

Summary Annual Report

Summary Annual Report for Greenwood Leflore Hospital (the "Hospital") Pension Plan (the "Plan")

This is a summary of the annual report for Greenwood Leflore Hospital Pension Plan for the year ending September 30, 2016. The trustee for the plan is Regions Bank, 210 East Capitol Street – Third Floor, Jackson, Mississippi 39201.

Basic Financial Statement Information

Benefits under the Plan are funded by cash contributions as determined by the Board of Directors of the Hospital and investment earnings on assets held by the Plan. Plan expenses were \$2,132,053. These expenses included \$78,351 in administrative expenses and \$2,053,702 in benefits paid to participants and beneficiaries. A total of 1,261 persons were participants in or beneficiaries of the Plan at the end of the Plan year.

The Plan fiduciary net position was \$30,631,865 as of September 30, 2016, compared to \$29,139,299 as of September 30, 2015. During the fiscal year, the Plan experienced an increase in its net position of \$1,492,566. The Plan had total income of \$3,624,619, including employer contributions of \$1,394,632, unrealized appreciation (the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the fiscal year) of \$1,231,370 and earnings (interest and dividends) from investments of \$998,617. The Plan had total expenses of \$2,132,053, including benefits paid of \$2,053,702 and administrative expenses of \$78,351.

Total Plan assets of \$30,631,865 included cash and cash equivalents of \$307,812, accrued income receivable of \$23,258 and investments at fair value of \$30,300,795. There were no Plan liabilities.

Basic Actuarial Information

The net pension liability was \$15,437,502 as of September 30, 2016, compared to \$17,229,050 as of September 30, 2015. The net pension liability is the net of total pension liability of \$46,069,367 and Plan fiduciary net position of \$30,631,865. During the fiscal year, the Plan experienced an overall decrease in its net pension liability of \$1,791,548. The change in the net pension liability is detailed as follows:

Total pension liability	
Interest	\$ 3,384,889
Differences between expected and actual experience	(294,088)
Changes of assumptions	(1,336,081)
Benefits paid	<u>(2,053,702)</u>
Net change in total pension liability	(298,982)
Total pension liability – beginning	<u>46,368,349</u>
Total pension liability – ending	<u>46,069,367</u>

Basic Actuarial Information - Continued

Plan fiduciary net position	
Contributions – employer	\$ 1,394,632
Net investment income	2,229,987
Benefit payments	(2,053,702)
Administrative expenses	<u>(78,351)</u>
Net change in plan fiduciary net position	1,492,566
Plan fiduciary net position – beginning	<u>29,139,299</u>
Plan fiduciary net position – ending	<u>30,631,865</u>
Net pension liability	<u>\$ 15,437,502</u>

The Plan fiduciary net position as a percentage of the total pension liability amounted to 66.5 percent.

During the fiscal year, the actuarially determined contribution was \$1,394,632 and the contribution made was \$1,394,632 resulting in a \$-0- contribution deficiency.

For the fiscal year, the annual money weighted rate of return, net of investment expenses was 7.91 percent.

Rates of Return

Rates of return, net of total investment expense, on assets of the retirement plan overall for the most recent one-, three-, five- and ten-year periods along with rates of return on appropriate benchmarks are as follows:

	<u>Plan</u>	<u>S&P 500 Stock Index</u>	<u>Citigroup Bond Index</u>	<u>90-Day T-Bills</u>	<u>Consumer Price Index</u>
One-year	7.8%	12.6%	3.6%	0.3%	1.5%
Three-year	5.3%	10.2%	6.6%	0.4%	1.1%
Five-year	8.9%	15.8%	4.7%	0.3%	1.3%
Ten-year	5.0%	7.4%	7.2%	1.0%	1.8%

Investment Expenses

Total investment expense and total general administrative expense for the fiscal year expressed as a percentage of the fair value of assets of the retirement plan on the last day of the fiscal year and an equivalent percentage for the preceding five (5) fiscal years are as follows:

<u>Years</u>	<u>Investment Expenses</u>	<u>Total Admin Expenses</u>
2016	0.26%	0.26%
2015	0.27%	0.30%
2014	0.29%	0.34%
2013	0.32%	0.32%
2012	0.33%	0.33%
2011	0.52%	0.52%

Your Rights to Additional Information

You have the right to view at the principal office of the administrator:

- The governing law of the retirement plan.
- The most recent summary Plan description.
- Summary descriptions of modifications or changes that have been provided to participants and beneficiaries but not yet integrated into the summary Plan description.
- The most recent annual disclosure of financial and actuarial status.
- The most recent annual report (which includes the items listed below that are not already fully disclosed above):
 - Name and business address of the Plan Administrator.
 - Name and business address of the agent for the service of process.
 - Financial statements and notes to the financial statements prepared in conformity with generally accepted accounting principles.
 - An opinion of the financial statements by a qualified public accountant in conformity with general accepted auditing standards.
 - Actuarial schedules and notes to the actuarial schedules in conformity with generally accepted actuarial principles and practices for measuring pension obligations.
 - An opinion by a qualified actuary that the actuarial schedules are complete and accurate to the best of the actuary's knowledge, that each assumption and method used in preparing the schedules is reasonable, that the assumptions and methods in the aggregate are reasonable, and that the assumptions and methods in combination offer the actuary's best estimate of the anticipated experience.
 - A description of any material interest held by the Hospital in any material transaction with the retirement plan within the last three (3) years or proposed to be effected.
 - A description of any material interest held by any trustee, administrator or employee who is a fiduciary with respect to the investment and management of assets of the Plan in any material transaction with the retirement plan within the last three (3) years or proposed to be effected.
 - A schedule of all assets held for investment purposes on the last day of the fiscal year aggregated and identified by issuer, borrower, lessor or similar party to the transactions stating, if relevant, the asset's maturity date, rate of interest, par or maturity value, number of shares, cost and fair value and identifying any assets that is in default or classified as uncollectible.

Additionally, upon written request, you have the right to receive a copy of any publication listed above or a participant or beneficiary statement containing information that would permit the participant or beneficiary to estimate projected benefits reasonably. The participant or beneficiary statement shall be provided within thirty (30) days after the participant's or beneficiary's request.

To view a publication/statement or obtain a copy, or any part thereof write or call the office of Key Britt, Plan Administrator, who is the Vice President of Administrative Services, Greenwood Leflore Hospital, 1401 River Road, Greenwood, Mississippi 38930 (telephone: 662.459.2605).