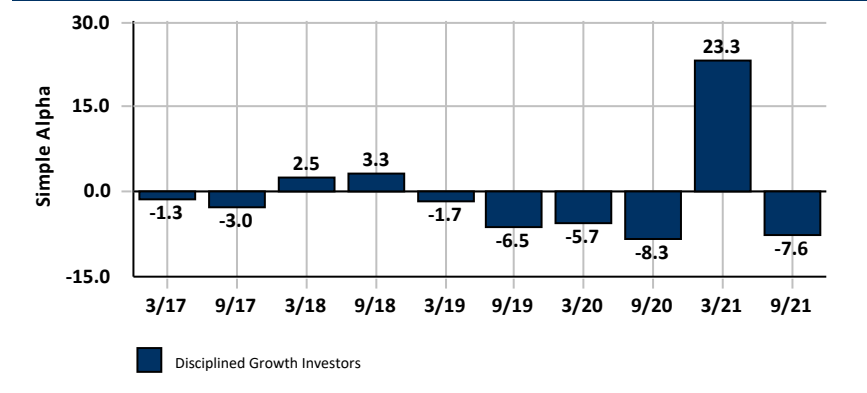
**Top Holdings**

Sleep Number Corp	4.5
Gentex Corp Com	4.2
Align Technology Inc	4.1
Akamai Technologies Com	4.0
Garmin Ltd	3.8
Dolby Laboratories Inc Com	3.8
Autodesk Inc	3.5
Plexus Corp	3.2
Stamps Com	3.0
Power Integrations Inc	2.9

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Holdings:	53
Median Mkt Cap:	\$8.1B
P/E Ratio:	24.6
Turnover:	16.3%

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Disciplined Growth Investors	46.7	16.7	1.0	(26.9)	0.9	1/1/2004
Russell Midcap Growth Index	0.0	18.1	1.0	(20.8)	1.0	1/1/2004
90 Day U.S. Treasury Bill	28.3	0.0	0.0	0.0	-	1/1/2004

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

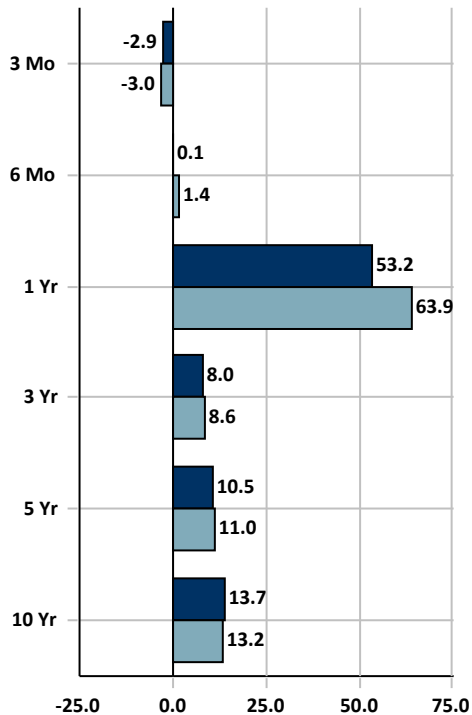
**Fund Snapshot**

Ticker : ESPAX  
 Peer Group : IM U.S. Small Cap Value Equity (SA+CF+MF)  
 Benchmark : Russell 2000 Value Index  
 Total Assets : \$875 Million  
 Fund Inception : 5/7/1993  
 Portfolio Manager : Tringas/VanCronkhite/Martin  
 Net Expense : 1.28%  
 Turnover : 39%

**Investment Strategy**

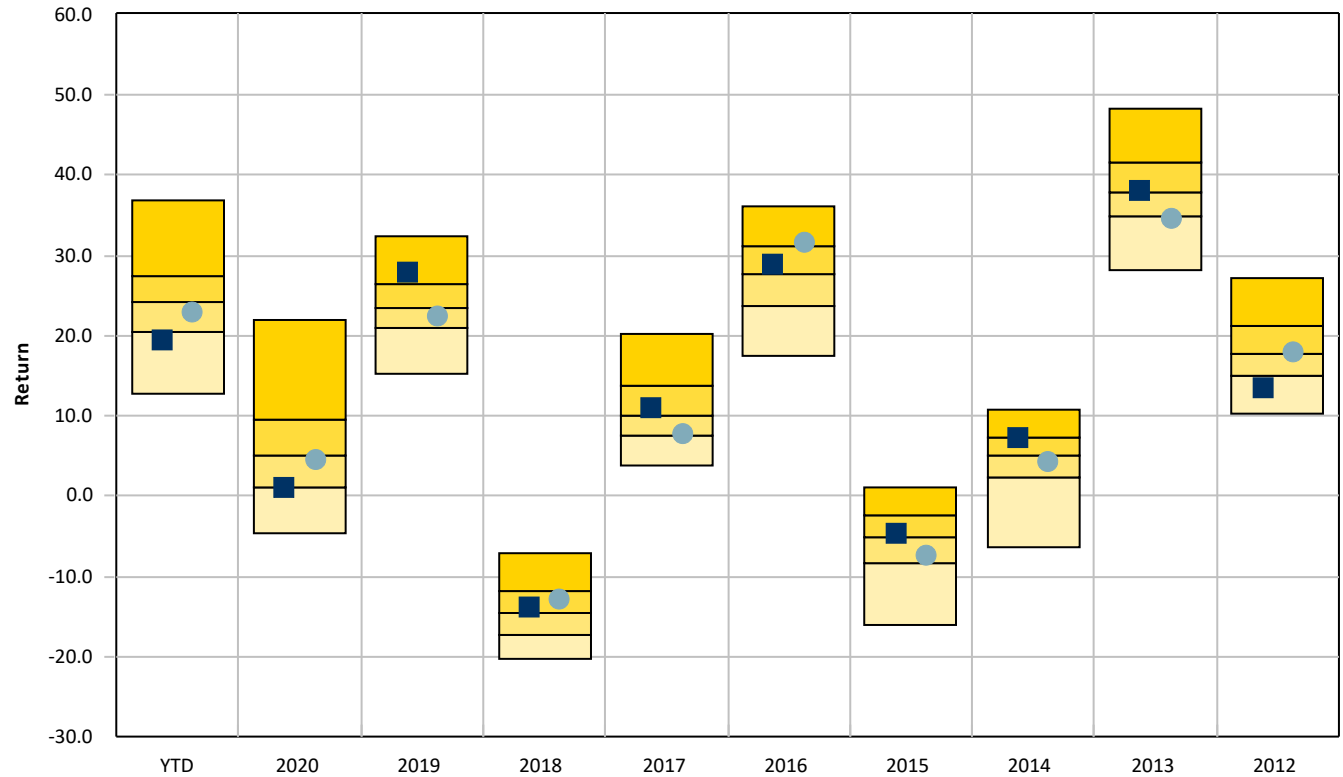
The Fund seeks to produce growth of capital by investing primarily in common stocks of small U.S. companies.

**Trailing Returns**



■ Wells Fargo Special Small Cap Value CIT  
 ■ Russell 2000 Value Index

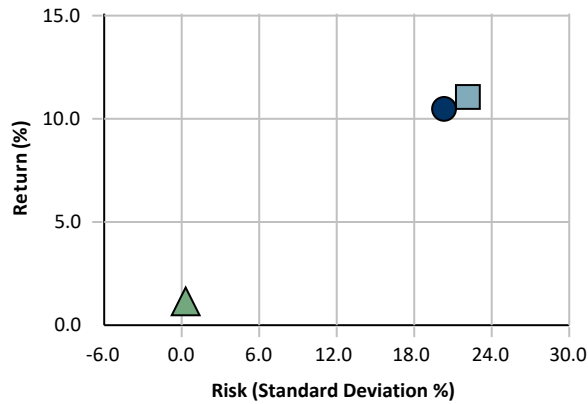
**Performance Relative to Peer Group**



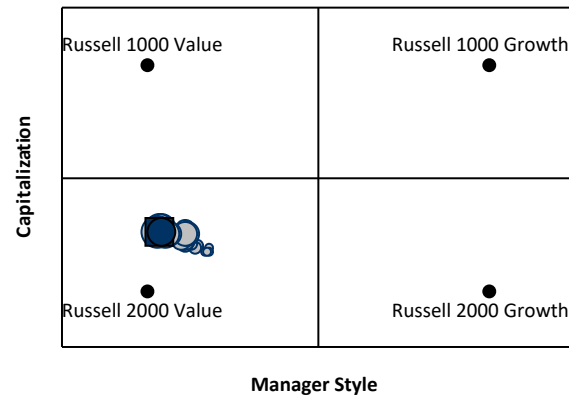
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	19.6 (76)	1.2 (70)	28.0 (12)	(13.7) (34)	11.1 (37)	28.9 (32)	(4.5) (35)	7.4 (14)	38.1 (41)	13.4 (78)
Benchmark	22.9	4.6	22.4	(12.9)	7.8	31.7	(7.5)	4.2	34.5	18.1
Peer Group Median	23.2	3.9	22.2	(15.6)	9.2	26.3	(6.1)	3.9	36.5	16.5
Population	377	408	429	452	444	435	423	459	444	437

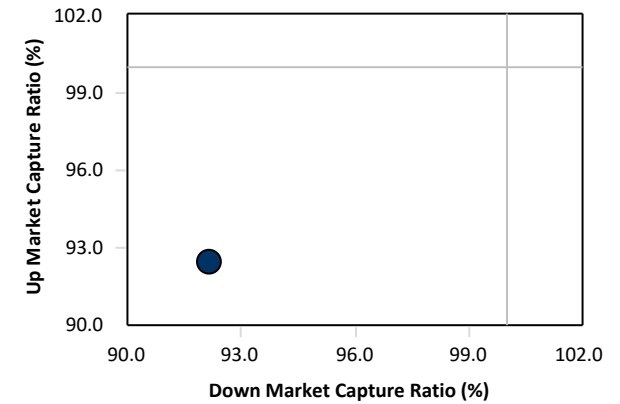
**Risk/Return**



**3 Year Rolling Style Map**



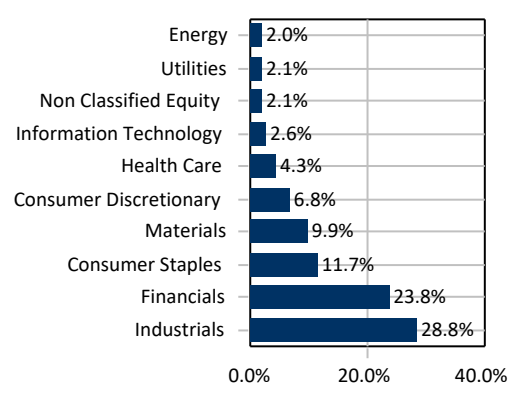
**Up/Down Markets**



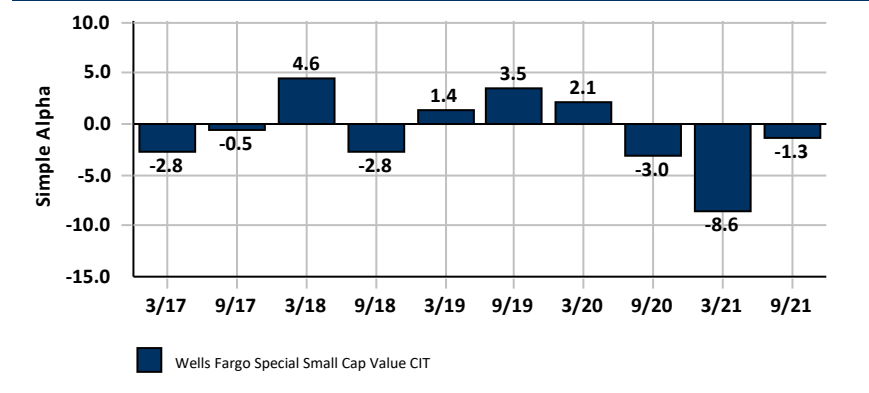
**Top Holdings**

Wells Fargo Govt Money Market Fund;Sel	4.0 %
Eagle Materials Inc ORD	3.1 %
First Citizens BancShares Inc (Delaware)	2.9 %
Innospec Inc ORD	2.7 %
J & J Snack Foods Corp ORD	2.4 %
UMB Financial Corp ORD	2.3 %
Mueller Industries Inc ORD	2.3 %
Avient Corp ORD	2.2 %
Franklin Electric Co Inc ORD	2.1 %
CSW Industrials Inc ORD	1.9 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

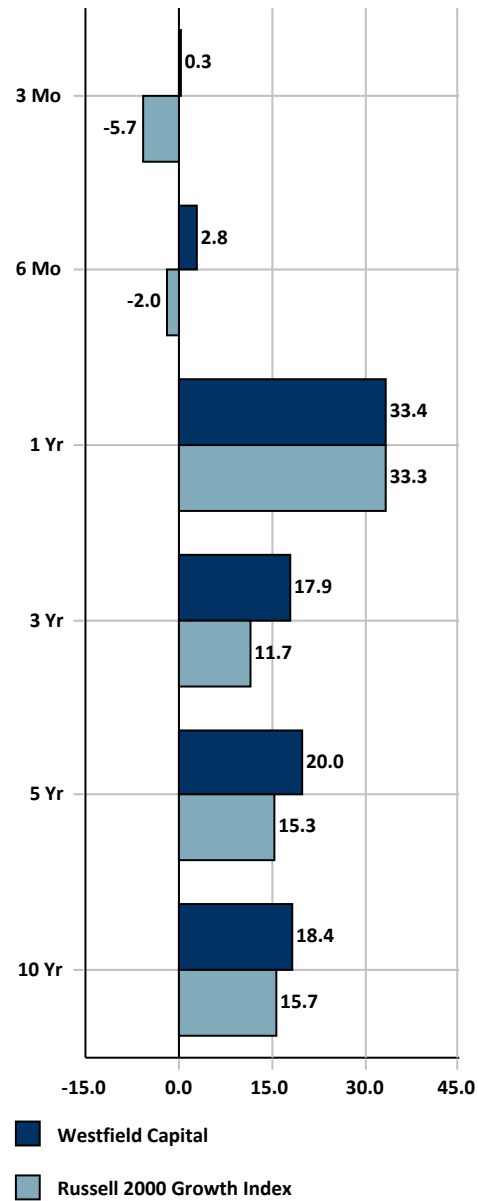
Total Securities	138
Avg. Market Cap	\$3,187 Million
P/E	29.4
P/B	3.2
Div. Yield	2.1%
Annual EPS	2.7
5Yr EPS	4.3
3Yr EPS Growth	8.4

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Wells Fargo Special Small Cap Value CIT	51.7	11.0	0.9	(33.6)	0.5	6/1/1993
Russell 2000 Value Index	0.0	11.9	1.0	(37.5)	0.5	1/1/1979
90 Day U.S. Treasury Bill	35.0	0.0	0.0	0.0	-	6/1/1993

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

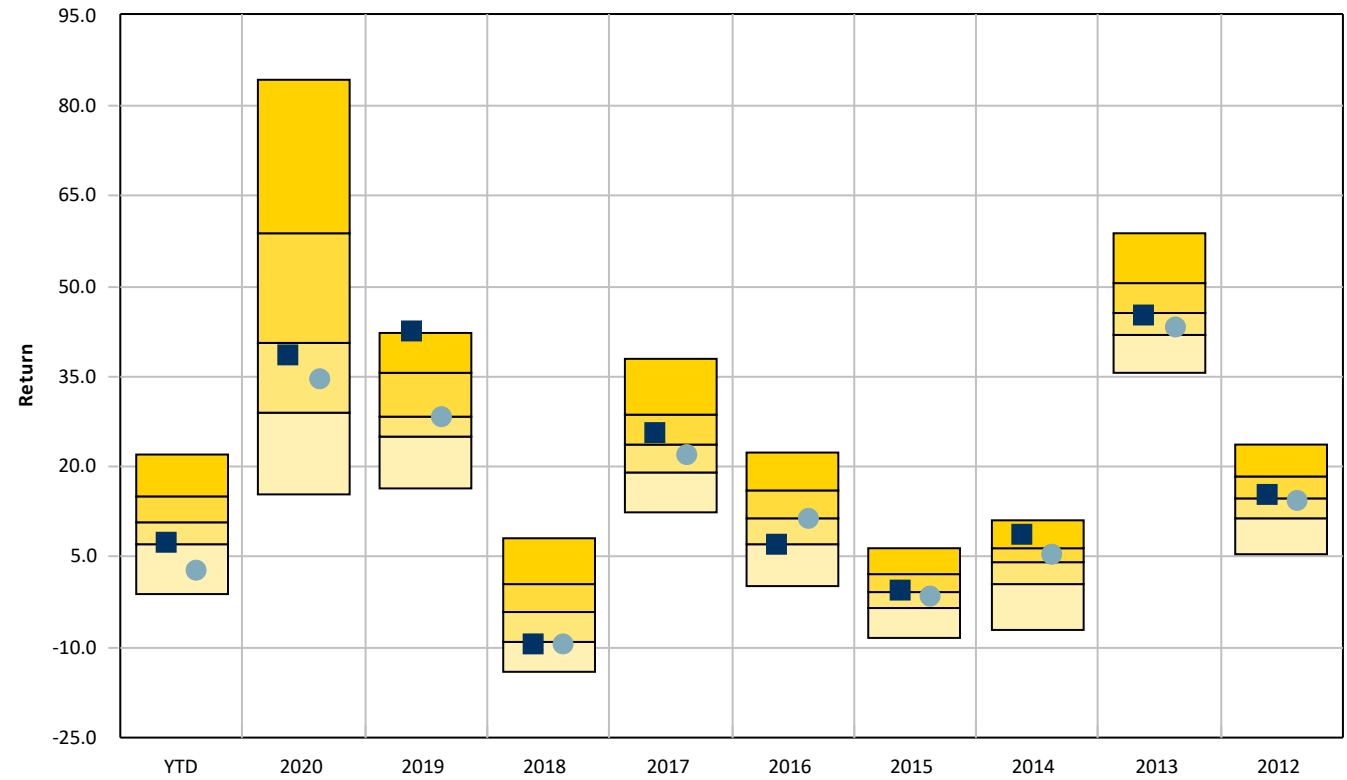
**Trailing Returns**



**Investment Strategy**

Westfield Capital US small cap growth equity portfolio invests in companies with accelerating or underappreciated earnings growth.

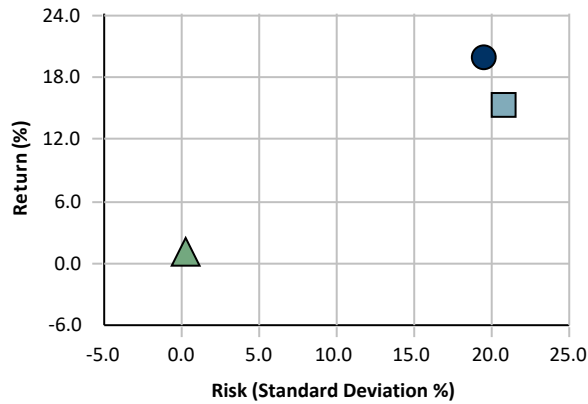
**Performance Relative to Peer Group**



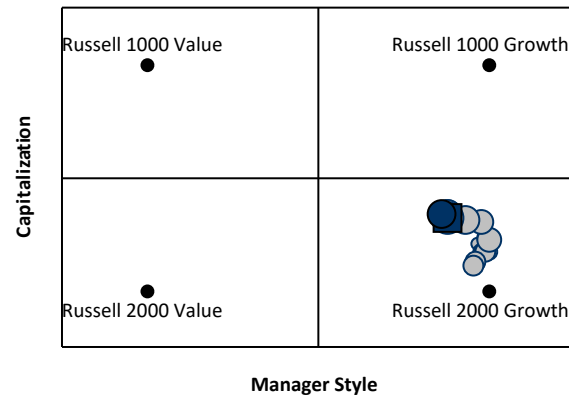
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Westfield Capital	7.5 (73)	38.5 (55)	42.8 (4)	(9.5) (78)	25.7 (41)	7.1 (76)	(0.5) (47)	8.8 (11)	45.4 (52)	15.3 (47)
Russell 2000 Growth Index	2.8	34.6	28.5	(9.3)	22.2	11.3	(1.4)	5.6	43.3	14.6
Peer Group Median	10.8	40.6	28.5	(4.3)	23.7	11.4	(0.7)	4.3	45.5	14.8
Population	132	159	168	182	184	190	207	216	222	230

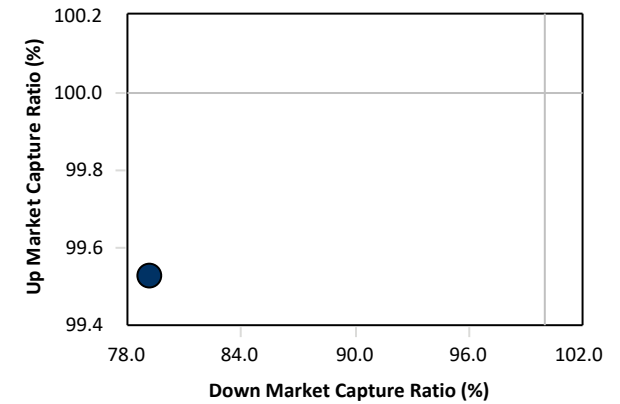
**Risk/Return**



**3 Year Rolling Style Map**



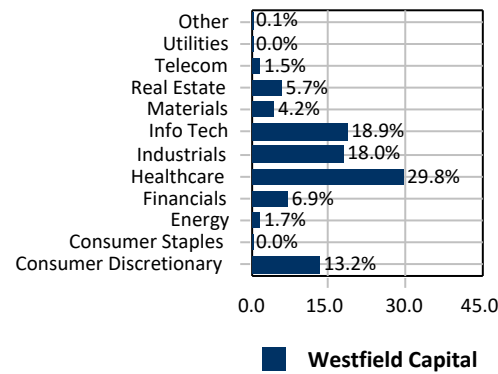
**Up/Down Markets**



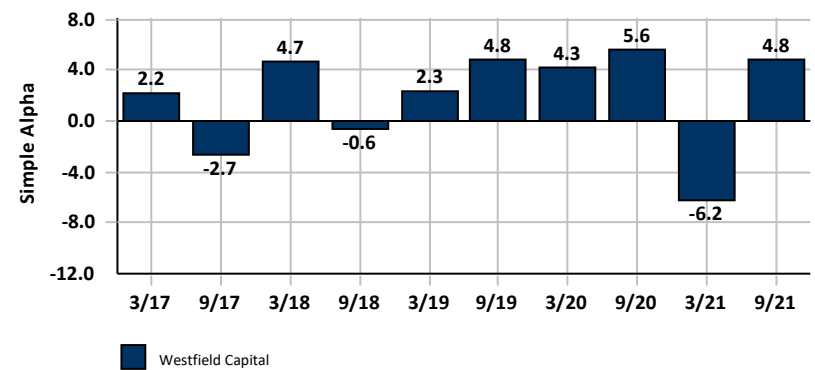
**Top Holdings**

Atkore Inc	2.9
Accelaron Pharma Inc	2.8
Haemonetics Corp	2.7
National Vision Holdings Inc	2.6
Advanced Drainage Systems	2.5
Innoviva Inc	2.5
Blueprint Medicines Corp	2.3
Churchill Downs Inc	2.3
Saia Inc	2.3
First Citizens BancShares Inc	2.2

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Holdings: 62  
 Median Mkt Cap: \$5,432  
 P/E Ratio: 18.6  
 P/B Ratio: 4.3  
 Turnover: 14.1%

**Performance Statistics**

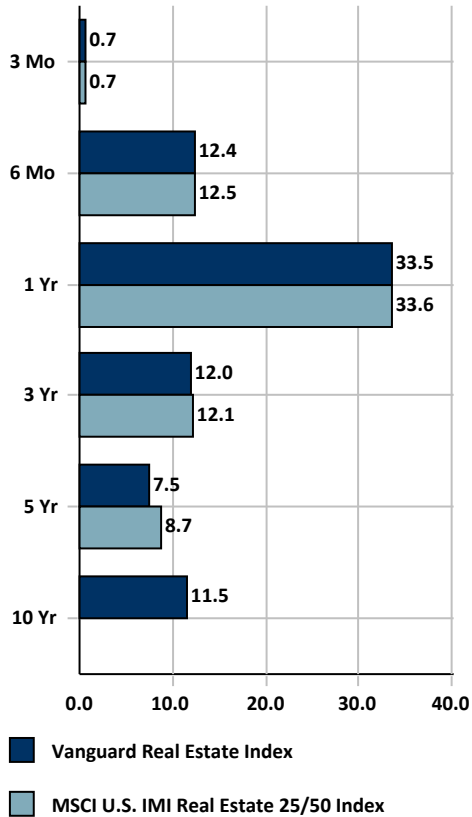
	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Westfield Capital	65.0	19.1	0.9	(24.4)	1.0	4/1/1999
Russell 2000 Growth Index	0.0	15.4	1.0	(27.0)	0.7	4/1/1999
90 Day U.S. Treasury Bill	33.3	0.0	0.0	0.0	-	4/1/1999

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

**Fund Snapshot**

Ticker : VGSLX  
 Peer Group : IM Real Estate Sector (MF)  
 Benchmark : MSCI U.S. IMI Real Estate 25/50 Index  
 Total Assets : \$23,187 Million  
 Fund Inception : 11/12/2001  
 Portfolio Manager : O'Reilly/Nejman  
 Net Expense : 0.12%  
 Turnover : 8%

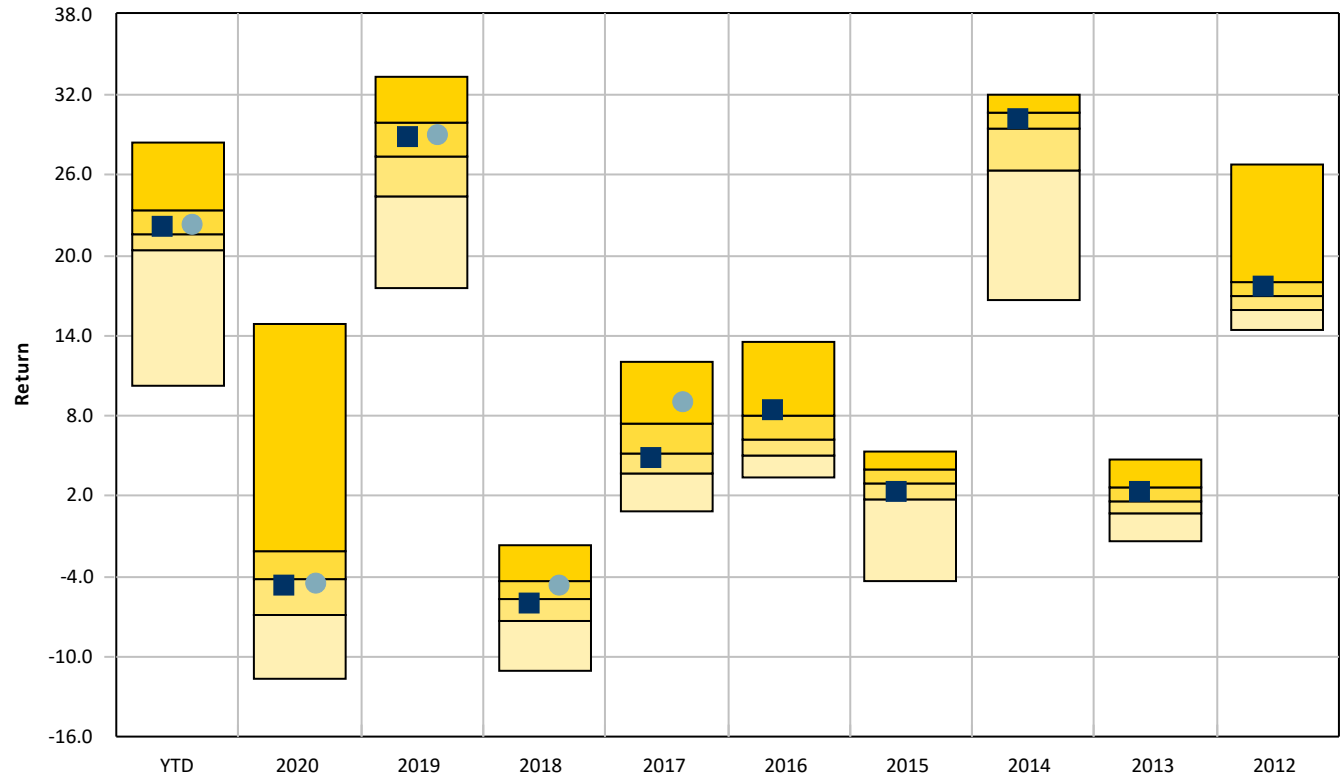
**Trailing Returns**



**Investment Strategy**

The Fund seeks to provide a high level of income and moderate long-term capital appreciation by tracking the performance of a benchmark index that measures the performance of publicly traded equity REITs and other real estate-related investments. The Fund employs indexing to track the performance of the Index.

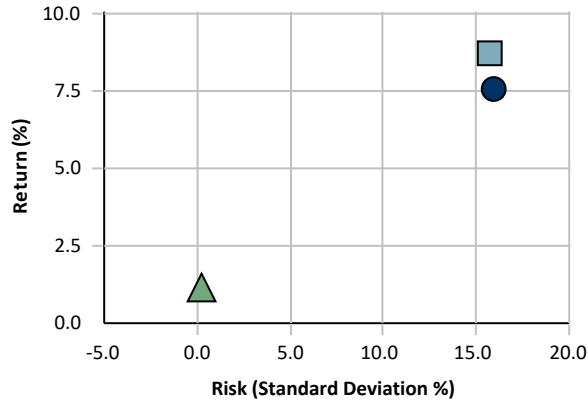
**Performance Relative to Peer Group**



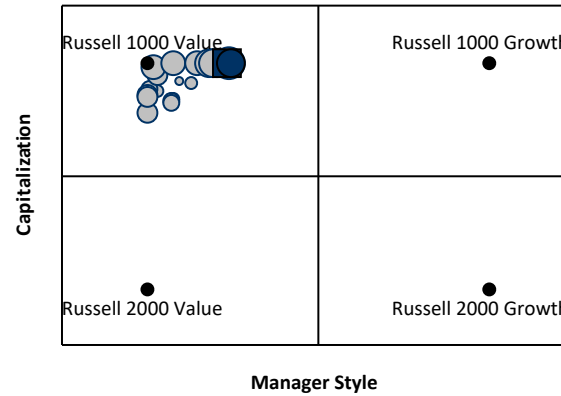
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	22.2 (41)	(4.7) (55)	28.9 (35)	(5.9) (55)	4.9 (56)	8.5 (20)	2.4 (63)	30.3 (32)	2.4 (31)	17.7 (31)
Benchmark	22.3	(4.6)	29.0	(4.6)	9.1	-	-	-	-	-
Peer Group Median	21.7	(4.2)	27.4	(5.7)	5.2	6.3	2.9	29.4	1.7	16.9
Population	251	246	255	243	243	230	217	248	240	236

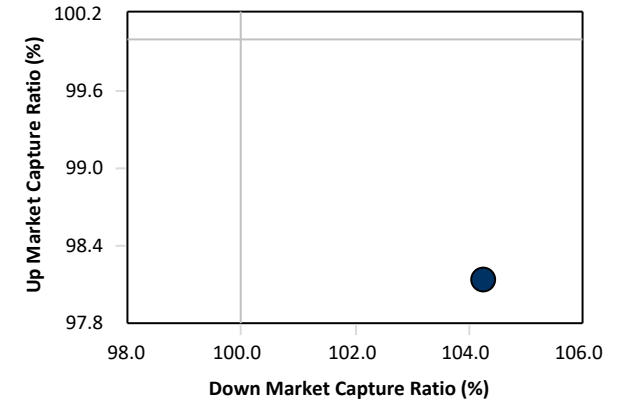
**Risk/Return**



**3 Year Rolling Style Map**



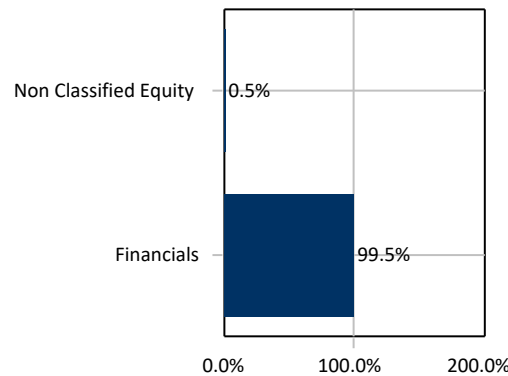
**Up/Down Markets**



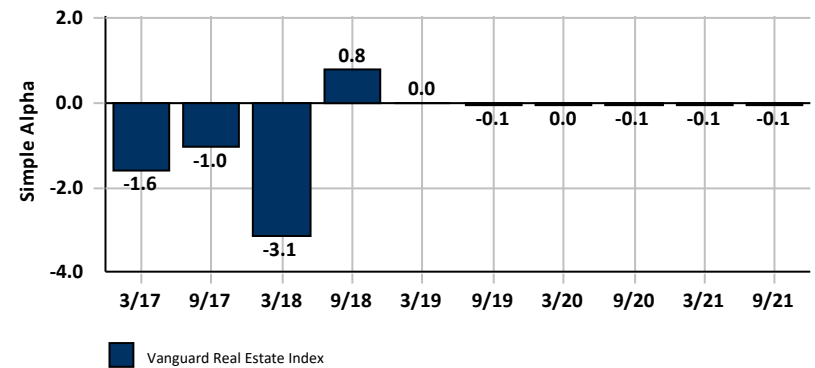
**Top Holdings**

Vanguard Real Estate II Index Fund;Insti	11.9 %
American Tower Corp ORD	7.1 %
Prologis Inc ORD	5.4 %
Crown Castle International Corp	5.0 %
Equinix Inc ORD	4.0 %
Public Storage ORD	2.8 %
Digital Realty Trust Inc ORD	2.6 %
Simon Property Group Inc ORD	2.4 %
SBA Communications Corp ORD	2.1 %
Welltower Inc ORD	2.0 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Total Securities	176
Avg. Market Cap	\$39,780 Million
P/E	54.2
P/B	6.6
Div. Yield	3.3%
Annual EPS	(7.1)
5Yr EPS	6.7
3Yr EPS Growth	9.8

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Vanguard Real Estate Index	23.3	7.5	1.0	(25.0)	0.5	12/1/2001
MSCI U.S. IMI Real Estate 25/50 Index	0.0	8.5	1.0	(25.0)	0.5	9/1/2016
90 Day U.S. Treasury Bill	31.7	0.0	0.0	0.0	-	12/1/2001

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

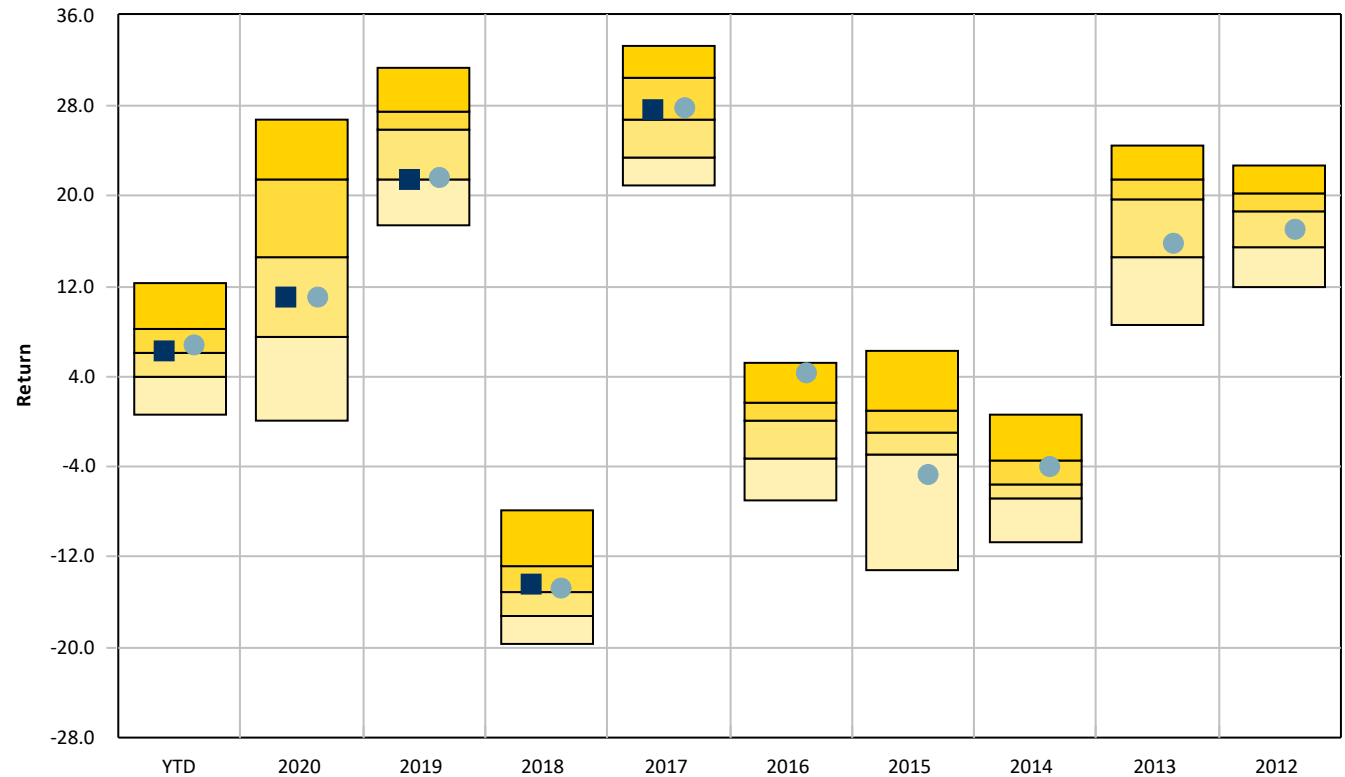
**Fund Snapshot**

Ticker : FTIHX  
 Peer Group : Intl Large Cap Equity  
 Benchmark : MSCI AC World exUS IMI(Net)  
 Total Assets : \$7,729 Million  
 Fund Inception : 6/7/2016  
 Portfolio Manager : Team Managed  
 Net Expense : 0.06%  
 Turnover : 4%

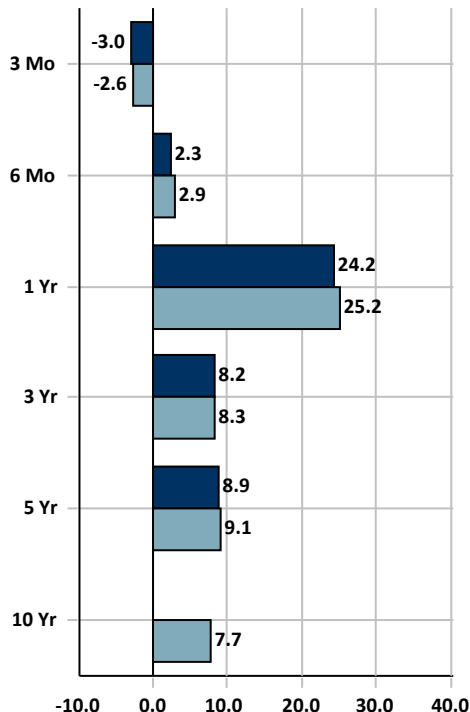
**Investment Strategy**

The Fund seeks to provide investment results that correspond to the total return of foreign developed and emerging stock markets. It normally investing at least 80% of assets in securities included in the MSCI ACWI ex USA Investable Market Index and in depository receipts representing securities included in the index.

**Performance Relative to Peer Group**



**Trailing Returns**

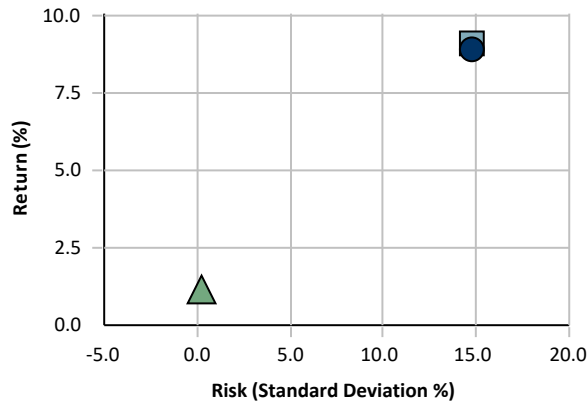


■ Fidelity Total International Index  
■ MSCI AC World exUS IMI(Net)

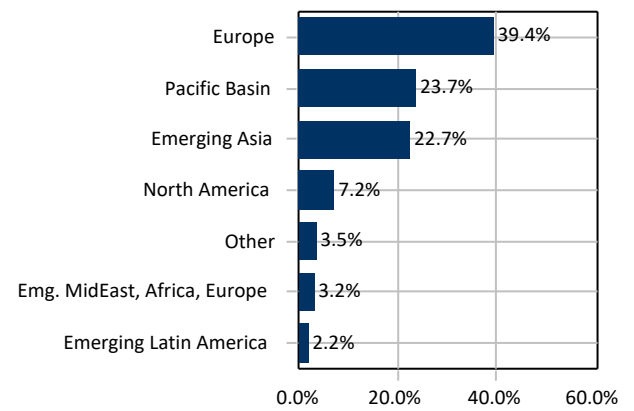
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	6.3 (49)	11.1 (62)	21.5 (76)	(14.4) (39)	27.6 (45)	-	-	-	-	-
Benchmark	6.8	11.1	21.6	(14.8)	27.8	4.4	(4.6)	(3.9)	15.8	17.0
Peer Group Median	6.1	14.7	25.9	(15.2)	26.8	0.1	(1.0)	(5.5)	19.7	18.7
Population	366	345	326	316	294	265	242	283	287	299

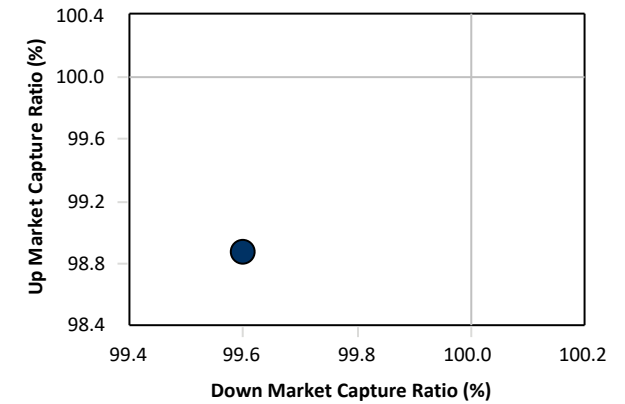
**Risk/Return**



**Super Region Weights**



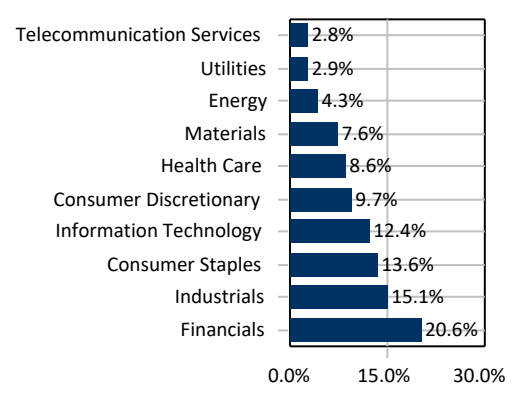
**Up/Down Markets**



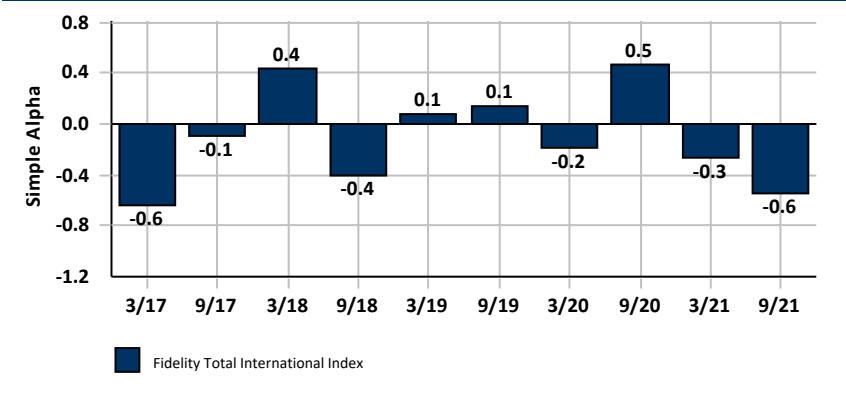
**Top Holdings**

Taiwan Semiconductor Manufacturing	1.7 %
Tencent Holdings Ltd ORD	1.5 %
Alibaba Group Holding Ltd DR	1.4 %
Nestle SA ORD	1.1 %
Samsung Electronics Co Ltd ORD	1.1 %
ASML Holding NV ORD	0.9 %
Roche Holding AG	0.7 %
LVMH Moet Hennessy Louis Vuitton	0.7 %
Novartis AG ORD	0.6 %
Toyota Motor Corp ORD	0.5 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Total Securities	4,771
Avg. Market Cap	\$91,926 Million
P/E	29.8
P/B	4.5
Div. Yield	2.5%
Annual EPS	4.2
5Yr EPS	8.3
3Yr EPS Growth	4.9

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Fidelity Total International Index	48.3	8.5	1.0	(25.2)	0.6	7/1/2016
MSCI AC World exUS IMI(Net)	0.0	8.7	1.0	(25.4)	0.6	7/1/2016
90 Day U.S. Treasury Bill	33.3	0.0	0.0	0.0	-	7/1/2016

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

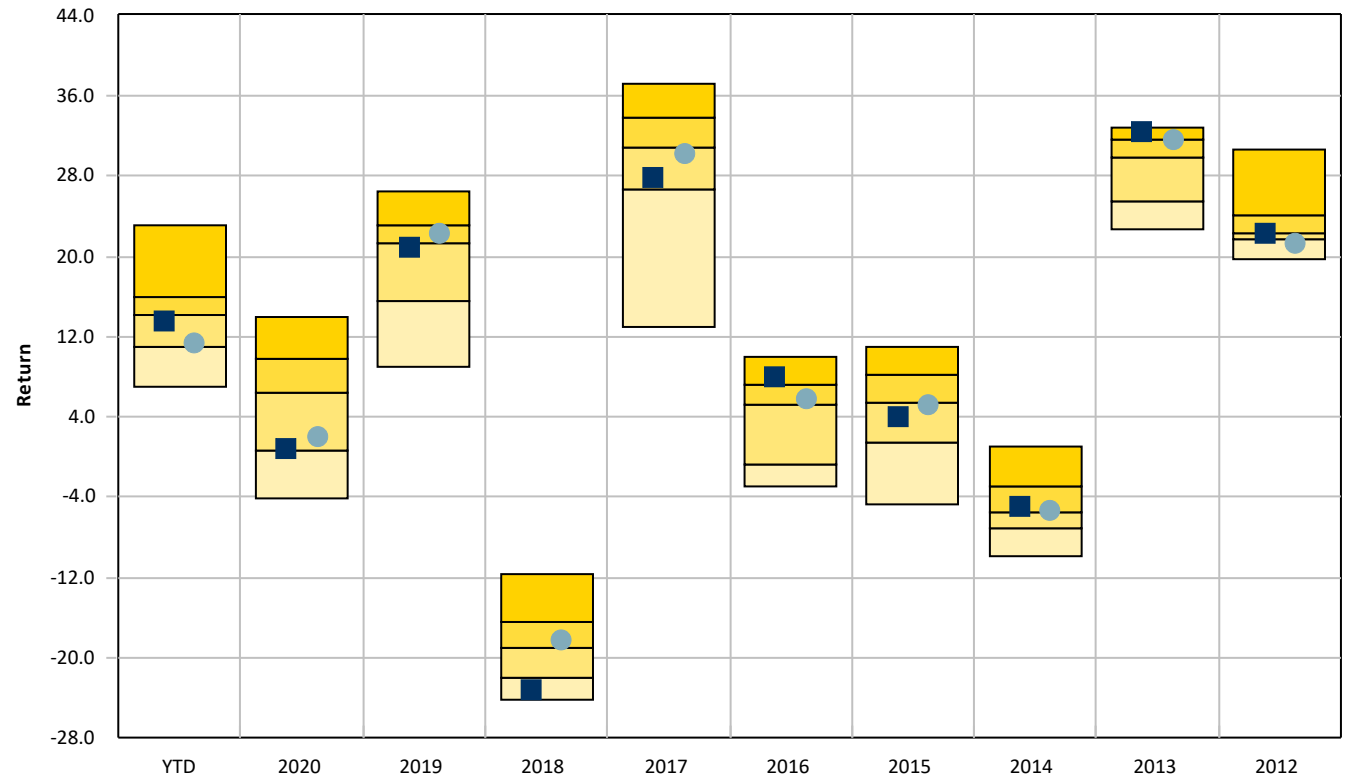
**Fund Snapshot**

Ticker : DISVX  
 Peer Group : IM International Small Cap Value Equity (SA+CF)  
 Benchmark : MSCI EAFE Small Cap Value (Net)  
 Total Assets : \$12,838 Million  
 Fund Inception : 12/30/1994  
 Portfolio Manager : Team Managed  
 Net Expense : 0.49%  
 Turnover : 11%

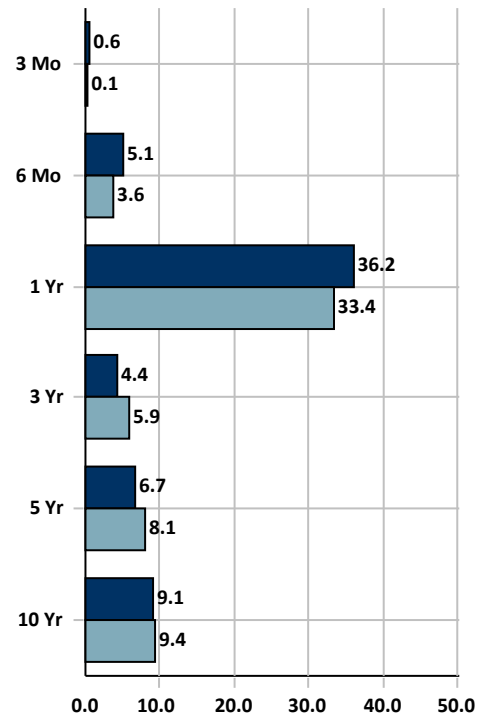
**Investment Strategy**

The Fund seeks long-term capital appreciation by investing in the stocks of small non-US companies that have a high book-to-market ratio. Periodic assessments of its book-to-market ratio will be implemented and adjustments of these standards revised as deemed necessary. Invests in value stocks.

**Performance Relative to Peer Group**



**Trailing Returns**

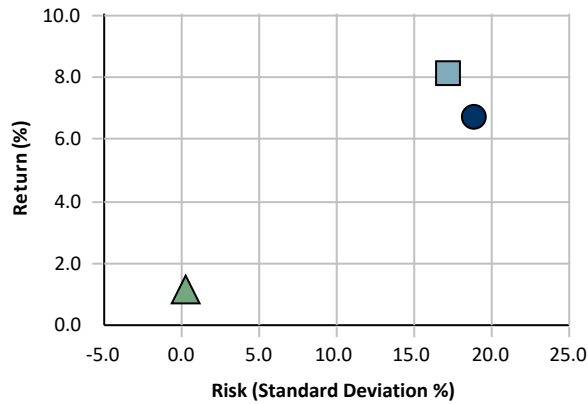


■ DFA International Small Cap Value  
 ■ MSCI EAFE Small Cap Value (Net)

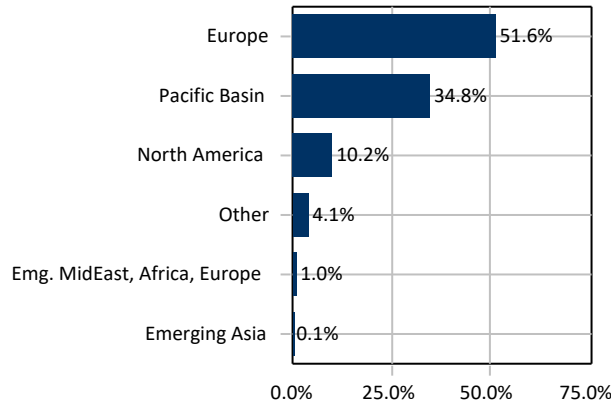
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	13.7 (56)	0.8 (75)	21.0 (53)	(23.3) (91)	28.0 (72)	8.0 (20)	4.0 (59)	(5.0) (45)	32.4 (10)	22.3 (50)
Benchmark	11.3	2.1	22.3	(18.2)	30.3	5.9	5.2	(5.3)	31.6	21.3
Peer Group Median	14.3	6.4	21.3	(19.1)	30.9	5.1	5.3	(5.5)	29.9	22.2
Population	25	27	26	28	28	26	27	23	20	19

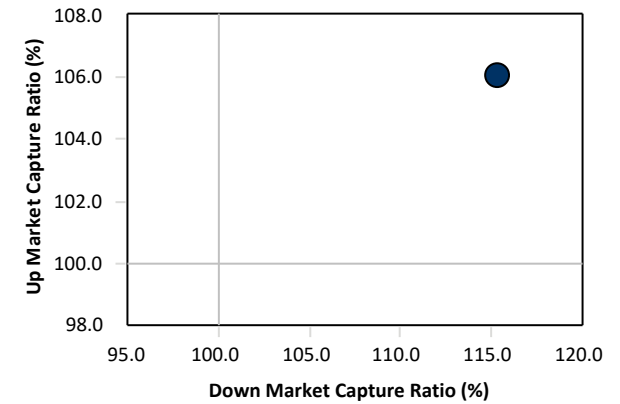
**Risk/Return**



**Super Region Weights**



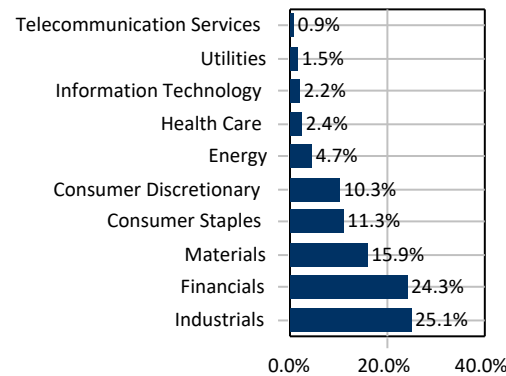
**Up/Down Markets**



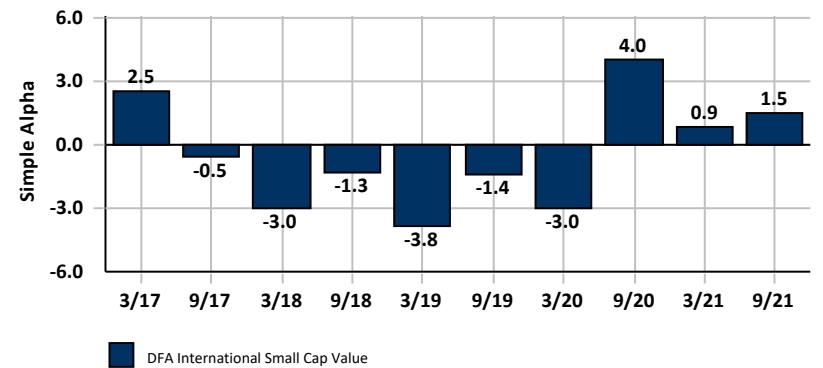
**Top Holdings**

ASR Nederland NV ORD	0.9 %
Travis Perkins PLC ORD	0.9 %
Bellway PLC ORD	0.9 %
Aurubis AG ORD	0.8 %
OZ Minerals Ltd ORD	0.8 %
Lanxess AG ORD	0.7 %
COMMERZBANK ORD	0.7 %
SBM Offshore NV ORD	0.7 %
Signify NV ORD	0.6 %
Vistry Group PLC ORD	0.6 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Total Securities	1,853
Avg. Market Cap	\$2,179 Million
P/E	22.0
P/B	1.2
Div. Yield	2.9%
Annual EPS	3.0
5Yr EPS	2.5
3Yr EPS Growth	2.9

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
DFA International Small Cap Value	43.3	7.2	1.1	(41.1)	0.4	1/1/1995
MSCI EAFE Small Cap Value (Net)	0.0	8.2	1.0	(33.4)	0.5	1/1/1995
90 Day U.S. Treasury Bill	38.3	0.0	0.0	0.0	-	1/1/1995

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

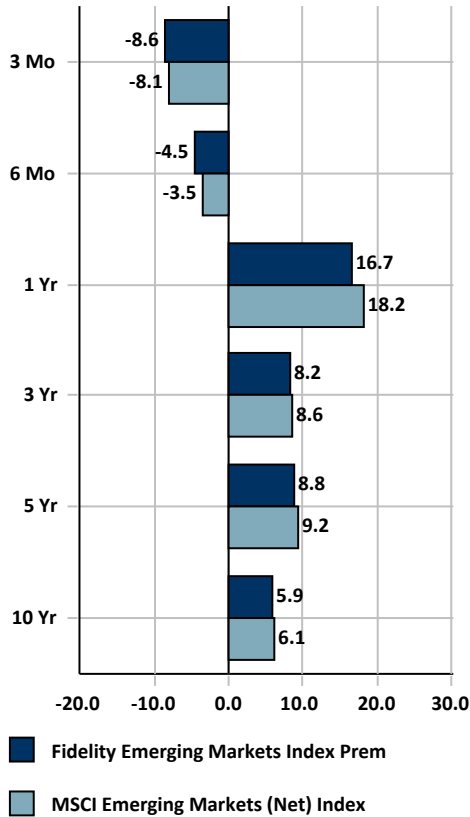
**Fund Snapshot**

Ticker : FPADX  
 Peer Group : Emerging Mkts Equity  
 Benchmark : MSCI Emerging Markets (Net) Index  
 Total Assets : \$5,668 Million  
 Fund Inception : 9/8/2011  
 Portfolio Manager : Team Managed  
 Net Expense : 0.08%  
 Turnover : 10%

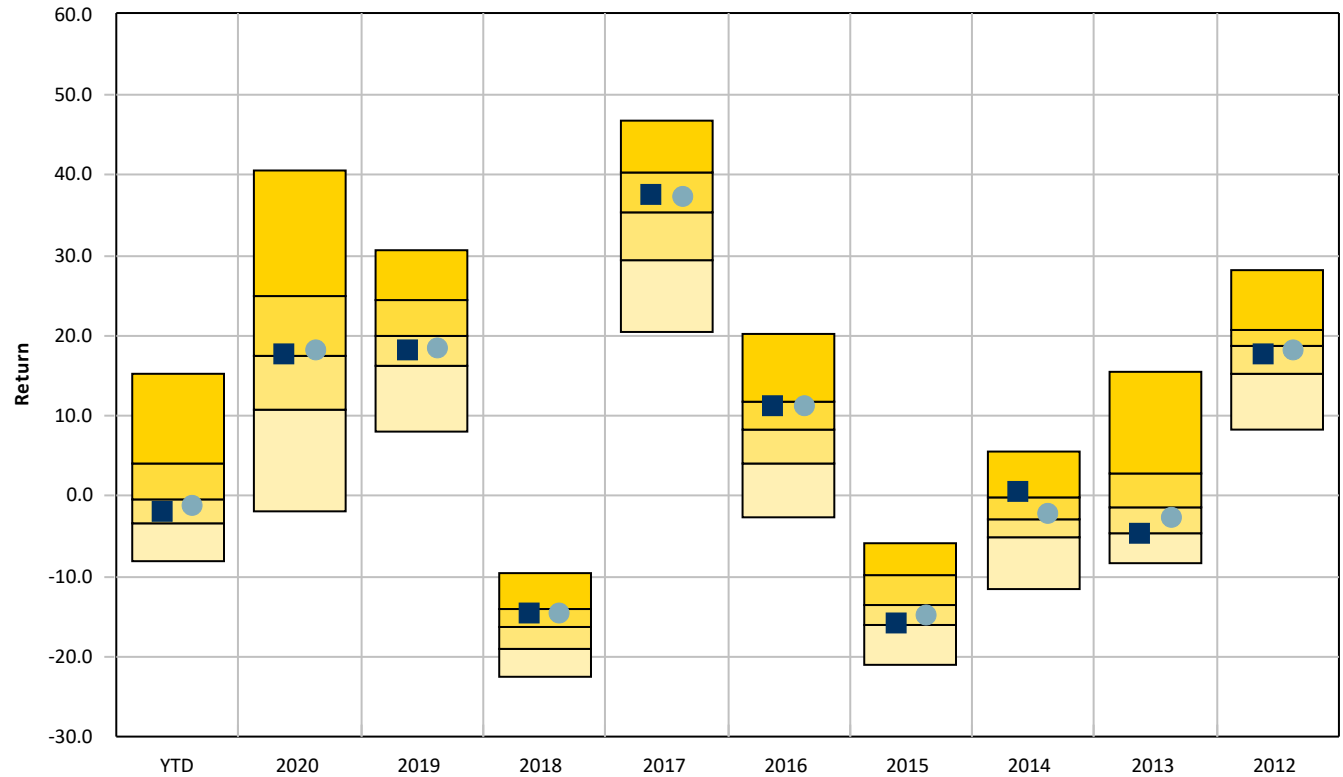
**Investment Strategy**

The Fund seeks to provide investment results that correspond to the total return of emerging stock markets. Under normal market conditions, the Fund invests at least 80% of assets in securities included in the MSCI Emerging Markets Index and in depository receipts representing securities included in the index.

**Trailing Returns**



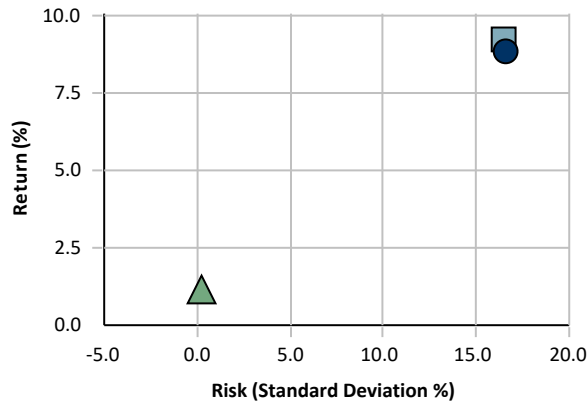
**Performance Relative to Peer Group**



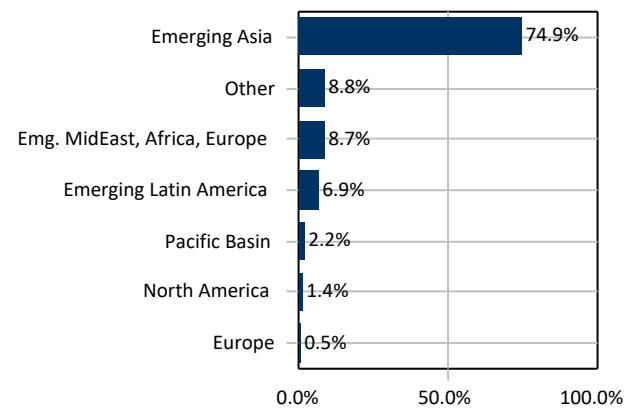
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	(1.8) (63)	17.8 (48)	18.3 (64)	(14.6) (32)	37.6 (39)	11.3 (29)	(15.8) (71)	0.6 (19)	(4.7) (75)	17.6 (60)
Benchmark	(1.2)	18.3	18.4	(14.6)	37.3	11.2	(14.9)	(2.2)	(2.6)	18.2
Peer Group Median	(0.3)	17.5	20.1	(16.4)	35.4	8.4	(13.7)	(2.9)	(1.4)	18.8
Population	790	800	843	840	810	746	652	720	619	547

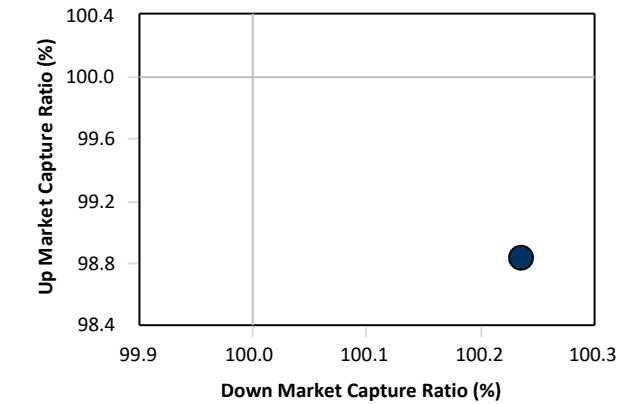
**Risk/Return**



**Super Region Weights**



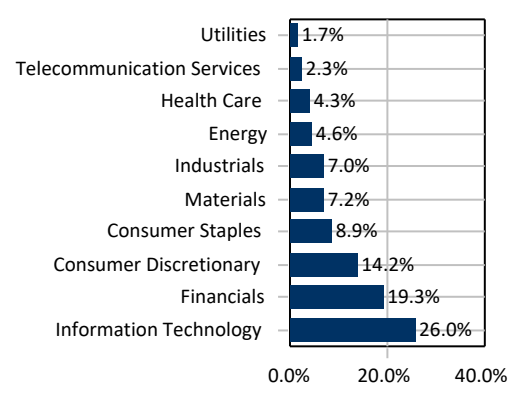
**Up/Down Markets**



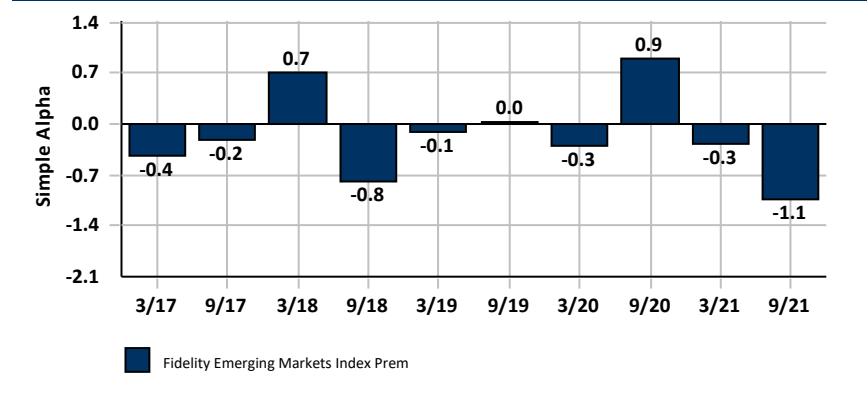
**Top Holdings**

Taiwan Semiconductor Manufacturing	6.1 %
Tencent Holdings Ltd ORD	5.4 %
Alibaba Group Holding Ltd DR	5.1 %
Samsung Electronics Co Ltd ORD	4.1 %
Meituan ORD	1.6 %
Naspers Ltd ORD	1.2 %
Reliance Industries Ltd ORD	0.9 %
China Construction Bank Corp ORD	0.9 %
Vale SA ORD	0.9 %
JD.Com Inc DR	0.8 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

Total Securities	1,452
Avg. Market Cap	\$179,199 Million
P/E	28.6
P/B	5.1
Div. Yield	2.4%
Annual EPS	22.7
5Yr EPS	14.0
3Yr EPS Growth	12.2

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Fidelity Emerging Markets Index Prem	41.7	8.7	1.0	(28.9)	0.5	10/1/2011
MSCI Emerging Markets (Net) Index	0.0	9.1	1.0	(28.7)	0.5	10/1/2011
90 Day U.S. Treasury Bill	36.7	0.0	0.0	0.0	-	10/1/2011

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

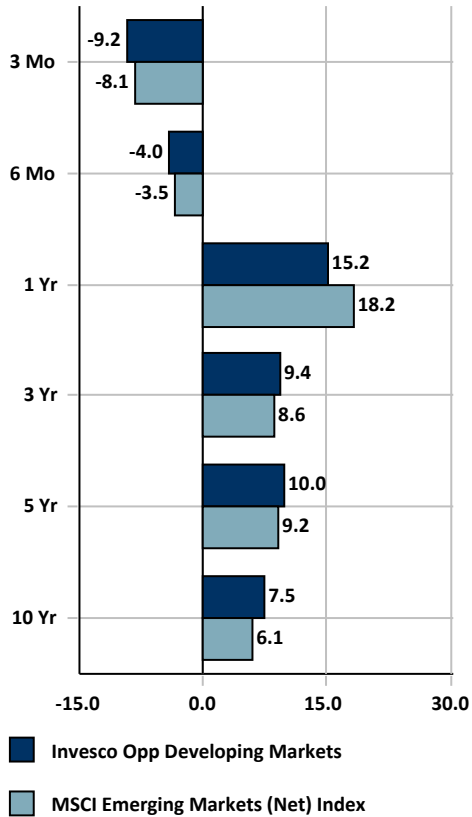
**Fund Snapshot**

Ticker : ODVIX  
 Peer Group : Emerging Mkts Equity  
 Benchmark : MSCI Emerging Markets (Net) Index  
 Total Assets : \$23,555 Million  
 Fund Inception : 12/29/2011  
 Portfolio Manager : Justin Leverenz  
 Net Expense : 0.82%  
 Turnover : 30%

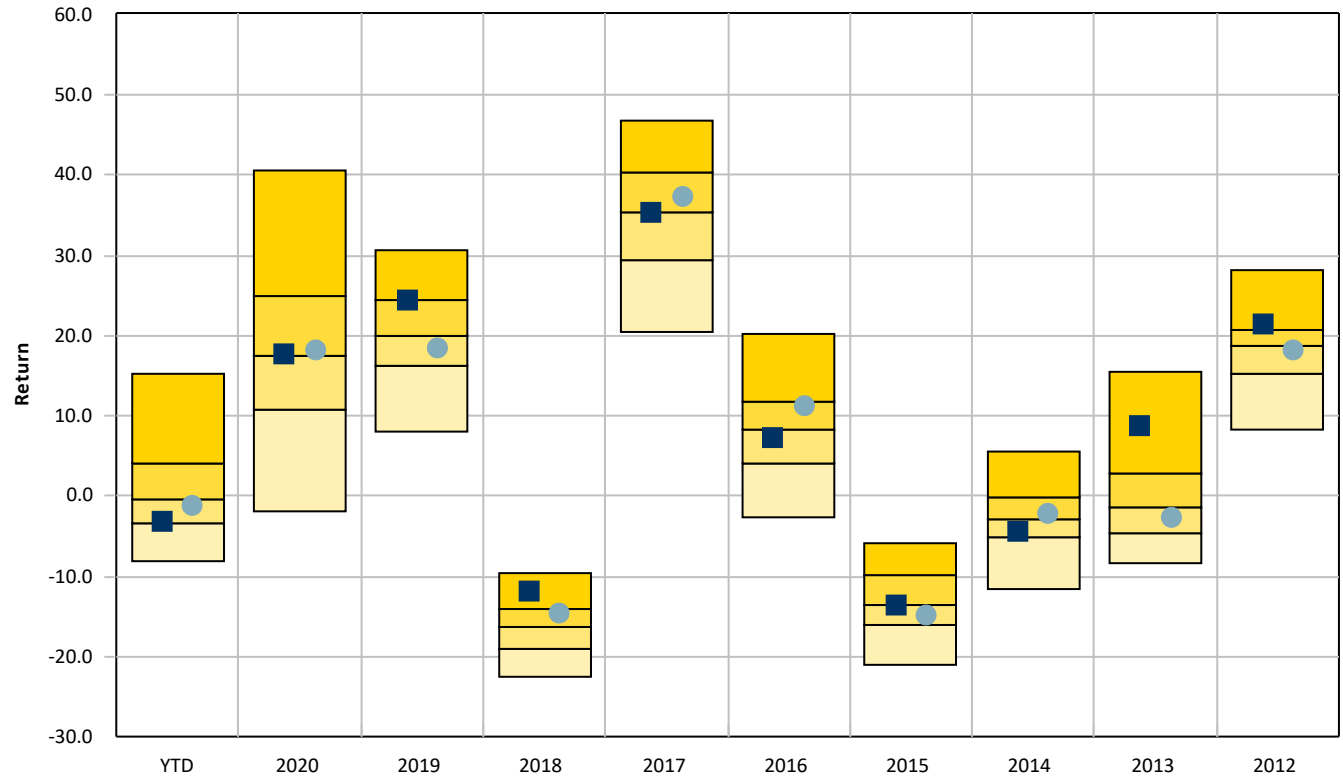
**Investment Strategy**

The Fund seeks aggressive capital appreciation by investing in common stocks of issuers in emerging and developing markets throughout the world. The Fund will invest at least 80% of its total net assets in equity securities of companies with high growth potential in at least three developing markets.

**Trailing Returns**



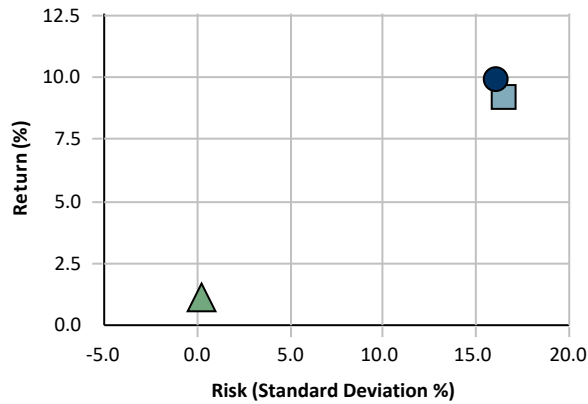
**Performance Relative to Peer Group**



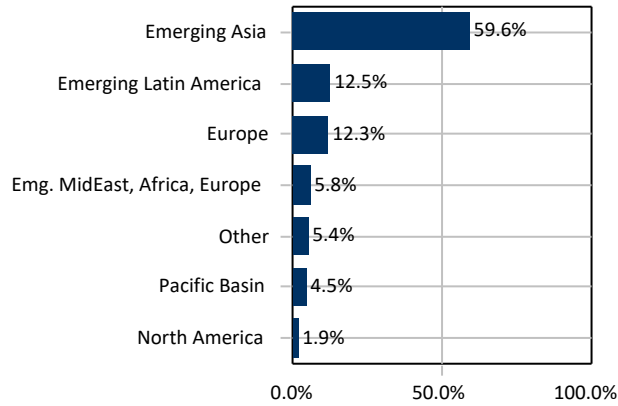
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	(3.2) (74)	17.7 (49)	24.5 (26)	(11.8) (11)	35.3 (51)	7.4 (55)	(13.7) (51)	(4.4) (69)	8.9 (15)	21.4 (20)
Benchmark	(1.2)	18.3	18.4	(14.6)	37.3	11.2	(14.9)	(2.2)	(2.6)	18.2
Peer Group Median	(0.3)	17.5	20.1	(16.4)	35.4	8.4	(13.7)	(2.9)	(1.4)	18.8
Population	790	800	843	840	810	746	652	720	619	547

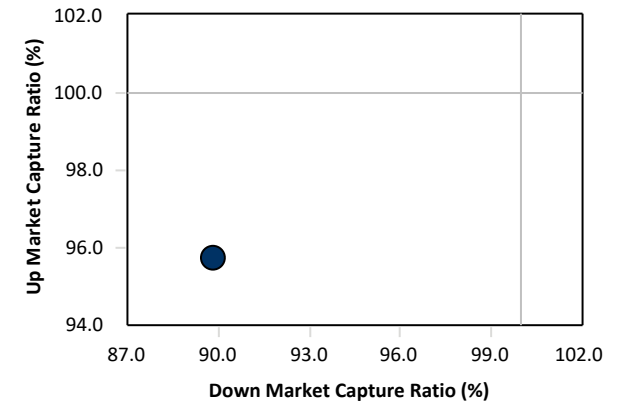
**Risk/Return**



**Super Region Weights**



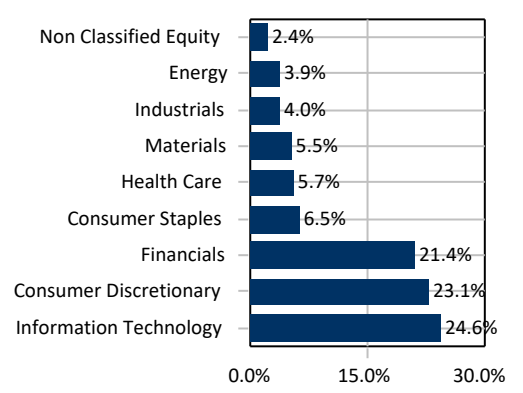
**Up/Down Markets**



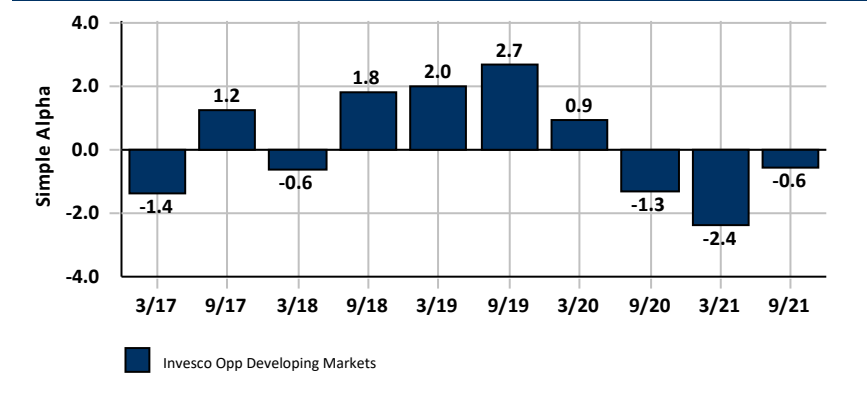
**Top Holdings**

Taiwan Semiconductor Manufacturing	7.7 %
Tencent Holdings Ltd ORD	6.7 %
Housing Development Finance Corporation	4.4 %
Kering SA ORD	4.1 %
AIA Group Ltd ORD	3.7 %
Huazhu Group Ltd DR	3.6 %
Yum China Holdings Inc ORD	3.3 %
Novatek PAO DR	3.3 %
Kotak Mahindra Bank Ltd ORD	3.1 %
Yandex NV ORD	2.9 %

**Sector Allocation**



**6 Month Over/Under Performance vs. Benchmark - Last 5 Years**



**Portfolio Statistics**

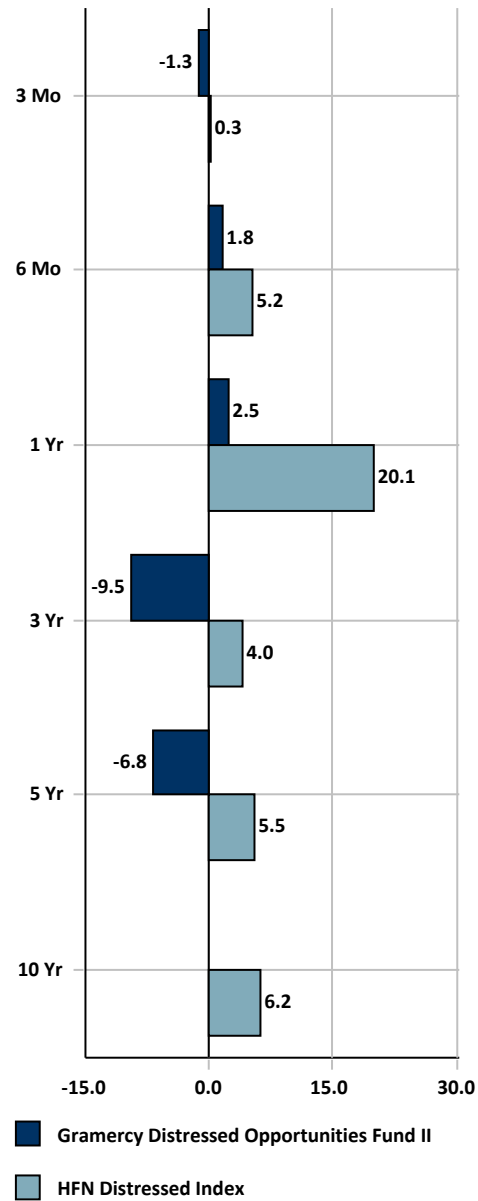
Total Securities	116
Avg. Market Cap	\$169,836 Million
P/E	35.1
P/B	6.1
Div. Yield	1.3%
Annual EPS	11.6
5Yr EPS	15.0
3Yr EPS Growth	10.7

**Performance Statistics**

	Consistency	Excess Return	Beta	Maximum Drawdown	Sharpe Ratio	Inception Date
Invesco Opp Developing Markets	46.7	9.7	0.9	(22.8)	0.6	10/1/2005
MSCI Emerging Markets (Net) Index	0.0	9.1	1.0	(28.7)	0.5	1/1/2001
90 Day U.S. Treasury Bill	36.7	0.0	0.0	0.0	-	10/1/2005

Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

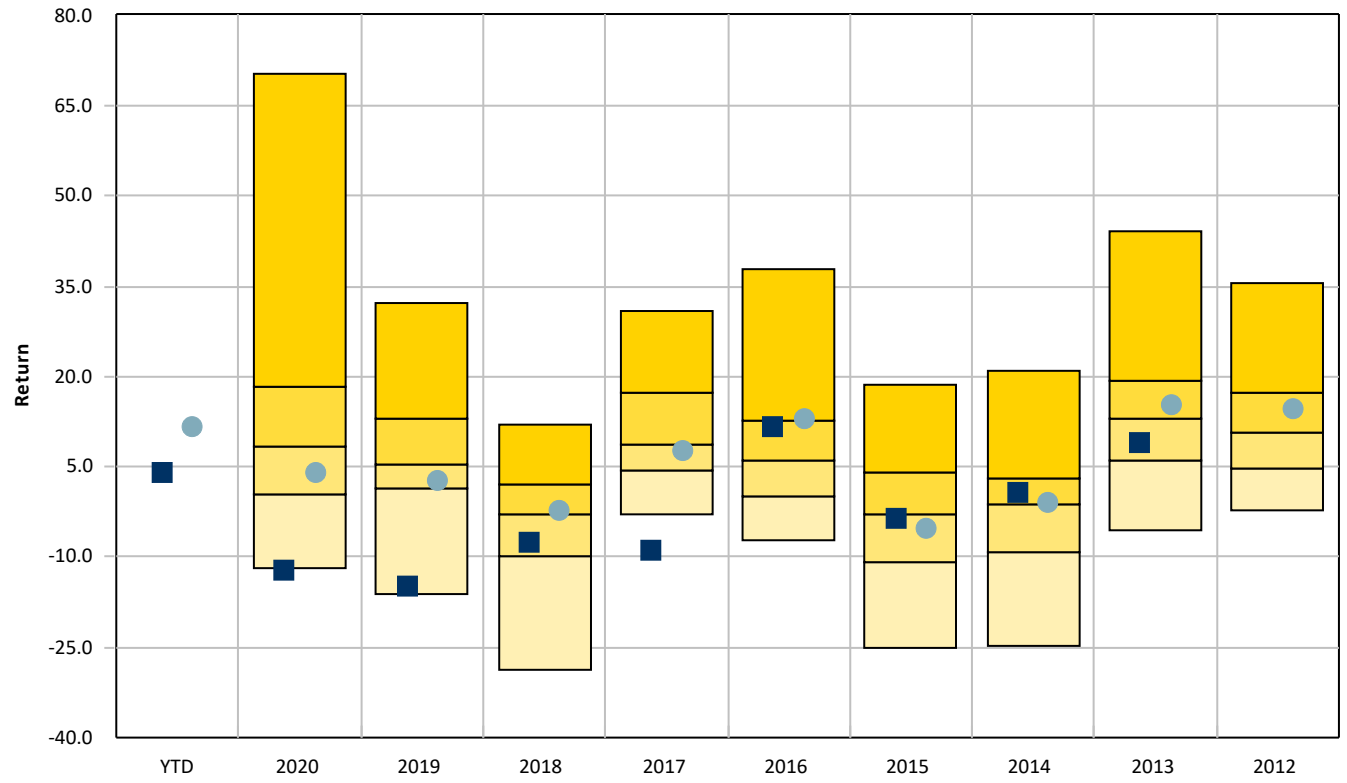
**Trailing Returns**



**Investment Strategy**

Investment seeks to generate high, uncorrelated returns that are tail-risk aware by investing in distressed and defaulted emerging markets corporate, sovereign and quasi-sovereign securities. Approach is driven by bottom-up, intensive credit analysis combined with a top-down perspective. Hedged with a dynamically managed global basket of credit default swaps (CDS).

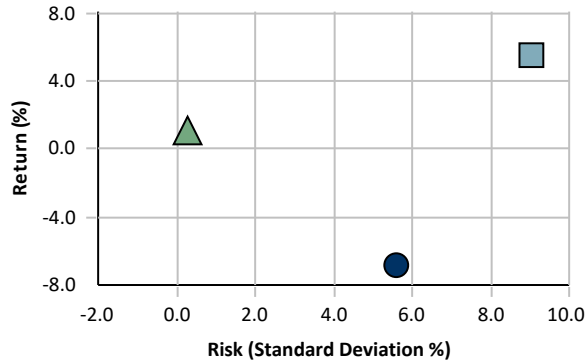
**Performance Relative to Peer Group**



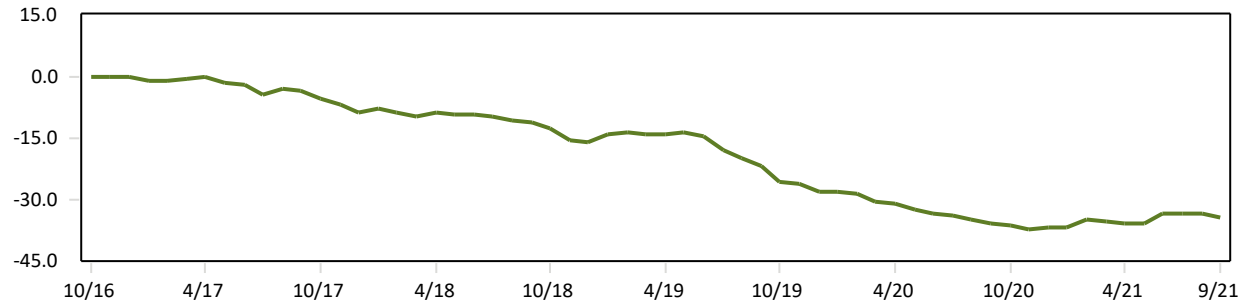
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Gramercy Distressed Opportunities Fund II	4.2 (-)	12.1 (96)	14.8 (95)	(7.5) (66)	(8.9) (98)	11.6 (30)	(3.7) (57)	0.8 (40)	8.9 (68)	-
HFN Distressed Index	11.6	3.9	2.9	(2.1)	7.7	13.0	(5.2)	(0.9)	15.3	14.8
Peer Group Median	-	8.3	5.6	(3.0)	8.7	6.2	(2.9)	(1.4)	12.9	10.7
Population	-	82	99	116	123	160	162	189	191	192

**Risk/Return**

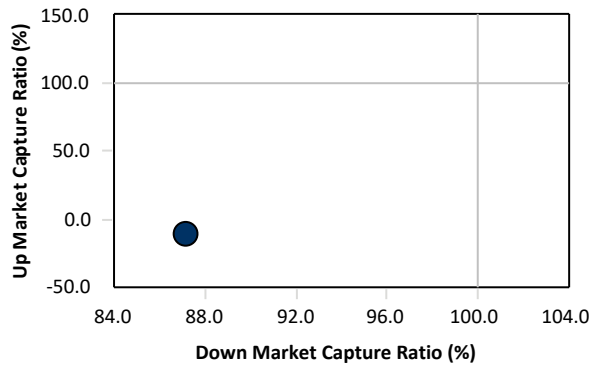


**Drawdown**

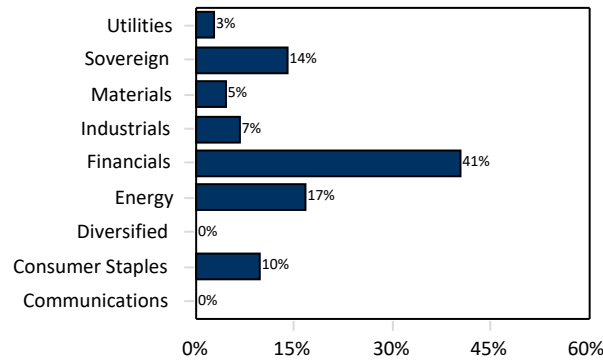


Gramercy Distressed Opportunities Fund II      Max Drawdown (37.2)      Recovery Periods 58+ Months      # of Drawdowns in Period 1

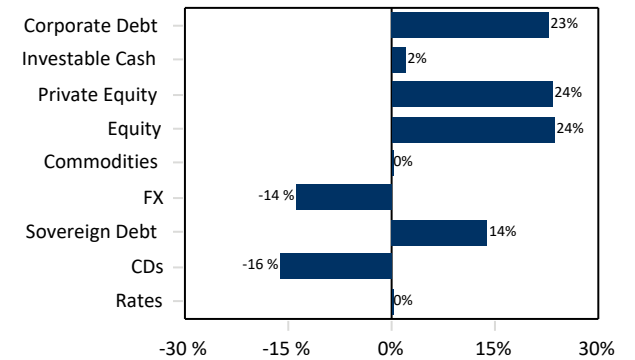
**Up/Down Markets**



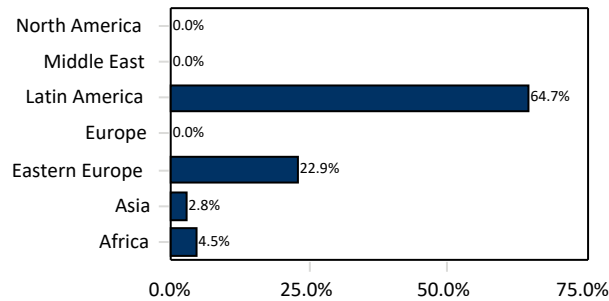
**Strategy Allocation**



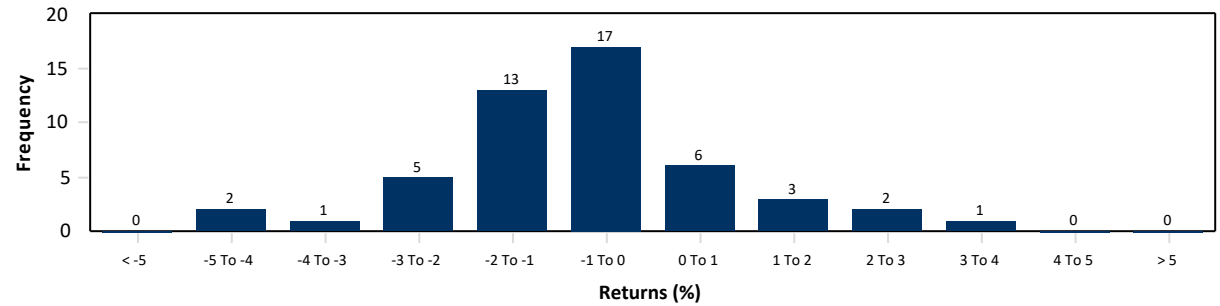
**Asset Breakdown**



**Region Allocation**

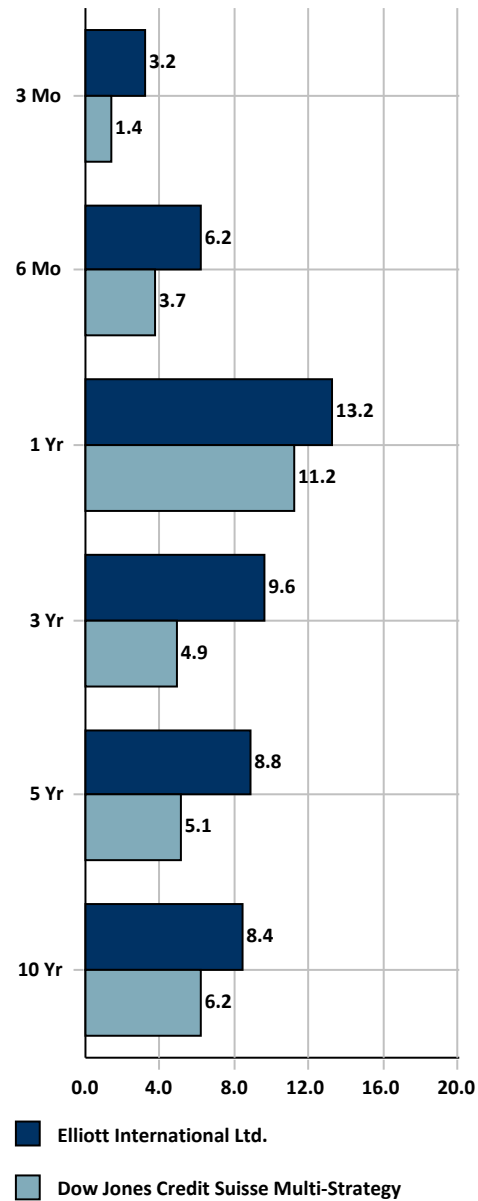


**Distribution of Returns**



Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

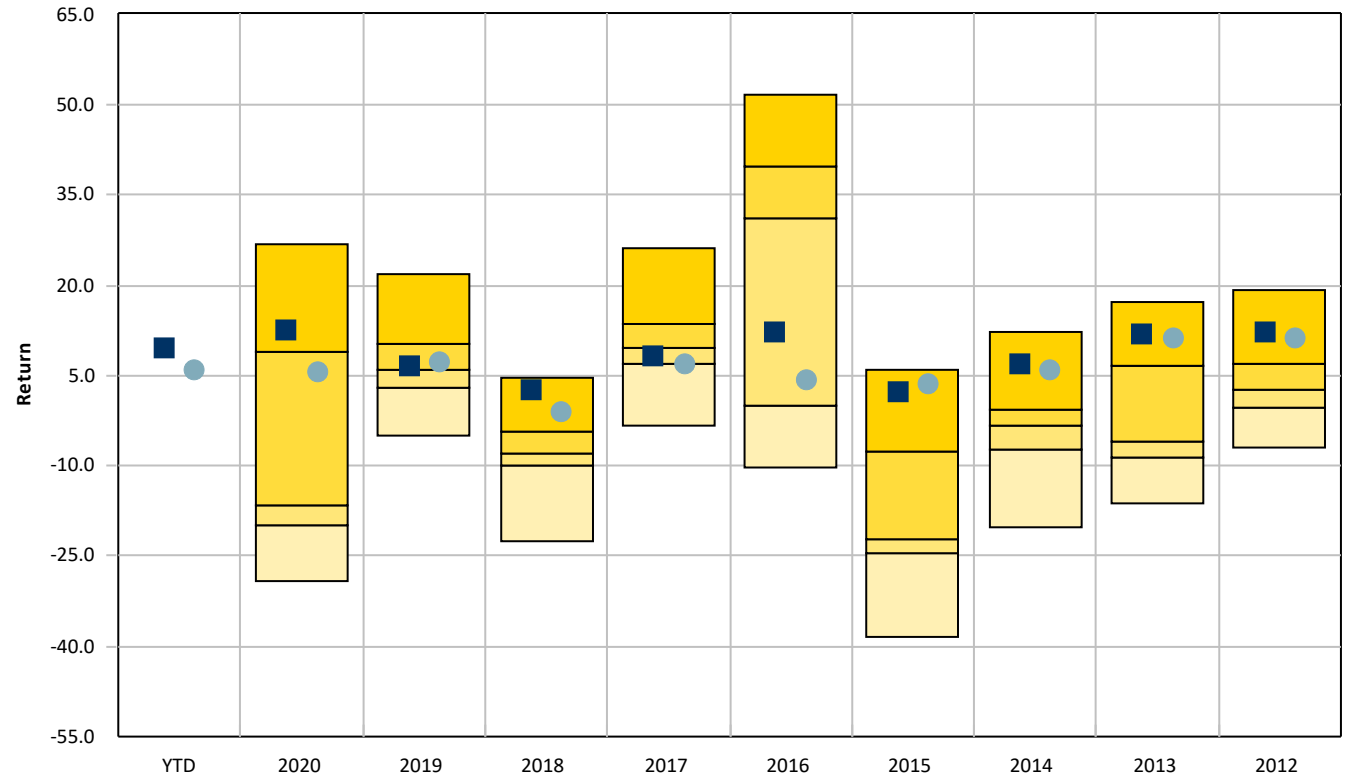
**Trailing Returns**



**Investment Strategy**

The Funds employ a multi-strategy trading approach that encompasses a broad range of securities including non-distressed debt, distressed securities, hedge/arbitrage positions (including event arbitrage, related securities arbitrage, convertible arbitrage, commodities trading and fixed-income arbitrage), equity-oriented positions, basis trading, portfolio volatility protection positions, and real estate-related securities positions. Peer group is Multi-Strategy Hedge Funds.

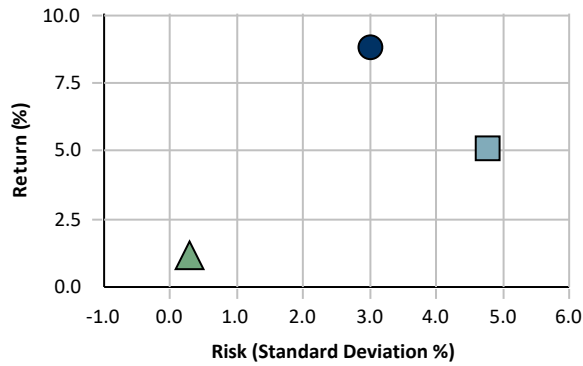
**Performance Relative to Peer Group**



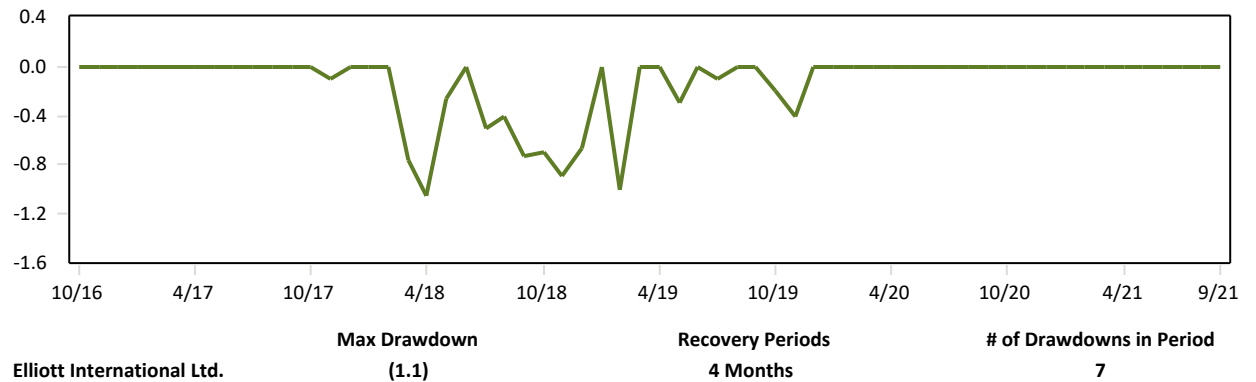
**Calendar Year Returns**

	YTD	2020	2019	2018	2017	2016	2015	2014	2013	2012
Elliott International Ltd.	9.6 (-)	12.7 (19)	6.5 (48)	2.6 (8)	8.4 (65)	12.5 (59)	2.4 (9)	6.9 (9)	11.9 (14)	12.4 (12)
Dow Jones Credit Suisse Multi-Strategy	5.9	5.6	7.2	(1.0)	6.8	4.4	3.8	6.1	11.2	11.2
Peer Group Median	-	16.5)	6.1	(8.0)	9.7	31.3	22.0)	(3.4)	(5.9)	2.7
Population	-	594	658	716	771	892	963	1,094	1,217	1,139

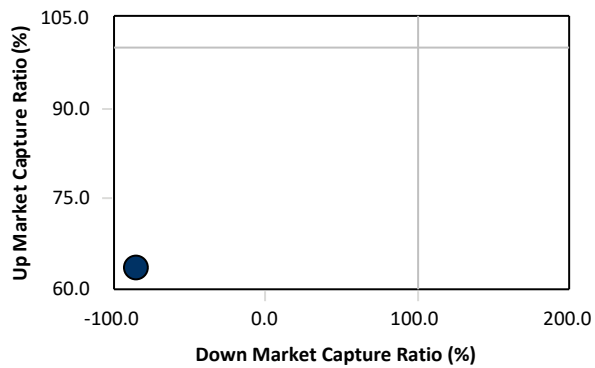
**Risk/Return**



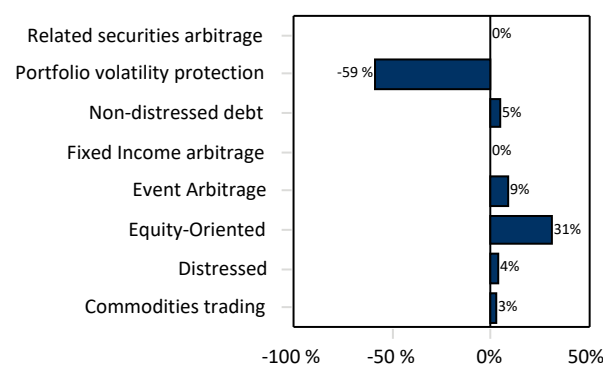
**Drawdown**



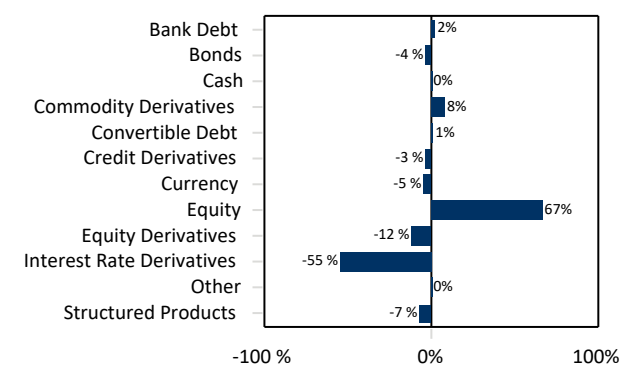
**Up/Down Markets**



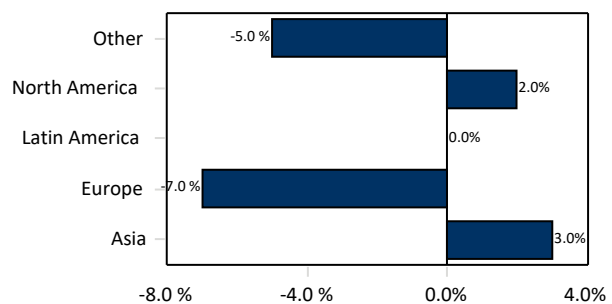
**Strategy Allocation**



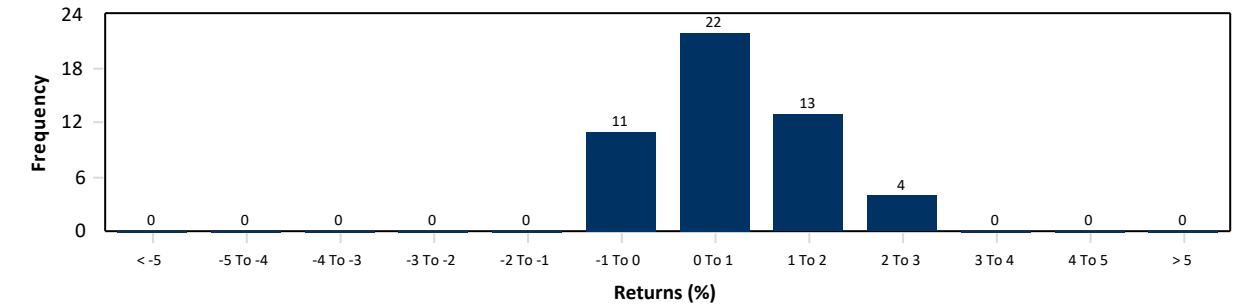
**Asset Breakdown**



**Region Allocation**



**Distribution of Returns**



Unless specifically stated, performance time periods are 5 years. If the fund history is less than 5 years, the time period is since fund inception.

# Appendix



**Policy Benchmark Weight (%)**

Aug-2019

Blmbg. U.S. Gov't/Credit	17.0
Dow Jones Credit Suisse Multi-Strategy	5.0
FTSE NAREIT All Equity REITs	4.0
MSCI EAFE (Net) Index	9.0
MSCI Emerging Markets Index	3.0
Russell 2000 Index	12.0
Russell Midcap Index	12.0
S&P 500 Index	12.0
S&P/LSTA Leveraged Loan Index	1.0
Barclay Global Macro Index	6.0
ICE BofAML High Yield Master II	6.0
HFN Distressed Index	2.0
NCREIF Property Index	4.0
NCREIF Timberland Index	5.0
90 Day U.S. Treasury Bill	2.0

**Debt Securities Benchmark Weight (%)**

Aug-2019

Blmbg. U.S. Gov't/Credit	65.0
ICE BofAML High Yield Master II	23.0
S&P/LSTA Leveraged Loan Index	4.0
90 Day U.S. Treasury Bill	8.0

**Domestic Equities Benchmark Weight (%)**

Apr-2016

FTSE NAREIT All Equity REITs	10.0
Russell 2000 Index	30.0
Russell Midcap Index	30.0
S&P 500 Index	30.0

**International Equities Benchmark Weight (%)**

May-2018

MSCI EAFE (Net) Index	75.0
MSCI Emerging Markets Index	25.0

**Alternatives Benchmark Weight (%)**

May-2018

Dow Jones Credit Suisse Multi-Strategy	23.0
Barclay Global Macro Index	27.0
HFN Distressed Index	9.0
NCREIF Property Index	18.0
NCREIF Timberland Index	23.0

Investment Policy  
of the  
Singing River Health System Employees'  
Retirement Plan and Trust

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# **Investment Policy Contents**

- I. Introduction**
- II. Plan Overview**
- III. Roles and Responsibilities**
- IV. Investment Goals**
- V. Asset Allocation Strategy**
- VI. Investment Performance Evaluation and Review**
- VII. Policy Adoption**

## **Appendix**

**Exhibit A: Specific Portfolio Constraints**

**Exhibit B: Asset Allocation and Allowable Ranges around Target**

**Exhibit C: Manager Supplement**

## Introduction

This document refers to the Singing River Health System Employees' Retirement Plan and Trust (the Plan and Trust) and the fund from which benefits are paid to its beneficiaries. The Trust was established in 1983 to provide retirement benefits for employees of the Singing River Hospital System (SRHS). Originally, the plan was an employer-directed defined benefit plan. The SRHS Board of Trustees appointed Plan Trustees to oversee the Plan and Trust. On October 19, 2015, by order of the Chancery Court of Jackson County, Mississippi (the Court), a Special Fiduciary was appointed to take possession of the Trust property and to administer the Trust, including all plan assets and property. The Special Fiduciary is the Plan's sole trustee and is granted all power and authority prescribed by the Trust and consistent with the *Mississippi Uniform Trust Code, Miss Code Ann. § 91-8-101, et seq.*

This document is intended to serve as a reference tool, operating investment guidelines, and a communications link between the Plan and Plan Trustee and:

- The Plan's investment managers,
- The Plan's investment advisor and
- The Plan's other professional advisors

This document records the Special Fiduciary's logical and diligent process of study, examination, evaluation and conclusions about the most suitable combination of investment risk level and rate of return objectives which will satisfy both the Plan's present and future benefits obligations and the Trust's ongoing ability to fund them.

This policy document establishes the specific guidelines for action, and also conveys the philosophical foundations for those guidelines.

## Plan Overview

The Plan is a defined benefit pension plan, which bases its benefits upon an employee's highest average quarterly compensation from SRHS for the 19 consecutive quarters, plus the last quarter of employment during the last 40 consecutive quarters of employment. An employee's number of years of service also determines his or her retirement benefit. The benefit amount may be revised under order of the Court.

### Taxation

The Plan has qualified for exemption pursuant to Section 401(a) of the Internal Revenue Code as a governmental plan. As such, the Plan's investment returns are not subject to current income taxation.

### Funding Resources and Obligations

The Plan's contribution resources previously came from employer contributions made by SRHS and from mandatory employee contributions of 3% of annual compensation, up to the limits established by Federal regulations. Pending the legal outcome, an agreement may be reached where SRHS resumes contributions to the Plan.

### Liquidity Needs

The Special Fiduciary and the professional advisors expect to periodically review and update their understanding of the Plan's forecasts of cash disbursement for Plan benefits and expenses, so that the elements and time horizon(s) of the Plan's investment program can be adjusted, as needed and appropriate for that context.

## Roles and Responsibilities

The Court has delegated certain responsibilities, as outlined in the Plan document, for the Plan described here to the Special Fiduciary, who recommends and implements the investment policy with regard to asset allocation, manager and custodian selection and portfolio supervision. The Special Fiduciary reports to the Court regarding the status of the Trust. The Special Fiduciary shall act as a prudent investor respecting that individual assets of the Trust must not be evaluated in isolation, but in the context of the Trust portfolio as a whole and as part of the overall investment strategy having risk and return objectives reasonably suited to the Plan.

### Special Fiduciary Duties with respect to Plan operations and administration

- Ensure the Trust is operated for the exclusive benefit of participants and their beneficiaries taking into account the interest of both the current and future beneficiaries.
- Ensure expenses paid out of the Trust are appropriate and reasonable.
- Ensure Trust assets as accounted for and periodically audited.
- Ensure Trust reports are maintained and periodically reviewed.
- Ensure Trust operation complies with all state and federal laws, and the Plan and Trust documents.
- Refrain from conflicts of interest and prohibited transactions.

### Special Fiduciary Duties with respect to Plan Investments

- Hire and fire investment advisor and/or investment manager(s).
- Establish and maintain the Investment Policy Statement.
- Diversify the investments of the Trust unless the Special Fiduciary determines that the Trust and the beneficiaries would be better served without diversifying.
- Establish and maintain minimum quality and diversification standards for employing investment managers as listed in **Exhibit A**.
- Select, monitor and replace (as necessary) investment managers, insurance contracts and/or any unmanaged investments.
- Approve contracts with investment managers.
- Review performance of investment funds and investment managers, relative to their benchmarks, and appropriate peers at least annually.

- Monitor all fees being paid on plan investments.
- Refrain from conflicts of interest in selecting investment managers.

## Investment Goals

The overall objective of the investment program is to achieve a rate of return in the Trust that, over the long term, will fund the liabilities and provide for the required benefits in a manner that satisfies the fiduciary requirements of the Plan.

The Special Fiduciary recognizes that financial markets are cyclical and that:

- the beginning points, ending points and magnitude of market cycles cannot be predicted; and
- there is no relationship between market cycles and calendar or other time periods commonly used for performance measurement and evaluation.

The long-range goals (greater than 5 years) of this investment plan are to:

1. Meet the pension benefit obligations to the Employees
2. Exceed the return of a Policy Benchmark comprised of the appropriate market indexes reflecting the Plan's asset allocation (see **Exhibit B**)
3. Perform in line with comparable pension plans on a risk-adjusted basis
4. Match or exceed the assumed discount rate used by the plan's actuary

Total fund, asset class, and individual investment manager performance will be compared to appropriate passive market indices and a universe of peers. The performance benchmarks used may differ from those outlined in **Exhibit B**. Investment performance is reviewed and analyzed over multiple time periods allowing for greater variance from this policy's objectives over periods shorter than three years for each investment fund and over five years for the total fund.

## Asset Allocation Strategy

Please see **Exhibit B** for Asset Allocation Targets and Allowable Ranges Around Target Allocations.

Using asset allocation studies based on long-term historical capital market performance, the Special Fiduciary finds the target mixtures of asset classes in **Exhibit B** appropriate to produce the desired performance at acceptable fluctuation levels over time for the portfolio.

The Asset Allocation schedule shown in **Exhibit B** of this Investment Policy provides for allowable ranges within each asset class, or strategy, in order to provide investment managers some flexibility in asset allocation to meet the goals of this Investment Policy.

The Special Fiduciary recognizes that a rigid asset allocation would be both impractical and, to some extent, undesirable under various potential market conditions. Therefore, the allocation of the Trust's total assets may vary from time to time within the ranges listed in **Exhibit B**, without being considered an exception to these operating guidelines.

The Special Fiduciary, with the counsel of the investment advisor, may engage active investment managers, whose goals over time are to outperform respective indices, or passive managers who seek to replicate the return of corresponding indices.

### Investing Strategies and Vehicles

The Trust may invest in the following investment vehicles:

- Separately managed accounts
- Mutual funds
- Exchange-Traded Funds (ETFs)
- Commingled funds
- Collective investment trusts
- Limited Partnerships
- Foreign exempted companies

## **Rebalancing**

Because different asset classes will perform at different rates, the Special Fiduciary will closely watch the asset allocation shifts caused by performance in the Trust. The Special Fiduciary will review the relative market values of the asset segments, and will generally rebalance the asset classes which are farthest short of their target allocations in this Policy. Rebalancing will typically occur as of any quarter-end at which the allocations reach a point where they are out of target ranges.

## **Unallocated Cash**

Investment managers performing under this Policy are not expected to accumulate a significant cash position without prior approval of the Special Fiduciary. If the basic investing style of a particular manager includes a routine, temporary use of instruments having a maturity of less than one year, they must inform the Special Fiduciary and agree to the use of that investing style in advance.

## Investment Performance Evaluation and Review

### Frequency of Measurement

The Special Fiduciary will measure investment performance quarterly, or more often, as deemed appropriate.

### Expected Interim Progress Toward Multi-Year Objectives

The Special Fiduciary will generally follow the time horizons set forth in this policy, when making judgments about performance. However, Investment Managers for the Trust should be advised that the Special Fiduciary intends to track their interim progress toward multi-year goals. If the Special Fiduciary finds (or is professionally advised) that performance is sub-standard, then the Special Fiduciary's reviews of such a manager may disregard the time horizon concept for purposes of considering possible actions.

Investment Managers hired by the Special Fiduciary shall generally be expected to outperform an appropriate market benchmark and perform well against a universe of their peers over multi-year time periods.

### Corrective Action Guidelines

Corrective action should be taken as a result of an ongoing investment manager review process. The following are instances where corrective action or termination may be in order:

1. Major organizational changes in a firm, including any changes in portfolio managers, may require a new contract and interview process. Failure on the part of the Investment Manager to notify the Special Fiduciary of such changes is grounds for termination. At all times, communication with the managers should be open and informative. Investment Managers should be willing and able to meet at least annually with the Special Trustee.
2. Violation of terms of contract constitutes grounds for termination.
3. Surges in portfolio trading volume.
4. As part of its overall asset allocation strategy, the Special Fiduciary will choose managers with certain styles and approaches to provide portfolio diversification. Therefore, it is critical that managers adhere to the original intent of the Special Fiduciary at the time they are engaged. Any significant changes in investment approach may be grounds for termination.

5. Performance patterns not logically explainable in terms of the published style, or performance out-of-step with manager's style peer group.
6. The manager's performance will be viewed in light of the management firm's assigned investment style and approach, keeping in mind at all times the Trust's diversification strategy as well as other organizational and relationship issues. Decisions to terminate managers are solely within the discretion of the Special Fiduciary.
7. Investment managers may be replaced at any time as part of the overall restructuring of the Plan.
8. Other events or circumstances that are deemed to be in the best interest of Trust, its participants and beneficiaries, or the Plan.

## VII. Policy Adoption

### Singing River Health System Employee's Retirement Plan and Trust Special Fiduciary

Executed the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

Signature: \_\_\_\_\_

Traci M. Christian

Title: Special Fiduciary

## Exhibit A

### Specific Portfolio Constraints

The following standards apply to all investment portfolios that are separately managed. The Special Fiduciary recognizes that any pooled investment vehicle or mutual fund cannot be subjected to these requirements, except to the extent these distinctions can be incorporated by the Special Fiduciary into their process of selecting such vehicles. Nevertheless, the Special Fiduciary will review investing activities in any pooled investment vehicles utilized, versus the investment policy and, if appropriate, the Special Fiduciary may accordingly decide that a particular pooled/mutual fund has ceased to be suitable.

#### Fixed Income

The purpose of domestic and international fixed income investments is to provide liquidity and a highly predictable, dependable source of income. Fixed instruments should reduce the overall volatility of the Trust's assets and provide a deflation hedge.

The following standards are for the separately managed fixed income accounts and are not monitored by the Special Fiduciary. Each manager is expected to confirm receipt of the standards in writing.

#### 1. Quality Standards (not applicable to a portfolio which is specifically committed to invest in High Yield Bonds)

- Minimum: Must be rated investment-grade by at least one major rating agency
- Maximum: No manager's portfolio allocation to the lowest investment-grade category (BBB-rated) shall be greater than the bench index allocation plus 3%
- Weighted average (target) quality for each portfolio manager: A-rated or better

#### 2. Duration Standards

- Maximum/Minimum: Portfolio modified duration should not be greater than (+/-) 25% of benchmark index

#### 3. Diversification Standards

- Single security issue: Maximum 5%

- Single Sector Allocation (level 2): Maximum benchmark index allocation (+/-) 20% (except U.S. Government securities)
- Non-Index Sector Allocation (level 2): Maximum allocation to non-index sectors shall be limited to 30% of the manager's portfolio market value

#### **4. Liquidity Standards**

- Original issuance for corporate securities must be at least \$300 million, unless the Special Fiduciary approves the investment in advance.
- Securities that are thinly traded and therefore cannot be considered liquid are not permitted without prior specific permission from the Special Fiduciary.

#### **5. Prohibited Categories for all investment managers, unless authorized by the Special Fiduciary**

- Derivative instruments including, but not limited to options, futures, swaps, structured finance products, etc. in which either the inherent structure of the instrument or the nature of the transaction is leveraged, i.e. creates market exposure in excess of the market value of the underlying assets.
- Issuer affiliated with the investment manager

#### **6. Frequency of Reporting to Special Fiduciary**

- At least quarterly

### **Equities**

#### **1. Diversification Standards**

Diversification for the total investment program is achieved through manager selection. The Special Fiduciary recognizes the value of including concentrated, high-conviction managers within the total equity allocation. Appropriately sizing each manager's allocation creates the desired diversification across the overall program.

Should any single manager's designated allocation be greater than 10% of the total program, they shall adhere to the following standards unless granted written exception

authorized by the Special Fiduciary. Such designated managers will be explicitly notified and will submit written acknowledgement of adherence to these standards.

- Market value of any single holding not to exceed 7.5% of the manager's allocation, without obtaining permission from the Special Fiduciary
- Maximum sector concentration: greater of 2.5x benchmark, or 20% of current portfolio market value

## 2. Liquidity Standards

- Traded on one or more national and/or international exchanges (NASDAQ, National Market, or quoted in the NASDAQ Bid/Asked section)
- \$100 million minimum market capitalization
- Managers should maintain appropriate procedures to determine their liquidity exposure to an individual security holding on a **firm wide basis**, i.e., awareness and documentation of what percent of normal trading volume is represented by their total holding for the Plan in a particular issue.

## 3. Proxy Voting

- Unless specifically directed by the Special Fiduciary, the managers have sole responsibility for voting proxies of shares of companies in the portfolio in a manner consistent with the best interests of the Plan.
- Managers are required to vote proxies on every issue that could be reasonably expected to have a significant impact on the value of the investment.
- Managers are required to keep a record of all proxy votes and upon request report to the Plan Trustees at least annually.

## 4. Prohibited Categories for all Equity managers, unless authorized by the Special Fiduciary

- Issuer related to the investment manager,
- Restricted or letter stock,
- Private placement debt, and
- Derivative instruments that create or add leverage.

## Alternatives

These apply only to investment managers that have been authorized by the Special Fiduciary or previous Plan Trustees and use these categories as inherent elements within their investment programs. Examples of investment managers that may qualify for this authorization include hedge funds, real estate managers, commodities managers, and private equity managers.

1. Short sales, or “naked” positions should be limited to only within investments in hedge funds.
2. Margin purchases, which create leverage or market exposure in excess of the market value of underlying assets, and which create asymmetric return patterns that could result in substantial losses, shall be limited to include only purchases made in hedge funds.
3. Real Estate investments shall be limited to pooled investments that are professionally managed to include REITs, timberland or other institutional classes of real estate portfolios.
4. Distressed debt securities that trade at a significant discount to the principal amount of the obligation shall be limited to include only specific investment manager mandates.
5. Private partnership investments shall be limited to include only investments in institutionally managed strategies that may include real estate, distressed debt, private equity, timberland and hedge funds.
6. Fully collateralized securities lending programs are not considered margin purchases and may be utilized, subject to a separate Supplemental Agreement approved by the Plan Trustees.

## Exhibit B

### Asset Allocation and Allowable Ranges around Target

In Force as of: 7/1/2019

The Asset Class benchmarks will be used for the construction of the Policy Benchmark, but individual managers may be measured against a different benchmark.

Asset Class	Policy Benchmark	Policy Target	Min	Max
Cash Equivalent		2%	0%	10%
US Intermediate Fixed Income	Blmb. Barc. Govt/Credit	17%	5%	35%
Bank Loans / Direct Lending	S&P/LSTA Leveraged Loan	1%	0%	5%
High Yield	ICE BAML High Yield	6%	0%	15%
<b>Total Debt Securities</b>		<b>26%</b>		
US Large Cap Equities	S&P 500	12%	5%	20%
US Mid Cap Equities	Russell Midcap	12%	5%	20%
US Small Cap Equities	Russell 2000	12%	5%	20%
Real Estate Securities (REITs)	FTSE NAREIT All REITs	4%	0%	10%
International Developed	MSCI EAFE	9%	0%	15%
Emerging Markets Equities	MSCI Emerging Markets	3%	0%	10%
<b>Total Equity Securities</b>		<b>52%</b>		
Long / Short Equity	DJCS Long/Short Equity	-	0%	16%
Hedge Funds	DJCS Multi-Strategy	5%	0%	10%
Distressed Securities	HFN Distressed	2%	0%	6%
Commodities	Bloomberg Commodity	-	0%	8%
Global Macro	Barclay Global Macro	6%	0%	10%
Timberland	NCREIF Timber	5%	0%	10%
Direct Real Estate	NCREIF Property	4%	0%	10%
<b>Total Alternative Securities</b>		<b>22%</b>		

## Historical Asset Allocation

Asset Class	Amended Apr 18	Amended June 16	Amended June 14	Amended Dec 06	Amended Jan 01	Amended Jan 99	Amended Nov 96	Amended Jan 94	Original
Cash Equivalent	2%								5%
US Intermediate Fixed Income	17%	24%	15%	10%	30%	35%	40%	50%	60%
Bank Loans / Direct Lending	1%	1%	5%						
High Yield	6%	5%	5%	10%					
<b>Total Debt Securities</b>	<b>26%</b>	<b>30%</b>	<b>25%</b>	<b>20%</b>	<b>30%</b>	<b>35%</b>	<b>40%</b>	<b>50%</b>	<b>65%</b>
US Large Cap Equities	12%	10%	10%	10%	40%	40%	50%	50%	35%
US Mid Cap Equities	12%	10%	10%	10%					
US Small Cap Equities	12%	10%	10%	15%	15%	15%			
Real Estate Securities (REITs)	4%	3%	3%						
International Developed	9%	5%	5%	10%	10%	10%	10%		
Emerging Markets Equities	3%	2%	2%	5%					
<b>Total Equity Securities</b>	<b>52%</b>	<b>40%</b>	<b>40%</b>	<b>50%</b>	<b>65%</b>	<b>65%</b>	<b>60%</b>	<b>50%</b>	<b>35%</b>
Long / Short Equity		8%	8%	15%					
Hedge Funds	5%	3%	8%						
Distressed Securities	2%	3%	3%						
Commodities		4%	4%	5%	5%				
Global Macro	6%	5%	5%						
Timberland	5%	3%	3%						
Direct Real Estate	4%	4%	4%	10%					
<b>Total Alternative Securities</b>	<b>22%</b>	<b>30%</b>	<b>35%</b>	<b>30%</b>	<b>5%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>Total Portfolio</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Disclosures

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Past performance is not necessarily indicative of future results. The performance information reported herein may be for a variety of products which have different methods of presenting performance data. Generally, mutual fund returns are reported net of operating expenses; separate account manager and total portfolio returns are reported gross of fees. The fee and expense information for a specific holding is contained in the product prospectus or offering materials. The cumulative effect of fees and expenses may substantially reduce the return earned relative to that indicated herein. Please visit the Employee Benefit Security Administration (EBSA) website for an example demonstrating the long-term effect of fees and expenses.

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FiduciaryVest does not represent, warrant, or imply that the services or methods of analysis employed can or will predict future results, successfully identify market tops or bottoms, or insulate client portfolios from losses due to market corrections or declines. Investment risks involve but are not limited to the following: systematic risk, interest rate risk, inflation risk, currency risk, liquidity risk, sociopolitical risk, management risk, and credit risk. In addition to general risks associated with investing, certain products also pose additional risks. This and other important information is contained in the product prospectus or offering materials.

## Glossary of Important Terms

Statistics	Definition
Alpha	- A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
Best Quarter	- The best of rolling 3 months(or 1 quarter) cumulative return.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.
Down Market Capture	- The ratio of average portfolio return over the benchmark during periods of negative benchmark return. Lower values indicate better product performance.
Excess Return	- Arithmetic difference between the managers return and the risk-free return over a specified time period.
Information Ratio	- Measured by dividing the active rate of return by the tracking error. The higher the Information Ratio, the more value-added contribution by the manager.
Maximum Drawdown	- The drawdown is defined as the percent retrenchment from a fund's peak value to the fund's valley value. It is in effect from the time the fund's retrenchment begins until a new fund high is reached. The maximum drawdown encompasses both the period from the fund's peak to the fund's valley (length), and the time from the fund's valley to a new fund high (recovery). It measures the largest percentage drawdown that has occurred in any fund's data record.
R-Squared	- The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Square means a higher correlation of the portfolio's performance to the appropriate benchmark.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.
Simple Alpha	- The difference between the manager's return and the benchmark's return.
Standard Deviation	- A statistical measure of the range of a portfolio's performance, the variability of a return around its average return over a specified time period.
Tracking Error	- A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.
Up Market Capture	- The ratio of average portfolio return over the benchmark during periods of positive benchmark return. Higher values indicate better product performance.
Worst Quarter	- The worst of rolling 3 months(or 1 quarter) cumulative return.

# ***Singing River Health System Employees' Retirement Plan and Trust***

Actuarial Valuation as of October 1, 2021



**CONSULTING GROUP**

*Actuaries • Advisors • Administrators*



**November 8, 2021**

**IN THE CHANCERY COURT OF JACKSON COUNTY, MISSISSIPPI**

**IN RE: Singing River Health System Employees' Retirement Plan and Trust  
Lay, et al. v. Singing River Health System, et al.; Cause No. 2015-0060**

This is a report on the actuarial valuation for the Singing River Health System Employees' Retirement Plan and Trust (The Plan), which was performed as of October 1, 2021. The purpose of the valuation is to:

- Compare the current value of Trust assets with accrued liabilities to assess the funded condition of the Plan,
- Compare the projected value of Trust assets with accrued liabilities to assess the long-term funded condition of the Plan,
- Provide a summary of projected cash flows for use in assessing the long-term health and sustainability of the Plan.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. The participant data is maintained by MCG Consulting Group and the Plan asset data was provided by the Plan's investment advisor, Fiduciary Vest. This data has been reviewed for reasonableness, but no attempt has been made to audit such information. We found the information provided to be reasonably consistent and comparable to information received for prior years' valuations. Valuation results are dependent upon the accuracy and integrity of the input data. If the data provided is subsequently found to be incorrect or incomplete, this valuation may need to be revised. Demographic data is snapshot data as of the valuation date.

The valuation was based on the provisions of the Plan as amended through the beginning of the Plan Year. Each actuarial assumption used in this valuation is reasonably related to the past experience of the Plan and represents reasonable expectations of future experience under the Plan. Actual future costs of the Plan will vary from those presented in this report to the extent that actual plan experience differs from that projected and assumed. The Special Fiduciary with advice and approval of the actuary sets the assumptions and methods for the valuation.

The valuation calculations presented in this report have been made on a basis consistent with our understanding of the Plan's funding requirements and policies as set forth by court order. Valuations and calculations for other purposes may differ significantly from the results contained in this report.



## CONSULTING GROUP

*Actuaries • Advisors • Administrators*

The consultants who worked on this assignment are pension actuaries. Advice from MCG Consulting Group is not intended to be a substitute for legal or accounting expertise. To the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.

We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained in this report. We are available to answer any questions on the information contained in this report or to provide explanations or further details as needed.

The firm of MCG Consulting Group is owned by the Special Fiduciary, Traci M. Christian. This relationship has been disclosed to the Chancery Court overseeing the administration of the Plan and has been deemed acceptable by court order. The signing actuary has no other conflict of interest that would impair the objectivity of the work reflected in this report.

This report is intended for use by the Special Fiduciary and the Court and should not be used for any purpose other than as stated herein. This report is only valid when presented in its entirety. It must not be reproduced without permission.

Respectfully submitted,

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John J. Naylor IV, ASA, MAAA



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***Section One:***

***Valuation Results***

**Valuation Results**

	<u>October 1, 2020</u>	<u>October 1, 2021</u>
<b>Number of Participants</b>		
Still Actively Employed at SRHS	419	383
In Pay Status	798	805
Vested Terminated	168	167
Non-Vested Terminated	497	439
<b>Total</b>	<b>1,882</b>	<b>1,794</b>
<b>Actuarial Liability by Participant Group</b>		
Still Actively Employed at SRHS	\$ 28,430,000	\$ 30,061,000
In Pay Status	136,350,000	134,537,000
Vested Terminated	12,755,000	12,215,000
Non-Vested Terminated	1,217,000	1,106,000
<b>Total</b>	<b>\$178,752,000</b>	<b>\$177,919,000</b>
<b>Plan Assets</b>		
<b>Market Value of Currently Invested Assets</b>	<b>\$103,044,000</b>	<b>\$116,875,000</b>
Percentage of Liability Currently Funded (Market)	57.6%	65.7%
Actuarial (Smoothed) Value of Current Assets	\$104,603,000	\$105,188,000
Percentage of Liability Currently Funded (Actuarial)	58.5%	59.1%
Present Value (PV) of Future Settlement Payments	64,037,000	63,606,000
Market Value plus PV of Future Settlement Payments	\$167,081,000	\$180,481,000
<b>Percentage of Liability Funded (Market + Future)</b>	<b>93.5%</b>	<b>101.4%</b>
Actuarial Value plus PV of Future Settlement Payments	\$168,640,000	\$168,794,000
Percentage of Liability Funded (Actuarial + Future)	94.3%	94.9%

## **Pension Plan Experience**

The Plan experience is evaluated by comparing the current year's results with the prior year's results. If the actuarial assumptions are accurate, there should be predictable changes from one year to the next. Gains and losses measure deviations from the stated actuarial assumptions.

The assets of the Plan earned a rate of return of approximately 22.7% on a market value basis. This resulted in investment returns of \$16,314,000 more than anticipated by the 6.0% assumed rate of return. This return is net of all plan expenses – investment management and administrative.

For the third year in a row, the Plan has experienced reasonably significant liability gains. This may be an indication that changes should be made to the actuarial assumptions. An independent audit of the liability calculations has been commissioned and the results of that audit as well as a review of demographic experience may be used to adjust assumptions for future valuations.

## Singing River Health System Employees' Retirement Plan and Trust

## Cash Flow Projection

Year Beginning Oct. 1	Expected Contribution	Number of Participants	Benefit Payments	Assets	Liability	Unfunded Liability
2021	4,200,000	1,355	12,153,000	116,875,000	177,919,000	61,044,000
2022	4,200,000	1,339	12,391,000	115,600,000	175,606,000	60,006,000
2023	5,700,000	1,323	12,518,000	114,100,000	172,905,000	58,805,000
2024	5,700,000	1,306	12,706,000	113,800,000	169,909,000	56,109,000
2025	4,500,000	1,288	12,826,000	113,300,000	166,537,000	53,237,000
2026	4,500,000	1,268	12,941,000	111,400,000	162,837,000	51,437,000
2027	4,500,000	1,248	12,998,000	109,300,000	158,795,000	49,495,000
2028	4,500,000	1,226	13,014,000	106,900,000	154,454,000	47,554,000
2029	4,500,000	1,203	13,095,000	104,400,000	149,837,000	45,437,000
2030	4,500,000	1,179	13,071,000	101,700,000	144,860,000	43,160,000
2031	4,500,000	1,153	12,975,000	98,900,000	139,611,000	40,711,000
2032	4,500,000	1,126	12,898,000	95,900,000	134,152,000	38,252,000
2033	4,500,000	1,098	12,685,000	92,900,000	128,450,000	35,550,000
2034	4,500,000	1,068	12,471,000	89,900,000	122,633,000	32,733,000
2035	4,500,000	1,038	12,277,000	87,000,000	116,697,000	29,697,000
2036	4,500,000	1,006	11,968,000	84,000,000	110,613,000	26,613,000
2037	4,500,000	972	11,680,000	81,200,000	104,493,000	23,293,000
2038	4,500,000	938	11,367,000	78,600,000	98,314,000	19,714,000
2039	4,500,000	903	10,962,000	76,100,000	92,098,000	15,998,000
2040	4,500,000	867	10,543,000	73,900,000	85,940,000	12,040,000
2041	4,500,000	831	10,074,000	71,900,000	79,861,000	7,961,000
2042	4,500,000	793	9,578,000	70,400,000	73,916,000	3,516,000
2043	4,500,000	756	9,097,000	69,200,000	68,142,000	-
2044	4,500,000	718	8,566,000	68,500,000	62,534,000	-
2045	4,500,000	680	8,025,000	68,300,000	57,155,000	-
2046	4,500,000	642	7,484,000	68,700,000	52,028,000	-
2047	4,500,000	604	6,946,000	69,600,000	47,170,000	-
2048	4,500,000	566	6,422,000	71,100,000	42,594,000	-
2049	4,500,000	530	5,908,000	73,200,000	38,300,000	-
2050	4,500,000	494	5,416,000	76,000,000	34,328,000	-
2051		459	4,933,000	79,500,000	30,647,000	-

The results presented here are ESTIMATES.

These results are for **discussion purposes only** and should not be relied upon for any other purpose.

**History of Assets and Liabilities**

<b>Valuation Date October 1:</b>	<b>Plan Assets and Future Contributions*</b>	<b>Present Value of Benefits</b>	<b>Projected Funded Ratio</b>
2018	187,894,000	189,567,000	99.1%
2019	171,668,000	181,078,000	94.8%
2020	167,081,000	178,752,000	93.5%
2021	180,481,000	177,919,000	101.4%

\*Includes the present value of contributions included in the settlement, discounted at the same 6% rate as are the plan benefits.

**History of Asset Returns**

	<b>Rate of Annual Returns</b>	
	<b>Market Value</b>	<b>Actuarial (Smoothed) Value</b>
<b>Year Ended Sept. 30</b>		
2018	7.7%	
2019	1.4%	
2020	4.1%	5.6%*
2021	22.4%	8.9%

\*Actuarial (five year smoothed) value was initiated in the 2020 valuation.

## Valuation History

### 2021

The assets of the Plan earned a rate of return of approximately 22.4%. This resulted in investment returns (net of all plan expenses) of approximately \$16,314,000 more than was expected by the 6.0% assumed rate of return. A smoothing of the gains and losses tempers the volatility of the market value. This “actuarial value” of assets produced a rate of return of 8.9%, still well in excess of the 6.0% assumed rate.

### 2020

The assets of the Plan earned a rate of return of approximately 4.1%. This resulted in investment returns (net of all plan expenses) of approximately \$1,949,000 less than was expected by the 6.0% assumed rate of return. A five-year smoothing of assets, called “actuarial value” was initiated in this valuation to give a tempered view of the market value’s volatility.

### 2019

The assets of the Plan earned a rate of return of approximately 1.4%. This resulted in investment returns of approximately \$5.1 million less than anticipated by the 6.0% assumed rate of return.

Based on the results of a study of retirement rates experienced by the plan, the actuarial assumption regarding the incidence of retirement was adjusted to better conform with observed experience. This change produced an actuarial gain of \$635 thousand.

During the first quarter of the Plan Year, the Plan – per an order of the court – offered a return of employee contributions in lieu of a retirement benefit to participants still employed at Singing River Health System. For most of these participants, employee contributions with interest was less than the value of their earned retirement benefit. During the 2018-2019 plan year, this program paid out \$1,956,215 in employee contributions. In exchange for these payouts, participants elected to forgo \$3.766 million in benefits. This resulted in a savings to the Plan of over 1.8 million. The window for these elections remains open for the foreseeable future.

### 2018

The assets of the Plan earned a rate of return of approximately 7.7%. This resulted in investment returns of approximately \$2.0 million more than anticipated by the 6.0% assumed rate of return.

On April 12, 2018, the Chancery Court of Jackson County, Mississippi ordered benefits in this Plan to be reduced by 25% in an effort to secure benefits for all Plan participants.

During the final quarter of the Plan Year, the Plan – per an order of the court – began to offer a return of employee contributions in lieu of a retirement benefit to participants still employed at Singing River Health System. As of September 30, 2018, this program paid out \$1,924,351 in employee contributions. In exchange for these payouts, participants elected to forgo \$4.377 million in benefits. This resulted in a savings to the Plan of almost \$2.5 million.



***Section Two:***

***Retirement Plan  
Benefit Provisions***

## **Benefit Provision Summary**

### **Effective Date**

February 17, 1983. The Plan was amended in 2014 to freeze accruals and employee contributions. The Plan was further amended in 2018 per Court order to decrease all Plan benefits. The Plan was amended and restated effective January 1, 2021 per court order.

### **Eligibility**

All employees were eligible to participate on the first day of the month coincident with or next following three months of employment and authorization of payroll deduction for required contributions. No employees hired or rehired on or after October 1, 2011 are eligible to participate in the Plan.

### **Credited Service**

A participant will receive Credited Service for the whole number of years and quarter years worked excluding any period of unpaid leave or period when he or she did not contribute to the Plan. No Credited Service will accrue for purposes of determination of the accrued benefit after the conclusion of the pay period which corresponds to paychecks distributed to employees on December 4, 2014. Service will continue to accrue for eligibility for Early Retirement and Thirty-Year Service Early Retirement.

### **Vesting Service**

A participant will receive Vesting Service for any period worked adjusted for any period greater than 12 months excluded from Credited Service or period when he or she did not contribute to the Plan.

### **Compensation**

Total compensation, including overtime, bonus, commissions, incentive compensation, employee contributions to the Plan, elective contributions under the cafeteria plan, and elective contributions to any plan qualified under Section 132(f), 401(k), 403(b) and 457 of the Code. Compensation excludes contributions to the Plan by the Employer not related to “pick-up”. No compensation shall be recognized after the conclusion of the pay period which corresponds to paychecks distributed to employees on December 4, 2014.

### **Average Compensation**

The highest average during any nineteen consecutive quarters of compensation during the forty consecutive quarters of employment immediately preceding date of termination, plus the last quarter of employment compensation.

### **Employee Contributions**

Participants were required to contribute 3% of compensation each pay period. No employee contributions will be made after the conclusion of the pay period which corresponds to paychecks distributed to employees on December 4, 2014.

Employee contributions accumulate at a rate of return based on the 3-month U.S. Treasury Rate for September, credited once annually for active participants on September 30th. The rate is applied to the average balance in the account during the preceding 12 months.

**Normal Retirement Date**

The first day of the month coinciding with or next following the later of the Participant's 65th birthday and the attainment of 10 years of Vesting Service.

**Normal Retirement Benefit**

The sum of (a), (b) and (c), not less than (d):

- (a) 1.625% of the Average Monthly Compensation multiplied by Credited Service, up to 20 years,
- (b) 1.75% of the Average Monthly Compensation multiplied by Credited Service in excess of 20 years up to 30 years,
- (c) 2% of the Average Monthly Compensation multiplied by Credited Service in excess of 30 years
- (d) Credited Service multiplied by \$5

Effective October 1, 2011, the benefits for those participants with less than 20 years of Credited Service as of September 30, 2011 were limited to 50% of Average Monthly Compensation.

Effective April 12, 2018 all benefits calculated in accordance with the above formulas were reduced by 25%.

**Early Retirement Date**

The first day of the month coinciding with or next following the Participant's 60th birthday and the attainment of 10 years of Credited Service.

**Early Retirement Benefit**

Equal to the Normal Retirement Benefit reduced 3% for each year commencement precedes Normal Retirement Date.

**Thirty Year Service Early Retirement**

A Participant with 30 or more years of Credited Service may commence benefit without Early Retirement reduction.

**Late Retirement**

A Participant may retire at any time after his Normal Retirement Date with a benefit equal to the benefit earned through the Participant's actual retirement date.

**Disability Retirement**

A Participant must have at least 10 years of Credited Service and be eligible for Social Security Disability to be eligible for the disability benefit. The disability benefit is equal to the accrued benefit using final average earnings at date of disability and the amount of service that would have been accrued if the Participant worked to the later of age 60 or the date of disability, reduced 3% for each year commencement precedes Normal Retirement Date, up to 15%.

**Vested Termination**

A Participant is 100% vested after completing 10 or more Years of Vesting Service and is entitled to receive their accrued benefit at the time of termination payable at their normal retirement date or earlier in accordance with early retirement provisions above.

A Participant is always 100% vested in their employee contributions.

**Normal Form of Payment**

Life Annuity.

**Pre-Retirement Death Benefit**

The surviving spouse will receive a benefit equal to the amount that would have been paid had the participant separated from service on his date of death and retired with a 100% qualified joint and survivor annuity, reduced 3% for each year date of death precedes Normal Retirement Date.

**Cost of Living Adjustment**

Cost of Living increases are suspended until further order of the Court.



***Section Three:***

***Actuarial Assumptions  
And Methods***

**Actuarial Assumptions**

**Economic Assumptions**

Interest Rate

6.0% (net of all expenses)

**Demographic Assumptions**

Mortality

RP-2014 Employee and Healthy Annuitant tables adjusted back to 2006 and then projected with generational improvements using the most recently available scale – MP-2020 for this valuation.

Termination of Employment

A participant is assumed to terminate employment for reasons other than retirement or death in accordance with annual rates as illustrated below:

<u>Service</u>	<u>Annual Rates</u>
5	11.68%
10	6.87%
15	5.12%
20	3.93%
25	2.97%

Retirement Age

A participant is assumed to retire in accordance with annual rates as illustrated below:

<u>Age</u>	<u>Annual Rates of Retirement</u>
60-63	15%
64	20%
65	25%
66-67	30%
68+	100%

For participants with 30 years of service (regardless of age), rates are increased to 30%.

Disability	None assumed
Marital Assumption	100% of active participants are assumed to be married. Husbands are assumed to be three years older than their wives.

### **Assumption Changes**

The mortality projection scale was updated to MP-2020. Previously, MP-2019 had been used.

### **Actuarial Funding Method – Traditional Unit Credit**

The actuarial present values of all benefits allocated to all valuation years preceding the actuarial valuation date is the actuarial accrued liability.

The actuarial gain (loss) is a measure of the difference between actual experience and that expected based upon the actuarial assumptions between two actuarial valuation dates. Under this actuarial cost method, the actuarial gains (losses) are directly calculated and reduce (increase) the unfunded actuarial accrued liability.

The expected rate of return and the corresponding discount rate is expected to be net of all Plan expenses.

### **Assessment and Disclosure of Risk**

The Actuarial Standards of Practice require the plan's actuary to assess certain risks to the plan. Specifically, the impact of future events that may differ significantly from the assumptions used to produce the current actuarial valuation. The purpose of this information is to make the plan sponsor aware of such risks. For a more detailed analysis of any of these items, please contact our office.

**Assumptions:** Actuarial assumptions such as interest rates, rates of retirement as well as mortality tables are important factors in measuring the plan's liabilities. Each actuarial assumption used in this valuation is reasonably related to the past experience of the Plan and represents reasonable expectations of future experience under the Plan. With advice from the actuary, the Special Fiduciary approves the assumptions for the valuation. If there is a decrease in the assumed future return on plan investments, the measurement of plan liabilities will increase. Updates to mortality tables often extend life expectancies, which also results in an increase to the measurement of plan liabilities.

**Contribution Risk:** Funding of less than the contributions agreed upon by the settlement with the Singing River Health System will not fully fund the Plan on a long-term basis. If the Plan is underfunded, additional benefit reductions may be required.

**Investment Risk:** Plan assets include contributions and asset earnings. The Plan's investment portfolio should take into consideration the funded status of the Plan, anticipated future contribution levels, and the expected future years of the Plan. Investment performance may have a significant impact on future required contributions to fully fund the Plan on a long-term basis.

**Demographic Risk:** Demographic changes from year to year can have a significant impact on valuation results.



***Section Four:***  
***Valuation Data***

**Summary of Asset Information**

(1) Market Value of Assets at September 30, 2020	103,044,000
(2) Contributions (settlement payments)	4,200,000
(3) Benefit Payments	(12,562,000)
(4) Expected Investment Return	
On Beginning of Plan Year Value	6,183,000
On Contributions	73,000
On Benefit Payments	(377,000)
Total	5,879,000
(5) Expected Assets at September 30, 2021	100,561,000
(6) Market Value of Assets at September 30, 2021	116,875,000
(7) Gain / (Loss) during Plan Year, (6) – (5)	16,314,000
(8) Unrecognized gains / (losses)	
(a) 80% of the year just ended, (80% x (7))	13,051,000
(b) 60% of two years prior	(1,169,000)
(c) 40% of three years prior	N/A
(d) 20% of four years prior	N/A
(e) Total unrec. gains / (losses), (sum of (a)–(d))	11,882,000
(9) Actuarial Value of Assets (6) - (8e), 90-110% of (6)	105,188,000
Rate of Return – Actuarial Value, net of all expenses	8.9%
Rate of Return – Market Value, net of all expenses	22.4%
(10) Present Value of Scheduled Settlement Contributions	63,606,000
(11) Market Value plus PV of Sched. Contribs., (6) + (10)	180,481,000
(12) Actuarial Val. plus PV of Sched. Contribs., (9) + (10)	168,794,000

## Participant Summary

### Retirees and Beneficiaries Included in the Valuation

There were 805 retirees and beneficiaries included in the valuation, with annual pensions totaling \$12,252,199. The breakdown by age division is as follows:

<b>Attained Ages</b>	<b>Number</b>	<b>Average Annual Pensions</b>
40-44	1	\$ 3,702
45-49	1	6,752
50-54	4	17,679
55-59	32	19,351
60-64	140	17,232
65-69	228	17,295
70-74	177	16,904
75-79	122	10,515
Over 80	100	9,214
<b>Total</b>	<b>805</b>	<b>\$15,220</b>

### Vested Terminated Members Included in the Valuation

There were 167 vested terminated members included in the valuation, with annual pensions totaling \$1,880,810. The breakdown is as follows:

<b>Attained Ages</b>	<b>Number</b>	<b>Average Annual Pensions</b>
30-34	2	\$ 2,736
35-39	6	3,621
40-44	13	7,051
45-49	33	11,457
50-54	36	12,929
55-59	51	11,647
60-64	23	12,872
65-69	2	12,573
70-74	1	3,190
<b>Total</b>	<b>167</b>	<b>\$11,262</b>

**Active Members – Age and Service Distribution**

Age	Service							Total
	5-9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	Over 35	
20 - 24								
25 - 29								
30 - 34		8						8
35 - 39		11	5					16
40 - 44		16	13	8				37
45 - 49		16	15	25	8			64
50 - 54		15	17	30	19	6		87
55 - 59		12	11	21	21	6	1	72
60 - 64		16	10	21	17	11	1	76
65+		<u>6</u>	<u>6</u>	<u>4</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>23</u>
Total		100	77	109	68	25	4	383

**Total Active Participant Information**

	2021	2020	2019
Active Members	383	419	450
Average Age (yrs.)	53.7	53.0	52.2
Average Service (yrs.)	20.6	19.6	18.8

**Reconciliation with Prior Year**

	<b>Actives</b>	<b>Retirees &amp; Beneficiaries</b>	<b>Vested Terminations</b>	<b>Non -Vested Terminations</b>
October 1, 2020 Participants	419	798	168	497
Corrections				(1)
Retirements	(18)	29	(11)	
Deaths	(1)	(27)		
New Beneficiaries		6		
Benefits Expired		(1)		
Terminations				
- Vested	(14)		14	
- Non-vested				
- Lump Sums	(3)		(4)	(57)
October 1, 2021 Participants	383	805	167	439

					Target	Actual	Target
	10/1/2016 - 9/30/2017	10/1/2017 - 9/30/2018	10/1/2018 - 9/30/2019	10/1/2019 - 9/30/2020	10/1/2020 - 9/30/2021	10/1/2020 - 9/30/2021	10/1/2021 - 9/30/2022
Actuarial - MCG			Included in admin	48,100	45,000	47,846	90,000
Administration - Transamerica (Includes some custody and BP Administration - MCG			86,231		-		-
			119,000	100,000	100,000	100,000	100,000
Special Fiduciary - Christian			90,994	92,845	93,000	90,983	93,000
Audit - DHG - BKD - WK			26,000	28,300	26,000	15,152	28,000
Legal - Mikhail			19,368	12,128	10,000	12,420	10,000
SF - Insurance			31,299	31,299	34,000	34,376	37,000
Website			1,250	1,250	1,500	1,250	1,500
Custody - Trustmark			9,385		-	0	-
Custody and BP fees - Fifth Third			29,749	36,277	40,000	44,356	45,000
<b>TOTAL ADMIN FEES</b>	<b>755,109</b>	<b>709,152</b>	<b>413,276</b>	<b>350,199</b>	<b>349,500</b>	<b>346,383</b>	<b>404,500</b>
<b>Investment Advisory Fees Fiduciary Vest</b>			59,649	64,806	60,000	54,507	0
<b>Investment Advisory/Mgmt Fees FCI</b>			112,030	207,655	200,000	216,835	200,000
<b>Investment Advisory Fees Other</b>			2,250				
<b>Investment Management Fees</b>			679,000	573,597	400,000	616,059	300,000
<b>TOTAL INVESTMENT FEES</b>	<b>926,000</b>	<b>900,000</b>	<b>852,929</b>	<b>846,058</b>	<b>660,000</b>	<b>887,401</b>	<b>500,000</b>
<b>TOTAL PLAN FEES - ALL</b>	<b>1,681,109</b>	<b>1,609,152</b>	<b>1,266,205</b>	<b>1,196,257</b>	<b>1,009,500</b>	<b>1,233,784</b>	<b>904,500</b>