

IN THE CHANCERY COURT OF JACKSON COUNTY, MISSISSIPPI

IN RE: Lay, et al. v. Singing River Health System, et al.; Cause No. 2015-0060

REPORT BY SPECIAL FIDUCIARY TRACI M. CHRISTIAN

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 October, 2024.

Plan Investments

Attached for the Court's review is a report showing asset positions and activity for the month ending September 30.

Of note this month:

- Another good month for asset growth with almost every asset class seeing positive returns.
- The market remains very resilient despite uncertainty around the upcoming election and numerous global confrontations.
- The scheduled \$4.5 million hospital contribution was made on 9/30.
- There were no changes to asset classes during the month.

The Plan's 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. **As of September 30, the market value of the Trust is \$103.393 million.**

The Special Fiduciary with the advice of the Plan's independent investment advisor continues to monitor this allocation and make changes within the Investment Policy Statement targets.

Repeated - Financial Audit of the Fund

An audit for the year ended September 30, 2023 is underway and will be completed by the audit firm of Williams Keepers. Our auditors will also be completing the audit for the year ending September 30, 2024 at the same time this year.

By combining the two years' audits, we will have the 2024 results sooner as well as save on fees with the added efficiency.

Actuarial Valuation as of October 1, 2024

The Special Fiduciary is planning to present the results of the October 1, 2024 Actuarial Funding Valuation at the hearing on November 25, 2024.

This report is in process and will contain information related to the Court's order of April 12, 2018 that "The Special Fiduciary shall institute the 90% to 110% funding level corridor ...". This report is expected to confirm that the Plan is within that corridor at **over 98%** as of the October 1, 2024 valuation date and **no recommendation for changes to benefits will be forthcoming.**

Also included with the report – as in years past – will be a summary of all Plan expenses for the year and targeted expenses for the current year.

Repeated - Hearing Scheduled for November 25, 2024

The Special Fiduciary will appear in person at the hearing scheduled for November 25th at 10:30am. Brian Perrot, the Plan's investment advisor with FCI Advisors is also planning to attend in person.

Notice of the hearing has been posted to Plan's website.

Administration

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

This concludes the report for the 16th day of October, 2024.

Respectfully submitted,



TRACI MILLER CHRISTIAN

Singing River Health System Employees' Pension Plan Trust

One Month Ended

Mark to Market Accounting Summary

September 30, 2024

Investment (\$000's)	Beginning Market Value	Net Additions/ Withdrawals	Interest/ Dividends/Fees	Gains/ Losses	Ending Market Value
Total	97,245	4,551	69	1,528	103,393
Money Market in Distribution Account	1,628	5,303	10	-	6,941
Money Market in Mutual Fund Account	813	(810)	-	-	2
FCI Advisors Fixed Income	12,984	(0)	40	134	13,158
Vanguard High Yield Corp Adm Fund	1,058	5	-	8	1,071
FCI Advisors Value Equity	5,903	(0)	14	56	5,973
Schwab S&P 500 Index Fund	13,507	-	-	288	13,795
FCI Advisors Select Growth Equity	6,170	(0)	3	134	6,307
Fidelity Mid Cap Index	11,258	-	-	248	11,506
Westfield Capital	3,023	(0)	2	80	3,105
Vanguard Real Estate Index	1,501	13	-	37	1,550
Fidelity Total International Index	9,521	-	-	235	9,756
DFA International Small Cap Value	869	9	-	6	884
Fidelity Emerging Markets Index Prem	3,599	-	-	214	3,813
DFA US Small Cap I	2,681	7	-	16	2,704
DFA Emerging Markets Core Equity I	2,278	24	-	93	2,396
Gramercy Distressed Opportunities Fund II ¹	1,032	-	-	-	1,032
Elliott International Ltd. ¹	7,092	-	-	-	7,092
Invesco US Income	4,636	-	-	(20)	4,616
Eastern Timberland Opportunities II ²	4,424	-	-	-	4,424
Eastern Timberland Opportunities III ²	3,266	-	-	-	3,266

¹Valuation date: 08/31/2024 using estimated monthly investment performance²Valuation date: 06/30/2024 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.