



Bert Fish Medical Center, Inc.
Pension Trustee Financial Report

Four Month Period Ended June 30, 2020 &
Fiscal Year to Date Ended June 30, 2020

Issued: 7/10/2020

Bert Fish Medical Center, Inc. Pension Trustee Financial Report

Management's Discussion and Analysis

Two month period ended June 30, 2020 and fiscal year to date ended June 30, 2020

This financial report presents management's discussion and analysis of the Bert Fish Medical Center Inc. Pension Plan Trust ("Plan") financial performance during the months of March through June 2020 and the fiscal year to date ended June 30, 2020. The purpose is to provide an overview of the financial activities of Bert Fish Medical Center Inc. Pension Plan Trust based on currently known facts and conditions.

Bert Fish Medical Center, Inc. Pension Trust Fund Statement of Fiduciary Net Position June 30, 2020

	BFMC Pension Trust Fund
<u>Assets</u>	
Cash	\$ 3,667,660
Investments	41,160,675
Total cash and investments	44,828,335
<u>Other Assets</u>	
Prepaid beneficiary payments	190,287
Total other assets	190,287
Total Assets	45,018,622
<u>Liabilities</u>	
Accounts and accrued payables	33,605
Total current liabilities	33,605
Total Liabilities	33,605
Net position restricted for pension	\$ 44,985,017
* Actuary measured pension liability as of 1/1/19	\$ 36,097,803
The pension liability is measured annually	

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Cash: Cash only includes the cash held by the Plan's trust account with Bank of America. Cash was approximately \$3.7 million and \$79,000 at June 30, 2020 and September 30, 2019 respectively. The increase in cash was a result of eighteen months of estimated benefit payments (\$4.4 million) being withdrawn from investments and placed into the Pension Trust bank account to safeguard the Plan's assets against the existing market conditions.

Investments: Investments were approximately \$41.2 and \$47.4 million dollars at June 30, 2020 and September 30, 2019, respectively. The decrease of \$6.2 million dollars is primarily the result of withdrawals from investments for the Plan to make beneficiary payments, to pay for administrative costs to operate the Plan, and to safeguard 18 months of beneficiary payments as a result of the existing market conditions, as well as negative investment income activity.

Prepaid beneficiary payments: Prepaid beneficiary payments totaling \$190,287 represents beneficiary payments scheduled for the 1st of the following month that are currently in transit to the beneficiary's bank.

Liabilities:

Accounts and accrued payables: Accounts and accrued payables totaling \$33,605 primarily consist of payables due for actuarial service fees and investment management fees.

Net position restricted for pension benefits: Net position restricted for pension benefits was approximately \$45.0 million at June 30, 2020 compared to \$47.7 million at September 30, 2019. The decrease of \$2.7 million reflects the changes discussed above and in the Statement of Changes in Fiduciary Net Position section of the report. This amount does not include the actuarial measured \$36.1 million pension liability that is indicated by a "*" on the financial statements.

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Bert Fish Medical Center, Inc. Pension Trust Fund Statement of Changes in Fiduciary Net Position October - June 30, 2020

	FYTD 2020 Actual	FYTD 2020 Budget	Actual % to Budget
Additions:			
Employer contributions	\$ -	\$ -	-
Investment income/(loss)	(761,289)	2,893,866	-126%
Other receipts	-	-	-
Total additions	(761,289)	2,893,866	-26%
Deductions:			
Administrative expenses	56,746	155,512	36%
Pension beneficiary payments	1,848,561	2,600,345	71%
Total deductions	1,905,307	2,755,857	69%
Increase in net position held in trust for pension	(2,666,595)	138,009	-2032%
Net position restricted for pension—beginning	47,651,613	47,651,613	100%
Net position restricted for pension—ending	\$ 44,985,017	\$ 47,789,622	94%

* Actuary measured pension liability as of 1/1/19
The pension liability is measured annually

\$ 36,097,803

Additions:

Employer contributions: Employer contributions through the month of June 2020 were \$0.

Deductions:

Administrative expenses: Administrative expenses totaled \$42,309 and \$56,746 for the four month period ended June 30, 2020 and the fiscal year to date ended June 30, 2020, respectively.

Administrative expenses are below budget as a result of the investment management firm not reaching their 2% performance goal during the first year of the performance based fee contract year.

Administrative expenses include investment management fees, actuarial service fees, legal fees, bank fees, and supply expenses.

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Pension beneficiary payments: The Plan paid \$816,804 and \$1,848,561 in beneficiary payments for the four month period ended June 30, 2020 and the fiscal year to date ended June 30, 2020, respectively. This is in line with budget expectations.

Investment gain/(loss): The Plan investments experienced an investment loss of (\$0.9) million and a loss of (\$0.8) million for the four month period ended June 30, 2020 and the fiscal year to date ended June 30, 2020, respectively. Investment income is currently below budget as a result of negative market activities.

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Supplementary Schedules

Bert Fish Medical Center, Inc. Pension Trustee Financial Report

Management’s Discussion and Analysis

Two month period ended June 30, 2020 and fiscal year to date ended June 30, 2020

**Bert Fish Medical Center, Inc. Pension Trust Fund
Statement of Changes in Fiduciary Net Position
March - June 30, 2020**

	Mar-Jun 2020 Actual	FYTD 2020 Budget	Actual % to Budget
Additions:			
Employer contributions	\$ -	\$ -	-
Investment income/(loss)	(853,517)	2,893,866	-129%
Other receipts	-	-	-
Total additions	(853,517)	2,893,866	-29%
Deductions:			
Administrative expenses	42,309	155,512	27%
Pension beneficiary payments	816,804	2,600,345	31%
Total deductions	859,113	2,755,857	31%
Increase in net position held in trust for pension	(1,712,629)	138,009	-1341%
Net position restricted for pension—beginning	46,697,647	47,651,613	98%
Net position restricted for pension—ending	\$ 44,985,017	\$ 47,789,622	94%

* Actuary measured pension liability as of 1/1/19
The pension liability is measured annually

\$ 36,097,803